UNITED STATES INVESTOR

Digitized by Google

ARTES VERITAS SCIENTIA
LIBRARY OF THE
UNIVERSITY OF MICHIGAN
SI QUAERIS PENINSULAM AMOENAM CIRCUMSPICE

HG
4501
.M58

ARTES SCIENTIA
LIBRARY VERITAS OF THE
UNIVERSITY OF MICHIGAN
SI QUAERIS PENINSULAM AMOENAM CIRCUMSPICE

HG
4501
.1458

Digitized by Google

GENERAL LIBRARY,
UNIV. OF MICH.
JUL 3 1911

United States Investor

Eighteenth Annual Convention New York Bankers' Association, Manhattan Beach, June 22 and 23, 1911

Volume XXII. BOSTON, NEW YORK AND WASHINGTON, JULY 1, 1911 Number 26

THE

FOURTH NATIONAL BANK

OF THE CITY OF NEW YORK

OFFICERS

JAMES G. CANNON, President

SAMUEL S. CAMPBELL, Vice-President

CHARLES H. PATTERSON, Vice-President

DANIEL J. ROGERS, Cashier

ERNEST W. DAVENPORT, Ass't Cashier

CHARLES E. MEEK, Ass't Cashier

DIRECTORS

JAMES G. CANNON	L. F. LOREE
CORNELIUS N. BLISS	EUGENE DELANO
ROBERT W. STUART	M. ORME WILSON
WILLIAM S. OPDYKE	ELBRIDGE G. SNOW
T. FRANK MANVILLE	WELDING RING
THOS. H. McKITTRICK	MORTON F. PLANT
MORTIMER L. SCHIFF	SAMUEL S. CAMPBELL

Capital and Surplus :: :: $10,000,000

THE

Liberty National Bank

OF NEW YORK

139 BROADWAY

FREDERICK B. SCHENCK
President

DANIEL G. REID
Vice-President

ZOHETH S. FREEMAN
Vice-President

CHARLES W. RIECKS
Vice-President
and Cashier

FRED'K P. McGLYNN
Assistant Cashier

HENRY S. BARTOW
Assistant Cashier

HENRY P. DAVISON
Chairman Executive Com.

DIRECTORS

GEORGE B. CASE
E. C. CONVERSE
HENRY P. DAVISON
ZOHETH S. FREEMAN
T. A. GILLESPIE
FRANCIS L. HINE
ARTHUR F. LUKE
HOWARD W. MAXWELL
AMBROSE MONELL
CHARLES A. MOORE
DANIEL G. REID
CHARLES W. RIECKS
FREDERICK B. SCHENCK
CHARLES H. STOUT
HENRY C. TINKER
CHARLES H. WARREN

CAPITAL SURPLUS AND PROFITS

$3,700,000.00

THE CHASE NATIONAL BANK

OF THE CITY OF NEW YORK

Clearing House Building - - - No. 83 Cedar Street

UNITED STATES DEPOSITORY

(MARCH 7th, 1911)

CAPITAL	$ 5,000,000
SURPLUS AND PROFITS (Earned) . .	8,382,871
DEPOSITS	118,548,760

OFFICERS

A. BARTON HEPBURN, Chairman of the Board

ALBERT H. WIGGIN, President
SAMUEL H. MILLER, Vice-President
HENRY M. CONKEY, Cashier
CHARLES C. SLADE, Asst. Cashier
EDWIN A. LEE, Asst. Cashier
WILLIAM E. PURDY, Asst. Cashier
ALFRED C. ANDREWS, Asst. Cashier

DIRECTORS

HENRY W. CANNON
JAMES J. HILL
GRANT B. SCHLEY
A. BARTON HEPBURN
JOHN I. WATERBURY
GEORGE F. BAKER
ALBERT H. WIGGIN
GEORGE F. BAKER, Jr.
FRANCIS L. HINE

WE RECEIVE ACCOUNTS OF

Banks, Bankers, Corporations, Firms or Individuals on favorable terms, and shall be pleased to meet or correspond with those who contemplate making changes or opening new accounts

FOREIGN EXCHANGE DEPARTMENT

Digitized by Google

The Mechanics and Metals National Bank

OF THE CITY OF NEW YORK

Capital - - - - -	$6,000,000
Surplus - - - - -	$6,000,000

OFFICERS

GATES W. McGARRAH, Pres.
ALEXANDER E. ORR, Vice-Pres.
NICHOLAS F. PALMER, Vice-Pres.
FREDERIC W. ALLEN, Vice-Pres.
FRANK O. ROE, Vice-Pres.

WALTER F. ALBERTSEN, Vice-Pres.
JOSEPH S. HOUSE, Cashier.
ROBERT U. GRAFF, Asst. Cash.
JOHN ROBINSON, Asst. Cash.
CHARLES E. MILLER, Asst. Cash.

DIRECTORS

FREDERIC W. ALLEN
JAMES M. BECK
JAMES C. BISHOP
CHARLES F. BROOKER
DANIEL BARNES
W. R. CRAIG
THOMAS F. COLE
OTIS H. CUTLER
STANLEY FIELD
THOMAS P. FOWLER
HORACE E. GARTH
H. O. HAVEMEYER
H. H. HEWITT
HENRY HENTZ
THOMAS H. HUBBARD
WILLIAM A. JAMISON
CLARENCE H. KELSEY
ADOLPH LEWISOHN
LOWELL LINCOLN
GATES W. McGARRAH
V. EVERIT MACY
HENRY R. MALLORY
EDGAR L. MARSTON
S. T. MORGAN
ALEXANDER E. ORR
WILLIAM A. PAINE
ROBERT C. PRUYN
NICHOLAS F. PALMER
CHARLES M. PRATT
GEORGE W. QUINTARD
HENRY H. ROGERS
F. W. ROEBLING
PERCY A. ROCKEFELLER
JOHN D. RYAN
CHARLES H. SABIN
GEORGE R. SHELDON
R. M. STUART-WORTLEY
HENRY B. STOKES

Depository of the United States, State and City of New York

THE FIRST NATIONAL BANK

ALBANY, N. Y.

Capital - - - -	$ 600,000.00
Surplus and Undivided Profits	265,000.00
Deposits - - - -	8,900,000.00

OFFICERS:

FREDERICK A. MEAD, Pres.
HORACE G. YOUNG, Vice-Pres. JOHN J. GALLOGLY, Vice-Pres.
HUGH A. ARNOLD, Cashier

New York and New England Collections Solicited

CORRESPONDENCE INVITED

A Strictly Commercial Bank

Irving National Exchange Bank

A Convenient and Serviceable
New York Depository
for Out-of-Town Banks and Bankers

COMPARATIVE GROWTH

Date	Capital	Surplus and Profits	Deposits	Assets
Dec. 31st, 1898	$300,000	$53,400	$2,045,400	$2,651,700
June 7th, 1911	$2,000,000	$1,897,600	$31,251,800	$35,965,000

OFFICERS

LEWIS E. PIERSON, President

JAMES E. NICHOLS, Vice-President — ROLLIN P. GRANT, Vice-President — BENJ. F. WERNER, Vice-President

HARRY E. WARD, Cashier

DAVID H. G. PENNY, Asst. Cashier — RICHARD J. FAUST, Jr., Asst. Cashier — J. FRANKLYN BOUKER, Asst. Cashier

West Broadway & Chambers St., New York

New York Bankers' Convention

Discussions of Aldrich Plan at the Regular Sessions and an Address by the President of the United States at the Banquet the Principal Features.

Joseph T. Talbert, William C. Poillon and John Harsen Rhoades also make Notable Addresses.

OFFICERS 1911-1912.

President
Walter H. Bennett, New York City

Vice-President
Cornelius A. Pugsley, Peekskill

Secretary
William J. Henry, New York City

Treasurer
E. L. Milmine, Schenectady

FIRST DAY

Immediately after prayer had been offered by the Rev. James M. Farrar, D. D., of Brooklyn, President L. W. Mott was presented a gavel in the name of the association. President Mott next delivered his address.

Annual Address of the President.

[By Luther W. Mott.]

It is a very great pleasure to reach so many members of the New York State Bankers' Association at our annual convention. It is particularly gratifying to see so many representatives of the New York City bankers here. It had been the belief among the country bankers that the bankers of the City of New York, as a rule, do not realize the importance of the work which this association has done and is doing for the entire banking fraternity of the state.

If the great bankers of New York would simply figure out the saving in taxation which was accomplished a few years ago by the work of the special committee under the chairmanship of Mr. Adsit, they would realize that the trivial amount of dues paid to the association has

BEEN RETURNED TO THEM

many times, but it is more than the mere payment of dues and a membership in the association which is desired, and up-state bankers have taken an active interest in the association, and have given freely of their time and energy to bring it to its present position. While a number of the bank officers of the city have cooperated, and have done more, perhaps, than their share in this work, still a very large percentage of the prominent bankers of New York City are totally unfamiliar with the work which our association has done.

The past year, as you will see from the reports which will be presented a little later, has been a very active one. It has been made notable by the establishment of permanent headquarters for the association in the City of New York. This was thought to be experimental at first, but the results have very amply justified the additional expenditure. The work of the permanent secretary has been of such a character that it is difficult to see how the association prospered as well as it did in the days when we could not command the entire time of our secretary. A year ago, when the matter was under discussion, some of us believed that financially the new movement would not succeed, but a very large number of new members which have been obtained through the efforts of the secretary and the constant use of headquarters have shown that we could not well take a step backward and do without them. Of course, the expenditures on account of headquarters have been larger this year than they will be again, on account of the necessity of buying furniture, etc.

We have had a very efficient

LEGISLATIVE COMMITTEE,

which has worked faithfully during the year. For the first time in the history of the association, the trust companies and savings banks of the state have been represented on this committee, and no trouble has been found by the representatives of the various classes of banks in coming together for the common good. While not very much positive legislation affecting banks has been passed at Albany as yet, the committee has accomplished much more than can be told in the way of preventing unnecessary or harmful legislation. It would perhaps surprise those present to read a list of the measures which have been proposed at Albany, some seriously menacing the banks of the state, and others with no apparent reason for their passage. This branch of the association work is of the utmost importance, and every bank in the state is the gainer for the New York State Bankers' Association having an efficient committee at work watching legislation at Albany.

A new committee was appointed, called the Educational Committee. This committee is doing a large and important work in rousing interest among the bank clerks of the state in banking matters.

During the year we have added to our membership quite largely among the trust companies, savings banks and safe deposit companies of the state. It has been very widely suggested that if at our convention we could have all these different classes of financial institutions represented, we would do a great deal towards promoting harmony of action. The American Bankers' Association, as you know, has

A SEPARATE SECTION

for its savings bank members, and another for the trust companies. If something of that sort could be done in this state, with the co-operation of the present associations made up on savings banks and trust companies and safe deposit companies, so that at our annual convention, we might have our general meetings, as we do now, and even have separate sectional meetings for the various classes of banks, I believe that the interest of all will be better served.

We are planning to give up considerable time at this convention to a discussion of the Aldrich Monetary plan, and it is hoped that we will have a frank expression of opinion regarding its various provisions. If the bankers of the country who are most concerned directly in having a good, practical banking system are not united in their support of a measure which is intended to benefit all, it is hard to see how we can expect that legislators who are not familiar with the subject in hand can unite in giving the country relief, but if the bankers of the country present a solid front at Washington in behalf of a measure which is shown not to be in their own selfish interest, I believe they can obtain just what they want. New York state banks represent a very large proportion of the money invested in banks of the United States, and also in the total amounts of deposits. Our bankers, therefore, should be willing to

TAKE THE LEAD

in this movement, and should spare no effort to urge upon Congress the adoption of whatever plan is thought best to remedy the present almost intolerable conditions.

Complaint is made that banking legislation is handled by men unfamiliar with banks, but this must be true of almost all classes of legislation, for it is impossible to have our lawmakers experts in every subject. I believe, however, that the average member of a legislature, state or national, is always ready to receive advice from

men qualified to give it along special lines. If the advice is not given, and it is not given the practical unanimity of feeling, we must not blame the lawmakers for sometimes enacting undesirable laws.

Secretary's Report.

[By W. J. Henry.]

When at its annual convention a year ago, the association fixed the tenure of the secretary's office on the basis of proper deportment and a reasonable degree of efficiency, and provided headquarters well equipped for carrying on his work, it imposed upon him the obligation to further the ends for which it was organized—ends that reflect decided advantages alike to the banking interests of the state and the public generally.

The headquarters have been used more freely than was anticipated, and have become the seat of much interest and usefulness to the members The whole scheme of association activity naturally focuses about this centre, and forces, hitherto divided, are now concentrated for more efficient service.

During the year 80 additional banking institutions have allied themselves with us, and this, after allowing for all deductions from whatever cause, brings

THE MEMBERSHIP ROLL

up to 785 institutions.

During the year there have been reported to the protective committee only minor offences of individuals operating against the banks of the state. These have been given proper attention by the committee.

In addition to the enjoyable task of attending group meetings, the secretary has gotten into personal touch with bankers in their various places of business throughout the state. This practice of visiting banks offers excellent opportunity for explaining the work of the association and of keeping members and non-members alike informed on the matters of interest to the bankers of the state generally.

THE PRESIDENT: The next order of business is the reports from group chairmen.

THE SECRETARY: Group I. The report has been handed to me, the chairman not being present, and I will read it.

REPORT OF GROUP I.

Mr. President and members: Group No. I comprises the seven western counties of the state of New York, and its membership consists of every bank covered by this territory with the exception of one national, three state and three savings banks and trust companies. I trust the officers of Group No. I may be able to report next year a complete membership.

The annual meeting of our group was held February 21, 1911, in the city of Buffalo. A banquet was given at the Hotel Iroquois, at which about 130 gentlemen were present. The speakers on that occasion were the Hon. E. B. Vreeland, whom this association had the pleasure of hearing at its last annual session. The subject, "Do We Need a Central Bank?" was enthusiastically and favorably commented upon by all present. This group feels especially honored by having as one of its members, the distinguished gentleman whose reputation and ability is becoming so well known on the great subjects of finance throughout the country. James H. Perkins, of Albany, gave an interesting address on the work of the education committee.

Vice-President Bennett and Secretary Henry favored us by their presence on this occasion. The group is in the most prosperous condition, and we are looking forward to a large summer outing during the coming month, at which a membership of over 100 will participate.

I take this opportunity of thanking Secretary Henry for his very persistent efforts in helping to increase the membership of Group I.

REPORT OF GROUP II.

MR. FRANK H. HAMLIN, of Rochester: The group held a meeting on Saturday, the 17th of June, at the Genessee Valley Trust Company and then proceeded by automobiles to Canadaigua. There were 43 members present, representing about 100 people. In the afternoon at Canadaigua, we were tendered a reception, and in the evening we returned to Rochester, where we had dinner at the Genesee Valley Club. At the meeting a resolution was adopted approving the Aldrich bill.

REPORT OF GROUP III.

MR. ROBERT H. TRENAN, of Ithaca: The membership of the group has, largely, through the efforts of our secretary, been increased to 53 during the past year.

The annual meeting of the group was held last week at which 45 members were present. We have found that it is more to the interests of the group in spending our time in socially visiting each other than it is in giving up the time of the meetings to the reading of long addresses. We have tried both plans and we find that the former gets us more closely in touch with the men with whom we are associated in the line of collections and so on.

WALTER H. BENNETT.
President New York Bankers' Association.

GROUP NO. IV.

MR. J. C. ESTELOW, of Oxford: Conditions in the section comprised within the group have been very favorable for the banks during the past year. Being largely an agricultural district, the steady high prices prevailing for all farm products have brought an unusual degree of pros-

Digitized by Google

CENTRAL TRUST COMPANY

of NEW YORK

54 Wall Street

Capital and Surplus, $18,000,000
(of which $17,000,000 has been earned)

Officers

JAMES N. WALLACE, President

E. FRANCIS HYDE, Vice-Prest. BENJAMIN G. MITCHELL, Vice-Prest.
DUDLEY OLCOTT, Vice-Prest. MILTON FERGUSON, Secretary
FRANK B. SMIDT, Assistant Secretary
CHARLES P. STALLKNECHT, Assistant Secretary

Board of Trustees

Samuel Thorne	Dudley Olcott, 2d	Geo. Macculloch Miller
Adrian Iselin, Jr.	Chas. Lanier	Cornelius N. Bliss
E. F. Hyde	A. D. Juilliard	James N. Jarvie
Henry Evans	James Speyer	William A. Read
Dudley Olcott	Henry D. Babcock	James N. Wallace

Jacob H. Schiff James C. Brady

Authorized to act as Executor, Trustee, Administrator or Guardian.
Receives Deposits, subject to check, and allows Interest on Daily Balances.
Acts as Transfer Agent, Registrar and Trustee under Mortgages.

Digitized by Google

perity to the people, a condition which has been reflected in the increased deposits and larger earnings of the banking institutions. While for a short period some of the national banks within the group, which had never, or had not for many years been paying interest on deposits, be-

HON. CORNELIUS A. PUGSLEY.
Vice-President New York Bankers' Association.

gan, and were paying interest at an unusually high rate, these banks are now accepting such deposits on a more conservative basis, with a probability of reduction of the rate to the minimum within a comparatively short time.

There has been some increase in membership, and plans are under way for a personal visit of all non-members of the association by officers of the association, which, we trust will result in further increase of the membership within a short time.

REPORT OF GROUP V.

MR. JAMES H. PERKINS, of Albany: I would say that the membership of our group is now 115, being a net increase during the year of 3. There are now in the district covered by the group 19 banks of discount who are not members of the association, but we hope to get them in.

The annual meeting of the group was held at the Hotel Ten Eyck in Albany, and there were 225 members present.

REPORT OF GROUP VI.

MR. SAMUEL R. BELL, of Larchmont: Group VI can report satisfactory conditions and progress during the past year. The annual meeting of the group was held at the Hotel Martinique, New York City, on December 16, 1910, when the officers for the ensuing year were elected. The business meeting was very interesting and discussions were heard upon various questions, including the matter of deductions of the excessive valuations of bank buildings from the basis of the 1 per cent state tax. We had an atendance of 70 at the meeting, which was followed by a dinner. On June 2 and 3, 1911, we had our usual spring meeting at the Lake Mohonk Mountain House, at Lake Mohonk, New York, this being attended by 126 delegates and guests. The meeting opened with a banquet on the evening of Friday, June 2, and following the banquet we were honored with speeches by Henry Clews, of New York, who spoke upon the pertinent topic of "The Benefactions of Great Wealth," and from the Rev. W. W. T. Duncan, of New Rochelle, and the Rev. Robert Bruce Clark, of Port Jervis. On Saturday morning, June 3, we had the regular business meeting, which was addressed by Mr. William Justus Boies, of New York, and the Hon. John W. Weeks, of the monetary commission upon the practical application of the Aldrich currency plan. These adresses were exceedingly instructive and were followed by a discussion which resulted in the adoption of the following resolution:

RESOLVED, That Group VI of the New York State Bankers' Association approved the general scope of the Aldrich proposal for currency reform and that it favors the creation of a

W. J. HENRY.
Secretary, New York Bankers' Association.

proper discount market in the United States.

RESOLVED, Also that it is the belief of this convention that a bill should be formulated in time for its introduction into Congress at the opening of the next regular session.

RESOLVED, Further, that the secretary be directed to send a copy of these resolutions to the Senators, and each member of the House of Representatives from the state of New York, with a letter requesting their earnest consideration of the subject herein referred to. It is also directed that a copy of the resolutions be sent to all banks embraced within the territory of Group VI.

Our member institutions appear to be in excellent condition, and the interest in present currency questions is very keen within our territory. Group VI is ready to perform its share of the work of banking and commercial progress.

REPORT OF GROUP VII.

A FOSTER SMITH, of Brooklyn: During the year, a number of new banks have been organized, and are meeting with fair success. Most of the older ones have added to their resources and to their prestige. The outlook seems good, and we look forward with confidence.

A number of new members have been added to the group during the year, and these, added to the former members, give us a total of 83.

The annual meeting was held January 10, at the Clarendon Hotel, Brooklyn. After an hour of informal discussion regarding the proposed Aldrich Bill, dinner was served, and we were addressed by Rev. Newell Dwight Hillis and Herbert S. Gunnison.

The annual spring dinner was held at the Hotel Astor, New York City, on April 7. The meeting was well attended, most of the members having at least one representative present, and something over 100 sitting down to dinner. We listened with pleasure to interesting addresses made by Superintendent of Banks, Cheney, Comptroller Prendergast, of the City of New York; Rev. John F. Carson, and Judge Robert H. Roy.

Interest in the work of the group and of the State Bankers' Association is growing among those banks in our territory who are not now members of the association. Inquiries have been received from several, and it is our expectation to add a number of new names to the roll ere the year is out. The territorial limitations of Group VII, being compact as they are, the banks therein must necessarily come in frequent contact, and it will be of great advantage to us all when all

E. L. MILMINE.
Treasurer, New York Bankers' Association.

the financial institutions on Long Island shall be within the fold.

REPORT OF GROUP VIII.

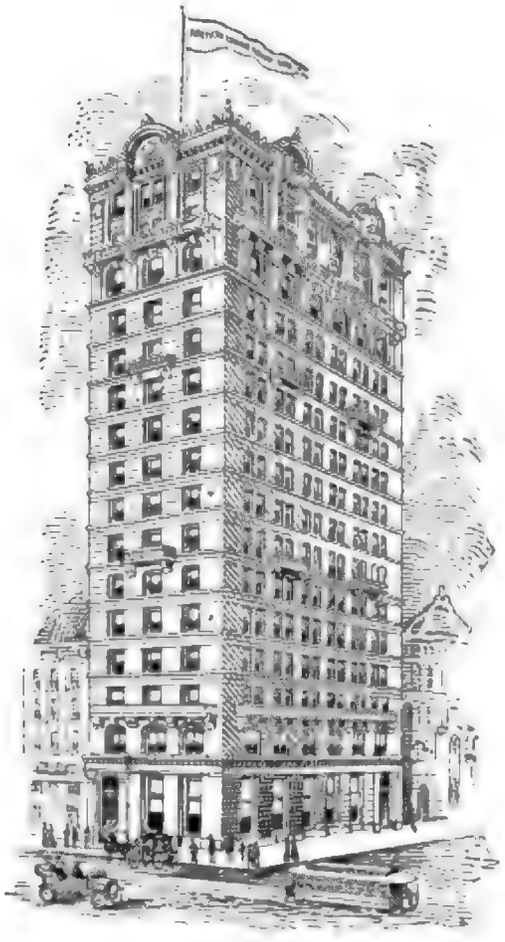
THE PRESIDENT: Mr. Albert H. Wiggin, of New York, is the chairman

Digitized by Google

Organized 1838

The American Exchange National Bank NEW YORK

Nationalized 1865



OFFICERS

LEWIS L. CLARKE, President

EDWARD BURNS, Vice-President
WALTER H. BENNETT, Vice-Pres't and Cashier
A. K. DeGUISCARD, Asst. Cashier
ARTHUR P. LEE, Asst. Cashier
ELBERT A. BENNETT, Asst. Cashier
GEORGE C. HAIGH, Asst. Cashier

Capital Stock Paid In :: :: $5,000,000.00
Surplus and Undivided Profits :: 4,416,000.00

¶ Accounts of Mercantile Firms, Corporations, Banks and Bankers Invited. ¶ We Offer Every Facility Consistent with Sound Banking.

Digitized by Google

of Group VIII. He does not seem to be here at the moment; so we will pass that. The secretary will obtain a report from the group, and insert it in the proceedings.

Committee on Legislation.

[By F. E. Lyford.]

The action of the association in adding to the number of the committee a representative of the savings banks has enabled us to give more satisfaction, and to produce much better results, because the gentleman named, Mr. Miller, has been of a great deal of assistance to us. I was sorry that we were not able to have a representative also from the private bankers. I trust that next year there will be a representative of the private bankers added, because I feel that all branches of the profession should be working together, not only to help along all good legislation that is needed, but to present adverse legislation.

The committee has had four meetings during the year at Albany; the first two being in the nature of a consultation with the superintendent of the banking department, because we believed that the committee should work in conjunction with him, and in every way uphold his plans, and we went over several bills that he suggested our considering, bills that had been presented in the legislature.

The work that the committee does is far greater than really shows upon the surface. I was impressed with the number of bills presented in the legislature this year. Some three years ago I began to look into this matter, and I found there were

OVER 100 BILLS INTRODUCED

in the legislature having to do with matters with which our profession is connected, and this year a very large number have been introduced, I do not know just the figures, and I have sometimes wondered why it was so; and the thought came to me that when we elect men, they go to Albany, and they feel that they must show their constituents that they are doing something, and as corporations, seem to be the shining mark for legislation why the banks come in for more than their share.

Report of Special Committee on Education.

[By Fred. I. Kent.]

Greater efficiency is the popular cry in every line of business. Its necessity is unquestioned. There are many difficulties to be overcome, however, in carrying on a system of education among bank men. Principal among these is the unwillingness of bankers as a whole to give proper consideration to the subject. Outside of the large cities, where bodies of bank men can get together and encourage each other, there is no way so sure of reaching the minds of those engaged in banking as the active and personal interest of the men in control. Every banker who has this brought home to him with sufficient force to induce him to undertake the development of interest in education in his own bank, has found that it not only leads to the greater efficiency of those in his employ, but that it has seemed to have double force through increased contentment of both himself and those working for him.

The New York State Bankers' Association did not have a committee on education until President Mott

APPOINTED SUCH A COMMITTEE

late in the year 1910. In order to test conditions in the state, a series of prizes were offered for papers on various banking subjects, and while this matter was being prepared, the members of the committee were studying the proposition from other points of view, with the idea of endeavoring to find out along what lines it was best to work. Letters were sent to the secretaries of the State Bankers' Associations of every state in the United States, asking whether such associations had committees on education, and if so, what particular line of work was being undertaken. It was found that a number of states had taken up the subject, but that the plans of most of them contemplated development along agricultural lines. This is a particularly vital subject in many states, and the banking business is as dependent upon it as is every other trade and industry. The State Associations in Minnesota and Illinois are doing excellent work along these lines. In Washington, however, the Committee on Education is striving to induce bank men to study the various subjects pertaining to banks and bankers, and it is meeting with very excellent success.

The most important question before the country, which applies directly to bankers, is the Reserve Association plan of Senator Aldrich. An arrangement was made by the Educational Committee with the Monetary Commission to have copies of the Aldrich plan sent to every member of the New York State Bankers' Association. In order to make it possible for those interested to consider the different phases of the Reserve Association, an arrangement was made with the Academy of Political Science in New York City, to furnish, at cost, to members of the New York State Bankers' Association, who desired them, copies of the proceedings of the Academy at a special meeting held in New York City.

GEORGE C. VAN TUYL.
Superintendent of Banks, State of New York.

Digitized by Google

NATIONAL COMMERCIAL BANK

ALBANY, NEW YORK

CAPITAL - - - -	*$1,000,000*
SURPLUS AND UNDIVIDED PROFITS -	*1,713,000*
DEPOSITS - - - -	*22,700,000*

OFFICERS

ROBERT C. PRUYN, President — JAMES H. PERKINS, Vice-Pres. — WALTER W. BATCHELDER, Asst. Cashier
JOHN E. WALKER, Vice-Pres. — EDWARD J. HUSSEY, Cashier — JACOB H. HERZOG, Asst. Cashier

Let Us Collect Your New York and New England Items

NATIONAL BANK OF CUBA

Head Office, HAVANA

19 Branches in Cuba

Capital and Surplus, - $6,000,000.00

The COLLECTIONS through the NATIONAL BANK OF CUBA in the past year amounted to more than $107,000,000.00, and the turnover in EXCHANGE to over $250,000,000.00.

We have the most complete facilities throughout Cuba and solicit your business.

NEW YORK AGENCY, - - No. 1 WALL STREET

Digitized by Google

This report included addresses made by various theoretical and practical men, bearing upon the questions involved in the establishment of a reserve association. A large number of bankers

AVAILED THEMSELVES

of this opportunity to study the question, and the idea seemed to meet with general approval.

We wish to call your attention to one plan, which we feel inclined to recommend for the consideration of the bankers of the state of New York. In various cities in the country, in addition to the work undertaken by the American Institute of Banking, many bank clubs have been formed within single institutions, whose principal object is to encourage education and promote greater efficiency. While the smaller towns have not the same opportunity, as far as the formation of associations of the representatives of various banks is concerned, yet they can work along the lines undertaken by these metropolitan bank clubs. If the men employed in each small bank should form their

OWN LITTLE CLUB,

and meet together during each winter, for, say, one afternoon every two weeks, at a convenient time after banking hours, and should take up first, the local conditions in their business, and after having mastered them, extend their work to general banking, including, as they must necessarily do, a consideration of the detail of many other lines of business, they would be well on the way toward a successful solution of the problem of education among smaller communities. Some one would have to be chosen for a leader in each case, and he should be selected because of his fitness as a leader in educational work, rather than because of any position which he might happen to hold in the bank. The American Institute of Banking would, at all times, be glad to co-operate with such bank clubs in guiding their work, and in helping them obtain desired information. The members of the Committee on Education of the New York State Bankers' Association will help such bank clubs whenever called upon.

It has been found far more effective to start the work of such clubs along lines which have to do directly with the actual work of the institutions. By this means, every man is on an equal footing at the start, and being familiar with his own work through daily contact with it, does not hesitate to assert himself when anything comes up having any bearing on it. After a man has once expressed his opinions in a meeting of this sort, he is far more free to do so a second time, and it will not be long before everyone will be watching for an opportunity to express himself, for the very pleasure it gives him to think and find that he really has expressible ideas of his own. A most valuable and interesting field then opens itself in a

STUDY OF LOCAL INDUSTRIES.

They should be considered historically, scientifically to a certain extent, and financially. Such study will inevitably lead to a desire to understand what might be called "financial geography", which is extremely valuable to every banker. Every industry in every locality is changing from year to year, either increasing its output and its market, or losing its proportion of the total trade, even though it may not be growing smaller in comparison with itself, and others seem to be losing their hold, and are gradually being transferred to other localities. A study of the history and development of such industries, with careful consideration of how they happened to start in the particular localities where they exist, and their relation to competitive institutions in different communities, has oftentimes led to a great saving of property to manufacturers and a saving of loss to local bankers.

IN ONE INSTANCE,

a banker who was such a student, saw that a certain industry was bound to disintegrate, because of conditions which were changing, and had his bank refuse to furnish funds for its further development at a time when it seemed as reasonable to do so as it had in many previous seasons, and those interested in the industry were saved, as well as the bank, for they were obliged to curtail their operations, and were consequently most easily able to meet the conditions which developed soon afterward, and forced them to discontinue their business.

LEWIS E. PIERSON.

Such study requires a careful consideration of progress in the outside world, for often local conditions in themselves might be such that an industry could remain indefinitely, if it were not for changes in other communities, which in themselves are sufficient to nullify what might seem to be special local reasons for the particular industry.

Such analysis also served to develop the judgment of the bank man as to credits, for he must learn to understand statements and comparative statements, in order to get a clear point of view as to the life of the business which he is studying.

A simple illustration of matters of

Digitized by Google

THE GIRARD NATIONAL BANK
PHILADELPHIA

CAPITAL - - -	$2,000,000
SURPLUS AND PROFITS	4,450,000
RESOURCES - -	47,750,000

FRANCIS B. REEVES - - -	President
RICHARD L. AUSTIN - -	Vice President
T. E. WIEDERSHEIM -	2nd Vice President
JOSEPH WAYNE, Jr. - - -	Cashier
CHARLES M. ASHTON -	Assistant Cashier

Complete Facilities for the Handling of Bank Accounts

THE EQUITABLE TRUST COMPANY
OF NEW YORK

618 FIFTH AVENUE 15 NASSAU ST. 786 FIFTH AVENUE

Capital *$3,000,000*

Surplus *$10,000,000*

ALVIN W. KRECH, President
LAWRENCE L. GILLESPIE, Vice-President
FREDERICK W. FULLE, Vice-President
LYMAN RHOADES, Secretary
H. MERCER WALKER, Treasurer
RICHARD R. HUNTER, Asst-Secretary
HERMAN J. COOK, Asst-Treasurer
GEORGE M. STOLL Assistant Treasurer.

Receives on deposit the funds of individuals, firms and corporations as well as the moneys and securities of executors, administrators and trustees. Allows interest on daily balances.

Acts as executor, administrator, guardian or trustee under will or appointment of court, being authorized by law to execute trusts of every discription.

The Mercantile Trust Company

Equitable Building, NEW YORK

CAPITAL :: :: :: :: :: $2,000,000
Surplus and Undivided Profits (earned) over :: $7,500,000

OFFICERS

WILLIAM C. POILLON, President
JOHN T. TERRY, Vice-President — HAROLD B. THORNE, Vice-President
GUY RICHARDS, Secretary — GEORGE W. BENTON, Treasurer
BETHUNE W. JONES, Asst. Secretary — HARRY N. DUNHAM, Asst. Treasurer
ISAAC MICHAELS, Trust Officer

DIRECTORS

JOHN JACOB ASTOR, WILLIAM M. BARRETT, PAUL D. CRAVATH, THOMAS DEWITT CUYLER, WILLIAM A. DAY, HENRY W. de FOREST, CHAUNCEY M. DEPEW, JOHN F. DRYDEN, RUDULPH ELLIS, EDWIN GOULD, GEORGE J. GOULD, CLEMENT A. GRISCOM, EDWIN HAWLEY, JAMES J. HILL, ALVIN W. KRECH, JOHN J. McCOOK, GATES W. McGARRAH, ROBERT MATHER, WILLIAM C. POILLON, J. ROOSEVELT ROOSEVELT, CLENDENIN J. RYAN, MORTIMER L. SCHIFF, THEODORE P. SHONTS, JOSEPH J. SLOCUM, VALENTINE P. SNYDER, WILLIAM SPROULE, GAGE E. TARBELL, JOHN T. TERRY, HAROLD B. THORNE, S. DAVIES WARFIELD

Securities held in Trust - - - - - - - $870,000,000
Trustee under existing Corporate Mortgages over - - $1,600,000,000

Transacts a general Banking and Trust Company business. Allows interest on daily balances. Acts as Executor, Administrator, Trustee, Guardian, Committee, Receiver, Transfer Agent, Registrar, Depositary, Fiscal Agent of Corporations, and in all other representative capacities.

this kind can be seen in the change of

LUMBERING CAMPS

into cities containing lumber mills, and other industries coincident thereto, and then into centres of vast farming districts containing elevators, flour mills and warehouses. Such revolutionary changes in this country are fast becoming things of the past, but it only makes the work of him who would forcast the future of business in any particular community more difficult and required a greater study, as present development is a much slower evolution, and has to do with the formation of huge corporations, which are necessary in order to make it possible to supply the needs of a rapidly multipling population. Business will naturally work along the lines of least resistance, but unless one understands what constitutes resistance in business operations and financial operations, it is quite impossible for him to reach any conclusions of value.

It will readily be seen, therefore, that the small beginning involved in a study of local subjects leads one inevitably to a consideration of every known business principle, and makes it possible for a man to develop with the work as it moves forward.

The attention of bankers is, therefore, called to this most important matter, and it is hoped that they will take more than ordinary interest in it, and will co-operate with the bank men toward perfecting heir education, and so increase their usefulness to themselves and to their institutions. (Applause.)

Report of Committee on Bills of Lading.

[By E. C. McDougal.]

In January last, the chairman of your committee had an interview in New York City with Messrs. Thomas B. Paton, General Counsel of the American Bankers' Association, and Clay H. Hollister, Chairman Bills of Lading Committee of the American Bankers' Association. At that conference, your committee was informed that our bill was to be introduced at the request of the commissioners on Uniform State Laws, and that these commissioners had entrusted to Mr. Charles C. Alden, the Dean of the Buffalo Law School, the task of handling the matter with the New York state legislature.

On April 19, the chairman of your committee and Thomas B. Paton attended a hearing at Albany before the Assembly Committee on general laws, at which hearing one paragraph of the bill was opposed by the Merchants' Associaton of New York, represented by its president, Edward D. Page, and by its counsel, Mr. Elkus. The Merchants' Association contended that the present law, as relating to merchandise, provides that, if a debtor sells merchandise without receiving reasonable value therefor, especially where there is fraud or collusion, or a reasonable presumption of either, the goods can be followed, and the goods or their fair equivalent in value recovered; in other words, that a debtor is not allowed to part with a substantial part of his assets without receiving as an equivalent practically the same volume of assets, so that after a sale, he is just as strong and just as able to pay his bills as before. They also contended that the effect of this definition of

THE WORD "VALUE"

would be to legalize a transfer of assets for an inadequate, or even a nominal consideration or for a pre-existing debt, even if outlawed. They wanted the laws of the state of New York on this particular point left just as they are. While your committee preferred that the bill should pass exactly as introduced, it was thought wise to concede this point.

On April 24, your committee wrote all of the group chairmen, asking them to write all the banks in their various grounds advising them of the introduction of the bill, and asking their assistance in writing or telegraphing their representatives at Albany, urging that the bill be reported out of committee.

On April 26, your committee held a meeting at Albany at 12 o'clock noon at the Ten Eyck Hotel. At that meeting were present, W. H. Bennett, vice-president of the association, representing L. L. Clarke, of the Bills of Lading Committee; Hugh L. Arnold, cashier of the First National Bank, and J. H. Perkins, vice-president of the National Commercial Bank, Albany, N. Y., and your chairman, at which conference the bill was gone over and discussed in detail. At 3 P. M., Mr.

UNITED STATES MORTGAGE & TRUST COMPANY
NEW YORK

Executive Committee

JAMES TIMPSON, Chairman, 2nd V. Pres. Mutual Life Ins. Co. — WILLIAM A. JAMISON, Arbuckle Brothers
JAMES G. CANNON, President Fourth National Bank — LOUIS C. KRAUTHOFF, Kranthoff, Harmon & Mathewson
CHARLES D. DICKEY, Brown Brothers & Company — MORTIMER L. SCHIFF, Kuhn, Loeb & Company
HENRY R. ICKELHEIMER, Heidelbach, Ickelheimer & Co. — EBEN B. THOMAS, President Lehigh Valley Railroad Co.
JOHN W. PLATTEN, President of the Company

Capital, $2,000,000 — **Surplus, $4,000,000**

B'WAY & 73d ST. — 55 CEDAR ST. — 125th ST. & 8th AVE.

LINCOLN TRUST COMPANY
208 FIFTH AVENUE, NEW YORK

BROADWAY and LISPENARD STREET — BROADWAY and 72D STREET

CAPITAL AND SURPLUS, - $1,500,000

OFFICERS

ALEXANDER S. WEBB, JR., President
ABRAM M. HYATT, Vice-President. — OWEN WARD, Vice-President.
HORACE F. POOR, Treasurer. — BRECKENRIDGE CARROLL, Assistant Treasurer.

DIRECTORS

W. D. Baldwin, George C. Boldt, George C. Clark, William C. Conklin, Robert E. Dowling, Stuart Duncan, William Felsinger, Robert Goelet, Erskine Hewett, Samuel V. Hoffman, Abram M. Hyatt, Arthur Iselin, Bradish Johnson, Clarence H. Kelsey, W. De Lancey Kountze, George Leask, William G. McAdoo, John P. Munn, M. D., Morton F. Plant, Irving E. Raymond, William Salomon, B. Aymar Sands, Isaac N. Seligman, Louis Stern, Owen Ward, Alexander S. Webb, Jr., William H. Wheelock.

THE ALBANY TRUST CO. ALBANY NEW YORK
Assets Over - $8,000,000.00

¶ All branches of the banking and Trust Business. ¶ Interest allowed on deposits. ¶ Direct connections with every State, granting depositors and correspondents excellent collection facilities based upon balance or reciprocal terms.

OFFICERS

CHARLES H. BISSIKUMMER, First Vice-President — ALONZO P. ADAMS, Jr., Treasurer
FREDERICK A. MEAD, Second Vice-President — PHILIP FITZSIMONS, Jr., Ass't Treasurer
HORACE G. YOUNG, Chairman Executive Committee — JAMES H. WALLACE, Ass't Secretary

UTICA TRUST AND DEPOSIT CO.
UTICA, NEW YORK

RESOURCES, $7,500,000

JAMES S. SHERMAN, President
CHARLES S. SYMONDS, Vice-President — CHARLES A. BUTLER, Vice-President
J. FRANCIS DAY, Vice-President and Secretary
CHARLES J. LAMB, Asst. Treas. — GRAHAM COVENTRY, Asst. Secretary

Digitized by Google

Bennett, Mr. Arnold and your chairman attended a hearing before the Senate Committee on the Judiciary, at which hearing the Merchants' Association, of New York, made the same objection as on April 19, to the definition of the word "value", and our committee made the same concession.

On April 26, the bill was reported out of the Assembly Committee on General Laws, with the clause containing the definition of the

WORD "VALUE" STRICKEN OUT.

On May 3, the bill was reported out of the Senate Committee on the Judiciary with the clause containing the definition of the word "value" stricken out. In the latter part of May, the bill passed the Senate. On June 2, the bill passed the Assembly, for which the association is indebted to the courtesy of Assemblyman Foley, who originally introduced the bill in the Assembly, and who, in order to insure its passage, accepted the Senate bill, known as the Payne bill, instead of insisting upon the acceptance by the Senate of the Assembly Bill, which would have been known as the Foley Bill, both bills being identical in language. On June 7, the bill was signed by Governor Dix.

Your committee wishes to especially acknowledge the assistance of Thomas B. Paton, who attended the hearing before the Assembly Committee at Albany, and constantly rendered your committee every service in his power, for which he declined to accept any compensation. Your committee has received most valuable assistance from Hugh A. Arnold, cashier of the First National Bank of Albany, who has been most untiring, and who, being right on the ground and giving the matter daily attention, has done effective work that no member of your committee was in a position to do.

THE PRESIDENT: The next order of business is an address on "Progress in Banking", by Joseph T. Talbert, vice-president of the National City Bank. I have very great pleasure in introducing Mr. Talbert to the association.

(Mr. Talbert's address appears on page 1133.)

MR. WILLIAM E. PURDY, of New York: I move a vote of thanks be extended to Mr. Talbert for his masterly presentation of this subject.

MR. JOHN A. KLOEPFER: I second the motion.

THE PRESIDENT: It has been moved and seconded that we extend a vote of thanks to Mr. Talbert for the address that he has just given us. I am sure there will be no objection to this, and that we all join very heartily, and I will ask you to signify it by a rising vote.

THE PRESIDENT: The next order of business is a discussion of

THE ALDRICH PLAN.

It has been arranged that this discussion will be divided into two parts, today, in relation to national and state banks, and to-morrow in relation to trust companies and savings banks. It is not expected that discussion will take a long time, but we are obliged to ask, with the exception of the first speakers on this subject, that our remarks will be confined to five minutes, and it is intended at the close of the discussion to-morrow, that a resolution will be acted upon by the convention. But it is not the idea that any action will be taken to-day, as we wish to have the entire discussion before taking such action. The first part of the discussion is confined to the Aldrich plan in its relation to national banks. We would be very glad to hear from anyone interested. I notice Mr. Pierson and would like to ask him to start this discussion.

MR. LEWIS E. PIERSON: I want to apologize first to the members for any disconnected remarks that I may make for the reason that the request that I received to open the discussion only came to me about an hour ago; but I take it that the purpose of the committee is to have as

INFORMAL A DISCUSSION

as is possible, so that each one present, who is so inclined, may without any embarrassment, get on his feet, and ask any questions regarding the plan that may not be clear to him at the moment. The entire object of the discussion before that as it has been in the four sections, being to familiarize all members of the association with the details of the plan, as far as possible, so that when you do come to a vote upon the resolution, it will be an intelligent vote, and not something where you might say "Aye" because some one else says "Aye".

WALTER F. ALBERTSEN.

We are certainly very fortunate to have had with us to-day Mr. Talbert, who is probably as well posted upon this entire banking and currency reform movement as any banker in the country. As you all know, for some years he has been a member of the Currency Commission of the American Bankers' Association, and in closer touch with all this work, and in touch with all the Monetary Commission work which has been going on for a number of years, and I think if he can stay with us throughout this discussion to-day and to-morrow, that he will be the logical person to answer quesions which you may propound.

Now, as to the application of the Aldrich plan to national banks, there are only two points which, to my mind, would be brought about to perhaps start discussion.

Under the National Bank Act, we have

THE RESERVE SYSTEM.

That is, there is a cash reserve in vault and a reserve carried with correspondent. That has provided for the smaller bank in the smaller town in a certain low percentage, and goes on up to the reserve centre, and then on to the next reserve centre, and so we come up to the three reserve centres St. Louis, Chicago and New York, where another part of the reserve is counted, and part of the reserve consists of balances allowed your correspondent. The result of that has been in times of easy money there has been a tendency to build up balances in the reserve cities, and particularly in New York; and after that money has been idle in New York for a great many months. The rates have gone down, and it is a constant temptation with Wall street houses to borrow at low rates and for the money to gradually go into loans that are not as quickly available as they might be at other times. Then, on the other hand, we have a system whereby these correspondents of the smaller banks re-discount for their correspondents—that is, we take a bank at Waterloo, Iowa, which will re-discount with its Des Moines correspondent; and Des Moines in turn has demands come upon it from its correspondents, and will re-discount with Chicago and St. Louis. Well, now that all leads up to the point where at times New York, Chicago and St. Louis are unable to take care of all this volume of re-discounting that they are so called upon to do, and in New York, at the same time, we have the loans called from Wall street, and Wall street cannot always get this money as quickly as it might, and the money does not come in so that the New York banks cannot always as readily take care of their correspondents as they might in ordinary times, and the one thing lacking is that while the banks in the smaller cities have an opportunity to re-discount and do re-discount, there is nowhere that New York can turn to, to take down a few dollars to re-discounts like Des Moines and Waterloo and the scattering small towns.

Now, the National Association will provide that

ONE PLACE OF RE-DISCOUNT

that is to-day lacking in the national bank system of the country; and to my mind it will be the means, as far as the national banks are concerned, of rounding out the national system so that the reserve cities can in turn take care of all their correspondents, and there will be no need for a bankers' panic, because there would be no fear that the correspondents cannot get their money, their re-discounting or currency shipments through re-discounting with their correspondents.

It seems to me that Senator Aldrich has been the medium of—I might say the centre of all the evolution of this subject which has been forced together, and in his usual masterly way, he has drafted the verbiage that

Digitized by Google

HARRIMAN NATIONAL BANK

Fifth Avenue and 44th Street, NEW YORK

CONDENSED STATEMENT OF JUNE 7, 1911

RESOURCES.		LIABILITIES.	
Loans and discounts	$4,105,740.68	Capital Stock	$200,000.00
U. S. and other bonds	468,021.80	Surplus and profits	229,036.92
Safe deposit vaults	100,000.00	Circulation	35,500.00
Furniture and fixtures	50,000.00	Deposits	6,409,106.22
Cash, due from banks and exchanges	2,149,880.66		
	$6,873,643.14		$6,873,643.14

OFFICERS

JOSEPH W. HARRIMAN, President.

BRYAN L. KENNELLY, Vice-Prest.
FREDERICK PHILLIPS, Vice-Prest.
THOMAS B. CLARKE, Jr., Vice-Prest.
JOHN A. NOBLE, Cashier.

DIRECTORS

ROBERT M. GALLAWAY, President Merchants' National Bank.
ELBERT A. BRINCKERHOFF, Vice-President Merchants' National Bank.
JOSEPH W. HARRIMAN, Harriman & Co., Bankers.
DONALD MACKAY, Retired.
EDWARD HOLBROOK, President Gorham Manufacturing Company.
WILLIAM A. TAYLOR, Taylor, Clapp & Co., Dry goods commission.
CHARLES A. BOODY, President People's Trust Company, Brooklyn.
THOMAS B. CLARKE, Merchant.
MARTIN VOGEL, Vogel & Vogel, Lawyers.
ROBERT S. LOVETT, President Southern and Union Pacific Railroads.
CHARLES C. TEGETHOFF, Estate of E. H. Harriman.
HENRY F. SHOEMAKER, Banker.
FRANK L. POLK, Alexander, Watriss & Polk, Lawyers.
WILLIAM J. SPIEGELBERG, L. Spiegelberg & Sons, Cotton commission.
HARRISON K. BIRD, Banker.
SAMUEL S. CAMPBELL, Vice-President, Fourth National Bank.
BRYAN L. KENNELLY, Real estate.
ANCELL H. BALL, Best & Co., Dry Goods.

ATLANTIC NATIONAL BANK

PROVIDENCE, R. I.

EDWARD P. METCALF, Pres.
ERNEST W. TINKHAM, Vice-Pres.
ROBERT E. BUDLONG, Vice-Pres.
FRANK W. PEABODY, Cashier.
GEORGE H. CAPRON, Asst. Cashier.

Send us your Collections

We make a specialty of this department and have wide connections.

FOUNDED 1853
UNITED STATES DEPOSITORY

Digitized by Google

outlines the plan which we really have all of us had in our mind. We felt that the clearing-house system was the best solution of this question if it could be in some way legalized. Some of us have felt that the solution lay in something like the governmental banks abroad. Now, a combination of the two has been happily brought about in this plan, and I hope you gentlemen here will all take this matter up, and not be a bit bashful about it, but get on your feet. It is a good thing for this association to have an informal discussion of this character, and I hope every man here will feel perfectly free to talk. I know that is the wish of your Committee of Arrangements. (Applause.)

THE PRESIDENT: We would be very glad to hear from any one else on this branch of the discussion, and I think I may take the liberty of saying for Mr. Pierson, although I have not consulted him, that he would be glad to answer any questions in regard to the bill.

Mr. Frissell, of New York, is with us, and I think we would be very glad to hear from him, if he can spare us a few words.

MR. FRISSELL, of New York: I will take only a minute of your time. I believe the Aldrich plan with modifications is coming in the near future. Now, the question is whether the national banks are willing to be cut out of their inheritance by

THE UNFAIR COMPETITION

of state banks, and trust companies. I am an officer of a state bank, and I see no reason why state banks or trust companies should be allowed to come into the proposed reserved associations, except on a parity of reserve and government examination. As you well know, there was a plan adopted by the Monetary Conference held in Washington last January, and I beg to read to the convention that part of the resolution referring to it:

"That its stock capital be owned by incorporated banking institutions, whether under national or state charter, willing to assume equal duties as a basis for equal privileges. I thank you for your kind attention.

THE PRESIDENT: Are there any other speakers on this part of the discussion? If not, I will ask Mr. McDougal, the president of the Bank of Buffalo, and a past president of the association, to speak.

MR. E. C. McDOUGAL, of Buffalo: Mr. President and members of the association: This so-called Aldrich plan, as you have heard, is the work of a number of different men, but

BEAUTIFULLY PUT TOGETHER

by Senator Aldrich. I never saw anything so clearly, concisely and beautifully put together. The plan is one which I could stand here and talk on for three or four hours, taking one point after the other, and going on down the line. We have, it seems to me, our commission, and the Senator have avowed something unique. We have done something better, it seems to me, than any other country has been able to do. Now, it is impossible to tell how any plan will work out before it is tried. In your own banks you can start and lay out a scheme of work, and you always have to change it a little, and make it conform to your experience, but so far as anyone else can tell at the beginning, or can forecast by bringing to bear his experience on any plan, the Aldrich plan stands the test, and it is a beautiful plan. It is beautifully arranged. There is not a link missing. Now, when I started to read that plan, there were questions that came up in my mind concerning it. I am not going to discuss it technically here, because it would take all day. I am simply going to start this discussion on a broad basis. I started to study this plan, and I said, "Why is this in, and this?" Well, the way to go is to read that plan two or three times, so you may know in discussing it that the compliment of it is provided for; and the more I thought of it, the more I saw that there was a good reason for the feeling. At first reading, it seemed it might not be just what we wanted. If any plan could be made perfect and complete before it has been tried by experience, that plan has.

Now, I want to discuss it simply from the standpoint of what should the

DUTY OF THE STATE BANKS

be towards it. Now, one gentleman here to-day said something about the fact that when legislation of this kind is introduced by bankers, they would just as soon trust criminals to formulate it into the criminal laws and other classes of the communities to formulate laws to apply to them. I know, too, in some cases, the bankers are to blame for that, I think, and in some ways they are not. They are to blame for this reason. I think we will admit that we ourselves very seldom recommend and bring in legislation which is primarily for the benefit of our depositors, unless it seems to be at the same time for the benefit of our stockholders. Now, there is where the bankers are wrong. We should be first to bring in measures for the benefit of our depositors—for the benefit of the general public.

The next reason is that we are kept so busy defending ourselves, there are so many attacks on us by the legislature that we do not give very much time to originating any laws for the benefit of our depositors. But the banks should realize that their first consideration should be for their depositors, and for the soundest possible banking system, and that their stockholders will be well taken care of on that basis.

E. C. McDOUGAL.

With regard to the attitude of state bankers towards us; a gentleman said here that he thought the state bankers ought not to be let in unless under the same privilege as the national bank. Why, gentlemen, it does not make any difference to the state bankers whether they are let in or not. Let the national bankers go ahead and formulate this national reserve association; why, we will get the benefit of it if we don't come in.

Now, what is the situation? There are a few things that we don't understand—and that is that the principal function of the bank is not dealing in cash or money; it is dealing in credit, and we lose sight of that. There is another principle that we don't understand—we lose sight of it, and it is a very vital principle, that every dollar of unnecessary reserve is

AN UNNECESSARY TAX

upon business, and by pulling up you-

Digitized by Google

S. H. P. PELL & COMPANY

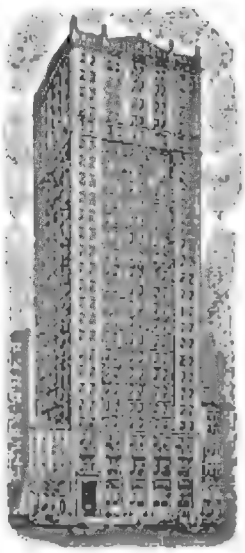
BANKERS and BROKERS

MEMBERS NEW YORK STATE BANKERS ASSOCIATION

STEPHEN H. P. PELL
CHARLES A. KITTLE
HOWLAND HAGGERTY PELL
ROBERT M. THOMPSON
Special

MEMBERS
New York Stock Exchange
New York Cotton Exchange
New York Metal Exchange
Chicago Board of Trade

ASSOCIATE MEMBER
Liverpool Cotton Ass'n



Main Office
43 EXCHANGE PLACE
Twenty-Fifth Floor
NEW YORK
Telephone, 7865 Hanover

Branch Offices
138 FIFTH AVENUE
Telephone, 3850 Chelsea
500 FIFTH AVENUE
Telephone, 1156 Bryant

Specialists in all Unlisted and Inactive Bonds and Stocks

ALFRED H. CURTIS
Manager

MAIN OFFICE
43 EXCHANGE PLACE Twenty-Fifth Floor

SPECIALISTS IN ALL UNLISTED AND INACTIVE BONDS AND STOCKS
FRACTIONAL SHARES BOUGHT AND SOLD

CONNOR & CO.

Bankers and Brokers

31 Nassau Street - - NEW YORK CITY

Members New York Stock Exchange

Choice Investment Securities

Correspondence Invited

reserve, you not only get over the difficulty of getting assistance when it is needed in hard times, but you also reduce the amount of reserve that it is needless to carry. The banks all over this country probably carry at times when money is hardest to get an adequate reserve scattered all over the country.

Half of the reserve—now I am going to make a very strong statement, but I think I am right—half of the reserve that was lying in the vaults of the banks of this country during the panic of 1907, would have been sufficient had it been concentrated in a central bank. Now, that is for the benefit of the public, because if you reduce the cost to the public, why that is for the benefit of the public.

Now, there is another question. I don't like to hear the name "bank" used in connection with this. I presume it is a central bank in one sense, but it is not in a great many of the essentials. It is

A CLEARING HOUSE.

Now, one of the vital parts of the plan to which Mr. Talbert refers was that it was extending our clearing house supervision, or local supervision for local associations, which are essentially the same as clearing house associations to the whole of the United States. That is a splendid thing. Now, the public in this country, while they may not believe in individual banks, had learned to believe in the strength of clearing houses. You never heard an individual express a doubt of the good faith of the solvency or of the ability of the Clearing House Association. As long as the Clearing House Association said we will stand behind the banks, everybody felt relieved. Now, this is really a Clearing House Association for the whole country. Another object of the arrangement is that it starts at the bottom. You begin first with the local association, the same as you would say the Buffalo Clearing House Association and a number of others like that. The country is divided up into fifteen districts, and our local association must apply to one of these districts; and in each of those districts is a branch. The local association deals with that branch, and then all these branches deal with the head office.

Now, it is simply applying the clearing-house principle. I don't say that is all there is to it. This is a wonderful plan, but in that respect, it is applying the clearing house principle to the whole United States, and it is the most beautiful thing—if a cold-blooded banker may get enthusiatic over anything—that has ever been worked out in the history of finance in the world; and if this country can only put that thing through, and the public can only understand that it is more for their benefit than it is for the banks, then it will be a grand thing.

THE PRESIDENT: We would like to hear from some of the other state bankers.

MR. H. O. CRANDALL, of Jamaica: Mr. President, I will take just a moment's time in saying, in Mr. Pierson's argument he called attention particularly to the banking system—Personally, I may say that I think the

PAYING OF INTEREST

has a great deal to do with it. In the Aldrich plan, that is overcome by the prohibition of paying interest, a very important item it seems to me.

Mr. McDougal has spoken particularly about the bankers dealing in credit, and that is something that we often lose sight of, and the banker is one that should have his hand on the pulse of the community and try and regulate it, and the Aldrich plan limits it, I think, to periods of 28 days, if I recollect right.

As one of the state bankers who has given this a little attention, although I am not familiar up to date in relation to this law to the state banks, I am heartily in favor of the Aldrich plan, and I think the bankers I have talked with, have generally looked on it with approval. Anything that will benefit the country as a whole is bound to benefit us as bankers, and otherwise anything detrimental to the country must be detrimental to us. (Applause.)

THE PRESIDENT: Are there any further remarks on this? If not, we have about five minutes before the close.

MR. DIMSE, of New York: Mr. Chairman, I am very glad to hear Mr. McDougal talk on this question of the state bankers, being interested in the Aldrich plan, and I am doubly pleased to hear him say that every banker should take part in these discussions of five minutes.

AS A STATE BANKER,

I wish to say that I disagree with the two speakers who spoke before me, that the state bankers do not care or should not care whether they become a part of the plan or not; because I think if the plan is good for the national bankers, it must be good for the state bankers of this country, and the state banks should be a part of that Aldrich plan.

As we all know, there are about 7,000 national banks, the state banks of the United States number about 13,000, and the trust companies a little over 1,000, and with other mutual and stock savings banks and private bankers throughout the country, all told, amount to about 15,000 of the entire system of 22,000 banks in the United States. Now, this number of bankers chartered by states certainly should be a part of the plan proposed by Senator Aldrich.

If you will take the last report of the Comptroller of the Currency, you will find that in the bills payable and in the re-discounts these items exceed those of the national banks, which means that the state banks must have some medium in order to have advantage of those facilities. It is true, as has been said before, that the state bank can go to the reserve bank and obtain those facilities, but if the state banker—and I am speaking for the state banker in general throughout the United States—he must have a medium for this purpose, and the best medium he could have would be this clearing house, as Mr. McDougal has called the Aldrich plan, and if the clearing house is to be useful to the national banks of the country, it should be useful to the state bank. As stated by Mr. Forgan, whom I think is chairman of the American Bankers' Association Currency Committee—

MR. McDOUGAL: Vice-Chairman.

MR. DIMSE: Mr. Forgan said that the

FOUR POINTS

of weakness in our banking system are: First, inelasticity of our currency; second, immobility of reserves to the danger point when needed; third, inability to liquidate our assets; fourth, the lack of a central bank, to which we can look for aid in times of need. The last two comments apply to state banks as well as to the national banks. Now, if those two weaknesses are partly essential to create an organization, as proposed by Mr. Aldrich, and if the reserve association is to be for national banks only for the purpose to overcome the four weaknesses pointed out by our chairman of the Monetary Commission, I say that they apply to state bankers equally, and for that reason, I think that the committee of the American Bankers' Association—

MR. TALBERT: (Interrupting) Mr. Chairman, if the gentleman will allow me to interrupt him, I can explain to you. There need be no apprehension that if a bill is presented by the Monetary Commission, it will provide for the state banks on the same terms and privileges, exactly, as the national bank.

MR. DIMSE: I have not reached that point yet.

MR. TALBERT: Senator Aldrich had in mind when he prepared this the bringing in of the state bank under some trust law, but when his committee and the banking associations got together, that if any such attempt was made to bring in the state banks, we would have the opposition of practically all the state banks in the United States; because they didn't want to come in and enjoy these privileges at the result of sacrificing all they had. Senator Aldrich worked it out, and it was accepted by him.

MR. DIMSE: I was coming to that point, because I was about to say when I was interrupted, that the committee of the American Bankers' Associaion which held its meeting in the South, wisely included in its report that state banks

SHOULD BE ALLOWED

to join the reserve association. Those who have not read the recommendations, I would advise that they do so immediately, because they are very interesting, and I must say I was pleased when I saw that the state banks were included in their modified plan.

Now, as Mr. McDougal has said, it is a matter for us to become thoroughly familiar with. This Aldrich plan, as proposed, is not a simple matter to understand, so that we may talk intelligently on the subject.

The President of the United States said not long ago that if his Reciprocity Bill passed, or ever did pass, it would be because public sentiment desired it. And I say, if this Aldrich plan is adopted, it will be because public

Digitized by Google

KNAUTH, NACHOD & KÜHNE

NEW YORK **Bankers** LEIPZIG

Members of the New York Stock Exchange

Make arrangements with Banks and Bankers, enabling them to issue their own drafts on MORE THAN ONE THOUSAND CITIES IN EUROPE AND THE ORIENT

LETTERS OF CREDIT AND TRAVELERS' CHECKS FOR FOREIGN AND DOMESTIC USE. FOREIGN EXCHANGE BOUGHT AND SOLD

INVESTMENT SECURITIES

Citizens Trust Company of Utica, N. Y.

Capital $300,000 *Surplus $200,000*

WM. L. TABER, President W. T. DUNMORE, Vice-Pres. W. PIERREPONT WHITE, Vice-Pres. F. H. DOOLITTLE, Sec'y

Deposits 1908 - - $1,690,000.00
Deposits 1910 - - 3,700,000.00

TRANSACTS A GENERAL BANKING AND TRUST BUSINESS

GIVES PROMPT ATTENTION TO COLLECTIONS

BANK OF ROCKVILLE CENTRE

Rockville Centre, Nassau County, Long Island

Capital, - - $25,000 Surplus, - - $125,000

Deposits, - $1,250,000.00

Special Attention Given to Long Island Collections

HIRAM R. SMITH, President

THOMAS G. KNIGHT, First Vice-President JOHN T. DAVISON, Second Vice-President

BERGEN T. RAYNOR, Cashier

A. H. BICKMORE & CO.

Bankers

30 Pine Street - - - - NEW YORK

Digitized by Google

sentiment desired it, and the more we discuss it, the more we will enlighten the public and banker of its merits. As has been said, we have passed through periods when the bankers have been placed in such a position that they have been unable to please their depositors, as modified by the American Bankers' Association. The Aldrich plan is the remedy; I think it would be a good thing for the country. (Applause.)

THE PRESIDENT: I would remind every one that to-morrow this discussion will continue, so that we will have time to hear from any others at that time.

MR. SMITH, of Bronxville: Mr. President, and members of the association,

THE NOMINATING COMMITTEE

begs leave to report unanimously as follows:

For president, Walter H Bennett, vice-president of the American Exchange National Bank, of New York City.

For vice-president: Cornelius A. Pugsley, president Westchester County National Bank, Peekskill.

For treasurer, E. L. Milmine, cashier Mohawk National Bank, Schenectady.

THE PRESIDENT: The report is received, and will lie over until to-morrow.

The Banquet

PRESIDENT MOTT: Fellow members of the New York State Bankers Association, Ladies and Gentlemen: We have with us this evening under the same flag which waved over him when he was inaugurated, the President of the United States. (Applause.) So far as I know, this is the first time that any state bankers' association has been honored with his presence. In New York state, we feel that the bankers are not perhaps as selfish a lot of men as they are supposed to be; we are trying to be good patriotic Americans, and as such, I am sure that every man and woman here takes great pleasure in welcoming William Howard Taft, the President. (Applause and cheers.)

PRESIDENT TAFT.

Had I known that the State Bankers' Association of New York had the good sense to bring into their company on occasions like this the real comptroller of the banks, the real heads of the family, I should not have selected the humdrum subject for speaking which is mine to-night; and I beg to apologize to the ladies if in what I say they find a good deal that is soporific, but when the solemn name of a State Bankers' Association is suggested, nothing occurs to one as a proper subject except that of banking. I confess it has something of the humorist that I should speak on a banking subject, for I am as limited in my actual experience in that regard as Senator Vance, of North Carolina said he was, when he entered upon the discussion of the financial questions in a joint debate with Judge Settle, also of North Carolina, that the only thing he knew about financial matters was that it took two names to float his paper. (Laughter.)

I am glad to have the pleasure of meeting a body of men whose ability, experience, knowledge and correct methods of business have everything to do with the prosperity and morality of the business community of the state of New York and of the country. The banks of New York are a very large part, in point of capital and influence, of the banks of the country, and their representatives are an exceptional audience before which to discuss the question of

THE REFORM

of our banking and currency methods now in practice.

Financial questions are perplexing and elusive ones. They are alluring, as well. I do not know any subject which in the past has involved so bitter a discussion, has prompted so many differing opinions among men, skilled and unskilled, learned and unlearned, as that concerning the currency and banking.

The business disturbances to which the country was subject during the discussion, first of the greenback question, and then of the free silver question, are instances of what I say. It is common knowledge, I believe, that when after the election of 1896, at which the people decide by a substantial vote in favor of maintaining the present gold standard, it was proposed in the House of Representatives to enact legislation embodying this popular verdict in a statute, every one of the 12 members of the Banking and Currency Committee of the House had a different bill for passage, and so impracticable was it, to secure an agreement that the question was referred to a special committee, on whose recommendation the House adopted a very simple provision on the subject. While, however, the opinions as to the proper methods for improving our banking and currency system have in times past been as numerous and as various as possible, it has been nearly the unanimous opinion that the present system is utterly inadequate to the needs of a commercial nation like ours, and that some sort of

DRASTIC REFORM IS ESSENTIAL

if we are not to sacrifice a very substantial part of our business energy and ability in periodic efforts to minimize and recover from monetary panics, which could be entirely avoided under a reasonable plan in which the available reserve currency of the country could be controlled and used by an intelligent and responsible agency to avoid the stringency.

We have now more than 7,000 national banks, with a requirement that each bank shall hold 25 per cent of its deposits to meet its obligations to its depositors. The minute that the call for currency becomes greater, and the probable difficulty of securing it threatens, each bank prepares to weather the storm and enters into competition with other banks to increase its available cash resources, and, thus there is at once added to the original cause for inadequacy of currency, the necessarily embarrassing demand for more currency by each bank, not because it is needed for the community at large, but in order to add to the cash strength of each bank, and this probably quite beyond its necessities. A bank may have commercial paper acquired in its legitimate business of the most gilt-edged character, which, in ordinary times, it could promptly dispose of for cash without the slightest difficulty, and thus fully meet all its obligations to its depositors, but which, without ability to transmute it into cash, in view of threatened money stringency it holds almost as unavailable for meeting the claims of its depositors as if it were real estate.

Another difficulty is in the making of the money in circulation correspond to the actual and conservative needs of trade. We have a certain fixed amount of silver and of gold and of greenbacks, and, then in addition to that, a national bank circulation secured on bonds deposited with the government, the varying profit upon which to each bank it is supposed will enlarge or decrease the circulation according to the demands of trade. Under the present system,

THE ELASTICITY

of such a plan has not equalled the public necessities. The personal profit of each bank under the system now in vogue in the increasing and reducing of the bank circulation is not a sufficiently correct measure of the public needs in this regard. The lack of correspondence between the general public need for issue or withdrawal of bank notes, and the special motive and profit of each bank in issuing such notes, is perhaps not so great as that between the public need for the concentration of reserve currency at particular places, and for particular purposes, and the actual result in respect to the reserve, as influenced by the interest of particular banks under the present system; but there is a substantial variance between a central and responsible control of the note-issuing power in response to the legitimate demand for money, and that exercised under our present system by 7,000 different national banks.

In all well-regulated banking and currency systems of the old world, the power to control cash reserves, and the issue of bank-notes to be used as currency, is placed under the control of a central bank, recognized by the government and given the necessary authority. In this way, the monetary exigencies presented by domestic and foreign trade in the rising and falling demand for currency and in the facilitating of the exchange and liquidation of commercial credits are promptly met. The necessity in any satisfactory

Digitized by Google

system to be adopted by us, for some agency like that of

A CENTRAL BANK,

has generally been acquiesced in by all who have given the subject careful, candid and intelligent consideration to the currency systems o. other countries, where they do not have monetary panics, and to the causes for the currency panics, which we do have to our cost in this country.

After our last money panic in 1907, legislation was adopted, known as the Aldrich-Vreeland Bill, which offers an instrument for temporary relief against actual cash stringency, due to hoarding and to panic, but of a very clumsy and unsatisfactory character. It was adopted as the best thing that could be devised under the circumstances, which would have any chance of passing the House and the Senate, but no one who was responsible for it considered it a broad or satisfactory solution of the difficulties presented by our present system.

A Monetary Commission was appointed, of which the then Senator Aldrich was made chairman. It was a non-partisian commission. I dwell with great emphasis on the fact that it was non-partisan, because, if we are to work out this problem scientifically the hope lies in our securing support for it from both political parties. (Applause.)

I am a party man, and I believe in

GOVERNMENT BY PARTY.

I think party is the only instrument by which a popular government can be made practical. By the association of men in a party they are induced to concentrate their political desires on a few general principles and measures and to sacrifice subordinate principles and measures to the will of the majority of the party in order that solidarity of support may be obtained for the most important proposals in the maintenance and reform of government. It is the only method by which the popular will of a majority of 15,000,000 voters can be interpreted and embodied in statutes and executive policies. But sometimes measures are of so complicated a character, involve the consideration of so many perplexing elements and are so free from the apparently direct relation to the individual citizen, and are so lacking in use for selfish political purposes in the promotion of individual or party reputation, that they can be disposed of on their merits after a full and impartial discussion without party heat or party advantage and be carried to a successful conclusion from the purest motives of high statesmanship and patriotism. (Applause.)

It will inure greatly to the benefit of the people of this country if the recommendations of the National Monetary Commission—a non-partisan body—can be treated in this wise, and I am very hopeful that it may be. The chairman of the commission has pursued the wise policy of inviting the fullest public discussion before bankers and business men in every part of the United States. The idea has been that even before any plan was proposed, the evils of the present system and the method by which

3% on Balances

of banks is paid by this bank where the analysis of cost justifies such action. Owing to a universal demand for money from the varied industries of the Pittsburgh district a high average rate upon loans is maintained, a condition existing in no other reserve city.

Correspondence or a personal interview with interested bankers solicited.

CAPITAL, $1,000,000
SURPLUS, $450,000
DEPOSITS, $4,400,000

CHARLES McKNIGHT
President

D. G. STEWART **G. S. MACRUM**
Vice-Presidents

J. S. M. PHILLIPS, Cashier

H. C. BURCHINAL, Ass't. Cashier

NATIONAL BANK OF WESTERN PENNA
PITTSBURGH

Digitized by Google

RUEL W. POOR, President JAMES McCUTCHEON, Vice-President
WILLIAM L. DOUGLASS, Second Vice-President ARTHUR W. SNOW, Cashier

The GARFIELD NATIONAL BANK
OF NEW YORK CITY
CAPITAL AND SURPLUS, $2,000,000

Offers to Banks, Bankers, Corporations and Firms the services of a thoroughly equipped institution
The new home of the bank contains everything necessary for the SAFE and EFFICIENT care of your business
YOUR Account Solicited

such evils have been met in other countries, should be explained and made clear. The campaign of education has not been confined to metropolitan bankers, but it has been extended to the country bankers and the country business communities in every state. It is not complete, but the action of the various state bankers' associations and of the local banking associations, and of the chambers of commerce and of trade organizations of every character, indicates a favorable consideration of the subject with a view to an intelligent meeting of the clearly understood difficulties that we now have.

Senator Aldrich, the chairman of the commission, has correctly stated that a central bank in this country

WOULD BE IMPOSSIBLE

for political and economic reasons. The people of the country would be unwilling to trust to any private banking organization such enormous control as must be vested in an agency which is to decide as to the concentration of cash reserves, and which is to decide upon and provide for the necessary increase and decrease of bank-note currency as well as to regulate the liquidation of commercial paper by fixing a uniform discount throughout the country. He has said that such an agency must be made by such constituents that it shall be impossible for money kings in Wall street to control it, on the one hand, or for political influence by governmental appointment to direct its operations from Washington, and, in order to evolve an agency free from the control of either of these influences, he proposes and devises, in his tentative suggestions to the commission, which seem to have been received with favor, what he calls a National Reserve Association.

It may roughly describe what this association is to say that it is the establishment of a government of the 7,000 national banks of this country on a representative republican basis. It provides that the National Reserve Association shall have 15 different divisions or branches distributed geographically to include the entire country; that any ten national banks within one of the fifteen geographical divisions having an aggregate capital of $5,000,000, may establish

A LOCAL ASSOCIATION;

that this association shall be governed by directors to be selected—three-fifths of them by a vote of the representatives of the banks, one from each bank, and casting only one vote; and two-fifths of them by representatives of the same banks, each representative to cast votes proportionate to the capital of the bank he represents. The branch of the association in each one of the 15 geographical districts is to be controlled by a board of directors, to consist of three groups of directors; one group, equal to the number of associations in the district, to be elected by the directors of the local association, each director having one vote; second, a group of directors equal to two-thirds of the number of local associations, who shall be elected by representatives of the banks with voting power proportionate to their capital, and the third group shall be equal in number to one-third of local associations of the district, shall represent the industrial, commercial and agricultural and other interests of the district, and shall be elected by the votes of the first two groups, each director having one vote. Then there shall be a manager who shall be ex-officio a member of the board of directors and shall be chairman of the board.

The National Reserve Association shall consist of 45 directors—six of whom are to be ex-officio members, namely, the governor of the Reserve Association, who shall be chairman of the board, two deputy governors, the Secretary of the Treasury, the Secretary of Commerce and Labor, and the Comptroller of the Currency. The second group shall consist of 15 directors, to be elected by the board of directors of each branch of the Reserve Association, each member of the branch board having one vote. The third group shall consist of 12 directors, to be elected by voting representatives of the banks embraced in the district, each representative casting votes

PROPORTIONED TO THE CAPITAL

of the banks. The three groups thus constituted are to select 12 additional members, who shall fairly represent the industrial, commercial, agricultural and other interests of the country, and who shall not be officers of banks. The governor and the two deputy governors shall be selected by the President of the United States from a list submitted by the board of directors, and each branch is to have a manager and a deputy manager appointed by the governor of the Reserve Association with the approval of the executive committee.

A careful examination of the constitution of the controlling board of this National Reserve Association shows, first, that every bank, both as a unit and also in proportion to its capital, has a voice in the selection of the governing board of directors of the National Reserve Association, as it has a similar voice in the board of directors of the branch of the National Reserve Association in one of the 15 geographical divisions. More than this, the directors thus chosen are bound to introduce into the board a considerable number of persons who do not represent banking interests, but who represent industrial, agricultural and general business interests. The government, through the president, selects the governor and the deputy governors and managers, who are executive officers and are ex-officio members of the board. In this way the banks and the government exercise

A DIVIDED CONTROL,

which cannot, under the system, be transferred to the ambitious money interests of a particular part of the country. The board of directors is quite as certain to represent the whole business interests of the country as the House of Representatives is to represent the political views of the country. It is a careful and well-drawn plan to avoid the concentration of controlling influence here in Wall street or in Washington. Some critics, whose comments on the plan I have seen, have said, "Ah, there is still in this plan a central bank; you call it a National Reserve Association, but it is nevertheless a Central bank and open to all the objections that crowd upon one in the consideration of the evils of a Central Bank".

References are made to the great battle which Andrew Jackson carried on against the Bank of the United States, and its branches and party feeling is sought to be aroused by a suggestion that such an institution is contrary to the principles of one of the great parties. The fact is, that this reserve association lacks all the elements which made Jackson oppose the continuance of the United States Bank. It is true, that the National

Digitized by Google

The Mercantile National Bank

OF THE CITY OF NEW YORK

No. 195 Broadway, Cor. Dey St.

Capital and Surplus, Five Million Dollars

OFFICERS

WILLIS G. NASH, - - President
CHARLES H. IMHOFF, - Vice-Pres.
WILLIAM H. TAYLOR, - Vice-Pres.
WILLIAM SKINNER, - Vice-Pres.
EMIL KLEIN, - - Cashier
SAMUEL REDFERN, Ass't Cashier

We aim to combine Cordiality and Liberality with Conservatism.
Accounts Solicited

Reserve Association is a central bank in

A CERTAIN SENSE.

Under its plan, it will do and is empowered to do a kind of a banking business; it is to have the benefit of all government deposits without interest; it may receive deposits from all national banks; it may re-discount, under certain conditions, prime commercial paper of such bank, and it may issue its notes to banks in payment of their credit balances. It may charge commission and discount as other banks, but it must confine its dealings to banks and not extend them to individuals except in its foreign exchange business, where it is permitted to sell and buy foreign exchange and gold with a view to the assistance of its general fiscal operations.

By its powers, it is enabled to earn an income, and it has shares of stock, and these shares of stock are distributed to national banks throughout the country. Every national bank is to hold twenty per cent of its capital in the stock of the National Reserve Association, and no more. The stock is not transferable. It is relieved from taxation, except the specific taxation imposed by the Federal Statutes and the taxation by the states upon its real estate. If it earns four per cent, the four per cent goes to the stockholders, if it earns more than four per cent then the next per cent earned is divided between a surplus for the association and a dividend payment to the government of the United States, and if more than five per cent is earned, the entire excess is to be turned into the Treasury of the United States. Thus it will be seen that this National Reserve Association is

IN A SENSE A BANK

made up of all the banks of the country and controlled by no one, and no one set of banks. It is, as I have already said, Republican in form of government and under the control of banking representatives from the fifteen geographical divisions of the country.

The concentration of power over the cash reserve of the entire national banking system of the country in the reserve association is exercised by it, first, through the fact that banks are allowed to deposit their reserves with the association, and, second, that the Central Reserve Association is given power to supply cash or currency in the form of its notes in exchange for approved commercial paper, and is thus enabled to transfer the cash in that part of the country where in the judgment of the association it is needed.

It should be noted that this reserve association is required to fix from time to time a rate of discount of prime commercial paper, uniform throughout the United States, and that this is greatly in the interest of the remoter sections of the country. The government has a partial control through the governor, the executive officer of the bank, whom the president can select from a list submitted to him by the board of directors, and the governor appoints the managers of the various branch banks.

It is very difficult under these carefully drawn provisions to show that the bank is under the control of any agency, except one looking to the financial benefit of

THE WHOLE COUNTRY

The directors of the bank have no motive in excessive profit to promote unfairly the earnings of the bank, because all earnings beyond five per cent will go into the treasury of the United States. The governor of the bank, who will undoubtedly be influential in the executive direction of the bank—appointed by the president, but subject to the control of the directors, and removable by the president—will give sufficient governmental voice in the control; but, subject as he is to an executive committee and to the board of directors as a whole, he can hardly be brought within any injurious political influence or intrigue.

The bank notes in circulation are not reduced by the plan, but there is no provision for their increase, and as the banks which are now responsible for them shall retire them they will not be issued again and the reserve association is given authority to substitute its own notes for the notes of the national banks thus retired. It has the right to issue additional circulating notes, paying to the government an annual tax of three per cent on the first hundred millions, of four per cent on the next hundred millions, of five per cent on the next hundred millions, and of six per cent on everything above $300,000,000. These issues are to be secured by the deposit of one-third of gold or other lawful money, and the remaining portion by bonds of the United States of

PRIME COMMERCIAL PAPER.

The Reserve Association is also given a right to hold in its reserve foreign coin, and gold certificates are to be issued by the treasury against foreign coin. The reserve association notes are to constitute a first lien upon all the assets of the reserve association. They are to be immediately redeemable in lawful money on presentation at the head office of the reserve association, or any of its branches. They are to be received at par in payment of all taxes and other dues to the United States, and, indeed, payment of all salaries of the government except those specifically payable in gold. Provision is also made by which the new reserve association is to take over at a price not less than par and accrued interest two per cent bonds now held by national banks and deposited to secure their circulating notes; this obligation to last for one year, and this is to operate in connection with the retirement of the present bond-secured circulation, in order to provide a substitution of the notes of the reserve association; and the act is to contain a provision by which ultimately the government will redeem these two per cent bonds at par.

I am not a banker and I do not claim to be a student of finance or of systems of banking and currency, but after such attention as I have been able to give to the plan and to a discussion of it by men who do understand banking, it seems to me that the general features of this plan ought to commend themselves to the whole business community of the country; and by that I mean not only those engaged in banking, railroading, merchandising, manufacturing and general industrial work, but also those interested in mining and agricultural and the whole body of wage earners. While the relation between the individual and this system, for purposes of pointing out his interest may be somewhat indirect and remote, no one who has been forced into the consideration of economies at all can be blind to the fact that the wage-earner is

QUITE AS MUCH INTERESTED

in the proper operation of a sound currency and banking system as are the

bankers themselves, and that any plan which will lead to the adjustment of the cash reserves to avoid the stringencies and exigencies of a threatened panic will inure chiefly to the benefit of those interested in the continuation of our great industries, manufactures and business, and especially in the maintenance, use and distribution of the large wage funds upon which the working men and their families are dependent. Similarly, the farmers have a most intimate interest in the plan which shall secure for the middlemen, at a reasonable rate of interest, funds with which to move the crops and with which to pay adequate prices for that which the farmer has to sell. The demand for money which arises every season for crop moving causes frequent embarrassment, and a raising of the rates of interest which such a plan as this would avoid. In no other way can the expense of the disposition of the farmers' crops which in times past has been so heavy be

SO MATERIALLY REDUCED.

This is as true of the cotton crop in the South as it is of the wheat crop in the Northwest or the corn in the middle West. I sincerely hope that these excellent associations that have been organized for the promotion of the adoption of this plan will press home upon the farmers of the South and the West and Northwest, the fact that there is no legislation—I care not what it is, tariff, railroad, corporation, or of a general political character—that at all equals in importance the putting of our banking and currency system on the sound basis proposed in the National Monetary Commission plan. (Applause, prolonged, mingled with cheers, as the President concluded his speech.)

The other speakers at the banquet were Monsignor McCarty, Congressman Littleton and Judge Charles F. Moore.

Second Day's Proceedings.

THE PRESIDENT: The convention will be in order. Following the discussions of yesterday on the Aldrich plan, and the very instructive address of President Taft last evening, we have for our speaker this morning William C. Poillon, president of the Mercantile Trust Company of New York City, who will discuss the proposed participation of the trust companies in the National Reserve Association (Applause).

(The address of Mr. Poillon appears on page 1139.)

THE PRESIDENT: We have asked John H. Rhoades to present to the convention a discussion of this plan as it is related to savings banks.

Address of John Harsen Rhoades.

If there is one financial depository more than another which is vitally concerned in the necessities for banking reform, it is that which stores the savings of the people, for trouble elsewhere means trouble at home. If there is one institution which should lend its enthusiastic assistance and support to such a cause, it is the mutual savings bank. The philanthropic character of its aim and organization should stimulate its trustees to take an active part in any movement towards the betterment of conditions which so greatly affect the community at large. It has been demonstrated again and again, that the trustee savings bank, far from being segregated from the jurisdiction of banking law, is closely allied to the financial system.

We are discussing to-day the first comprehensive plan of banking and monetary reform, the work of many able minds, under the leadership of Senator Aldrich. It

DESERVES TECHNICAL ANALYSIS

and widespread attention, providing, as we have learned, for a national reserve association, a national reservoir, under the control of the individual banks of the country, to be drawn upon in time of need. The question arises whether or not the mutual savings bank, a non-stock and non-commercial corporation, shall become a member and secure its privileges.

Apart from any direct benefit, our savings system cannot but profit from the country-wide improvement of banking conditions which must follow the inauguration of this great central reserve.

Since membership is elective, whether the savings depository shall embrace this prerogative by subscribing to the capital stock, is a matter which each bank will determine for itself. That advantages will accrue is manifest. In such states, for example, as Massachusetts, where the savings bank is empowered to invest in commercial paper, the value of the re-discount facility is apparent. In the state of New York, this distinct service would not obtain, seeing that we are not permitted so to invest our funds, but the privilege of negotiating a loan through the local association upon our gilt-edged securities might be of inestimable value. While it is not properly within the province of the savings bank to borrow, yet in emergency this procedure might be unavoidable. Experience has shown that it is then most difficult to approach disinterested institutions, many of which may be in a like predicament. Panics, to be sure, are rare, but no one panic is a measure of the next, and we must be prepared to meet them all.

But, were there no tangible benefits whatsoever to be derived from membership, a movement in the interests of banking reform, to be successful,

SHOULD HAVE THE SYMPATHY

and co-operation of every financial institution, provided that no excessive burden is imposed by such affiliation. It is inconceivable that any undue hardship could be inflicted upon the institution for savings by reason of stock ownership, although our state laws would require amendment to permit the purchase.

The mutual savings bank, together with other benefits, should find the stock a safe and excellent investment, yielding at least 4 per cent, and in all possibility 5 per cent; but it is to be presumed that in becoming a member it will be actuated by a higher motive than that of the mere investor.

In a letter bearing the signatures of a special committee, appointed by the American Bankers Association, and addressed to James B. Forgan, vice-president of the Currency Commission, it has been suggested that the mutual or trustee savings bank, provided it has an unimpaired surplus of not less than the amount which would be required for the capital of a national bank in the same location, may subscribe to an amount of capital stock of the National Reserve Association equal to 20 per cent of the surplus of the subscribing bank, and not less, and such membership shall carry with it in the local association the same rights and privileges as are enjoyed by the national bank.

It is further provided that liabilities for savings deposits, subject to notice of 60 days, shall be exempt from a reserve requirement.

It may prove expedient that the

FIRST CLAUSE BE AMENDED.

In New York City, for instance, the required capital for a national bank is in the neighborhood of $200,000. We have savings banks with deposits of $100,000,000. An institution with deposit liabilities aggregating $100,000,000, and a surplus or excess in assets of but $200,000, would not be a very desirable acquisition to the National Reserve Association. Again, by such discrimination many a small but strong depository would be barred.

I would suggest that this provision would do better to stipulate as a membership limitation, that the mutual savings bank shall have an unimpaired surplus of not less than 10 per cent of the total deposits, and a cash reserve of 5.

Granting that this stipulation might temporarily defeat the purpose in view, the price of membership in the National Association should not be set too cheap. The perfect success of the scheme presupposes a high standard of membership, which, that we need not retrace our steps, should be established at the start. Nor need the association hesitate to set this standard, in itself a mark of stability, since it has so tempting an investment, and such privileges, direct and indirect, to offer. As a matter of fact, our savings banks should require but a short time to qualify, provided that in dividend disbursements they adopt a reasonable policy of conservatism.

Furthermore, while the time-honored 60-day notice upon withdrawals is of recognized importance, as the years go by, and the Postal Savings Bank, which will pay upon demand, becomes more firmly established, it is unlikely that the trustee bank can avail itself of a notice longer than 15 to 30 days.

THE TIME NOTICE,

as established by our mutual savings

Digitized by Google

Statement of the Condition of the

MARINE NATIONAL BANK
OF BUFFALO

at the close of business, June 7, 1911

RESOURCES

Time Loans	$14,659,354.44	
Demand Loans	4,609,630.94	$19,268,985.38
Cash on hand and with Banks		6,713,838.46
U. S. Government Bonds at Par		1,550,000.00
Bonds, Securities, etc.		4,835,120.44
Banking House and Lot		250,000.00
		$32,617,944.28

LIABILITIES

Capital (PAID IN)	$ 500,000.00	
Capital (EARNED)	1,500,000.00	
Total Capital	2,000,000.00	
Surplus and Undivided Profits (EARNED)	1,536,760.19	
Total Capital and Surplus Earnings		$ 3,536,760.19
Circulation		1,432,800.00
Deposits		27,648,384.09
		$32,617,944.28

President,	STEPHEN M. CLEMENT
Vice-President,	JOHN J. ALBRIGHT
Vice-President	JOHN H. LASCELLES
Cashier,	CLIFFORD HUBBELL
Ass't Cashier	HENRY J. AUER
Ass't Cashier	NORMAN P. CLEMENT

DIRECTORS

JOHN J. ALBRIGHT — R. H. HUTCHINSON
STEPHEN M. CLEMENT — CHARLES H. KEEP
A. C. GOODYEAR — HUGH KENNEDY
WILLIAM H. GRATWICK — JOHN H. LASCELLES
EDMUND HAYES — GEORGE B. MATHEWS
WILLIAM H. HOTCHKISS — WILLIAM A. ROGERS

banks, is much misunderstood. To all intents and purposes we must pay upon demand, and it is only in grave crises that we reserve the privilege to close our doors, which is done not so much with the intent of selling securities, as to give the depositor time to recover from his alarm, and this act, being a privilege, must not be abused nor stretched too far. The shorter the notice, the greater the want for a cash reserve, and, inasmuch as no other banking institution is exempt, it seems no more than right that the National Reserve Association should demand, as a membership qualification, a reasonable cash reserve from the trustee savings bank.

In the present tentative form of the Aldrich plan, it is difficult to assign to each participant just what part it shall play, or what advantages will accrue, but let us hope that our savings bank men will diligently study the scheme, and work in harmony with the commercial bankers of the country, lending a helping hand to the inauguration of much needed banking reform.

The business of the banker, gentlemen, is

AS MUCH A PROFESSION

as that of medicine or the law, and carries with it a cognate and grave responsibility. Just as the march of civilization subordinates the need for individual selfishness, so progress demands that the corporation subordinate, short-sighted, self-centred ambition, to a truer conception of service, based not upon sentimental philanthropy, but upon the dictum of hard common sense. Our banking institutions, barring none, are the servants of the people—their security first—our profits after—and in the service of the nation, and for our own protection, we must conserve the sense of union—all for one, and one for all. (Applause.)

THE PRESIDENT: Now, gentlemen, is there anything under the head of Unfinished Business?

MR. F. W. HYDE, of Jamestown: Mr. President, I would like to bring before the convention a resolution. At the annual meeting of the board of directors of the National Currency Association, held at Washington, on June 15 of this year

THE FOLLOWING RESOLUTION

was unanimously adopted:

"RESOLVED, That it is the opinion of the National Currency Association, of Washington, D. C., that the suggested plan for monetary legislation presented by Senator Aldrich, to the National Monetary Commission, as amended by the Executive Council of the American Bankers' Association at the Nashville meeting embodies in its main outlines a satisfactory remedy for the existing deficiencies in our banking system, and that we unanimously recommend to the Senate and House of Representatives the passage of a bill containing the essential features of this plan at the earliest possible date, and before the necessity for such legislation shall have been forced upon the attention of the community by the recurrence of such a financial collapse as it is designed to prevent."

I move that this resolution be adopted by the convention.

MR. W. S. HOPKINS, of Buffalo: I second that motion.

THE PRESIDENT: Is there any discussion? If not, all in favor of the resolution will say "aye"; opposed, "no."

MR. HENRY DIMSE, of New York: I would offer one amendment to that before the question is put, if the gentleman from Jamestown will accept it:

Add to the resolution the following:

"RESOLVED, That the delegates to this convention here assembled hereby heartily approve and endorse the recommendations of the special committee."

MR. F. W. HYDE, of Jamestown: I accept that.

THE PRESIDENT: Now, all in favor of the resolution as amended will signify the same by saying "aye"; opposed, "no".

Carried.

The motion is carried and the resolution as amended is adopted.

Report of the Committee on Resolutions.

FIRST: That we would express our keen sense of appreciation of the distinguished consideration shown this association at its eighteenth annual convention by the President of the United States, William Howard Taft, by his presence and speech at the Banquet Thursday evening. It is a high honor which every member of this association recognizes, and for which all are grateful. New impetus

Digitized by Google

The facilities of this Bank are especially arranged for serving the interests of out of town Banks

THE COAL AND IRON NATIONAL BANK

Corner Liberty and West Streets, NEW YORK

Capital, Surplus and Profits $1,435,000

Investment Securities

will be imparted that most important movement for the reform of the currency of the United States by the encouragement given at this time by our wise and patriotic Chief Magistrate.

In recognition of the exceedingly successful outcome of their preparation of the Committee of Arrangements for this convention, the hearty thanks of the association is hereby given.

RESOLVED, That we record our appreciation of the devoted labors of the officers and various committees of this body during the past year. No one knowing the facts will regard it invidious to especially mention the invaluable work of Thomas B. Patton, General Counsel of the American Bankers' Association, and H. A. Arnold, cashier of the First National Bank of Albany, in behalf of the Bill of Lading Measure in the New York State Legislature.

RESOLVED, That we thank all those who have spoken at this convention for our edification and pleasure—Mr. Joseph T. Talbert, vice-president of the National City Bank of New York City; Mr. William C. Poillon, president of the Mercantile Trust Company, of New York City; the Right Rev. Monsignor Edward W. McCarty, the Hon. Martin W. Littleton, the Hon. Charles F. Moore, the Rev. James M. Farmer, D. D., and the Rev. John F. Carson.

RESOLVED, That to those who have provided entertainment which has contributed so much to the enjoyment of delegates from all parts of the state, we make ample acknowledgement. To the Dyker Meadow Golf Club, the Crescent Athletic Club, the Marine & Field Club, the Atlantic Yacht Club, the proprietors of Luna Park, the management of the Oriental and Manhattan Beach Hotels, we return thanks. A feature of the entertainment which deserves special recognition was the aeroplane flights of the birdman, Captain Baldwin, from the field between the Oriental and Manhattan Beach Hotels, Thursday afternoon.

RESOLVED, That the various transportation lines which granted reduced rates to delegates be thanked for their concessions.

RESOLVED, That this association is fully sensible of the generosity of the bankers of New York city, who have contributed unstintingly the necessary funds for the elaboration of the programme of this convention.

RESOLVED, That the secretary of this association forward to those who are mentioned in this report a bound copy of the proceedings of this convention.

Respectfully submitted,
F. W. HYDE,
H. L. CRANDALL,
S. R. BELL.

(The resolutions were adopted.)

MR. L. COGSWELL, JR., of Albany: At a meeting of the Council of Administration the Legislative committee was instructed to prepare resolutions expressive of the views of this convention upon the

INHERITANCE TAX LAW.

Accordingly, the Legislative Committee has prepared and begs leave to submit to the convention the following resolution:

RESOLVED, That we the members of the New York Savings Association in convention assembled do hereby heartily endorse the bills introduced by Senator Harte, known as Senate Bills Nos. 911 and 912, which amend the present inheritance tax law, a measure which has greatly injured the business interests of this state by driving from its borders a large amount of capital and securities, and we urge the Legislature to immediately pass the said bills, believing them to be fair and just and well designed to protect the interests of all the citizens of the state.

(The resolution was seconded.)

MR. HENRY DIMSE, of New York: For one, Mr. President, I do not feel prepared to vote intelligently upon this resolution, because I have not read the bill referred to, and I would suggest that the resolution be laid on the table.

THE PRESIDENT: I would state for the information of Mr. Dimse and other gentlemen here that before the Council of Administration authorized the Legislative Committee to draw up this resolution, it was in receipt of a communication bearing on the subject which I will ask the secretary to read.

MR. HENRY DIMSE, of New York: I would like to hear the communication.

THE SECRETARY: Before reading the communication, Mr. President and Gentlemen, if I may be permitted to do so, I would make a brief statement.

To assure you that this matter has been given full consideration I would state that a special meeting was called of the financial interests in the city of New York, at which our Legislative Committee was represented, the association proper was represented, the Chamber of Commerce was represented, the Merchants' Association of New York was represented, and the concensus of opinion was that this Inheritance Tax Law was the most harmful legislation that had been put on the statute books of the state in many a day, and that it was driving out of the state over $400,000,000. Now the communication, which was presented to the council of administration by Charles Elliot Warren, reads as follows:

"Gentlemen: You are doubtless aware of the disastrous effect the present Interitance Tax Law is producing in this state. Millions of dollars' worth of property has been, and is being, removed daily from the state, to escape taxation. As a consequence, the banks, trust companies and safe deposit companies in New York state are losing vast amounts of business.

There are now before the Legislature

TWO SETS OF BILLS

to correct this evil; one following the governor's special message calling for the repeal of the amendment adopted last year; the others are known as the Harte Bills, bearing Senate Introduction Nos. 911 and 912, proposed by the Hon. Lawson N. Purdy and other experts on taxation. These bills have been more carefully prepared, and possess features superior to the old New York State Tax Law.

Resolutions urging the passage and signing of these bills have been adopted by the Chamber of Commerce, New York, under date of June 1, and by the real estate board of brokers, June 13.

The committee of the New York State Safe Deposit Association having the matter in charge favors the Harte Bills and it is urged that the members of the council of administration will communicate at the earliest possible moment with his excellency, Governor Dix, as well as their representatives in the Senate and Assembly,

URGING THE PASSAGE

of those bills before the Legislature adjourns; and that they use their influence in such other ways as may suggest themselves, to secure the passage of these various bills.

Further, I respectfully urge that the members of this council by resolution

Digitized by Google

will recommend to the convention of New York state bankers assembling tomorrow at the Oriental Hotel, Manhattan Beach, the adoption by them of a resolution endorsing the bills as presented, and urging upon the Legislature of the state of New York their prompt passage, and the signing thereof by the governor of the state.

Governor Dix in his message recited the testimony of competent persons to the effect that four hundred million dollars of capital had fled from the state to escape these taxes, and since the governor's message was published the fact has come out by those desirous of placing their property beyond the tax gatherer.

MR. HENRY DIMSE, of N. Y.: After the very clear statement made by the secretary, I withdraw my suggestion to table the resolution, and I heartily second the recommendation made by the council of administration.

THE PRESIDENT: All in favor of the resolution offered by Mr. Cogswell and the recommendation of the council of administration will signify the same by saying, aye; opposed, no.

ADOPTED.

MR. F. W. HYDE, of Jamestown: At the time our committee drew up its resolutions we did not know that Mr. Rhoades was going to make an address. I simply rise to state that we will incorporate in our resolutions one extending the thanks of the convention to Mr. Rhoades.

THE PRESIDENT: Is there any further new business to come before the convention? If not, the next order of business will be the

ELECTION OF OFFICERS.

Officers having been elected as recorded at the beginning of this article, Messrs. Rhoades and Morgan were appointed a committee to escort the president-elect to the chair.

THE PRESIDENT: Mr. Bennett, before relinquishing this office, I wish to express to you

MY SINCERE THANKS

for the assistance you have rendered me during my time of office, and I extend to you my best wishes for your administration of the affairs of the association, and I assure you that you will have the support of every member. It is with very great pleasure, sir, that I hand you this gavel as the token of your authority. (Applause.)

PRESIDENT-ELECT BENNETT: Mr. Mott, and members of the New York State Bankers' Association. I sincerely appreciate the honor you have done me in electing me to the presidency of this association—which involves a responsibility, as I think you will agree with me, that is greater at this time than ever before in the history of the association. We are on the threshold of fundamental changes in the laws governing our business, and it is the duty of the association and of each individual member in it to see that all localities are cared for in the changes that are to come. Alone, we can accomplish little in this respect, but by co-operation I feel that we can secure very great good. I pledge you my utmost endeavors in all that shall be for the success and betterment of the association, and I ask your hearty co-operation and support. (Applause.)

COAL AND IRON NATIONAL BANK.

The Coal and Iron National Bank of New York is one of the strongest and most successful of the younger banks of the metropolis, because it has always been fortunate in being in the hands of a careful, conservative and at the same time progressive management. Its board of directors are prominent men, successful in business and representing large vested interests.

This bank has a capital of $1,000,000 and surplus and undivided profits of $421,000. Its deposits exceed $7,300,000. Its total resources are $9,174,000. This bank's facilities are especially arranged for serving out-of-town bank interests. It makes a specialty of investment securities, and has facilities for handling the purchase and sale of securities in all markets which it gladly extends to its customers at all times.

The efficiency of a bank's management is necessarily indicated by the per-centum earnings on net assets. Based on reports of national banks in New York City for two years previous to March 7, 1911 (the date of last comptroller's call) the first four rank as follows: First, First National Bank; second, New York County National Bank; third, Coal & Iron National Bank; fourth, National City Bank.

One of the strongest indications of the standing of this bank in commercial and financial circles is its board of directors, which is as follows:

BOARD OF DIRECTORS.

Francis J. Arend, treasurer Delaval Separator Company; Wm. G. Besler, vice-president and general manager C. R. R. of N. J.; M. F. Burns, pres. Burns Brothers; George H. Campbell, asst. to pres. B. & O. R. R. Co.; Daniel F. Connor, of Whitney & Kemmerer; Alfred A. Cook, Leventritt, Cook & Nathan; Henry L. De Forest, of De Forest Brothers; Allison Dodd; dir. Burns Brothers; H. W. Douty, real estate agent C. R. R. of N. J.; W. Butler Duncan, Jr., Havemeyer estate; Joseph A. Flynn, vice-pres. Fidelity and Dep. Co. of Md.; W. J. Harahan, vice-pres. Erie R. R. Co.; George D. Harris, George D. Harris & Co.; Henry L. Joyce, vice-pres. Interstate Lighterage & Trans. Co.; John C. Juhring, pres. Francis H. Leggett & Co.; Albert B. Kerr, Zabriskie, Murray, Sage & Kerr; E. E. Loomis, vice-pres. D., L. & W. R. R. Co.; James H. McGraw, pres. McGraw Publishing Co.; John A. Middleton, vice-pres. Lehigh Valley R. R. Co.; James H. Parker, pres. Mutual Alliance Trust Co.; Edwin H. Peck, E. H. & W. J. Peck; Wm. B. Randall, pres. Secur. Transf. & Registrar Co.; Wm. S. Rodie, pres. North River Coal Co.; John T. Sproull, president; Wm. H. Taylor, pres. Goodwin Car Co.; David Taylor, vice-president; Stephen H. Voorhees, agent Royal Bank of Canada; G. O. Waterman, treas. C. R. R. of N. J.; Samuel Weil, Samuel Weil & Son, and Wm. H. Woodin, asst. to pres. Amer. Car & Fdy. Co.

DENVER, COLO.—The Federal State & Savings Bank, with a capital of $300,000, has been converted into the Federal National Bank of Denver.

THE ALDRICH PLAN.

At the banquet of the Connecticut Bankers' Association, at New London, on Wednesday evening, June 21, the principal address was by Wm. C. Cornwell of New York City. He took for his subject, "The Wall Street Money Power and the Aldrich Plan". He spoke in part as follows:

"The main operations of the Reserve Association of America, under the Aldrich plan, are confined to the receiving of deposits without interest from banks and from banks only, and to discounting short term paper for banks all over the country and sending, if they want them, bank notes for the proceeds, shipping these to any part of the country without charge. Under its charter the Reserve Association is compelled to extend its benefits equitably to every member. The smallest bank in the most thinly settled region of Nevada or Arizona would be as amply served proportionately as the bank with hundreds of millions of resources in the East. There would

BE NO OBJECT

for the 'interests' or 'money power' to even try to obtain control, even if it were possible, because no individual enterprise could be favored by the Central Association, nor could any rival enterprise be discriminated against.

"The whole country could and would be provided with bountiful accommodations and with full supply of currency whenever needed. This currency would come out automatically, when wanted, without inflation, and would return and be cancelled promptly as soon as the demand for extra currency was over with, and this last operation would be accomplished without contraction.

"These are the very results which would weaken the money power's capacity for evil, if it had any sinister designs on the money market or on the control of the money supply.

"In fact, these beneficial influences of the Central Association would eliminate the evils of speculation with piled-up idle reserves, to which we are subject every year and for which Wall Street is blamed, and would curtail the profits and reduce the commissions which a so-called Wall Street control may have heretofore been accused of availing itself, in times of stress."

PROPOSAL FOR BONDS.

LIGONIER, PENN.—Sealed proposals addressed to W. A. Peterson, chairman, finance committee and accompanied by certified check payable to the treasurer of Ligonier borough, for 2 per cent of the bid, will be received until August 1 for $18,800 4½ per cent bonds issued for refunding and sewerage purposes, tax free, dated August 1, 1911, redeemable ten years and payable in thirty years of the denomination of $200 each. The town has an assessed valuation of $940,785 and owns and controls its water system which produces an annual net revenue of $3,000.

NEWPORT NEWS, VA.—The Colonial State Bank has been organized with $100,000 capital. A. L. Powell is president; W. Lee Powell, vice-president; J. E. T. Hunter, secretary and treasurer.

United States Investor

Published Every Saturday Morning by

FRANK P. BENNETT & CO., Inc.

SUBSCRIPTION RATES

$5.00 per annum in United States and Mexico; $6.50 per annum in Canada.

$7.00 per annum in England, the Continent, Australia and Countries in the Postal Union.

$10.00 per annum for Investor and Inactive and Unlisted Securities Supplement, including privilege of inserting quotations in the Supplement.

ADVERTISING RATES

[illegible] per agate line, $2.00 per inch each insertion, $50 per inch three months, $90 per inch one year. There will be no deviation from these rates under any circumstances and all of our advertisers may depend upon being treated alike.

PUBLICATION OFFICE,

530 Atlantic Avenue Boston.

NEW YORK OFFICE,

2 Rector Street, New York.

JOSEPH L. BARKER, Manager.

Washington Office, 78 Colorado Building
Philadelphia Office, 705 Chestnut Street.

COPYRIGHT 1921 BY
FRANK P. BENNETT & CO., Inc.

Entered at the Post Office at Boston, Mass., as second class matter

Tariff developments in Congress within the past few days seem to be making it certain that an alliance which had been partially arranged between insurgent Republicans and Democrats in the Senate will not prove effective, and that consequently President Harding's platform pledge will soon be put into effect by the adoption of some general tariff revision measure. The special alliance between these two groups has, however, opened a possibility of more general tariff revision at the current session, which had not been thought to exist. That there can be little doubt that Republican tariff revision measures, passed primarily with a political purpose in view, will be vetoed by the President when they reach him. This appears to remove the chance of any immediate change of duties, although the prospects now certainly favor action on at least one or two schedules next winter.

The current discussion as to the listing of American securities on the Paris bourse is very interesting and raises questions of much interest with reference to the attitude of foreigners toward our bonds and stocks. Many American issues already have a broad sale in foreign countries, but the official listing of the shares would enlarge the speculative transactions in them while possibly rendering them slightly more attractive to some classes of investors. [illegible] far, [illegible] sible in [illegible] since the conditions [illegible] have offered to [illegible] and have [illegible] the little securities that have will ultimately while, the technical may [illegible]

Experience [illegible] movement pressed by operations [illegible] some raised from [illegible] of such a upon the [illegible] the fact [illegible] reports to [illegible] ment, the [illegible] with which [illegible] of transfer [illegible] Paris [illegible] [illegible] upon the [illegible] of the per[illegible] [illegible] that demands [illegible]

PRESIDEN[illegible]

is the ultimate body that must deal with the subject. It will then be possible to explain to inquirers exactly how the new proposition would work. Until that point is reached, the whole discussion of currency and banking will continue in the same indefinite condition as heretofore. The sooner some action can be had from the National Monetary Commission the sooner it will be possible to advance the subject in Congress.

BANKS AND TRUST COMPANIES.

Within the past month or two there have been some interesting developments in the system whereby national banks seek to secure for themselves the opportunities for business which are practically forbidden under the national banking law. The news that another large city institution will organize a trust company to act in close harmony with it, following the plan which was some time ago adopted by one of the leading banks in Chicago, again emphasized the fact that national bankers find it difficult to confine themselves within the limits of the law under which they are living, and yet make what they consider an adequate profit upon the capital they have invested in the business. Here is a condition which ought to be carefully considered, and seems to call either for a broadening of the national banking act or else a more rigid application of the law. It may not be generally known, but is a fact, that the authorities at Washington, when questioned about alliances of this sort between national banks and trust companies, have taken the view that it was not within their province to meddle, and that consequently there would be no interference with the plan of associated organization.

There has been a tolerably strong growth in Congress for some time past of the view that a much greater degree of liberty should be allowed the national banks than now exists. Country banks have been insistent in demanding the power to lend moderately on real estate security, and city banks have been very desirous to have some of the powers granted to savings institutions and trust companies. There has been strenuous opposition to the broadening of the national bank act in these directions on the ground that the reserve of the country was already precariously situated owing to the fact that it was parcelled out among so large a number of separate and small institutions. If larger powers were to be granted to these institutions, it has been argued, and if they should be allowed to tie up their capitals upon less fluid security than at present, the result would be to reduce the solvency of the community and thereby to increase the danger of panic and disaster.

What is quite evident is that the national banks are being hard pressed by trust companies, and in some instances, by state banks, which are given greater liberty in the matter of loans. It had been expected that such new legislation as would be passed by Congress on the banking question would seek to place in the hands of national banks some more distinct advantage than is now possessed by them. If, for example, in a central reserve system, such as is proposed in the Aldrich plan, the privilege of participation had been reserved to the national banks, thus continuing in their hands the exclusive right of access to the note issue function, the advantage which they originally had as note issuers would have been maintained and safeguarded. But, instead of this, it seems to be contemplated by the framers of the Aldrich plan, that state banks and possibly trust companies shall now be admitted to share in its operations equally with the national banks. Doubtless if a plan like the Aldrich proposition should go into effect, there would be much less reason for opposing the granting of savings bank and trust company powers to the national institutions. But with the proposed loss of their exclusive note-issue authority and with the increasing pressure of competition upon them, the national institutions now appear to be drifting rapidly toward a position in which they will differ from others only in name.

THE PROSPECTS OF "BUSINESS".

Failure on the part of general business to take a strong upward swing since the rendering of the Supreme Court Decisions in the anti-trust cases, is affording a topic of anxious discussion, especially among those who had predicted an immediate business recovery if only the anti-trust cases could be disposed of. It is not strange that a number of men who were positive in their predictions of rapid recovery to occur as soon as the decisions were out of the way, are now endeavoring to explain the continuance of the same general situation as heretofore, upon the ground of continued government interference. Those who ascribed dullness in the stock market to the fact that the suits were pending are naturally disposed to account for continued dullness on the ground that other suits are said to be contemplated. At this rate, of course, it would be impossible to secure quiet and satisfactory business conditions unless the anti-trust law was entirely put out of commission, and the government should announce a disposition to make no further inquiry into operations now considered subject to it.

There seems, however, to be no good reason for complaining of or fearing government interference with legitimate business operations. In all the discussions about the effects of the anti-trust law, nothing has been said to indicate a belief that any of the suits thus far actually started have been directed against concerns which ought not to have been attacked or which had not rendered themselves oppressive to the community. The rumors about the opening of suits against the United States Steel Corporation, and the International Harvester Company have not thus far been verified in the slightest degree, and the same is true of various other proceedings which have been said to be in contemplation. On the contrary, the Taft administration has thus far been decidedly conservative in its method and in its general treatment of the business public, although it has shown a disposition to push what it undertook forward to a logical conclusion. It is improbable that there will be any change in this regard. Not only the rapid approach of another presidential campaign and the general desire on political grounds to secure quiet and prosperous conditions during the presidential contest, but the general disposition toward conservatism which President Taft has always manifested, indicates the improbability of any such unwise attacks as have been predicted.

It is, however, tolerably evident that President Taft and his administration are not disposed to assist or defer to, the use of illegal or doubtful methods. The outcome in the so-called "Cunningham claims", affecting the Alaskan Coal land situation, shows indisposition to permit the exploitation of Alaska just as the decision of the Interstate Commerce Commission in the freight rate cases pointed to an indisposition to permit the exploitation of the public by high rates of transportation. There has doubtless been a growth of public opinion against the methods of a few years ago, whereby valuable rights and opportunities were monopolized or in some cases granted away by the federal government without return. The classes of business which have depended upon opportunities of this kind for their profit are likely to suffer in the future as a result of this altered conception of the duty of the government. There may be difficulty in bringing about the necessary readjustments for a time at least. But there is nothing whatever in national politics to-day to suggest, as some intimate, the growth of what is called "the socialistic idea" or the development of any widespread disposition to interfere with legitimate enterprise.

Digitized by Google

FINANCIAL INQUIRY.

International Educational Publishing Co.

21233. (Syracuse, N. Y.) Please advise me what you think of the preferred stock of the International Educational Publishing Company. I understand that this stock is paying seven per cent quarterly and has been doing so for about two years.

Ans.: This company was chartered in 1908 to do a printing, publishing and correspondence instruction business. It owns all the stock of the International Correspondence School, Limited, of London, and also the stock and franchises of the International Correspondence School in South and Central America. The company is doing a large and profitable business in Great Britain and her eastern colonies, which is expected to increase in volume month by month, as the selling force is enlarged. It is the intention of the management to establish a selling organization of 300 routes in Great Britain. Two-thirds of this number are already working.

The net earnings of the company for the year ending April 30, 1910, after deducting payment of dividends were $145,780, which makes the surplus $218,891. With the enlarging and gain in efficiency of the selling force, there is no reason why this should not be greatly bettered this year. Dividends of 7 per cent per annum have been paid on the preferred stock since 1908, and an initial dividend on the common is expected this year.

The management is the same as that of the International Correspondence School. These men have proven absolutely in this country that there are great possibilities for work of this kind and they are considered to be efficient and honest. The preferred stock appears like a good purchase.

Kidder, Peabody & Co.

115 Devonshire St.
Boston

56 Wall Street
New York

INVESTMENT SECURITIES
FOREIGN EXCHANGE
LETTERS OF CREDIT

Agents and Attorneys for
Baring Brothers & Co., Ltd.
LONDON

Investment Bonds
4 to 5.50% Income

Augusta, Me. 4s
Essex County, N. J. 4s
Troy, N. Y. 4½s
Dallas, Texas 4s
Salt Lake City 4½s
Oklahoma City 5s
Omaha, Neb. 4½s
Duluth, Minn. 5s
Ontario Power Co. 5s
T. & O. River Rd. 5s
Evansville Elec. Rwy. 4s
American Telephone 4s
Maine Central Rwy. 7s
Full list upon request.

C. E. Denison & Co.
Boston & Cleveland

BOSTON STOCKS AND BONDS

For the Week Ending Thursday Evening, June 29, 1911.

Names.	RANGE FOR WEEK Low	RANGE FOR WEEK High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911. Lowest		RANGE FOR YEAR OF 1911. Highest		RANGE FROM JAN., 1879, TO JAN., 1911. Lowest	RANGE FROM JAN., 1879, TO JAN., 1911. Highest
Railroads.										
Boston & Albany	222	222	222	7	219	May 1	235	Feb 15	129 1879	*250 1899
Boston Elevated	128	128½	128½	58	127	May 5	137½	Feb 1	62½ 1888	199 1901
Boston & Maine	106	106	106	280	101	May 16	122½	Feb 15	108½ 1893	230 1887
do. pref.	....	....	150	.....	150	Jan 17	154	June 6	134½ 1894	190 1902
Cent. Verm't 4s.	....	....	90	.....	87½	Jan 20	92	Mar 21	75 1894	98½ 1899
C. B. & Q. Jt. 4s	97½	98½	98½	3,000	95½	Jan 5	98½	June 2	85½ 1900	102 1906
Chic. Junc. R...	....	....	110	.....	.....		.....		50 1893	152 1904
do. 5s	....	....	105¼	.....	.....		.....		89¾ 1894	116 1890
Fitchburg pref..	127½	127	127	25	126	May 1	130	Jan 5	63½ 1888	145 1906
K. C. Ft S. & M. 6s	116½	116½	116½	10,000	115	Mar 27	116¾	Jan 6	96 1895	126 1904
K. C. M. & B. new 4s	....	....	92	.....	91½	Jan 19	93½	Jan 3	75½ 1894	110 1910
do. inc. 5s....	....	....	88	.....	83	Apr 6	90	Mar 14	8 1897	104 1909
N. Y., N. H. & H.	139¾	141½	141	50	139¾	June 2	151¾	Feb 22	127 1900	259 1899
Old Colony.....	187	188	187	38	183	Mar 17	189	June 14	95 1879	221 1893
Rutland pref....	40	40	40	2	32	Jan 26	43	Feb 21	6¼ 1879	138¾ 1902
West End.....	88	90	88	237	88	June 29	95	Feb 6	43 1884	102 1905
do. pref.	103	103¼	103	16	102	Mar 3	106	June 22	78 1885	118¾ 1901
Miscellaneous.										
Am. Agri. Chem.	57	57½	57	25	46½	Jan 6	60½	May 15	9 1903	80¼ 1909
do. pref.	102¾	103½	103½	11	99	Jan 6	106¼	Mar 1	64½ 1888	105 1910
Am. Pneu. Ser...	4¾	5	....	300	4¼	Apr 25	6¾	Jan 21	3 1893	29 1906
do. pref.	16½	16½	16½	5	14	Apr 21	19¼	Jan 31	9½ 1893	46 1906
Am. Tel & Tel.	140¾	140½	140¼	13,915	140	Jan 3	153⅜	June 8	88 1880	186 1902
do. 4s	93¾	92	92	124,000	89¼	Mar 22	98	May 23	71 1907	101¼ 1901
do. cons. 4s...	110½	111½	110½	40,000	106⅜	Jan 13	111⅜	June 19	80¾ 1908	107⅜ 1909
Am. Woolen.....	31	31	31	2	31	June 26	36¾	Mar 20	7¾ 1893	48 1906
do. pref.	90	93	91½	81	88¼	Apr 1	95½	June 15	65 1903	110¾ 1906
B. & Wor. Elec.	12	12	12	200	6	Feb 15	15	June 29	8 1910	39½ 1908
do. pref.	54	57½	57½	80	28¼	Jan 27	57½	June 29	35 1910	90 1906
Cumberl'd Tele..	156½	156½	156½	45	148	Jan 19	158	June 2	93½ 1907	152½ 1910
Dom. Ir. & St'l.	....	....	63¾	.....	.....		.....		6¾ 1903	79⅝ 1902
Dom. Coal 5s....	....	....	95½	.....	90	Jan 4	96¾	Mar 21	80 1908	101½ 1905
E. Boston Land.	10¾	10⅝	10⅝	560	7¼	Jan 18	12	May 1	2¾ 1893	18⅞ 1909
Edis. Elec. Ill..	285	285	285	10	282	Apr 4	292½	Feb 2	10 1893	310 1908
Gen'l Elec. Co..	162	164	162	495	145¾	Mar 3	167¾	May 29	20½ 1896	228½ 1901
Mass. Elec.....	22	22⅜	22⅜	963	16	Apr 24	24	June 3	6½ 1905	45⅞ 1902
Mass. pref.....	91½	93	92¾	1,164	83¾	Jan 9	93¼	June 19	37 1907	90 1902
Mass. Gas.....	93½	93⅝	93⅝	965	87⅜	Jan 3	94⅝	June 15	30 1903	91½ 1910
do. pref.	94½	95¾	95	621	91¾	Apr 13	98	June 5	74½ 1903	97 1910
Mergenthaler ...	....	....	224½	.....	211	Jan 3	225	June 10	138¾ 1897	228 1910
N. E. Cot. Y'n.	112½	114	113½	85	110	Apr 22	119	Mar 14	40 1878	125 1909
do. pref.	110	111	111	1	106	Jan 3	116½	Mar 15	24¾ 1903	118 1909
do. 5s	....	....	103	.....	100¾	Jan 13	103	June 20	93 1906	105¾ 1901
N. E. Telephone.	146	147	146⅞	58	137	Jan 17	150½	June 10	78¾ 1879	270 1906
Pullman Car....	161½	162¼	162¼	48	158½	Mar 10	163	Jan 30	5¾ 1901	223½ 1886
Reece But. H...	14⅞	15	15	210	12	Jan 5	16¾	May 22	7½ 1884	163 1901
Torr'g'n Co. Cl. A	31⅜	31⅜	31⅜	6	30	Apr 24	36	Jan 7	18 1905	37 1910
do. pref.	29½	30	30	70	27	Mar 21	30	June 29	20 1907	35 1908
U'ted Fruit Co.	192	193	192	250	180	Mar 24	197	June 12	73 1901	200 1910
U'ted Fruit 4½s.	96⅞	96⅞	96⅞	2,000	95¼	Apr 17	97½	Jan 6	95 1910	97½ 1910
Un. Shoe Mac'y.	49½	52	51½	555	50	June 21	58⅞	Feb 14	*33 1900	95½ 1905
do. pref.	28½	29	29	83	27¾	June 2	29½	Mar 7	22 1900	39½ 1905
West. Tel. & T..	20	20	20	10	17¾	Apr 18	23¼	Feb 6	4 1908	23½ 1908
do. pref.	96	97	96½	195	89	Jan 23	97¾	June 7	50 1907	106½ 1902
do. 5s	99¾	99¾	99½	15,500	90¾	Jan 3	100	June 9	74 1907	106¼ 1903
Mining.										
Adventure	6	7	6	635	4½	Apr 24	7½	May 18	† 62½ 1907	23 1901
Allouez	32½	32½	32½	30	30	May 19	39	Jan 5	9c 1894	74¼ 1907
Amalgamated ..	69½	71½	70	8,360	58¾	Apr 18	71½	June 26	33¾ 1903	123¼ 1899
Am. Zinc.....	27⅝	28⅞	27⅝	1,695	23	Apr 25	30⅝	June 14	5 1901	67 1899
Arizona Com....	16½	17⅜	16½	890	11¾	Apr 24	18⅜	June 14	7¾ 1907	51¾ 1900
Atlantic	6 1-16	6¼	6 1-16	580	3	Apr 18	6½	June 20	6 1910	45 1899
Bos & Corbin...	14	14	14	10	10¾	Apr 24	15½	June 6	6 1907	25 1908
Butte Bal'kl'n...	....	....	5	.....	4½	Jan 31	6¾	Jan 4	4¼ 1910	18¼ 1910
Butte Coalition..	19	19½	19½	900	16¾	Apr 24	20½	May 24	10 1907	42 1906
Calumet & Ariz.	59½	62	59¾	3,115	46	Jan 13	63	June 14	44¾ 1910	198 1907
Calum. & Hecla.	470	475	470	59	460	May 13	545	Jan 4	124 1884	1000 1907
Centennial	13	13	13	25	11¼	May 17	16	Jan 3	10c 1896	61 1899
Copper Range...	61	62¼	61	313	58¼	Apr 24	69¾	Feb 2	37 1903	105 1907
Daly-West	6	6	6	100	3	Feb 15	6½	June 21	3½ 1910	56 1902
East Butte.....	13½	14¾	13½	3,350	10½	Apr 21	14¾	June 26	2½ 1908	18½ 1907
Elm River.....	14	.15	.14	350	.10	May 6	20	Jan 6	.05 1910	7 1901
Franklin	12½	13½	12½	86	7	Feb 3	14	June 14	4 1879	30 1899
Giroux	6¾	7	6¾	1,300	5¾	Mar 10	8¼	Feb 6	2¾ 1907	13¾ 1901
Granby	40	43	40	735	30	Apr 12	43½	June 21	20 1910	151 1907
Greene Cananea.	7½	8	7 11-16	1,785	5 5-16	Feb 9	8	June 26	6 1902	18 1907
Hancock, Con...	28	30	28	1,600	17¾	Apr 24	30¼	June 19	1¾ 1907	36 1910
Helvetia	11	11¾	11¼	150	.09	Apr 25	2	Mar 4	1¾ 1910	38 1909
Isle'd Ck Coal**	28½	29	29	200	29¼	May 9	40¾	June 3	30¾ 1910	33¾ 1910
do. pref.** ...	88	88¾	88	8	87	Mar 29	91	June 13	84½ 1910	90¼ 1910
Isle Royale.....	17½	18½	18	315	12	Apr 22	19½	June 13	5¾ 1903	75 1899
Kerr Lake.....	4 15-16	5 7-16	5 1-16	4,075	4 15-16	June 28	7⅞	Jan 23	6 1910	35 1907
Keweenaw	2	3⅛	3⅛	33	1¾	May 10	3¾	June 14	2½ 1909	7¾ 1909
La Salle.....	2⅝	3¼	2⅝	....	2½	June 6	6	Jan 3	2 1908	23⅛ 1905
Lake Copper....	37	38⅝	38¼	910	28¾	Apr 26	40	June 17	4 1907	94½ 1910
Mass. Cons.....	9	9¼	9	45	5	May 27	10	June 19	2¾ 1908	57⅝ 1901
Mayflower	23¼	23⅝	23¼	600	18¾	Apr 21	25¾	June 21	18⅝ 1908	29 1910
Michigan	2½	2½	2½	2	1¾	Apr 25	4¼	May 6	3 1909	24¼ 1907
Mohawk	50	51½	50½	270	36	Apr 24	53	June 15	11 1903	97 1907
Nev. Cons.....	19½	20¼	19¾	200	17¾	Apr 24	21¾	June 14	6¾ 1907	30 1909
New Arcadian...	11	11	11	200	9½	Mar 9	13¾	May 17	11 1907	125½ 1899
Nipissing	10½	10	10½	1,500	10¼	June 21	11½	Feb 17	5 1906	37¾ 1906
North Butte.....	70	74½	71½	4,000	57½	Apr 24	76	June 13	18½ 1910	120 1907
North Lake	2	2	2	200	2	Apr 18	3¾	June 9	1 1908	11¾ 1909
Old Dominion...	48	48½	48	40	35	Apr 22	49	June 19	20 1904	66¾ 1906
Osceola	101	103	101	110	86	Apr 24	124	Jan 4	71 1899	183 1907
Parrot	13¾	13⅞	13⅞	100	11	May 2	17½	May 22	8¾ 1903	72¾ 1899
Quincy	74	74	74	15	65	Jan 30	74	June 5	10 1879	190 1899
Santa Fe.....	11½	11½	11½	60	7¾	Apr 26	13⅜	June 13	1 1879	22 1899
Shannon	11¼	11¾	11¼	50	9¾	May 16	12¼	Feb 6	3½ 1903	24¾ 1907
Superior Copper.	33	33	33	100	30	Apr 24	34½	June 14	7 1879	68¼ 1910
Sup. & Boston..	7¼	7½	7¼	200	2 15-16	Apr 7	8¼	June 15	1¾ 1908	1¾ 1908
Superior & Pitts.	16¾	17½	16¾	200	12¾	Jan 7	18	June 19	7 1907	29¾ 1908
Tamarack	35	35	35	10	34	Apr 24	52	Jan 3	45 1910	363 1901
Tennessee	....	....	40¾	.....	36	Feb 1	42¼	June 12	9¼ 1901	55¼ 1907
Trinity	6	6¼	6¼	200	3½	Apr 25	8	June 20	3¾ 1910	42¾ 1907
U. S. Smelting..	38⅞	39¾	38⅞	3,040	32	Apr 3	46¾	June 14	24¾ 1907	70 1907
do. pref.	46¼	46¾	46¼	1,440	45½	May 10	49½	June 6	27¾ 1907	84½ 1909
Utah Cons.....	18	20	18	430	9¼	Jan 20	20	June 26	12¾ 1903	*79 1907
Utah Apex.....	3	3⅜	3⅛	1,000	2¼	Apr 28	3½	June 15	1¾ 1879	104¾ 1906
Victoria	....	....	2	.....	1¼	May 2	2½	Feb 7	1 1904	12 1901
Winona	8	8¼	8	200	6	May 6	9½	Feb 6	1 1903	22 1896
Wolverine	113	114	114	13	107	Apr 26	122	Feb 10	73c 1893	200 1907

* Ex-dividend. † Assessment paid. ‡ Rights off. ‖ Auction. ‡ Old securities. e Old stock
** Temporary certificates.

Nat'l City Bank's $10,000,000 Dividend

Following the Example of the First National of New York a 40 Per Cent Dividend Has Been Declared For the Purpose of Organizing a $10,000,000 Holding Company—Stockholders Do Not Get Certificates, However, But Simply Have an Endorsement Made on Their Bank Stock Reciting Their Beneficial Interest—First National Stock With a Book Value in Bank Assets of Only 309, Now Selling at Practically $1,000 Per Share—The New Holding Company Regarded as Indicating a More Aggressive Programme in Bond Underwriting by the National City Bank.

The $10,000,000 dividend declared this week by the National City Bank has been the predominating topic of conversation in banking circles, and at the same time, the bond-dealing fraternity has been discussing the matter with even more interest of an apprehensive character. The bond-dealers have correctly figured it out that this move means much more aggressive competition than they have had in the past from the largest banking institution in the country, while banking officials generally have been considerably concerned, because the subsidiary security company in the form of an endorsement on a bank stock certificate suggests interesting possibilities for the future development of all banking institutions.

About three years ago, the First National Bank of New York formed a security holding company by the declaration of a 100 per cent dividend. Holders of First National Bank stock did not receive a stock certificate representing their interest in the new company, but simply sent in their stock certificates for endorsement, which stated that they had their pro rata beneficial interest in the new corporation, all of the stock of which was held in trust for the benefit of the bank's stockholders. At the time of organization of this security company by the First National three years ago, the bank stock was selling at about 650, and recent sales of the stock have been made at within a few points

OF $1,000 PER SHARE,

so it is fair to assume that the results of a security company for a large New York City bank have been very satisfactory, and this might have been one of the reasons which led to the formation of a similar company to the National City Bank.

The present dividend rate of the First National is 40 per cent per annum, and the quarterly dividends of 10 per cent are said to represent 7 per cent from the earnings of the bank and 3 per cent from the earnings of the security company. In other words the holding company, which was organized only three years ago, is able to disburse dividends at the rate of 12 per cent per annum, and the well-known policy of the First National Bank to build up a surplus and disburse only a portion of its earnings suggests that in all probability the security company is earning substantially more than the amount it pays in dividends.

The new security company of the National City Bank is to have a capitalization of $10,000,000, and to provide funds for the organization of the company the bank is to declare a dividend of 40 per cent on its $25,000,000 of capital stock. The stockholders, however, neither have the opportunity of handling the money representing the 40 per cent cash dividend nor the stock of the new holding corporation which is to be created by this dividend. They simply sign the necessary papers

AND HAVE ENDORSED

on their bank stock certificates that they have a beneficial interest in the new holding company.

The officials of the National City Bank have made no announcement as to the exact details, but it is presumed that the same method will be followed as in the case of the First National Bank of New York at the time its holding company was organized. In the case of the First National, each holder of the bank stock had endorsed on his certificate the following:

"The registered holder of the within certificate is entitled, for and in respect of each and every share of stock of the First National Bank of the city of New York represented thereby, to share equally and ratably with all other holders of stock certifi-

PHILADELPHIA STOCKS

For the Week Ending Wednesday Evening, June 28, 1911.

Names.	RANGE FOR WEEK Low	High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911. Lowest		Highest		RANGE FROM JAN., 1879, TO JAN., 1911. Lowest		Highest	
Amer. Cement..	....	....	18	.....	12	May 29	17¼	Jan 4	5¼	1905	46	1909
Amer. Railways.	43¾	44	43¾	135	42	Jan 10	45½	Jan 23	21½	1900	64¾	1907
Bell Telephone..	....	....	116½	.....	.....		.....		45	1907	134¾	1909
Cambria Steel...	44¾	45	45	68	42¼	Jan 4	48¾	Feb 13	18½	1899	49¾	1909
do. Iron	44	44	44	47	44	June 30	46	Mar 27	42	1907	128	1882
Elec. Co. of Am.	12¾	12¾	12¾	40	11¾	Jan 4	13½	Jan 14	5¾	1902	25	1899
Elec. Storage....	54½	55¾	54½	1,046	48½	Jan 3	56½	June 15	15	1894	194	1899
Gen'l Asphalt...	32	32	32	60	31¾	Mar 10	34¾	Jan 10	3	1907	84¾	1910
do. pref.	73½	74	73½	390	72	Mar 10	83¾	Jan 20	11	1905	84¾	1910
Hunt. & B. T...	....	....	‖	.....	5	June 12	8	June 19	7	1910	42	1899
do. pref.	14	14	14	90	14	June 19	27	Feb 1	7¾	1880	59¾	1909
Lake Sup. Corp.	25¾	27	25¾	936	25¾	June 28	31¾	Feb 4	3¾	1908	33¾	1909
Lehigh Valley...	88½	90½	90¾	1,311	84½	Apr 24	90½	Feb 3	17½	1897	121¼	1910
Lehigh Navig'n.	88¼	88¾	88½	152	86½	May 15	89¾	June 19	36	1898	121¼	1904
Marsden	....	....	1¾	.....	.....		.....		⅝	1907	28¾	1899
Penn. Steel.....	....	....	60	.....	.....		.....		5	1894	300	1881
do. pref.	....	....	106½	.....	104½	May 4	108¼	Apr 13	10	1897	117¼	1909
Phila. Co.....	56	56	56	45	50¾	Jan 4	59¼	June 5	33¾	1907	55¼	1905
do. pref.	43¾	44½	43¾	574	42	Feb 20	45	Feb 8	34	1909	52	1906
Phil. Elec.	17¼	17½	17¼	6,334	16	Mar 9	17¾	June 9	3	1900	16¾	1910
Phil. Rap. Trans	19¼	19⅝	19¼	205	18¾	Apr 18	21¼	Jan 20	12	1907	27¾	1909
Phil. Traction...	86½	87	86½	106	82¼	May 1	87½	June 16	5	1885	102½	1905
Tonopah Min'g..	5 15-16	6¼	6 1-16	3,165	5¾	June 1	8¾	Jan 17	3 3-16	1907	21¼	1906
United Gas Imp.	87¾	88¾	87¾	2,077	85¾	Jan 3	89¾	Jan 9	50	1898	176	1899
Union Traction..	47¾	49½	48¾	622	43	Jan 4	51	June 6	8¾	1897	65¼	1906
Warwick Steel..	10	10	10	5	9¾	Jan 10	11¼	Feb 28	2½	1903	18	1899
W'stm'el'd Co'l.	....	....	84	.....	82	Apr 22	91¼	Mar 20	45½	1879	114	1905

* Ex-dividend. † Trust certificates. ** Temporary certificates.

CHICAGO STOCKS

For the Week Ending Wednesday Evening, June 28, 1911.

Names.	RANGE FOR WEEK Low	High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911. Lowest		Highest		RANGE FROM JAN., 1879, TO JAN., 1911. Lowest		Highest	
Am. Can.....	10⅝	11⅛	10⅞	69	8⅝	Jan 27	12⅛	May 23	2¾	1908	31½	1901
do. pref.	85	85⅝	85	75	76¾	Jan 7	88⅝	May 23	25¾	1902	98	1909
Am. Radiator...	....	....	265	.....	265	Jan 9	265	Feb 18	30	1901	260¼	1910
do. pref.	....	....	138	.....	128½	Mar 9	130	Jan 23	88	1899	136	1906
Am. Shipbldg...	66	68½	66	40	65	May 26	79	Feb 6	19	1904	84½	1910
do. pref.	....	....	112½	.....	110¾	Jan 16	113	May 18	82	1904	112	1910
Chic. City Ry...	....	....	190	.....	185	Mar 23	190	Apr 25	140	1906	176	1892
Chic. Pneu. T'l.	51	52	51	196	41	Jan 13	55½	Feb 22	13	1904	107½	1902
Chic. Subway...	3¾	3¾	3¾	210	3¾	June 20	6	Mar 1	2¼	1910	57¾	1905
Chic. Telephone.	124½	124¾	124½	110	118	Jan 25	124¾	May 17	95	1907	208	1901
Com'nw'th Edis.	128½	129½	128½	421	113	Jan 26	130	Mar 16	77	1907	126	1910
Diamond Match.	102½	103	103	220	99	Jan 16	101½	June 2	82½	1910	163	1893
Kan. City Light.	....	....	17	.....	17	May 27	25	May 23	20	1910	68½	1906
do. pref.	41	41	41	10	40¾	June 17	72½	Feb 25	68	1908	93½	1906
Met. El.....	28¾	28⅝	28¾	550	19¼	Feb 1	28⅝	June 28	12	1899	43	1902
do. pref.	68½	73⅛	73½	895	64	Mar 16	73	May 26	32	1909	93¼	1901
Nat. Carbon.....	....	....	120	.....	114	May 4	120	June 3	16	1899	143	1910
do. pref.	....	....	118	.....	118	June 20	120	Apr 12	72	1900	124	1909
No. West. El...	27⅜	29	28	980	20½	Apr 27	28	June 2	13¾	1908	55	1901
do. pref.	66½	69	68½	420	60	Mar 1	67	Mar 30	44	1904	97	1901
Quaker Oats....	189	192½	192½	167	185	Mar 17	189	June 12	35½	1904	186	1910
do. pref.	106	106½	106½	147	102½	Feb 8	106½	June 21	73	1902	109½	1905
So Side E.....	77	79⅝	79	558	68	Feb 16	77⅝	May 26	60¾	1897	199	1901
Streets' Car.....	8⅝	9	8⅝	140	8	May 31	13¼	Feb 24	10¾	1910	54¼	1909
do. pref.	....	....	42	.....	40	June 2	50	Mar 13	40	1910	111¾	1906
Swift & Co.....	101¾	102	101¾	1,016	100¼	Mar 13	104	June 5	75½	1907	177¼	1902
Un. Box Board..	2¾	3¼	2½	1,360	3	May 16	7	Jan 5	½	1909	17½	1902
do. pref.	....	....	7⅜	.....	.....		.....		1⅞	1908	71	1902
Western Stone..	....	....	19½	.....	19½	May 27	24¾	Jan 24	14	1908	50	1905

* Ex-dividend. † New. *** Receipts. ‡ Assessment paid.

Digitized by Google

cates of the bank similarly endorsed, according to their several interests, in the dividends and profits, and, in case of dissolution, in the distribution of the capital, of the First Security Company, a corporation of the state of New York, organized in pursuance of a certain written agreement dated February 14, 1908, between George F. Baker and others, trustees, and J. Pierpont Morgan, and others, stockholders, such interest of the owner of the within certificate, and of all other like certificates, similarly endorsed, being subject to all the terms, conditions and limitations of said agreement; such ratable interest to be sold or transferred ratably only by the transfer upon the books of the bank of one or more of the shares of the stock in the bank represented by a bank stock certificate bearing this endorsement; and all of the interest in and to or in respect of said security company or its capital stock, represented by a bank stock certificate bearing this endorsement, shall pass ratably with and

ONLY WITH THE TRANSFER

of such shares of the bank represented by such bank certificate, and upon transfer thereof upon the books of the bank, and in interest in the security company attached to any share of the bank shall be alienable, only in connection with such transfer of such bank stock."

In anticipation of this limited segregation of assets of the National City Bank there has been a substantial advance in the market price of the stock during the past few weeks. The stock sold at 465 this week, although its book value is only 238. Ruling prices, hence, represent a very substantial profit for the bank's stockholders. In 1900, when the capital was increased from $1,000,000 to $10,000,000, the stockholders were given the privilege of subscribing for 85 per cent of the increased issue at par, and on June 2, 1902, when the capital stock was increased from $10,000,000 to $25,000,000, the increased issue was offered to all stockholders pro rata according to their holdings at $150 per share. Another interesting fact is that it was only a few years ago that the National City Bank stock was selling around 200, or only a relatively small amount over its book value. All holders and recent purchasers of National City bank stock, therefore, are now contemplating the possibility of securing some very substantial profits on their investment.

From the way the market for the stock is acting, however, it does not seem probable that very many shareholders are inclined to

TAKE THEIR PROFITS,

and perhaps their disposition on this point may be influenced by the results accomplished on the similar enterprise of the First National. According to the June 7 statement of the First National, its surplus and undivided profits aggregated $20,900,000, giving the company's $10,000,000 of outstanding stock a book value of about 309. Each holder of a share of First National Bank stock, however, in addition has equitable title to a $100 share of the stock of the holding company known as the First Security Company, which stock had, at least

NEW YORK STOCKS AND BONDS

For the Week Ending Thursday Evening, June 29, 1911.

Names.	RANGE FOR WEEK Low	High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911 Lowest		Highest		RANGE FROM JAN., 1879, TO JAN., 1879, TO Lowest	Highest
Atch. & T. R.R.	113⅝	114⅞	113½	44,300	100⅝ Jan	3	116⅝ June	5	3 1-16 1894	152½ 1890
Atch. & Top. pf.	105	106	105	500	100⅜ Jan	3	106½ June	12	14 1896	107½ 1901
Atch. & Top 4s.	98⅝	99	98⅝	65,000	93 Mar	23	99⅝ Jan	4	61 1894	105⅞ 1902
do. adj. 4s....	91⅜	91⅝	91½	37,000	90¾ Mar	29	92½ Jan	26	26 1896	99¼ 1905
At'tic C'st Line.	128½	129¾	128½	14,000	117 Jan	3	132¼ June	14	58 1907	170 1906
B. & O. Gold 4s.	98⅜	98½	98⅜	112,000	93 June	6	99¼ Feb	21	83 1907	100⅜ 1905
B.& O.S. W.3½s.	90⅜	91	91	30,000	90⅜ Feb	28	93 Mar	11	80 1907	96 1899
Balti. & Ohio...	107⅜	108¼	108¼	12,400	102 Feb	24	109½ Jan	31	9 1897	135¼ 1906
do. pref.	89	89⅜	89	600	88 Apr	20	91 Jan	4	67½ 1889	100 1906
Brooklyn R. T..	80	82	80⅞	302,100	74⅞ Jan	3	82⅜ June	7	18 1896	137 1899
B R T.conv't 4s	85	86¼	86¼	317,000	82⅜ Apr	18	88⅜ Jan	26	58 1907	102½ 1905
Canadian Pac...	241¼	243½	241½	50,200	195⅝ Jan	3	243½ June	24	33 1896	202⅜ [illegible]
Canada South...	...	...	68	.....	62 Mar	3	68 May	12	23 1886	97 1902
Cen.ofGa.Con.5s.	108½	108⅞	108⅞	22,000	107¾ Jan	13	109 May	18	85 1907	130½ 1901
do. 1st inc....	...	...	101	.....	100 Feb	27	114½ Apr	12	30 1890	102 1910
do. 2d inc.....	...	...	100	.....	96 Mar	1	106¾ Apr	5	9 1899	101 1910
do. 3d inc.....	...	...	98	.....	85 Feb	24	102 Apr	4	4 1898	100 1910
Central N. J....	...	...	285	.....	270 Mar	11	285 June	3	21 1885	312 [illegible]
Cent'l Pac. 1½s.	91¼	91½	91½	2,000	81½ June	29	92 Mar	9	75 1907	91 1910
Ches.O. gen.4½s.	101½	101⅝	101⅜	33,000	100½ Apr	12	102 May	18	61 1893	111 1905
Chesapeake & O.	82⅝	84½	83¼	13,100	77 Apr	24	86¾ Feb	10	1 1888	125¾ 1887
Chic. & Alton....	...	...	30	.....	25 Apr	24	31¾ May	23	3½ 1907	74⅜ 1909
do. pref.	...	...	52	.....	52 Mar	17	53 Jan	27	47 1908	85¼ 1908
Chic. Gr't West.	23	24	23¾	1,900	20¼ Apr	18	25¾ June	5	3⅜ 1897	37⅜ 1909
do. pref. A...	45½	46	45½	500	42 Apr	28	49¼ Feb	6	15½ 1908	90¼ 1901
Chic. M. & St.P.	125½	128½	127	30,200	117½ Apr	18	133½ Feb	7	34¾ 1879	199⅝ 1906
do. pref.	153	153½	153	400	147 Jan	3	155½ June	15	74⅜ 1879	218 1906
Chic. & N. W...	146⅝	148¾	148	1,400	142½ Jan	13	150½ June	12	49⅞ 1879	271¼ 1902
do. pref.	...	...	201	.....	201 June	2	201 June	2	128 1880	274¼ 1902
Chi.,St.P. & Om.	...	...	144	.....	130¾ Apr	20	144 June	12	13½ 1885	225 1905
do. pref.	...	...	155	.....	153 Feb	18	162 Feb	18	66 1885	230 1905
Chi. Ter. Trans.	...	...	102	.....					1¾ 1905	31 1901
do. pref.	...	...	165	.....					8½ 1906	57½ 1901
Chic. Un. Trac..	2½	2½	2½	100	2	May 11	5	June 2	⅝ 1905	23 1902
do. pref.	...	...	5½	.....	5¾	May 2	7¼	Feb 6	3 1905	60 1902
C.,C.,C. & St. L.	...	...	60	.....	56½	Apr 25	66	Jan 15	19½ 1895	111 1905
do. pref.	...	...	96½	.....	96½	June 16	98	Feb 1	63 1897	124¼ 1902
Colo. & South'n.	...	...	56	.....	51¾	Apr 18	60	Jan 18	4⅜ 1889	68¾ 1909
Col. & So. 1st pf.	81	81¾	81¾	725	74¼	Mar 27	86¾	June 14	26 1899	88 1909
do. 2d pref....	...	...	75	.....	73½	Apr 13	76	June 7	12½ 1899	84¼ 1909
Del. & Hudson..	171	171⅜	171⅜	405	164⅜	Jan 3	175⅞	June 8	23 1879	240⅜ 1905
Del., L'ck & W.	546	546	546	100	510	Feb 17	560	June 5	48 1879	680 1909
Den. & Rio G'de	29	29	29	1,000	27¼	June 22	35	Feb 21	4⅜ 1887	186½ 1880
do. pref.	56	58½	58	2,686	55¼	June 23	74	Feb 21	24 1894	103¾ 1901
Dul.,So.Sh.& Atl	...	...	14	.....	11	Jan 6	15¼	May 1	2½ 1895	24 1901
do. pref.	...	...	28	.....	22	Jan 6	28⅜	Apr 4	5 1898	46⅜ 1905
Erie 1st gen. 4s.	78½	79	78¾	67,000	72½ Jan	3	79	June 27	35 1906	95 1905
Erie	36	37⅜	37¼	81,100	27¼ Jan	11	37⅜	June 27	2⅜ 1894	52⅞ 1881
Erie 1st pref....	58⅜	59	58⅜	22,100	46⅜ Jan	12	59	June 28	15 1893	95 1931
Erie 2d pref.....	45	47⅜	47	3,800	25 Jan	13	47⅜	June 27	13 1895	78⅜ 1905
Ev's'le & T. H.	...	...	85½	.....	60 Feb	1	85½	June 10	30 1897	152 1892
do. pref.	...	..	85	.....	85	June 5	85	June 5	72 1894	104⅜ 1902
Gr'ne&Wdeb'B.	...	...	131½	.....	131½	June 16	154⅜	Jan 28	3½ 1886	271½ 1903
Gt. Northern pf.	135⅞	136¼	135⅞	27,000	122 Feb	24	146	June 8	44½ 1897	348 1906
Hock'g Valley**	128⅝	128⅝	128⅝	150	123 May	24	134	Apr 29	22 1899	140 1910
do. pref.	...	...	125	.....					52½ 1885	171⅜ 1910
Illinois Central..	140⅜	142⅜	141⅜	2,400	132 Jan	9	143⅜ June	27	79½ 1878	184½ 1906
Inter-Met (w.i.).	17½	18⅛	17⅛	4,400	17¼ Apr	27	20⅜ Feb	15	4⅜ 1907	57⅜ 1908
do. pf. (w. i.)	49⅜	51⅜	50¼	15,500	47⅜ Apr	27	55⅜ Feb	16	14 1907	87⅜ 1906
Iowa Central....	18⅜	18⅞	18⅜	200	15 May	12	19¾ Feb	3	2 1888	61¾ 1902
do. pref.	26½	26⅞	26¾	400	25 Apr	27	26⅜ June	27	12 1896	60⅜ 1903
Kan. City & So.	35	36⅜	35⅜	5,100	32 Jan	3	39¼ June	15	7 1900	50¾ 1909
do. pref.	69	69⅜	69	500	64½ Jan	3	70 May	26	27½ 1900	75⅜ 1909
K.C.,Ft.S.&M.pf	...	...	76	.....	75 Apr	1	76 May	3	58 1906	88 1902
L'ke E. & West.	...	...	15	.....	14⅞ May	19	16¼ Feb	1	1⅜ 1887	76½ 1901
do. pref.	...	...	35	.....	35 May	26	40 Jan	13	34 1906	138 1902
Louis & Nashv.	139¼	139¾	139	2,600	142½ Jan	25	153 June	14	22 1887	162½ 1909
Manh'ttan Elev.	135	135	135	5,500	134 Mar	28	141 Jan	6	61½ 1884	172 1905
Metrop. St. Ry..	...	...	15	.....					15 1879	182 1900
Mex. Central....	...	...	240	.....					4 1886	33 1887
do. 1st 4s.....	...	...	98¾	.....					22 1887	98½ 1910
do. 1st inc.....	...	...	31	.....					8 1887	46 1896
do. 2d inc.....	...	...	24	.....					4 1886	25½ 1909
Minn. & St. L....	30	30¼	30	1,100	21½ Apr	26	31 Feb	18	3½ 1899	115 1902
do. pref.	45	45	45	1,200	35 Mar	13	46 May	22	7⅜ 1884	127⅜ 1902
M.S.P. & S.S.M.	137⅜	138	137⅜	31,200	112⅜ Jan	4	139¼ Mar	30	6 1892	164 1905
do. pref.	156⅜	156⅞	156⅞	25	147⅜ Jan	6	159½ June	28	10 1887	193⅜ 1906
M.K. & T. 1st 4s	97	98¼	97	21,000	96½ Apr	22	98 Jan	21	60 1893	104¼ 1905
do. 2d 4s.....	84	84⅛	84⅛	13,900	83¾ Jan	5	86¼ Feb	17	27 1895	92⅜ 1906
M.,K.&T of T.5s.	104¼	104¼	104¼	2,000	101½ Jan	6	106 June	28	72 1896	114½ 1909
Mo., K. & Tex..	30⅞	32⅝	30⅞	4,400	31 Apr	24	38⅛ June	14	7⅜ 1879	54 1881
do. pref.	68	68	68	100	63½ Jan	16	69 June	12	13⅜ 1901	79¼ 1909
Missouri Pacific.	49	50⅜	50	14,700	43⅜ Apr	18	63 Feb	15	10 1887	125⅜ 1902
N. Y. Central...	109	110⅛	109⅝	10,600	105⅜ Apr	21	115¼ Feb	8	31⅜ 1885	174¼ 1901
N.Y.,C. & St. L.	38⅝	39⅜	39⅜	1,200	34½ Apr	17	45 Jan	20	9 1890	73½ 1905
do. 1st pref....	...	...	101½	.....	100½ Feb	21	101¾ Mar	22	4 1885	121½ 1902
do. 2d pref....	...	...	83	.....	83 Apr	12	90 Jan	20	18 1885	100 1902
N.Y., Ont. & W	47⅜	47⅞	47⅜	4,000	40¾ Apr	20	49¼ June	2	6¾ 1885	61 1905
No.& W'Con. 4s.	97⅜	98	97⅜	28,000	97⅜ June	9	99 Feb	2	76 1885	110 1905
Norfolk & West.	109	110¼	110¼	6,100	100¾ Jan	3	111¾ June	26	1⅝ 1896	108⅝ 1910
do. pref	...	...	91¼	.....	86⅝ Apr	28	91 May	27	41⅝ 1896	98 1902
N. Pac prior 4s.	99½	99⅝	99⅝	16,000	96⅜ June	26	100⅝ Feb	6	90¼ 1901	110 1899
do. gen. 3s....	71	71¼	71	5,000	70¼ Mar	29	71¾ June	21	57 1896	79 1907
North'n Pacific.	120⅛	120⅝	120⅛	17,400	116 Jan	17	127⅝ June	8	11 1879	1000 1901
Pacific Coast....	...	...	110	.....	109 Jan	11	112 Jan	10	24 1886	142 1906
do. 1st pref....	...	...	105	.....					65 1887	105 1910
do. 2d pref....	...	...	101	.....	101 Jan	11	101 Jan	11	56½ 1893	125 1901
Penn. R. R.....	131⅜	132¼	131⅜	26,200	126⅜ May	15	130¾ Feb	1	37½ 1879	120 1912
Peoria & East'n	...	...	20	.....					2 1885	50 1901
P.,C.,C. & St. L.	94	96	96	1,700	90¼ May	13	100 Jan	17	10½ 1892	105½ 1902
do. pref.	...	...	111	.....	111 May	20	112 Feb	17	40 1892	125 1902
Reading gen. 4s.	96⅞	96¼	98	26,000	96⅜ Mar	15	98½ June	27	77 1886	104¾ 1997
Reading	158⅝	161⅛	160	202,400	149¼ Apr	24	161⅜ June	3	4⅜ 1896	173⅜ 1909
do. 1st pref....	92	93	91	400	85 Mar	1	91 Feb	3	36 1896	97 1905
do. 2d pref....	87½	88	88	200	84 Apr	24	101 May	2	17⅜ 1896	117½ 1909
R'k Island, new.	27⅜	27⅝	27⅝	12,600	27⅜ Apr	24	34⅜ June	14	11⅜ 1907	81 1909
do. pref.	64½	65⅜	64⅜	200	63⅜ Apr	22	65⅜ June	14	26½ 1907	94⅜ 1909
St.L.&S.F.rfg 4s	84⅝	84⅞	84⅝	25,000	80⅜ Jan	3	93 May	4	66 1907	96½ 1901
St L.&S F.1st pf.	...	...	68	.....	61 Apr	24	68½ June	3	9½ 1879	130 1907
St L.&S F.2d pf.	45⅜	46½	46	1,800	36 Apr	21	47½ June	8	4¼ 1879	94½ 1907
St L.&SW istpfd	91½	92¾	91½	24,400	89⅜ Jan	24	92¾ June	20	50 1893	130½ 1908
do. 2d gen. 4s.	82¾	82¾	82¾	6,000	78 Jan	9	85¾ June	27	12 1893	90½ 1908

NEW YORK STOCKS AND BONDS

For the Week Ending Thursday Evening, June 29, 1911.

Names.	RANGE FOR WEEK Low	High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911. Lowest			Highest			RANGE FROM JAN., 1879, TO JAN., 1911. Lowest		Highest	
St. L. Southw...	23	23¾	23	300	24	Jan	13	24	Feb	4	1	1887	39¼	1901
do. pref.	70¾	72	72	1,500	69¾	Jan	3	72	June	27	21½	1900	90	1902
S'b'd A. L. adj. 5s.	79¾	80	80	57,000	75	Mar	15	80	June	28	69¾	1910	77¾	1910
San Ant. & A. P. 4s	87½	87½	87½	5,000	86¾	Apr	3	88	May	16	45	1896	92½	1900
So. Pac. rfd. 4s..	94½	95½	94½	200,000	94½	Jan	3	96	May	8	94¾	1906	98½	1905
South'n Pacific..	119	126¾	124¾	183,100	113¾	Apr	24	126¾	June	23	12	1858	139¾	1909
do. pref.	...	...	71¾	.....							94¾	1909	137	1909
Southern	21	22½	21½	19,600	20½	Mar	4	22½	June	27	82	1894	1263	1882
do pref.	70¾	72	72¼	6,000	61¾	Jan	11	73	June	28	612	1894	103	1906
Texas & Pacific.	28¾	29	28¾	700	25¾	Apr	24	30¾	June	9	4¾	1893	72¾	1881
Third Avenue...	104	114	104	2,700	6¾	Mar	2	25	Mar	2	5½	1910	243	1899
Tol. Rys. & Light	...	...	7	.....	6¾	Mar	27	8½	Jan	17	5½	1910	38	1902
Tol., St. L. & W	20	22¾	20	2,400	19	May	9	24¾	Feb	8	10¾	1901	54¾	1909
do. pref.	47	50¾	47	4,000	46	Apr	12	53¾	Feb	8	23¾	1908	74¾	1909
Twin City R. T.	108	108	108	450	108	June	26	111	Feb	3	9¼	1897	129	1902
U. P. cvt. 4s, 1887.	107¼	109¾	108¾	1,600	103¼	Feb	24	109¾	June	27	73¼	1907	134¼	1909
Union Pacific....	184	190½	189¾	381,900	169¾	Jan	3	190½	June	26	3	1898	204¾	1910
do. pref.	94	96¼	94¼	5,300	91	Mar	22	96¾	May	17	67	1898	113¼	1909
Wabash 1st 6s...	108	108¾	108¾	35	100	June	7	110	Mar	20	88	1890	121	1902
do. deb. B's...	...	...	101	.....							19	1893	101	1909
Wabash	16¾	17½	16½	1,400	15¼	May	10	18¾	Feb	22	3	1885	80	1901
do. pref.	35¾	38¾	36¾	5,800	32¾	Jan	11	40¾	Feb	22	9	1884	96¼	1901
Wheel. & L. E..	3	4	3	700	3	June	28	6¼	Feb	3	¼	1897	63¾	1887
do 1st pref....	10	12	10	500	10	June	29	17¾	Feb	3	2¾	1897	80¾	1892
do. 2d pref....	5	5½	5	600	5	June	27	8	Feb	22	4	1910	42¾	1902
Wis. Central....	67	69¾	68¾	1,800	57	Jan	3	73¼	May	1	4c	1885	44	1910
do. pref.	...	...	88½	.....				8	Feb	22	50c	1899	91¾	1909
do. 1st 4s.....	93¼	93¾	93¼	32,000	92½	Mar	27	93¾	June	27	127	1898	89½	1899
Miscel. St'ks.														
Adams Express.	...	...	100	.....	235	Jan	26	243	June	13	97½	1888	315	1907
Allis Chalmers..	...	...	9	.....	7¾	May	16	9¾	May	31	4	1907	27¾	1906
do. pref.	...	...	29½	.....	25	Apr	21	34	Feb	3	14	1903	87½	1903
Amal. Cop.....	69½	71¾	70¾	62,100	59¾	Apr	18	71¾	June	19	23¾	1899	130	1901
Am. Car & F'd.	56	57¾	56¾	2,000	50¾	Apr	24	57½	Feb	8	10¾	1899	76¼	1909
do. pref.	117	117	117	100	114¼	Mar	13	120	May	23	51	1899	124¾	1909
Amer. Cot. Oil..	52	52½	52¾	40	49¾	May	22	62¾	Feb	28	8	1896	79¾	1909
do. pref.	100	100	100	150	100	June	27	106½	Mar	21	27¾	1899	103¾	1909
Amer. Express..	...	...	230	.....	228	Jan	28	245	Mar	27	100	1893	301	1910
Am. H. & L....	4¾	5	5	700	3¾	Jan	28	5	June	28	2¾	1903	57¾	1889
do. pref.	25¾	25½	25½	200	20	Jan	10	26¾	June	14	10	1907	83¼	1899
Am. Ice Sec.....	22¼	23¾	22¾	9,000	17¾	Jan	18	25½	Mar	14	5¾	1907	96	1907
Am. Linseed Co.	...	...	11¾	.....	10¾	Apr	21	13¾	Feb	17	5	1903	39¾	1901
do. pref.	31¾	31¾	31¾	100	30	Apr	3	34	Feb	14	16½	1907	66	1901
American Loco..	41	42¾	41	70	35¾	Apr	21	43¾	May	22	11½	1902	78¼	1906
do. pref.	...	...	110	.....	104	Apr	22	110¾	Mar	1	67½	1903	122½	1907
Amer. Malt Co..	5	5	5	200	3¾	Feb	1	5	June	26	2½	1907	90¾	1898
do. pref.	41	41¾	41¾	500	31¾	Mar	8	43¾	June	21	14½	1903	59	1898
Am. Smtl. & Ref	78¾	82	78¾	121,000	71¾	Apr	24	83¾	June	15	30	1899	174	1906
do. pref.	106	107¾	106	800	103¾	Mar	10	108¾	June	15	77½	1899	137	1906
Am. St'l F'dry...	41	41½	41½	300	41	June	22	52¾	Feb	9	21¾	1904	66¾	1909
do. pref.	...	...	102½	.....							20	1907	70	1902
Am. Sugar Ref.	118¾	120	118¾	300	112	Jan	6	121¾	June	14	855	1888	182	1899
do. pref.	...	...	119¾	.....	111	Jan	5	119¼	Feb	14	66½	1893	143	1899
Am. Tob. pref..	96½	97¾	96¾	2,400	93¼	Jan	4	102	May	29	60	1907	151¼	1902
Anaconda†††	39¾	41	40½	1,400	36¾	Apr	24	47¾	June	20	1125	1907	502¾	1907
Br'k Un'n Gas..	143	144	143	200	135	Jan	3	145½	June	8	80	1907	253	1902
Central Leather.	30	31¾	30¾	2,800	26¼	Apr	24	33¾	Feb	2	11¾	1907	51¾	1905
do. pref.	100	100½	100	20	98¼	Apr	26	105	Feb	10	68	1907	111	1909
Colo. Ind. 5s....	75½	75½	75½	11	73½	May	31	79½	Feb	22	35	1907	88¼	1903
Colo. F'l & Ir'n.	34¾	35	34¾	700	28¾	Apr	24	36¾	Feb	6	14	1907	136¼	1903
do. pref.	...	...	112	.....	110	May	19	110½	Jan	9	30	1907	142¾	1901
C. & H. V. Co'l&Ir.	...	...	4	.....	4	Feb	9	4	Feb	9	¾	1896	92¾	1910
Consolid't'd Gas.	144¾	146¾	145¾	7,300	135¾	Jan	3	149½	June	6	67	1887	247¾	1897
Con. Tobacco 4s.	87	87	86¾	22,000	81¾	Jan	17	88¾	June	7	51¼	1907	85¾	1901
Corn Prod'ts R.	14¾	15¾	14¾	2,100	12¾	Apr	27	15¾	May	17	8	1907	28	1906
do. pref.	92¾	92¾	92¾	100	74½	Jan	10	95	May	29	46	1907	93¼	1909
Dist. Secur.....	36½	37¾	36¾	1,200	32¾	Jan	11	38¼	June	6	19¼	1904	78	1907
Fed. M. & Smlt.	...	...	33	.....	17¾	Jan	25	38	Feb	16	4¾	1904	199	1906
do. pref.	65¾	66	65¾	20	48¼	Jan	1	66¼	May	19	47	1907	112¾	1906
Goldfield Con....	6	6¼	6¼	5,000	5¼	Jan	14	7¾	Jan	2	3¾	1907	10	1910
Internat. Paper.	11¼	11¾	11¾	800	9¼	Apr	27	13¾	Feb	3	7¾	1907	68¼	1899
do. pref.	47¾	50	49	1,300	44¾	May	15	64¾	Jan	21	47	1909	96	1899
Inter. Power....	...	...	29	.....							23	1903	199	1902
Inter. Stm. P'mp	41¼	43¼	43	6,500	38¼	Apr	27	44	Feb	10	7¾	1907	60	1906
do. pref.	89	89¾	89¾	600	84¾	Jan	26	90½	June	12	50	1907	95	1907
Nation'l Biscuit.	137	138½	138	300	117¾	Jan	16	141	Apr	4	23	1900	120	1899
do. pref.	129¾	129¾	129¾	50	124	Jan	27	130	Feb	4	79¼	1900	130	1909
Nat. En. & St'p.	16¾	18¼	18	900	16¾	May	29	18½	Mar	27	6½	1907	28	1903
do. pref.	92	92	92	100	86	Jan	6	89	Feb	4	70	1903	99¼	1909
Nat. Lead.....	55¾	56¾	56	1,500	50¾	Apr	27	58¾	Mar	15	10¼	1903	90¾	1905
do. pref.	108	108	108	200	105¼	Mar	24	109½	May	22	48	1893	115	1899
N.Y. Air Brake.	74¾	74¾	74¾	100	68	Apr	27	76	June	19	14	1896	168¾	1906
North Amer. Co.	73¾	74¾	74	700	64	Jan	10	78¾	May	22	2¼	1892	134	1902
Pacific Mail.....	27	27¾	27¾	1,900	23¾	Apr	24	29¼	Feb	3	8¼	1893	70	1895
P'ple's G. L. & C.	106	106¾	106¾	70	103	Apr	8	109	Jan	19	89	1893	129½	1899
Pressed St'l Car	36¾	37¾	37	900	30¼	Jan	3	37¾	June	27	15¾	1907	65¾	1902
do. pref.	102	102	102	20	92¼	Jan	3	102¾	June	16	52¾	1907	111¾	1909
Ry. Stl. Spring..	37	38¼	37	1,700	31	Jan	11	39	June	14	15¾	1894	63¼	1905
do. pref.	...	...	102	.....	98	Jan	2	102¼	May	24	67	1903	109	1909
Rep'b Ir. & St'l.	30¾	30¾	30¾	1,700	29¾	May	31	35¼	Feb	8	5	1904	49¼	1909
do. pref.	93¾	93¾	93¾	30	92¼	Apr	26	99¾	Mar	14	38¾	1903	111¾	1909
Sloss-Sh. S. & I.	...	...	50	.....	50	Jan	27	64¼	Feb	6	17¾	1900	119¾	1905
do. pref.	...	...	112	.....	112	Feb	15	112	Feb	15	58¼	1900	130	1905
T. Pac. Ld. Tr..	90¼	90½	90½	10	87	Mar	3	92	Jan	24	5	1898	95	1910
Un. Bag & Pap.	7¾	8¼	7¾	1,500	6¾	Apr	27	9	Feb	10	3¾	1904	65	1899
do. pref.	58¾	59¾	58¾	100	54¾	Apr	29	60¾	Jan	20	26	1900	89	1899
U.S.Cast IP & P	16½	17¾	16¾	350	15	Jan	11	19	Feb	24	6	1903	53	1906
do. pref.	57½	57½	57½	100	50	Jan	18	60¾	Feb	24	22	1903	97¾	1905
U. S. Express...	...	...	98¾	.....	95	Jan	7	104	Feb	1	25	1886	160	1902
U.S.R'lty & Imp	...	...	76	.....	65¼	Jan	25	79¾	May	29	36	1907	98¼	1905
U. S. Rubber....	49¼	53¾	52¼	11,500	36	Jan	6	47¾	Mar	1	7	1903	60¾	1899
U. S. Rubber pf	112¾	114¾	114	40	109¼	Jan	21	114¾	Mar	1	30¼	1903	123¾	1909
U. S. Steel.....	77¾	79¾	78¾	437,500	71¾	Jan	3	82¾	Feb	6	8¾	1904	91	1910
do. pref.	117¾	118¾	118	6,115	116¼	Jan	3	120¾	Feb	6	49¾	1903	123¾	1910
do. 5s	103	106¾	105¼	90,000	103¾	Jan	4	108¼	May	27	65	1903	109¾	1910
Utah Copper.....	49¾	54½	49¾	12,600	42¾	Apr	18	52	June	16	13	1907	77¾	1909
Virg. Car Chem.	56¼	57¾	55½	13,400	47	May	20	70¾	Feb	23	12¾	1907	73	1901
do. pref.	...	...	124	.....	122¾	Apr	22	126¾	Mar	15	75	1907	123¾	1902
West. Un'n Tel.	78¾	80¾	79½	2,400	71¾	Mar	29	84½	May	24	41	1903	137½	1881
West. Mfg. Co..	75¾	78¾	75¾	2,500	64¼	Apr	18	79	May	29	30¼	1898	154	1907
do. pref	119	119	119	300	116	Jan	14	122	Jan	5	63¼	1895	160	1907

* Ex-dividend. ** New. † Assessment paid. ‡ Ex-rights. § Price bid. ‖ Price asked. ¶ Old securities. † Certificates. x Ex-interest. ††† Par value basis. *** Receipts.

when it was organized three years ago, a book and intrinsic value of par. Superficiall, therefore, it may be said, First National Bank stock representing only $409 per share in sight is selling at around $1,000 per share, so that present holders of National City Bank stock may be anticipating proportionate results when their holding company gets in operation, and as a matter of fact, have good grounds for anticipating that it may not be long before their stock, with the holding company interest endorsed on the back, may be selling at around $600 a share.

The advantages of, and even necessity for, a holding company for the large national bank in New York City, which handles the class of business of the National City and the First National, is quite obvious. The Comptroller of the Currency objects to any national bank carrying investments in stocks, regardless of their character. A prominent bank official in discuss-

Local Brokers

Treasury stock of the **United Motors Company** is sold to automobile owners exclusively and carries with it the privilege of buying Sterling Tires at jobbers' prices —a saving of 30% to 35%. Thus the stockholder may receive from 25% to 200% per year in direct profit on his investment in the 7% Cumulative Participating Preferred stock.

We would be pleased to hear from local brokers in New England, New York, New Jersey, Pennsylvania and Ohio.

Fidelity Bond & Mortgage Company
2 West 33rd Street, New York

CHINO
BOSTON ELY
PORCUPINE

Our weekly market letter mentions the above, also East Butte, Calumet and Arizona, Mason Valley, Mazatlan.

"Coppers" and Curb Stocks bought and sold for Cash or Carried on Margin

H. A. BROWN & CO.

Members Boston Curb Exchange

60 State St. Boston — 74 Broadway New York

6 PER CENT INTEREST PAID

By Coupon on Bonds Secured by Well Selected New York Real Estate.

"We Deal in No Other Securities"

THE DEBENTURE CORPORATION OF NEW YORK
334 Fifth Avenue New York City

Digitized by Google

ing the matter this week referred to the fact that there were many high-priced and high-class railroad stocks listed on the New York stock exchange which were really a better investment for bank funds than many second and third-rate bonds. Nevertheless,

THE LAW AND CUSTOM

vetoes investments in stocks, while it permits the holding of bonds.

The most important feature, however, is in reference to underwritings. It is, of course, well known that no national bank can invest or loan to any corporation an amount in excess of 10 per cent of its capital and surplus. An underwriting is construed as a loan, so that, strictly speaking, the National City Bank has never been legally permitted to take over $6,000,000 of an underwriting. This has been an absurd situation, because it has been demonstrated many times that the National City, through its associated banks and foreign connections, can handle a $10,000,000 or $25,000,000 bond issue in a few days without encroaching to any extent on its cash resources. With its security company now in operation, the bank can, in effect, legally underwrite any issue of bonds which may be attractive, and that the profits on these bond underwritings are becoming increasingly attractive to banks, only the most cursory examination of recent bond history is sufficient to establish.

According to a recent statement, the National City Bank had nearly $240,000,000 in deposits, of which $110,000,000 represented the accounts of other banks. Each one of these correspondent banks at various times in the year has surplus funds, which it desires to employ at the highest rate of interest consistent with safety and good banking ethics. To supply this demand, the National City has been steadily developing

ITS BOND DEPARTMENT,

and in a recent article in the UNITED STATES INVESTOR, I gave an idea of the extent of the operations of this bond department by referring to the fact that the bank had secured a list of all stockholders of the Southern Pacific Railroad Company, and was circularizing every one of those stockholders, even down to the holders of a single share, with the idea of selling them bonds direct.

The National City officials say that they have no intention or ambition of putting bond houses out of business, but that they simply want to give their correspondent banks the best possible service in the way of temporary investments, and to do this, they have to buy original issues, and see that they are well distributed, and that a broad and reliable market is established. The limitations of the national bank law are such that this extensive programme has been frequently handicapped, but the new $10,000,000 holding company will completely relieve the situation, and make it possible for the bank to go ahead even more rapidly on these advanced lines of operation. It hardly needs to be said that every large bank has some securities, and some investments, which may be held temporarily, or by virtue of necessity and regarding which they do not want to have the particulars published broadcast. A security company, of course, enables the bank to take care of all such items, because the security company

MAKES NO REPORTS,

and what it owns, what its obligations are, and what its earnings amount to are known only to the directors of the bank, all of the stock being held in trust for the benefit of the bank's shareholders with simply enough qualifying director shares issued in the names of such directors of the bank as may be designated to be directors of the holding company.

The ambition of the large banks to participate to an even greater extent in bond underwritings was recently evidenced in New York by a trust company which hesitated about joining the clearing house. The reason given by the trust company officials for this action was that they were carrying a very large special deposit preparatory to a bond issue, and they expected and had every reason to believe that when the bonds were brought out, they could handle the

Northwest Investments

Municipal, Railroad, Public Utility Securities and Farm Mortgages, to yield from 5½% to 7½%

Detailed Circular U.S. on Request

Adrian G. Hanauer

Specialist in High-Grade Northwest Securities

Second Floor, Old Nat'l Bank Bldg

SPOKANE, WASHINGTON

References: Any Bank in Spokane

FOR SALE

Hudson River Water Power First 5s 1929
Union Twist Drill Preferred (tax exempt)
Arlington Mills (tax exempt)
Walpole Rubber Pref. with 20% Com. as bonus
Maverick Mills
Hudson River Electric Power 5s 1944
Sioux City Telephone Co. First 6s 1924

HOTCHKIN & CO

Cable Address "TOCKIN"

Specialists in Inactive Securities
Correspondence Solicited
53 STATE ST., BOSTON

Phones 460, 461, 462, 2321 Main

SEND FOR PROSPECTUS
Now Ready
THE
Federal Biscuit Company
A Merger of Leading
BISCUIT, CRACKERS & BREAD PLANTS

More Than 70 Bakeries in 30 Different States

Business for 1910, - - - - $27,650,000

Sent free on request. Address the Head Office

THE FEDERAL BISCUIT COMPANY

100 Hudson Street, New York

'Phone 2117 Franklin

Digitized by Google

issue as underwriters. Their idea was that if they threw open their books for examination by the clearing house committee, this deposit would, of course, be disclosed, and then there would be a number of large banking institutions who would quickly know that the bond issue was to be brought out, and would in consequence lose no time

TO DEMAND PARTICIPATION

therein, and as a result, the trust company which now had every assurance of getting all the business, might in consequence get only a small portion of it.

The development of the National City Bank during the past twenty-five years has been very rapid, as will be noted from the following figures:

Year.	Surplus.	Loans	Cash.	Deposits.
1886	....$2,000,000	$8,473,800	$4,756,700	$10,613,100
1891	 2,422,000	11,568,300	4,661,400	13,251,300
1896	 3,357,000	22,796,500	8,705,400	26,673,500
1901	 6,403,300	111,211,000	29,509,000	121,998,000
1906	20,663,400	139,755,600	31,590,300	115,168,500
1911	34,706,000	182,247,500	68,614,454	238,986,700

P. DE MEDICI.

THE ROLLINS MAGAZINE.

The July issue of the Rollins Magazine is out and it is an attractive and instructive issue, containing as it does articles on subjects which are of interest to the investing public. Among its contents may be found an article on the Interstate Commerce Commission by George C. Lay of the New York bar; another on the market for American Securities in France, by Marc de Valette; and one on the "Awakened Orient" by Payson J. Treat, PH. D., of the Department of History, Leland Stanford, Jr., University. Hydro-electric power in California is dealt with in a way which shows that the writer knew his subject. All these articles have been written especially for this magazine, and the writers deal with their subjects in a very comprehensive manner.

Montague Glass, whose well-known "Potash and Perlmutter Stories" are read with so much interest and amusement by readers of the "Saturday Evening Post", has written a story on a par with these especially for this issue of the Rollins Magazine, and it is written in his own inimitable manner. This is the second issue of the Rollins Magazine, and it is even more interesting and valuable than was the first issue. Mr. Herbert W. Briggs is the editor, and deserves credit for the selections which he has made. A copy of the magazine will be sent free to anyone by writing E. H. Rollins & Sons, at any of their offices.

NEW YORK, N. Y.—A special meeting of the stockholders of the Franklin Trust Company has been called for July 5, to act on a recommendation of the directors that the capital stock be reduced from $1,500,000 to $1,000,000. This action has been deemed advisable, it is said, because of the fact that the company recently closed its branch office in Manhattan. What will be done with the $500,000 has not yet been announced, although it is said that the directors believed it should be turned over to the surplus account.

FINANCIAL INQUIRY.

Gulf, Florida & Alabama Ry. Co.

21255. (New York City, N. Y.) Please give me information regarding the Gulf, Florida & Alabama Railway Co.

Ans.: This company has been organized under Florida laws for the purpose of acquiring, building and operating a railway from Pensacola, Florida, in a northerly direction through the timber and agricultural districts of Florida and Alabama, extending into the coal and iron fields of northern Alabama and connecting with the Illinois Central and the St. Louis & San Francisco railroads at a junction point near Jasper, Alabama, a distance of about 265 miles. The capitalization consists of $1,500,000, 5 per cent non-cumulative preferred and $6,000,000 common stock, in addition to $10,000,000 in bonds, $7,500,000 of which is to be issued for main line and terminals and the remaining $2,500,000 reserved for extensions under restrictions. Bankers are now offering for sale the unsold portion of $1,000,000 of the first mortgage 5s on the basis of a $1,000 bond, 6 shares of common stock and 2 shares of preferred stock for $850 in cash.

The bonds in question will be secured by a first mortgage on the company's property, including terminals, piers, warehouses, franchises, etc., and will be issued at a rate not to exceed $20,000 per mile of line constructed and ready for operation; $500,000 for bridges, and $500,000 for extra heavy work from Tuscaloosa north. The balance of the bonds can only be issued for improvements or additions at 90 per cent of cost. It is stated that business already offered will more than pay the interest on the bonds now to be issued, and should the road make net earnings per mile equal to the average of eleven other southern roads selected as a basis for comparison, the amount would be sufficient to pay full interest on the entire bonded debt, 6 per cent dividends on the preferred and over 6 per cent on the common stock.

LOS GATOS, CAL.—The First National Bank of Los Gatos has been organized by Zedd S. Riggs, N. G. Rogers, F. W. Knowles, C. H. Caldwell and W. Darneal. The bank has a capital of $25,000.

Have You $100, $1,000 or $10,000 To Invest?

For twenty-nine years we have been investment advisors to thousands of people—some with $100, some with $100,000 to invest—and during all this time not one of our clients has ever lost a dollar of principal or interest.

The Straus Building

Home of S. W. Straus & Co.

First mortgage bonds on improved income producing real estate in selected sections of Chicago offer the maximum of safety, because back of them is the ultimate security of every investment—the land itself.

The security is ever there, but back of the mortgage and the property must be producing an annual income several times the amount of the interest and all other fixed charges.

These bonds are in denominations of $100, $500 and $1,000 and yield 5½ per cent. Each issue has been most carefully investigated by us and has the approval of our Board of Directors before we offer it to you.

Write today for Special Circular 66.

S. W. STRAUS & CO.

Mortgage and Bond Bankers

Established 1882

Straus Bldg. CHICAGO

FOR

Oil and Gas Land Leases

WRITE

C. W. DEMING & D. C. ACOSTA, Inc.

Tulsa, Okla.

FOR HIGH GRADE OIL STOCKS

WRITE

EQUITY BOND & SECURITY CO

37 WALL STREET, NEW YORK CITY

PORCUPINE

Get in RIGHT or keep out. THE BOSTON DEVELOPMENT COMPANY, LIMITED, is operating along the right lines. Large acreage, conservative capitalization. For prospectus, engineer's reports, etc., address

A. S. FULLER & COMPANY

CANADIAN INVESTMENTS.

407-8-9 Old South Building, Boston, Mass.

SIX NUMBERS FREE

Financial Converse (published every two months) answers more questions on mines than any periodical published. S. F. Campbell, of Chicago, says: "This paper is worth more than any other mining publication in the United States." Cut this out and send for six copies free covering the next year.

FINANCIAL CONVERSE

339 Monadnock Block, Chicago, Ill.

Almoloya Mining Co.

60 Wall St., NEW YORK

Utah Copper Stocks

Write for my weekly Market Letter.

WM. H. TIBBALS,

Salt Lake City, Utah.

EMNAHA GOLD MINING COMPANY

Incorporated under the laws of the State of Idaho. Capitalization, $500,000, divided into 500,000 shares. Par value $1.00 per share. Of which 200,000 shares have been placed in the Treasury, for the development of the property.

This Company owns and controls nine claims on Battle Creek, Imnaha, Wallowa Co., Ore., on which there are three well defined parallel veins, carrying very rich gold quartz. A limited amount of the shares of the stock have been sold.

For full particulars, address

JOHN SENNETT, Treasurer

79 Milk Street, Room 602 Boston, Mass.

Digitized by Google

Financial Summary of the Week

American Cities Co.—Special meeting of the stockholders of the American Cities Railway & Light Company, will be held in Jersey City this week to act on the proposal of the directors to sell to the American Cities Company, recently incorporated in New Jersey, all the property and assets of the American Cities Railway & Light Company, together with approximately $1,500,000 cash, and to accept in payment therefor $10,000,000 face value of 5-year collateral trust bonds, $9,976,750 face value of the common stock and $6,476,750 of the preferred stock of the American Cities Company, which will have acquired more than 90 per cent of the capital stock of the New Orleans Railway & Light Company. The meeting is also to authorize the sale of all the American Cities Company stock for such sums as shall be sufficient to provide $1,500,000, to discharge all debts, to pay off the preferred stock at par and accrued dividend and to pay off the common stock at 75 and accrued dividend.

American Telephone & Telegraph Co.—This company will issue $50,000,000 of new stock, for which shareholders have the right to subscribe at par to the extent of one share of new for every five shares of old stock held. Proceeds from the new stock will be used for financing the current year's requirements for construction, which, it is estimated, will amount to about $60,000,000. The new stock will be paid for in four quarterly installments of 25 per cent each.

Atchison, Topeka & Santa Fe Ry. Co.—Atchison's statement of earnings in May showed a shrinkage in gross of $308,446, converted into an increase in net of $14,762 through a decrease in operating expenses of $323,208. After allowing for taxes, operating income showed an increase of $40,294. For the eleven months ended May 31, operating income increased $2,632,295.

Baltimore & Ohio R. R. Co.—Baltimore & Ohio reports a decrease in gross earnings of $259,674 for May. Operating expenses were reduced $676,946, so that net earnings were $417,272 in excess of those for the same month last year. For the eleven months ended May 31, net earnings were $1,991,749 smaller than those for the corresponding period of the previous fiscal year.

Bliss (E. W.) Co.—The E. W. Bliss Company has passed the quarterly dividend of 2½ per cent on its common stock, because of the strike of its machinists. The customary quarterly dividend of 2 per cent, however, was declared on the preferred.

Chicago & Alton R. R.—Edwin Hawley, the dominating factor in the Chicago and Alton, this week announced that the board of directors had decided to omit the quarterly dividend of 1 per cent on the preferred stock. Wall street had been prepared for the passing of the dividend by the recent adjournment of two meetings of the executive committee. Four per cent per annum has been paid since 1901. President Shonts says: "We expect to build up the property upon a permanent basis this time, so that when dividends are resumed there will be no question of their continuance. The Alton should end the year with an increase of about $1,200,000 in gross. An encouraging feature of the May report was the decrease in the ratio of transportation costs to total expenses over May of last year. The ratio this year was about 35 per cent, compared with 44 per cent in May, 1910. This shows efficient and competent management." Mr. Shonts said that probably it would be necessary to suspend dividends for only one or two payments. He says that general conditions in the road's territory are satisfactory.

Chicago Pneumatic Tool Co.—The outlook for the Chicago Pneumatic Tool Company is very good. The company will probably receive many orders from contractors who will build the tunnels for the new water supply system and from the builders of the proposed rapid transit subways. Earnings for the complete year will probably equal, and perhaps exceed, the 1910 figures. But there is no immediate prospect of any change in the 4 per cent dividend now paid.

Cleveland, Cincinnati, Chicago & St. Louis Ry.—The "Big Four" has sold $10,000,000 of 4½ per cent twenty-year debenture bonds to bankers who are offering them to investors at 97½ and interest. Of the proceeds, $5,000,000 will be used to reimburse the company's treasury that amount of notes which matured June 1, and the balance will go into improving terminal facilities.

Consolidated Gas Co.—The recent strength in Consolidated Gas was based on the report published by the Public Service commission for the year ended December 31, 1910, which showed an increase in operating revenues of $717,795 and in net income of $655,000. There was sympathetic firmness in other gas shares.

Copper Market.—The copper market continues dull, but electrolytic holds firm around 12¾ cents a pound. The wants of consumers have been supplied for the time being, and no heavy buying is looked for before the appearance of the Copper Producers' figures for June. There has been a slight falling off in foreign buying, but domestic trade continues fair. The various copper producers and selling agencies are making no effort to sell their metal below 12¾ cents a pound, and continue of the opinion that July will witness 13-cent copper.

Du Pont (E. I.) de Nemours Powder Co.—E. I. Du Pont de Nemours Powder Company stockholders held a special meeting this week to authorize an increase in the preferred stock from $25,000,000 to $50,000,000, but adjourned without action. The following statement was issued: "In view of the interlocutory decree of the United States Circuit Court, by which it was provided that further testimony might be taken for use in framing the final decree in the powder suit, it was deemed inadvisable to authorize a change in the existing conditions while the court had the question under advisement."

Federal Biscuit Co.—The Federal Biscuit Company, which is offering at par a limited amount of its cumulative preferred stock, was recently organized to take over seventy-eight of the leading independent baking plants in the United States. The plants to be included in the combination did a combined business last year, amounting to $27,650,000, with a net profit of $1,200,000, and it is estimated that savings can be effected by the combination equal to 7 per cent on the $12,000,000 preferred stock. The baking industries of the country have shown steady expansion in earnings in the last ten years and a stability in the volume of the output unaffected by adverse business conditions to a far greater extent than most other industries.

Gulf, Florida & Alabama Ry. Co.—Bankers are offering the unsold portion of $1,000,000 first mortgage 50-year gold bonds, with a stock bonus, on the following basis: $1,000 5 per cent bond, 6 shares common stock and 2 shares preferred stock for $850 cash. The company has been incorporated under Florida laws to build and operate a line from Pensacola, Florida, northward to a point near Jasper, Alabama, connecting at that point with the Illinois Central and St. Louis & San Francisco railroads, a distance of about 265 miles. The capitalization consists of $1,509,000 5 per cent non-cumulative preferred and $6,000,000 common stock. There are $10,000,000 bonds authorized, of which $7,500,000 are to be issued for main line and terminals and $2,500,000 reserved for extensions under restrictions.

Illinois Brick Co.—Illinois Brick Company directors have passed the regular quarterly dividend of 2 per cent. Six week's idleness during the recent brickmakers' strike and a general disturbance of building trades by the plumbers war upon the steam fitters are assigned as the reasons. Brickmakers' strike is settled and the company's operations have resumed, but the labor situation locally is still unsatisfactory otherwise. The directors decided it was better to pass the dividend than reduce it. They made no prediction regarding the future.

Keystone Telephone Co.—With but one month yet to be reported, it is possible to make a pretty accurate estimate of the actual earnings that will be shown by the Keystone Telephone Company during the 12 months to end June 30, next. We estimate that the company will earn about 13¾ per cent on its outstanding preferred stock, as compared with about 12 per cent in the year previous. Gross earnings will probably show an increase of nearly $31,000; the net $15,000 and surplus available for dividends a trifle less than $25,000.

King's County E. L. & P. Co.—In five months, dividends for the half year of 4 per cent have been earned and about $40,-

DENVER Bonds Stocks

Denver Union Water — Denver Gas & Electric
Denver Tramway — Cities Service
Denver & Northwestern — Northern Colorado Power
Nevada-California Power

We buy and sell the bonds and stocks of all the above companies.

Nathan Gregg & Company
Century Bldg., Denver.

Assets Realization Company
Capital $10,000,000
Purchases Estates in Liquidation at any point in the United States
NEW YORK PHILADELPHIA CHICAGO

MONATON REALTY INVESTING CORPORATION
Pays
6% COMPOUND INTEREST
On Money Invested in
Its Accumulative Certificates
Running terms of 10, 15 or 20 yr
Payments may be made annually, semi-annually, quarterly or monthly
SECURITY
OWNERSHIP OF NEW YORK INCOME PROPERTY
Affording
Immediate returns on investments and Opportunity for increase of valuation
For Illustrated Booklet, Inquire:
Publicity Department
Times Building
Broadway & 42nd Street,
New York City

OUR NEW INVESTMENT PROPOSITION
is as
Sound and secure as a good bank and pays large dividends.
First class representatives wanted; must be men of good standing in their community
SECURED INVESTMENT TRUST
92 STATE STREET, BOSTON

A Good Investment
To investigate is the six per cent Realty Bond of the New York Central Realty Company issued in denominations of $1,000, $500, and $100.
It offers a high grade of security, a liberal cash availability and an interest earning of 6%.
WRITE for booklet illustrating the methods of the Company, describing its bonds, their redemptive privileges and advantages over other Realty securities. Everybody knows us.
Newyork Central Realty Co.
Suite 1190, 1328 Broadway, Cor. 34th St., New York City
CAPITAL AND SURPLUS, $1,464,588.34

Digitized by Google

000 besides. In spite of the current fall in earnings, King's County Electric Light & Power Company will show larger earnings for the stock than last year, when a little more than 10 per cent was earned on $10,000,000 stock, and 8 per cent was paid.

Knickerbocker Ice Co.—The Knickerbocker Ice Company's issue of $4,300,000 thirty-year first mortgage 5 per cent bonds are now being offered to investors at 93½ and interest, to yield about 5.35 per cent. The bonds are subject to call in part or as a whole at 105 and accrued interest on any interest date upon sixty days' notice. The bonds are secured by a first mortgage on the properties of the company, of a value of about $9,500,000, of which $3,750,000 represents real estate exclusive of plants.

Laclede Gas Co.—Laclede Gas, paying 7 per cent, earning 12 per cent and selling around 107, is being well bought, and some of the largest interests in the company believe the stock is entitled to sell on present conditions above 120. There are indications that the recent 10 per cent "plum" to stockholders is but the first of several melons to be cut within the next few years.

Lake Copper Co.—Lake Copper Company reports for the year ended April 20, 1911, as follows: Total receipts $636,192; total expenses, $309,240; cash on hand April 30, 1911, $326,952; copper on hand, 318,050 pounds at 12 cents a pound, $38,166; supplies on hand $11,663; total $376,781; less accounts payable, $18,793; balance of assets $357,988.

Manganese Steel Rail Co.—This company with a capital of $6,000,000, has been incorporated at Dover. The incorporators are: Charles S. Fallows and George M. Judd, of New York, and Harry W. Davis, of Wilmington, Del. The company will manufacture and deal in ingots of iron and steel and manganese.

Mines Co. of America.—Mines Company of America at a meeting of directors held June 27 declared a regular quarterly dividend of 2½ per cent, payable July 25 to stockholders of record on July 10.

Moisant International Aviators, Inc.—The Moisant International Aviators, incorporated in this state, offers to investors $250,000 7 per cent preferred stock at par. The capitalization of the new company is $1,000,000, half preferred and half common. The par of the shares is $10.

Mutual Union Telephone Co.—Bankers are offering the unsold balance of the $1,492,000 issue of Mutual Union Telegraph Company first mortgage extended gold 5s, the greater part of which have been sold, at 104 and interest yielding 4¾ per cent. The bonds are dated May 1, 1881, and mature May 1, 1941, and are guaranteed by Western Union Telegraph Company, which has a 99-year lease on the property. The bonds are secured on main trunk lines of the Western Union system from New York City northerly to Providence, Boston, Albany, Rutland and Buffalo; westerly to Cleveland, Detroit, Chicago, Milwaukee, Minneapolis, St. Louis and Kansas City; southerly to Philadelphia, Baltimore and Washington.

Nashville Railway & Light Co.—This company has declared a quarterly dividend of one per cent on its common stock and the regular quarterly dividend of 1¾ per cent on the preferred. The payment of the common is one-quarter of one per cent larger than the last previous distribution and means an increase of one per cent a year.

New England Telephone & Telegraph CO.—The New England Telephone & Telegraph Company directors declared a quarterly dividend of 1¾ per cent, an increase of one-fourth of one per cent compared with the previous payment, made on March 31, last. This places the issue on a 7 per cent basis. The action of the New England Telephone directors in increasing the dividend rate from 6 to 7 per cent by declaring a quarterly dividend of 1¾ per cent was in accordance with expectations. The company's earnings amply warrant the increase, and henceforth, the stock may be expected to sell at a higher average level than it has sold at in the past.

Northern Pacific Ry. Co.—May Earnings of the Northern Pacific Railway Company will show a loss in gross of more than $1,200,000, although it is expected that operating expenses were curtailed to such an extent that a small increase will be scored in net revenues, as compared with the corresponding month a year ago. For the 12 months to end June 30, the company will earn a surplus available for dividends equal to between 8¼ and 8½ per cent on its $248,000,000 outstanding capital stock. This compares with about 9 per cent earned on the company's stock in the year previous.

Seaboard Air Line Railway.—Following the meeting of the Seaboard Air Line Railway directors, at which the full semi-annual interest of 2½ per cent was declared on the adjustment bonds, it was announced that their action was based on the report for the six months ended April 30, 1911, which showed after all deductions had been made, including a special allowance of $152,009, as permitted by the mortgage, a surplus of net earnings of $1,675,265 applicable to full interest on the adjustment bonds, which interest amounts to $624,488.

Southern Iron & Steel Co.—Consolidation of the Southern Iron & Steel Company and the Alabama Consolicated Coal & Iron Company has been practically completed, according to announcement yesterday. The exact terms of the consolidation will not be given out until the European capitalists interested have approved of them. It is known, however, that the new company will have an authorized stock issue of $27,000,000, of which $12,000,000 will be 6 per cent preferred stock, and $15,000,000 common. There will also be $5,000,000 6 per cent bonds issued, the greater part of which will be taken by English and Dutch bankers.

Underwood Typewriter Co.—The common stock advanced this week to 111. According to the last information, earnings are much in excess of 6 per cent on the common, but it is denied that there will be an increase in the present 4 per cent dividend. The strength of the stock has not been satisfactorily explained.

Union Pacific-Southern Pacific Lines.—The merger of the Southern Pacific and Union Pacific railroads is legal, according to an opinion handed down yesterday by the United States Circuit of the Eighth District at St. Louis, June 24.

United States Lighting & Heating Co.—The directors of this company have voted to change the par value of their preferred and common stocks from $10 to $100 a share. When this change is made, application will be made to list both issues on the New York stock exchange.

Virginia-Carolina Chemical Co.—This company's earnings for the fiscal year are likely to be equal to about 5 per cent on the common stock. Directors of the company are uncertain what course to pursue with regard to the dividend on the common. It is feared that reduction of the dividend would make the stock unpopular with French investors, who last February absorbed a large block of the issue when it was listed on the Paris Coulisse. Another argument in favor of maintaining the dividend is found in the company's strong financial condition. Any new undertakings after November can be financed out of the sale of bonds, which under the terms of the mortgage, the company can issue after that date.

Wheeling & Lake Erie R. R. Co.—This company's reorganization plan has been agreed upon definitely. The Wabash will give up all its claims against the terminal railway, as well as $14,000,000 of Pittsburg Terminal Railroad & Coal Company stock and $3,200,000 of its consolidated mortgage bonds. In return, it will receive $1,600,000 of adjustment 5 per cent bonds and $3,200,000 of new 5 per cent non-cumulative preferred stock of the reorganized companies. It is also proposed to raise $20,000,000 cash through assessments on the Terminal railway second mortgage bonds and the Wheeling & Lake Erie stock, together with the sale of first mortgage bonds. Wheeling & Lake Erie notes amounting to $8,000,000 will also be provided for. Whatever money is left will be used for double-tracking the Wheeling & Lake Erie.

Guaranteed 5% Stock

Company has paid
DIVIDENDS CONTINUOUSLY 58 YEARS
now selling at a low price
Write for particulars

GILBERT H. CARR
50 Congress St., Boston

WANTED
Hudson River Elec. Power 5s
Des Moines Water Co. 4s
York Haven Water & Power 5s
Appleton Water Co. 5s
Bodwell Water Power 5% Receipts
Middleboro, Wareham & B. B. St. Ry.
H. C. SPILLER & CO.
Specialists in Inactive Bonds
27 STATE STREET BOSTON

The Desirability of Public Utility Securities
has been established by their record for stability and uninterrupted high income. These elements are conspicuous in the securities of this class which we offer because we ourselves are largely interested in and control and operate the properties upon which they are based.
Write for Circular
Meikleham & Dinsmore
ENGINEERS AND BANKERS
25 BROAD STREET, New York City
60 State Street, Boston

CONSIDERING SECURITY
high grade industrial bonds pay the *highest income* and offer the best chance for rising profits. Send for circular "M".
BEARDSLEY AND COMPANY
Henry Sheld Beardsley, President
Pullman Building, Madison Square New York

American Industrials Co.
Broad Exchange Building, New York.
INVESTMENT SECURITIES.
6% Twenty Year First Mortgage Gold Bonds.
7% Preferred Stocks.
8% Preferred Stocks.

LUDLOW PATTON & CO.
Established 1848
INVESTMENT SECURITIES.
111 Broadway, New York
53 State Street, Boston.
Offer and recommend a 6% Gold Bond with a 50% bonus of **common stock**, which may shortly be taken by our regular subscribers. Quick application necessary. Send for particulars.

INVESTMENTS
Bonds and Stocks
WM. F. CROSBY,
Tel. 4090. 311 Main St.
WORCESTER, MASS.

Digitized by Google

Municipal Bond Sales

MUNICIPALITY.	Date of sale.	Classification of bonds.	Amount.	Rate of interest. Per cent.	Maturity.	Sales price	Purchaser.	Income basis.
United States	June 17	Panama Canal	$20,000,000	3	1961	102 50	Various Investors (about 1,200	2 95
New York City, N. Y.	May	Various	38,860	3	1912	par	Sinking Fund Trustees	3
Lowell, Mass.	June 21	Loan	118,000	4	**1-10	102.057	E. H. Rollins & Sons, Boston	3.584
Franklin, Mass.	June 19	Water	40,000	4	**5-24	101.726	E. H. Rollins & Sons, Boston	3.717
Revere, Mass.	June 12	Loan	9,000	4	**2	101.06	C. D. Parker & Co., Boston	3.927
Fairfield, Me.	June 20	Refunding	25,000	4	*1931	102.11	Spitzer, Rorick & Co., Toledo	3.789
Fairfield, Me.	June 20	Funding	25,000	4	*1934	102.14	Spitzer, Rorick & Co., New York	3.79
Johnstown, Ohio	June 15	Street imp.	8,005	5	**1-1	105.59	First National Bank, Cleveland	3.862
Pottsville, Pa.	June 20	Refunding	500	4	(5-20)	101	Mrs. Mary Wagner, Pt. Carbon	3.87
Cleveland, Ohio	June 19	Grade crossing	15,000	4	1931	101.08	New First Nat. Bank, Columbus	3.922
Cleveland, Ohio	June 19	Infirmary	10,000	4 1/2	1931	101.42	New First Nat. Bank, Columbus	3.928
Pottsville, Pa.	June 21	Refunding	3,000	4	15-10	100.50	Elizabeth Querin, St. Clair	3.94
Sandusky, Ohio	June 19	Street imp.	11,000	6	*5 1-2	101.21	Third Nat. Exchange Bank, Sandusky	3.95
Sandusky, Ohio	June 19	Street imp.	14,000	6	1916	101.23	Third Nat. Exchange Bank, Sandusky	3.95
Cleveland, Ohio	June 19	Park	45,000	4 1/2	1931	104.02	New First Nat. Bank, Columbus	3.957
Cleveland, Ohio	June 19	City Fire Sch.	8,000	4 1/2	1931	104.01	New First Nat. Bank, Columbus	3.958
Toledo, Ohio	June 21	Bridge	150,000	4	1921	100.34	Hayden, Miller & Co., Cleveland	3.96
Pottsville, Pa.	June 20	Refunding	500	4	15-10	100.10	Edw. M. Burgan, Pottsville	3.97
Cleveland, Ohio	June 19	City Hall	30,000	4 1/2	1911	101.17	New First Nat. Bank, Columbus	3.993
Pottsville, Pa.	June 20	Refunding	4,500	4	(5-10)	100.05	C. H. Seltzer, Pottsville	3.997
Battle Creek, Mich.	June 14	Sewer & bridge	45,000	4	1931	par	H. W. Noble & Co., Detroit	4
Buffalo, N. Y.	June 17	Hos. sch. pl'gd	250,000	4	1931	par	Marine Nat. Bank, Buffalo	4
Buffalo, N. Y.	June 17	Hospital	100,000	4	1931	par	Home Savings Bank	4
Buffalo, N. Y.	June 17	Grade crossing	23,000	4	1912	par	Sinking Fund	4
Buffalo, N. Y.	June 17	Certificates	132,000	4	1912	par	Erie County Savings Bank	4
Buffalo, N. Y.	June 17	Lr. imp. & cert.	11,000	4	1912	par	Sinking Fund Trustees	4
Erwin, N. Y., Sch. Dist. No. 1	June 20	Building	10,000	4	**1-30	par	J. J. Gallagher, Corning	4
Hornell, N. Y.	June 19	Park	50,000	4	**1-30	par	Parkinson & Burr, New York	4
Lyon County, Minn., Sch. Dist. No. 59	June 13	Building	11,000	4		par	State	4
Royalton, Minn., Sch. Dist. No. 49	June 10	Building	10,000	4		par	State	4
Talbot, Md.	June 10	Bridge	7,500	4		par	U. S. Fidel. & Guar. Co., Baltimore	4
Todd County, Minn., Sch. Dist. No. 32	June 13	Building	1,000	4		par	State	4
Waseca, Minn., Sch. Dist. No. 72	June 13	Building	12,000	4		par	State	4
Cleveland, Ohio	June 19	St. opening	80,000	4 1/2	1941	104.24	New First Nat. Bank, Columbus	4.005
Cleveland, Ohio	June 19	Water	40,000	4 1/2	1941	104.49	New First Nat. Bank, Columbus	4.01
Cleveland, Ohio	June 19	Bridge	200,000	4 1/2	1931	104.17	New First Nat. Bank, Columbus	4.017
Cleveland, Ohio	June 19	Fire dept.	25,000	4 1/2	1931	104.17	New First Nat. Bank, Columbus	4.017
Alliance, Ohio	June 13	Street imp.	12,200	4 1/2	1921	105.24	Otis & Hough, Cleveland	4.06
Alliance, Ohio	June 13	Sewer	2,500	4 1/2	1928	104.87	President S. B. & T. Co., Cincinnati	4.089
Groveport, Ohio	June 1	Street imp.	5,750	4 1/2	1921	103.22	First National Bank, Cleveland	4.11
Sunbury, Ohio, Sch. Dist.	June 12	Building	11,000	4 1/2	**2 2-3	103.75	Hayden, Miller & Co., Cleveland	4.113
Upper Sandusky, Ohio	June 15	Improvement	5,000	4 1/2	1919	102.47	First Nat. Bank, Cleveland	4.133
New Rochelle, N. Y.	June 20	Various	140,000	4 1/2		102.52	Adams & Co., New York	4.136
Lynchburg, Ohio, Sch. Dist.	June 5	Building	8,000	4 1/2	*7	101.82	Sensenbrand & Mayer, Cincinnati	4.177
Crestline, Ohio	June 19	Street imp.	8,500	5	**1 2-3	104.02	Otis & Hough, Cleveland	4.20
Tarrytown, N. Y.	June 21	Water works	30,000	4 1/2	*10	100.51	Watson & Pressprich, New York	4.20
Cook Co., Ill., Sch. Dist. No. 175, Archbold, Ohio	June 16	Building	15,000	4 1/2	1929	100.42	Ernst, Peck & Rockwood, Chicago	4.227
New Barbadoes Township, N. J., Sch. Dist.	June 19	Street imp.	15,000	4 1/2	**1-10	101.302	Security Sav. Bk. & Tr. Co., Toledo	4.252
Washington County, Pa.	June 17	Building	150,000	4 1/2	*27 1/2	102.76	Hackensack Tr. Co., of New Jersey	4.312
	June 15	Road	600,000	4 1/2	**1-20	101.14	J. S. & W. S. Kuhn, Inc. Pittsburg; E. H. Rollins & Sons, N. Y.	4.365
Durand, Mich.	June 17	Wat. & light	12,000	4 1/2	*7 1/2	100.66	Security Trust Co., Detroit	4.396
Holland, Mich.	June 21	Water works	15,000	4 1/2	*3 1-6	100.901	First Nat. Bank, Detroit	4.40
Holland, Mich.	June 21	Drainage	10,000	4 1/2	*5	100.904	First Nat. Bank, Detroit	4.40
Menard County, Ill.	June 15	Almshouse	30,000	5	**1-5	102.67	H. H. Scarding & Co., Petersburg	4.40
Warsaw, N. Y.	June 12	Village	8,000	4 1/2	**1-8	100.24	J. J. Hart, Albany	4.407
Hutchinson, Kansas	June 16	Conv'tion Hall	125,000	4 1/2	(20-25)	100.28	State Exchange Bank, Commercial National Bank, Hutchinson	4.478
Belmont County, Ohio	June 16	Pike	12,500	4 1/2	1913	par	First Nat. Bank, Bellaire	4.50
Fargo, N. D.	June 14	Park	30,000	4 1/2	*11	par	Wells & Dickey Co., Minneapolis	4.50
Port Washington, Wis.	June 6	Sewer system	25,000	4 1/2	**1-20		N. W. Halsey & Co., Chicago	4.50
Posyville, Ind., Sch. Dist.	June 12	Building	10,000	4 1/2	**1 20	par	E. M. Campbell & Sons, Indianapolis	4.50
Spencer County, Ind.	June 15	Road	10,000	4 1/2	1921	par	Richard & Agnew, Allen Gentry Rockport	4.50
Superior Township, Ohio	June 1	Cemetery	2,500	4 1/2	*3	101.40	Hutton & Dreiling, Bradner	4.50
Putnam County, Ohio	June 5	Road	2,000	5	*3	101.25	New First Nat. Bank, Columbus	4.544
Sharpsville, Pa.	June	Sewer	14,000	5	(10-20)	103.11	First National Bank, Sharon	4.61
Barrie, Ontario	June 16	Hosp't'l & sew.	11,000	4 1/2-5		99.01	Wood, Gundy & Co.	4.623
Merced Co., Cal., Buhach S. D.	June 6	Building	3,000	5	**1 6	101.804	Merced Security Savings Bank	4.731
Merced Co., Cal., Cressy Sch. D.	June 6	Building	1,000	5	**2-15	102.65	Jas. H. Adams & Co., Los Angeles	4.761
West Covington, Ky.	June 8	Water works	9,250	5	*1	102.17	President S. B. & T. Co., Cincinnati	4.767
Dawson, Ga.	June 15	School	12,500	5	*1	101.29	Dawson Nat. Bank, Dawson	4.868
Winton, Pa., Sch. Dist.	May 2	Building	20,000	5	*11	101.075	Erlanger & Co., Philadelphia	4.875
Roberta, Ga.	June 5	School	5,000	5	1931	102	L. L. Fogg, Barnesville	4.921
Benton Co., Wash., S. D. No. 17		Building	50,000	5	(10-20)	par	H. T. Holtz & Co., Chicago	5
Bridgewater, Minn.	June 15	Bridge	2,000	5	**1-5	par	Northfield Nat. Bank, Northfield	5
Farmington, Utah, Sch. D. No. 6	June 21	Building	20,000	5	15-10	par	State Board Land Commissioners	5
Lueknes Co., Tex., Sch. Dist.	June 12	Building	11,000	5	(10-40)	par	State	5
Talent, Ore., Sch. Dist.		Building	7,500	5	(10-20)	par	James N. Wright & Co., Denver	5
Teague, Texas, Sch. Dist.	June 10	Building	10,000	5	(10-40)	par	State	5
Coalville, Utah, Sch. Dist. No. 2	June 15	Building	35,000	5	15-20	97.51	S. A. Kean & Co., Chicago	5.209
Mendocino Co., Cal., Willow S. D.	June 6	Building	1,500	6	**1-10	102.40	Fred W. Stockton, Chapel	5.220
Merced Co., Cal., Arundel S. D.	June 6	Building	3,000	6	**1 10	102.53	Merced Security Savings Bank	5.487
Malheur Co., Ore., S. D. No. 15	June 15	Building	25,000	6	(10-20)	103.75	Jas. N. Wright & Co., Denver	5.686
Oakland, Cal.	June 19	S. d. 1, 2, 3, & 4	102,000	6	**1-30	100.31	Oakland Bank of Savings	5.969
McKenzie, Tenn.	June 20	Wat. l't'g & st.	40,000	6	1935	100.00	New First Nat. Bank, Columbus	5.83
Morehead City, N. C., Sch. Dist.	June 2	Building	6,000	6	1931	102.66	C. H. Coffin, Chicago	5.86
Teton Co., Mont., Sch. D. No. 1	June 3	Building	3,000	6	1931-15	107	Union Bank & Trust Co., Helena	5.865
Spooner, Minn.	May 15	Sch'ol'k & w'k	10,000	6		107.36	C. H. Coffin, Chicago	5.868
Maben, Miss.	June 7	School	5,000	6	1932	101.46	Bank of West Point	5.911
Chandler, Okla.	June 15	Artesian well	10,000	6	1931	par	A. J. McMahon, Oklahoma City	6
Long Prairie, Minn.	June 5	Refunding	2,000	6	*1	par	First Nat. Bank, Long Prairie	6
Meagher Co., Mont., S. D. No. 21	June 12	Building	9,500	6	1-10	par	State Board Land Commissioners	6
Ross, Minn.	May 1	Road	1,500	6		par	Iowa Land Credit Co.	6
Flatonia, Tex., Sch. Dist.	June 15	Building	3,500	6	(10-40)		Local Investors	
Marietta, Ohio	June 19	Paving	4,000			par	Sinking Fund Trustees	
Newport Township, Pa., Sch. D.	June 7	Building	5,000	5	**1-10		First National Bank and Michael Warwick, Nanticoke; P. S. Mill, Wilkes Barre, and Local Investors	
New York City, N. Y.	June 15	Cur. exp. & sp.	10,251,311	3 1/2, 3 3/4, 4			Unknown	
San Francisco, Cal.	June 19	Water supply	10,000,000	4 1/2	*34 1/2		Security Co. Bank, Pacific Marine Savings & Trust Co., San Francisco, and others	
Timmonsville, S. C.	June 16	Wat. & drain.	25,000	5	(30-40)		Security Trust Co., Spartanburg	
Wood County, Wis.	June 15	Drainage	11,750	6	*[illegible]		Farson, Son & Co., Chicago	

*Year average. **Year serial. †Year optional.

LIGONIER, PA.

Proposal for Bonds

Sealed proposals will be received by the Ligonier Borough Council, at the Borough office until 10 o'clock A. M. on the 1st day of August, 1911, for $18,800.00, 4½% bonds, issued for refunding and sewerage purposes, interest payable semi-annually. Tax free, and to be dated August 1st, 1911, redeemable in ten years and payable in thirty years, of the following denomination:

94 for $200 each. This issue will provide for the total bonded indebtedness of the town which has an assessed valuation of $940,785.00, and which owns and controls its Water System, producing an annual net revenue of $3,000.00.

Bids must be addressed to W. A. Peterson, Chairman Finance Comm. and be accompanied with a certified check, payable to the Treasurer of Ligonier Borough, for 2% of the bid.

Ligonier Borough Council,
by W. A. Peterson, Chairman Finance Committee.

GRANITE RAILWAY CO.

A dividend of two per cent (2%) has been declared this day, payable July 15, 1911, to stock of record July 5, 1911. Checks will be mailed.

L. S. ANDERSON, Treas.
Quincy, Mass., June 27, 1911.

Before All Else

there is found in every Union Mutual Policy the first and strongest Purpose of Life Insurance.

Protection

Clear, Faithful Reasonable Contracts Ask for Particulars.

Union Mutual Life Insurance Co.
Portland, Maine

Fred E. Richards, President.

JANUARY 1, 1911
Insurance in force more than $140,000,000
ASSETS - $36,327,0[illegible]9.03
LIABILITIES $33,371,941.25
SURPLUS - $ 2,955,287.78

1910 MOST PROSPEROUS IN HISTORY OF THE COMPANY

HARTFORD LIFE INSURANCE CO.

Chartered 1866 **Hartford, Conn.**

OFFERS SPLENDID OPPORTUNITIES UNDER DIRECT CONTRACTS.

All Forms of Policies.

Bond Certification

Modern conditions make the registration and certification of municipal and corporate obligations desirable and convenient. We have a department maintained exclusively for this purpose.

First National Bank of Boston
70 Federal Street

UNITED STATES SMELTING REFINING & MINING CO.

The Directors of the United States Smelting, Refining & Mining Company have declared a quarterly dividend of 1¾ per cent (87½ cents per share) on the **Preferred Capital Stock**, and a quarterly dividend of 1 per cent (50 cents per share) on the **Common Capital Stock**, payable July 15, 1911, to stockholders of record at the close of business, June 30, 1911.

F. W. BATCHELDER, Treasurer.

WALPOLE RUBBER CO.

The quarterly dividend of 1¾% on the Preferred stock and 1% on the Common stock has been declared payable July 15, 1911, to stockholders of record July 1, 1911. Books close July 1, 1911, and reopen July 17, 1911.

A. T. BALDWIN, Treasurer.
Walpole, Mass., June 30, 1911.

MINES COMPANY OF AMERICA.

111 Broadway, New York, June 27th, 1911.

The Directors of the MINES COMPANY OF AMERICA to-day declared a dividend of TWO AND ONE-QUARTER PER CENT for the quarter ending June 30th, 1911, payable on July 25th, to stockholders of record at close of business on July 10th. Transfer Books to be closed from July 10th until July 26th.

J. D. TOOKER, Secretary.

THE EDISON ELECTRIC ILLUMINATING COMPANY OF BOSTON.

Dividend No. 89.

A quarterly dividend of three (3) per cent has been declared payable August 1, 1911, to stockholders of record at the close of business July 15th, 1911.

THOMAS K. CUMMINS, Treasurer.
Boston, June 26th, 1911.

INTERNATIONAL PAPER COMPANY.

A dividend of ONE-HALF of ONE PER CENT, on the Preferred Stock has been declared payable July 15th, 1911, to Preferred Stockholders of record at the close of business (3 P. M.), July 5th, 1911. Transfer Books will remain open. Checks mailed.

E. W. HYDE, Secretary.

SEALSHIPT OYSTER SYSTEM.

Boston, Mass., June 26, 1911.

A dividend of 1¾% on the Preferred Stock of Sealshipt Oyster System has been declared for the quarter ending June 30, 1911, payable by check on the fifteenth day of July, 1911, to all holders of Preferred Stock of record at the close of business on June 30, 1911. The transfer books will not close.

W. H. RAYE, Treasurer.

American Telephone & Telegraph Co.

A dividend of Two Dollars per share will be paid on Saturday, July 15, 1911, to stockholders of record at the close of business on Friday, June 30, 1911.

WM. R. DRIVER, Treasurer.

THE UNITED STATES FINISHING CO.

220 Broadway, N. Y., June 15, 1911.

PREFERRED STOCK DIVIDEND NO. 48.

The Board of Directors have this day declared the regular quarterly dividend of One and Three-Quarters Per Cent (1¾%) upon the Preferred Stock of this Company, payable July 1, 1911, to stockholders of record at the close of business, June 20, 1911.

COMMON STOCK DIVIDEND NO. 10.

The Board of Directors have this day declared a dividend of One Per Cent (1%) upon the Common Stock of this Company, payable July 1, 1911, to stockholders of record at the close of business June 20, 1911.

COUPON NO. 14, due July 1, 1911, on consolidated mortgage 5 per cent gold bonds of this Company will be paid at the office of The Trust Company of America, 37 Wall Street, New York City.

COUPON NO. 20, due July 1, 1911, on first mortgage 5 per cent bonds, of THE STERLING DYEING & FINISHING COMPANY will be paid at the office of The Trust Company of America, 37 Wall Street, New York City.

F. S. JEROME, Treasurer.

Boston Elevated Railway Company

In accordance with the provisions of the lease of the West End Street Railway Co. to the Boston Elevated Railway Co., dated December 9th, 1897, a dividend rental of Two dollars per share will be paid to holders of record of the preferred stock of the West End Street Railway Co. on July 1, 1911.

By vote of the directors of the West End Street Railway Company the transfer books of the preferred stock will be closed from the close of business June 22, 1911, to the opening of business, July 3, 1911.

H. L. WILSON, Treasurer.

United Shoe Machinery Corporation

The directors of this Corporation have declared a quarterly dividend of 1½% (37½c. per share) on the preferred capital stock, and a dividend of 2% (50c. per share) on the common capital stock, both payable July 5, 1911, to stockholders of record at the close of business June 22, 1911.

L. A. COOLIDGE, Treasurer.

UNITED FRUIT COMPANY
DIVIDEND NO. 48

A quarterly dividend of two per cent on the capital stock of this company has been declared payable July 15, 1911, at the office of the Treasurer, 131 State Street, Boston, Mass., to stockholders of record at the close of business June 24, 1911.

CHARLES A. HUBBARD, Treasurer.

MASSACHUSETTS ELECTRIC COMPANIES

A Dividend of Two Dollars ($2.) per share has been declared payable on July 1st, 1911, to Preferred Shareholders of record at the close of business on June 5th, 1911.

J. H. GOODSPEED Treasurer.
Boston, May 31st, 1911.

Office of
THE UNITED GAS IMPROVEMENT COMPANY
N. W. Corner Broad and Arch Streets,
Philadelphia, June 14, 1911.

The Directors have this day declared a quarterly dividend of two per cent ($1.00 per share), payable July 15, 1911, to stockholders of record at the close of business, June 30, 1911.

Checks will be mailed.

LEWIS LILLIE, Treasurer.

BOSTON RAILROAD HOLDING CO.

A dividend of 2% on the preferred stock of the Boston Railroad Holding Co. has been declared, payable July 10, 1911, to preferred stockholders of record at the close of business June 29, 1911.

ROBERT M. BURNETT, Treasurer.

Minneapolis & St. Louis Railroad Co.

Coupons due July 1, 1911, from First Mortgage Four Per Cent Guaranteed Bonds of the Des Moines & Fort Dodge Railroad Company will be paid on and after that date at the office of the company, 2 Broad Street, New York.

F. H. DAVIS, Treasurer.

THE BOSTON MUTUAL LIFE INSURANCE COMPANY

141 MILK STREET, BOSTON, MASS.

HERBERT O. EDGERTON, Pres. **FRANK H. VIELE, Sec'y and Treas.**

A corporation operating under the stringent Insurance Law of Massachusetts.
All desirable forms of up-to-date policy contracts issued.
All weekly premium policies in full immediate benefit.

CORRESPONDENCE SOLICITED.

Digitized by Google

FIRST NATIONAL BANK OF BOSTON

Transfers of the stock of the First National Bank of Boston were recently made at private sale at $425 per share, the highest price ever paid, which would make the yield to the purchaser of the stock only 2.18 per cent. The book value of the shares of this bank is $313 and the willingness of any one to pay over $100 more than that for the stock may seem to have indicated that he was possessed of too great eagerness to buy. That he was not without warrant for his enthusiasm for this stock is, however, evident to those familiar with real conditions and with the further fact that there is a ready market for several hundred more shares at the same price of $425, if only stockholders can be persuaded to sell.

In the first place, the real intrinsic value of the stock is a great deal more than $313. This bank has a habit, more common among the staid old banks of Europe than the institutions of our own country, of not showing all the good things that could be said. The assets are reported at so conservative a figure as to be materially below their real value, the bank's own quarters being carried on the books at a figure which evidences this. Moreover, the dividend rate of 12 per cent which is being maintained is considerably below what could be paid. With safety almost, if not quite, double that rate could now be established and maintained, and in view of this fact, a really positive desire on the part of investors to pay $425 for the stock is not hard to understand. If 24 per cent should be paid, the yield upon the stock even at that price would be better than 5 per cent. During the last quarter the bank showed net earnings of $190,000, after payment of the quarterly dividend of $90,000. Meantime, practically all of the other national banks of Boston showed less earned for this quarter than is actually required for their dividends.

ATLANTIC NATIONAL BANK.

During the past week, the directors of the Atlantic National Bank of Providence called a special meeting, the announcement of which was made in these columns several weeks ago, at which it was voted to increase the capital stock of the bank from $225,000 to $300,000. The vote was unanimous and 4,125 out of a total of 4,500 shares of stock were cast in favor of the action. The present stockholders will be offered the new stock in the proportion of one share to every three shares of old stock owned, and it is believed that, although local parties are ready to take over any stock which is not taken up by the old stockholders, the latter will take the new stock in the proportion in which it is offered them.

This is upon a very equitable basis, and shows that the directors of the bank wish to give the best possible protection to the depositors. This, however, is in line with the policy the present management of this bank has always pursued with its depositors, and that it has paid is indicated by the rapid growth of deposits which the bank has had since this management took charge five years ago. At that time, the bank had deposits of about $250,000, whereas, according to their statement as of June 7 last, deposits of $2,539,000 were shown. The recent action will undoubtedly add to the already large number of desirable customers who have figured so prominently in the growth of this bank.

The Carnegie National Bank of Carnegie, Pa., have reason for the pride they take in their report to the comptroller at the close of business June 7. In the past 12 months checking accounts have increased over 49 per cent and in the last 24 months have increased 96 per cent. More noteworthy and very unusual, however, is the fact that in the resources of this bank are no bad debts, no cash items, no overdrafts, no excessive loans and no single name paper. There is only one past due note. Out of loans and investments of about $517,000, all but about $118,000 are convertible into cash either instantly or in less than sixty days. This is a strikingly liquid condition for a bank to be in and reflects high credit upon the management and upon the board of directors which is an unusually strong one for a bank of this size.

WALLACE, IDAHO.—The Wallace National Bank, of Wallace, started business on June 19, in the rooms formerly occupied by the State Bank of Commerce, recently closed. This was done following an agreement between the bank officials, V. W. Platt, state bank commissioner, and Governor James H. Hawley.

Hodenpyl, Hardy & Co.
BANKERS
7 Wall Street, New York
6% PREFERRED STOCKS A SPECIALTY

DOMINION BOND COMPANY
LIMITED
MONTREAL TORONTO OTTAWA
LONDON, ENGLAND
Dealers in HIGH-GRADE CANADIAN BONDS
List on Application

YIELDING OVER 14%
The common stock of a prominent industrial company in which we have traded a great deal, is offered at a price which yields the above return. Descriptive circular on application
Please ask for circular I-28
E. BUNGE & CO. 20 BROAD STREET, NEW YORK
Cable Address, "Ernestus, New York" Long Distance 'Phone 4735-4736 Rector

Baker, Ayling & Co.
50 Congress street, Boston
INVESTMENT BONDS
Philadelphia Office, Land Title Building

GEO. D. COOK & CO.
BANKERS
71 BROADWAY, NEW YORK
We make a Specialty of
Mexican Government and State Bonds

McCOY & COMPANY
Municipal and Corporation Bonds
181 LA SALLE STREET
CHICAGO

Boody, McLellan & Co.
111 BROADWAY, NEW YORK
MEMBERS OF NEW YORK STOCK EXCHANGE
Orders Executed for Investment or on Margin

6% SEATTLE INVESTMENTS 7%
For particulars and further information write us,
WM. D. PERKINS & CO., Bankers
No. 211 Cherry St., Seattle, Wash.
Established 1893
Oldest Bond House In Washington.

BODELL & CO.
PROVIDENCE, RHODE ISLAND
Boston Office, 35 Congress St.
Bonds and Preferred Stocks of Proven Value

5% BONDS
Guaranteed by
National Light Heat and Power Co.
A. H. BICKMORE & CO.,
30 PINE ST., NEW YORK

6% Timber Bonds
Carrying With Them An Exceptionally Attractive Feature
American Finance & Securities Co.
5 Nassau Street New York

H. C. Cibbs & Co.
Gas and Electric Light Bonds
To yield 5% to 5 1-2%
60 State Street BOSTON

CIRCULAR ON MISCELLANEOUS UNLISTED MILL AND MANUFACTURING SECURITIES
SENT UPON REQUEST
HORNBLOWER & WEEKS
66 CONGRESS ST., BOSTON

Digitized by Google

GARFIELD NATIONAL BANK.

The Garfield National Bank, of New York, which occupies the south half of the ground floor of the Fifth Avenue Building, corner of Fifth avenue and Twenty-third street, is fortunate in its choice of a home, inasmuch as it is seeking to do a larger commercial business, and the Fifth Avenue Building is located in what is rapidly becoming a new commercial centre of Manhattan.

The Garfield National Bank offers the best of facilities for the handling of the accounts of banks, bankers, corporations, firms and individuals. It has been established thirty years, has a strong board of directors and able and efficient officers. The board is made up as follows: Ruel W. Poor, president; James McCutcheon, president of James McCutcheon & Company, linens, Fifth avenue and Thirty-Fourth street; Charles T. Wills, president, Charles T. Wills, Inc., builders, 286 Fifth avenue; Samuel Adams, dry goods and real estate, Bronx, N. Y.; Morgan J. O'Brien, former presiding judge of the Appellate Division of the Supreme Court, 2 Rector street; William H. Geishenen, H. J. Baker & Brothers, 100 William street; Thomas D. Adams, attorney, 165 Broadway; Daniel S. McElroy, tax commissioner, Hall of Records, Chambers and Centre streets; Robert J. Horner, furniture, 61 W. 123rd street.

INTERESTED IN ITS WELFARE.

Each member of the board is interested in the welfare of this bank, and its officers have their earnest cooperation in all things making for the good of the institution. The president of the Garfield National Bank is Ruel W. Poor, well and favorably known as a banker of wide experience. He is an excellent judge of commercial paper, aggressive and at the same time conservative. Mr. Poor is ably assisted by James McCutcheon, president of the great linen house of James McCutcheon & Company, and by William L. Douglass, vice-president and Arthur W. Snow, as cashier.

The capital of the Garfield National Bank is $1,000,000, surplus and undivided profits, $1,242,420.53. Its total resources, according to the last statement made to the comptroller, are $12,952,955.68.

THE PRESIDENT.

Mr. Poor is a native of New London, N. H., where he was born in 1860, of English ancestry. He was educated in the public schools and at Wilton Academy, Wilton, Me., and early took up a business career, starting with the Page Belting Company, at Concord, N. H.

He began his banking career in Littleton, N. H., with the Littleton Savings Bank, and afterward became connected with the Littleton National Bank, of which he later became cashier. In 1888, he went to New York to take a position with the Garfield National Bank, which he filled so successfully that he was steadily advanced to assistant cashier in 1891, and cashier in 1892, and in 1902 he was elected president, which position he has since administered with conspicuous success, maintaining the best traditions of sound banking.

IRVING NATIONAL ENTERTAIN.

Delightful Cruise Up Long Island Sound.

A happy ending of the eighteenth annual convention of the New York State Bankers' Association at Manhattan Beach, Thursday and Friday, June 22 and 23, was a delightful cruise up Long Island Sound, given by the Irving National Exchange Bank of New York to their friends, which included many of the delegates and visiting bankers, on board the flagship, "Sagamore", flying the pennant of the Atlantic Yacht Club. Special invitations were issued by Commodore Barnard, a director of the Irving National Exchange Bank, treasurer of the International Salt Company and an official of numerous other corporations.

The party consisted of about 125 ladies and gentlemen. The day was perfect and the entertainment furnished was all that could be desired. Launches were in waiting at the Atlantic Yacht Club, at 9.15 a. m., to convey the party to the flagship, which sailed at 10 o'clock. All day was spent in this delightful sail. Lunch was served on board, and there was music and dancing, the flagship returning to Manhattan in time for all to reach their homes and trains at a seasonable hour. The party was directly in charge of Lewis E. Pierson, president of the Irving National Exchange Bank, who was ably assisted by Rollin P. Grant, vice-president; Harry E. Ward, cashier; Richard J. Faust, Jr., assistant cashier, and other officers.

THOSE IN ATTENDANCE.

Among those who availed themselves of this enjoyable outing were: Walter H. Bennett, the newly elected president of the New York State Bankers' Association, vice-president and cashier of the American Exchange National Bank of New York; Hon. Cornelius A. Pugsley, the new vice-president of the New York State Bankers' Association; William J. Henry, secretary of the New York State Bankers' Association; J. J. Sullivan, president of the Central National Bank, Cleveland; Hiram R. Smith, cashier of the Bank of North Hempstead, N. Y.; Edwin S. Bartow, cashier of the Bank of Hicksville; Fred E. Farnsworth, secretary American Bankers' Association; F. A. Kleine, cashier First National Bank of Port Jefferson; H. S. Mott, president State Bank of Northport; Frederick A. Mead, president First National Bank of Albany; L. W. Mott, vice-president First National Bank of Oswego; E. L. Milmine, cashier Mohawk National Bank, Schenectady; George W. Peene, treasurer of the Westchester Trust Company, Yonkers; Delmar Runkle, president People's National Bank, Hoosic Falls; Charles F. Shaw, Jr., Fourth Street National Bank, Philadelphia; J. S. M. Phillips, cashier National Bank of Western Pennsylvania, Pittsburg; David Cromwell, president First National Bank of White Plains; Herbert A. Owens, assistant cashier Farmers' & Merchants' National Bank of Baltimore and many others.

A RESOLUTION

was offered by Hon. Cornelius A. Pugsley, of Peekskill, thanking the Irving National Exchange Bank for this delightful outing, which was happily seconded by J. J. Sullivan, of Cleveland; also by Luther W. Mott, of Oswego, both of whom made brief and appropriate remarks. The resolution was unanimously carried in the affirmative, and three cheers were given for the Irving National Exchange Bank. Lewis E. Pierson responded in a very pleasing manner, voicing his appreciation of the hearty acknowledgment of all present of the pleasure the trip had afforded all.

CITIZENS' TRUST COMPANY.

The Citizens' Trust Company, of Utica, N. Y., was organized August 3, 1903. Through the death of its secretary in 1906, there was a change made in the managment through the election of W. I. Taber as president and F. H. Doolittle as secretary. A policy of progressive conservatism was inaugurated. The board of directors is an active body of representative business men, and the resources of the institution have shown a steady growth.

The new building erected by the company was occupied in June, 1908, and since that time the capital and surplus have been increased from $300,000 to $500,000, and the deposits have shown an increase of from $1,609,000 to over $3,800,000.

This company is located in the heart of a rich agricultural and manufacturing district, which is in a prosperous condition, and from which it is constantly drawing a large and increasing business.

NEW YORK BANKS MERGE.

The Fourteenth Street Bank of New York, a state institution, was affiliated with the Fourth National of that city this week, through changes in the directorate, accompanied by substantial transfers of stock. It will be turned into an uptown branch of the Fourth National, and some suitable change in the name will be made.

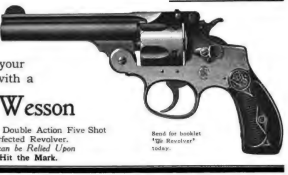
At the meeting of the directors June 14, John F. Carroll, who has disposed of his interest, retired as vice-president of the Fourteenth Street Bank and four other members of the board also retired. In their places were elected James G. Cannon, president of the Fourth National; Samuel S. Campbell, vice-president; Welding Ring, of Mailler & Quereau; Moreau Delano, of Brown Brothers & Company, and Henderson M. Wolfe, chief auditor of the city finance department.

Mr. Cannon, who becomes one of the large stockholders, was elected chairman of the executive committee and Mr. Wolfe vice-president, in Mr. Carroll's place. R. Ross Appleton continues as president and Richard I. Brewster as vice-president.

COAL CREEK, TENN.—The Citizens' Bank of Coal Creek has been converted into the First National Bank of Coal Creek. E. M. Beasley is president; S. B. Farris, vice-president; M. H. Irwin, cashier, and Thomas Watts, Jr., assistant cashier. The bank has a capital of $25,000.

Digitized by Google

Smith & Wesson Established in 1856



The Night Watchman in your Bank should be provided with a

Smith & Wesson

SMITH & WESSON
Manufacturers of Superior Revolvers
49 Stockbridge Street, Springfield, Mass.
17 Market Street, San Francisco, Cal.

.38 Double Action Five Shot Perfected Revolver.
It can be Relied Upon to Hit the Mark.

Send for booklet "The Revolver" today.

DEXTER HORTON NATIONAL BANK.

In connection with its forty-first anniversary, the Dexter Horton Bank of Seattle, Washington, issued an attractive historical booklet, full of interesting matter, relative to the early days of Seattle during which this bank was founded, to its own history and to its present very successful condition.

When Dexter Horton came to Seattle in 1853, he found a huge territory without banks, and, in fact, as yet hardly in need of one. The little general store which he established in the following year provided the town with all the banking facilities it needed, for residents of the village held him in such high regard that they were quite willing to leave their funds for safe keeping with the popular storekeeper. For sixteen years this arrangement continued until finally in 1870 Mr. Horton, who, like so many pioneers, was blessed with a mind alert for the business opportunities of the new country, organized

A BANKING PARTNERSHIP

with David Phillips, of San Francisco. Within two years, Mr. Phillips had died, and when his interests passed into the hands of Arthur A. Denny, Mr. Denny and Mr. Horton joined in the firm of Dexter Horton & Company in the banking business, taking out in 1887 a territorial charter. As Dexter Horton & Company, the bank continued to grow rapidly, taking a leading part in the finances of the Northwest, and on June 27, 1910, it became the Dexter Horton National Bank.

Last year the Washington Trust Company was brought into alliance and to-day its capital stock is owned by the stockholders of the Dexter Horton National Bank. The combined statement of the two institutions on June 7 showed aggregate resources of $17,375,012.19; capital, surplus and profits constituting over $2,000,000 of this. The combined institution, therefore, is the largest banking organization in the Pacific Northwest and occupies the entire first floor of the New York Building in Seattle.

ORLANDO, FLA.—The Peoples National Bank, capitalized at $50,000, has been organized by James C. Patterson, J. N. McElroy, C. A. Campbell, W. P. Watson, C. Holt and C. E. Saunders.

NATIONAL BANK OF CUBA.

The National Bank of Cuba, with head office at Havana and nineteen branches scattered throughout the island, also an agency in New York, is the largest banking institution in Cuba. This bank with a capital and surplus of $6,000,000 has total assets amounting to over $33,000,000, which increased during the year 1910 over $6,500,000, an increase of more than 24 per cent. The deposits increased during 1910 over $6,800,000, or more than 43 per cent, while the surplus showed an increase of over 11 per cent. The number of individual deposit accounts on December 31, 1910, amounted to 27,316, or a net increase of over 26 per cent, or an average net increase of 18 accounts per each business day of the year. The collections through the National Bank of Cuba for 1910 amounted to more than $107,000,000 and the turn-over in exchange to over $250,000,000.

The National Bank of Cuba is the depositary for the government of Cuba, is a member of the American Bankers' Association and is managed in a most efficient manner by a strong board of directors, headed by Edmund G. Vaughan, president. Below we present a photograph of the head office in Havana. The National Bank of Cuba has the most complete facilities throughout Cuba, and solicits the business of the banks of this country.

Head Office, National Bank of Cuba, Havana.

WALLACE, IDAHO.—W. O. Pierce, permanent receiver of the State Bank of Commerce at Wallace, has been called upon by the court to furnish a $40,000 bond. This is in addition to his $10,000 bond as deputy bank examiner. Judge W. W. Woods at the same time ordered the delivery of a full report of the bank's assets and liabilities, with an estimate of the probable value of the assets.

Digitized by Google

The Best Purchases on the Industrial List

As Indicated by the Two Standards of Comparison: of Present Investment Yield on Basis of Current Dividends and Prevailing Market Price, and on Basis of Present Earnings on Prevailing Market Values

The average net yield of the 50 industrial stocks quoted in the following table was 6.19 per cent on June 27, as compared with 6.19 per cent on June 20, 6.30 per cent on January 3, and 5.76 per cent on January 2, 1910.

One of the most spectacular movements which has been noted in connection with stock exchange operations during recent months has been the advance in Underwood Typewriter common. This issue was listed on the stock exchange last March, and at that time was quoted around 63. Straightway there began an upward movement in the stock in which there has been no sustained let-up, the shares having advanced by leaps and bounds until they have reached a high mark this week of 111, an advance of nearly 50 points since the shares were listed. On May 11 the company declared an initial quarterly dividend of 1 per cent on this issue, so that the net yield at 111 would be only about 3.6 per cent. It will be seen, therefore, that Underwood Typewriter common ranks with Car & Foundry common and Amalgamated Copper in point of limited investment yield. Within the last week or two the stock has advanced some twenty points, and thus far there is little definite information which would serve as an explanation of this remarkable upward movement. It is a matter of general knowledge in financial circles that the company at the present time is doing a record business, and that the foreign demand in particular has been showing a substantial rate of increase. These facts of themselves, however, could hardly explain the recent movement of the stock.

The company is one of those industrials which records a wide margin of profit on its business. More than one-half of the total assets consists of patents, etc., which were valued at $7,995,720 in the balance sheet as of December 31, 1910, while total assets were given as $14,621,599. The current assets consist of inventories, $1,556,663; accounts receivable, $1,819,100; cash, $1,031,028, making a total of $4,397,791. Against this there are current liabilities of $288,775, in accounts payable and $87,500 in dividends payable, making a total of current assets of $376,275. This shows an excess of current assets over current liabilities of $4,021,516, which is equal to about 30 per cent of the entire outstanding capital, consisting of $5,000,000 cumulative preferred stock and $8,500,000 common. The preferred stock, by the way, has been quoted around 103 to 106¾, so that the investment yield is much larger than that on the common stock, while the element of safety is, of course, greater, although offset to some extent by a lack of speculative possibilities. The preferred stock has preference as to assets as well as to dividends, and is redeemable at the company's option on a pro rata basis upon three months' notice at 125. This stock has no voting power in the election of directors, unless two consecutive quarterly dividends shall be in default, whereupon it will vote to the exclusion of the common stock until the arrears in dividends have been paid, when the exclusive voting power will be again lodged in the common stock.

STOCKS SHOWING BEST INVESTMENT YIELD.

Present rank.	Stock.	Present dividend.	Price.	Yield on present price.
1	Am. Steel Foundries	5%	41	12.20
2	Am. Cotton Oil, com.	5%	52	9.61
3	Va.-Carolina Chem., com.	5%	55	9.09
4	U. S. Rubber, 2d pref.	6%	77	7.79
5	United Dry Goods, com.	8%	107	7.48
6	American Woolen, pref.	7%	92	7.61
7	Republic I. & S., pref.	7%	93	7.52
8	United Dry Goods, com.	8%	107	7.48
9	U. S. Rubber, 1st pref.	8%	114	7.02
10	Central Leather, pref.	7%	100	7.00
11	Pressed Steel Car, pref.	7%	102	6.86
12	Railway Steel Spring, pref.	7%	102	6.86
13	Crex Carpet	5%	73	6.85
14	Union Bag & Paper, pref.	4%	59	6.78
15	Inter. Steam Pump, pref.	6%	90	6.66
16	People's Gas	7%	106	6.60
17	U. S. Realty & Imp.	5%	76	6.58
18	Am. Smelt. & Refg., pref.	7%	108	6.48
19	Laclede Gas	7%	108	6.48
20	National Lead, pref.	7%	108	6.48
21	Va.-Carolina Chem., pref.	8%	124	6.45
22	American Locomotive, pref.	7%	109	6.42
23	U. S. Steel, com.	5%	79	6.33
24	American Tobacco, pref.	6%	96	6.25
25	Corn Products Refg., pref.	5%	83	6.02
26	Am. Beet Sugar, pref.	6%	100	6.00
27	Am. Car & Foundry, pref.	7%	117	5.98
28	American Sugar, pref.	7%	118	5.93
29	U. S. Steel, pref.	7%	118	5.93
30	Westinghouse, 1st pref.	7%	119	5.88
31	Passaic Coast, com.	6%	102	5.88
32	Am. Ag. Chem., com.	6%	102	5.88
33	American Sugar, com.	7%	120	5.83
34	American Can, pref.	5%	86	5.81
35	Inter. Harvester, pref.	7%	125	5.60
36	Mackay Companies, com.	5%	90	5.55
37	Distiller's Sec Corp.	2%	37	5.40
38	American Tel. & Tel.	8%	149	5.37
39	National Lead, com.	3%	56	5.36
40	National Biscuit, com.	7%	138	5.07
41	Am. Smelt. & Refg., com.	4%	80	5.00
42	General Electric	8%	162	4.94
43	Sears, Roebuck, com.	7%	142	4.93
44	Am. Malt Corp., pref.	2%	41	4.88
45	Consolidated Gas	6%	146	4.11
46	Inter. Harvester, com.	5%	122	4.10
47	Inter Paper, pref.	2%	49	4.08
48	Underwood Typewriter	4%	106	3.77
49	Am. Car & Foundry, com.	2%	57	3.51
50	Amalgamated Copper	2%	71	2.82

STOCKS SHOWING BEST EARNINGS.

Present rank.	Stock.	Price.	Earning on present price.
1	Inter. Merc. Marine, pref.	18	32.06
2	Bethlehem Steel, pref.	63	21.30
3	Am. Beet Sugar, com.	54	20.30
4	Va.-Carolina Chem., com.	55	18.30
5	Am. Ag. Chem., com.	57	18.30
6	American Linseed, pref.	32	18.30
7	Westinghouse, com.	76	17.20
8	Ry. Steel Spring, com.	37	16.30
9	U. S. Steel, com.	79	15.50
10	Pressed Steel Car, com.	37	15.00
11	Crex Carpet	73	13.90
12	United Fruit	193	13.90
13	Am. Cotton Oil, com.	52	13.05
14	American Woolen, com.	31	13.05
15	U. S. Realty & Imp.	76	12.30
16	Inter. Harvester, com.	122	12.20
17	Am. Car & Foundry, com.	57	11.65
18	Colo. Fuel & Iron, com.	35	11.25
19	Am. Ice Sec. Co.	23	10.96
20	Sears, Roebuck, com.	142	10.80
21	General Electric	162	10.30
22	Allis-Chalmers, pref.	30	10.30
23	United Dry Goods, com.	107	10.25
24	Nat. Enam. & Stmpg., com.	17	9.96
25	Republic I. & S., com.	30	9.65
26	Union Bag & Paper, pref.	59	9.40
27	Inter. Paper, pref.	49	9.25
28	People's Gas	106	8.50
29	Corn Products Refg., pref.	83	8.50
30	American Can, pref.	86	7.95
31	Am. Smelt. & Refg., com.	80	7.75
32	U. S. Cast Iron Pipe, pref.	57	7.70
33	National Lead, com.	56	7.70
34	National Biscuit, com.	138	7.15
35	American Tel. & Tel.	149	6.85
36	Utah Copper	51	6.75
37	Distiller's Sec Corp.	37	6.50
38	Western Union	80	6.25
39	N. Y. Air Brake	75	5.95
40	American Sugar, com.	120	5.90
41	Mackay Companies, com.	90	5.70
42	Amalgamated Copper	71	5.55
43	U. S. Rubber, com.	41	5.35
44	Tennessee Copper	42	5.30
45	Consolidated Gas	146	5.10
46	Inter. Steam Pump, com.	42	5.05
47	Central Leather, pref.	100	4.50
48	Sloss-Sheffield, com.	50	4.05
49	Am. Steel Foundries	41	3.30
50	American Locomotive, com.	42	3.20

Digitized by Google

The Best Purchases on the Railroad List

As Indicated by the Two Standards of Comparison: of Present Investment Yield on Basis of Current Dividends and Prevailing Market Price, and on Basis of Present Earnings on Prevailing Market Values.

The average net yield of the 50 railroad stocks quoted in the following table was 5 per cent on June 28, as compared with 5.06 per cent on June 21, 5.34 per cent on January 4, and with 4.71 per cent on January 2, 1910.

Following the example of the Denver & Rio Grande board, the directors of the Chicago & Alton, which is one of the Hawley roads, have this week decided to omit the quarterly dividend of 1 per cent on the preferred stock. As a result, our dividend list now loses an issue, which in point of dividend return has been one of the most noteworthy railroad stocks, netting as it has done better than 7½ per cent. The passing of the dividend is not a surprise to Wall street; on the contrary, it has been a matter for comment that the action was not taken at an earlier date. Dividends of 4 per cent on Alton preferred have been paid since 1901 up to the present time. It will be recalled that the common stock began to receive payments at a similar rate in 1908, when one quarterly dividend of 1 per cent was paid. However, 1909 was the first and only year in which the full 4 per cent dividend was paid on the common, for in August of 1910, after 2 per cent had been paid, the dividend was passed, and of course, has not since been resumed. President Shonts says that the Alton at the present time is in better all round condition than it has ever been. The trouble has been that the road has lacked the proper facilities to take care of its increasing traffic. This year it is proposed to put about $900,000 more into the property in the way of maintenance expenditures than was done last year.

The directors expect to build up the property upon a permanent basis this time, so that when dividends are resumed, there will be no question of their continuance. The Alton should end the year with an increase of about $1,200,000 in gross. An encouraging feature of the May report was the decrease in the ratio of transportation costs to total expenses over the showing made in May of last year. The ratio this year was about 35 per cent, compared with 44 per cent in May, 1910. President Shonts states that it will probably be necessary to suspend the preferred dividends for only one or two payments. It is probable that the discontinuance of the Alton preferred dividend will mean also a temporary cessation of dividends on Toledo, St. Louis & Western preferred, as the later company owns over $14,000,000 of Alton common and $6,840,000 of Alton preferred stock.

The long awaited decision in the Harriman lines merger case came at the close of last week, and has had a stimulating effect. It was shown that only a relatively small proportion of the business done by the Union Pacific—Southern Pacific lines was directly competitive in character. Incidentally, the May report of these lines was by no means a bull argument in the stock market, as the Union Pacific showed for the month a decrease of $572,154 gross and $573,495 net, while the Southern Pacific suffered a decrease of $849,105 gross and $523,095 net.

STOCKS SHOWING BEST INVESTMENT YIELD.

Present rank.	Stock.	Present dividend.	Price.	Yield on present price.
1	Toledo, St. L. & W., pref.	4%	50	8.00
2	Detroit United	5%	72	7.70
3	B. R. T.	5%	81	6.17
4	Chesapeake & Ohio, com.	5%	84	5.95
5	St. L. & San F., 1st pref.	4%	68	5.88
6	M., K. & T., pref.	4%	68	5.88
7	K. C. Southern, pref.	4%	69	5.83
8	N. Y., N. H. & H.	8%	141	5.67
9	St. Louis S. W., pref.	4%	72	5.55
10	Lehigh Valley	10%	180	5.55
11	Baltimore & Ohio, com.	6%	108	5.55
12	Twin City R. T., com.	6%	108	5.55
13	St. Paul, com.	7%	127	5.51
14	Colo. & Southern, 2d pref.	4%	75	5.33
15	Union Pacific	10%	189	5.29
16	P., C., C. & St. L., com.	5%	95	5.26
17	K. C., F. S. & M., pref.	4%	76	5.26
18	Atchison, com.	6%	114	5.26
19	Delaware & Hudson	9%	172	5.23
20	C., C., C. & St. L., pref.	5%	96	5.21
21	Northern Pacific	7%	135	5.19
22	N. Y., C. & St. L., com.	3%	59	5.08
23	Great Northern, pref.	7%	138	5.07
24	Colo. & Southern, 1st pref.	4%	81	4.94
25	Western Maryland, pref.	4%	81	4.94
26	M., St. P. & S. S. M., com.	7%	142	4.93
27	Illinois Central	7%	142	4.93
28	C., St. P., M. & O., com.	7%	143	4.90
29	Southern Pacific, com.	6%	125	4.80
30	Pennsylvania	6%	125	4.80
31	Atchison, pref.	5%	105	4.76
32	Chicago & N. W., com.	7%	148	4.73
33	Atlantic Coast Line	6%	129	4.65
34	Louisville & Nashville	7%	152	4.60
35	Norfolk & Western, com.	5%	109	4.59
36	St. Paul, pref.	7%	154	4.55
37	N. Y. Central	5%	110	4.54
38	Baltimore & Ohio, pref.	4%	89	4.49
39	M., St. P. & S. S. M., pref.	7%	157	4.46
40	Norfolk & Western, pref.	4%	91	4.40
41	N. Y., O. & W.	2%	46	4.35
42	Buffalo, R. & P., com.	5%	115	4.35
43	Union Pacific, pref.	4%	94	4.26
44	Central of N. J.	12%	285	4.21
45	Canadian Pacific	10%	241	4.15
46	Reading, com.	6%	160	3.75
47	Boston & Maine	4%	107	3.71
48	Colo. & Southern, com.	2%	55	3.64
49	D., L. & W.	20%	560	3.57
50	Southern Railway, pref.	2%	72	2.78

STOCKS SHOWING BEST EARNINGS

Present rank	Stock.	Price.	Earning on present price.
1	M., K. & T., pref.	68	23.70
2	St. Louis & San F., 2nd pref.	46	22.05
3	Erie, 1st pref.	58	18.40
4	Southern Railway, pref.	72	14.55
5	Hocking Valley, com.	128	13.95
6	K. C. Southern, pref.	69	13.60
7	Detroit United	72	13.10
8	Buffalo, R. & P., com.	115	12.05
9	P., C., C. & St. L., com.	95	10.90
10	K. C. Southern, com.	36	10.55
11	Colorado & Southern, com.	55	10.05
12	C., St. P., M. & O., com.	143	10.05
13	St. Louis S. W., pref.	72	9.35
14	Atlantic Coast Line	129	9.30
15	Atchison, com.	114	9.15
16	Southern Pacific, com.	125	9.10
17	Union Pacific, com.	189	9.05
18	Norfolk & Western, com.	109	9.05
19	Louisville & Nashville	152	8.45
20	Twin City R. T., com.	108	8.15
21	Central of N. J.	285	7.85
22	Baltimore & Ohio, com.	108	7.70
23	B. R. T.	81	7.15
24	C., C., C. & St. L., com.	60	7.00
25	Delaware & Hudson	172	6.95
26	D. & R. G., pref.	58	6.75
27	M., K. & T., com.	37	6.70
28	D., L. & W.	552	6.40
29	Erie, com.	37	6.35
30	Illinois Central	142	6.30
31	Canadian Pacific	241	6.20
32	N. Y., N. H. & H.	141	6.20
33	Chesapeake & Ohio, com.	84	6.05
34	Lehigh Valley	180	5.90
35	Northern Pacific	135	5.85
36	M., St. P. & S. S. M., com.	142	5.70
37	Chicago & N. W., com.	148	5.60
38	Great Northern, pref.	138	5.60
39	Pennsylvania	125	5.40
40	St. Paul, com.	127	5.30
41	N. Y. Central	110	5.25
42	Chicago & Alton, pref.	52	4.70
43	Reading, com.	160	4.50
44	Toledo, St. L. & W., pref.	50	4.50
45	Chicago Gt. Western, pref.	45	4.35
46	N. Y., O. & W.	47	3.85
47	Wabash, pref.	38	3.20
48	Boston & Maine	107	3.20
49	Missouri Pacific	50	3.10
50	Western Maryland, com.	51	1.40

Digitized by Google

Mechanics and Metals National

One of the Strongest Banks in New York, With a Capital and Surplus of Twelve Million Dollars.

The Mechanics and Metals National Bank of the city of New York is one of the representative financial institutions of the metropolis, and, as will be recalled, represents a merging of the National Copper Bank of New York with the Mechanics National Bank, the latter with a record of 101 years of existence, it having been chartered in 1810.

The capital of the Mechanics and Metals National Bank is $6,000,000, it has a surplus of $6,000,000 and its undivided profits are over $2,000,000. Its total resources are $88,063,000, of which $59,000,000 are cash resources. The individual deposits of this bank exceed $70,700,000 and its bank deposits exceed $27,000,000.

The president of the Mechanics and Metals National Bank is Gates W. McGarrah, who was the former president of the Mechanics National Bank. The other officers are: Alexander E. Orr, Frederic W. Allen, Nicholas F. Palmer, Frank O. Roe and Walter F. Albertson, vice-presidents; Joseph S. House, cashier; Robert U. Graff, John Robinson and Charles E. Miller, assistant cashiers.

STRONG BOARD OF DIRECTORS.

The board of directors is one of the strongest possessed by any national bank in New York City and is as follows: Frederic W. Allen, vice-president; James M. Beck, former assistant United States attorney-general; James C. Bishop, Redmond & Company; Charles F. Brooker, president American Brass Company; Daniel Barnes, president Seaman's Bank for Savings; W. R. Craig, Craig & Jenks, cotton commission merchants; Thomas F. Cole, president Butte Coalition Mining Company; Stanley Field, Marshall Field & Company, Chicago; Thomas P. Fowler, president N. Y. Ont. & Western Railway Company; Horace E. Garth ex-president Mechanics' National Bank; H. O. Havemeyer, president Brooklyn Eastern District Terminal; H. H. Hewitt, president Magnus Metal Company; Henry Hentz, Henry Hentz & Company; Thomas H. Hubbard, president International Banking Corporation; William A. Jamison, Arbuckle Bros.; Clarence H. Kelsey, president Title Guarantee & Trust Company; Adolph Lewisohn, president United Metals Selling Company; Lowell Lincoln, Catlin & Company; Gates W. McGarrah, president; V. Everit Macy, New York; Henry R. Mallory, president Mallory Steamship Company; Edgar L. Marston, Blair & Company; S. T. Morgan, president Virginia-Carolina Chemical Company; Alexander E. Orr, New York; William A. Paine, president Copper Range Consolidated Company; Robert C. Pruyn, president National Commercial Bank, Albany, N. Y.; Nicholas F. Palmer, president Quintard Iron Works; Charles M. Pratt, Standard Oil Company; George W. Quintard, New York; Henry H. Rogers, director Amalgamated Copper Company; F. W. Roebling, treasurer J. A. Roebling Sons Company; P. A. Rockefeller, 26 Broadway; John D. Ryan, president Amalgamated Copper Company; Charles H. Sabin, vice-president Guaranty Trust Company; George R. Sheldon, W. C. Sheldon & Company; Henry B. Stokes, president Manhattan Life Insurance Company, and R. M. Stuart-Wortley, treasurer United Metals Selling Company.

Gates W. McGarrah, president of the Mechanics & Metals National Bank, was for seven years president of the Mechanics' National Bank, and has been actively identified with practical banking ever since his business career began.

GATES W. McGARRAH.
President Mechanics and Metals National Bank, New York City.

After serving two years as a clerk in the Goshen National Bank at Goshen, N. Y., he went to New York to become check clerk in the New York Produce Exchange Bank, and advanced rapidly from that position to the post of assistant cashier, to which he was appointed in 1892. In 1898, he was chosen cashier of the Leather Manufacturers' Bank. Four years later he became president of the Leather Manufacturers', which was in 1904 merged with the Mechanics' National, Mr. McGarrah being elected president of the combined banks. He has served continuously as president of the Mechanics National from that time. In addition to his duties with the Mechanics National, he had acted as secretary of the New York Clearing House Association for the years 1903 and 1904, and in 1907, during the panic, as member of the Loan Committee of the New York Clearing House. He is now a member of the Clearing House committee, as well as director in the Astor Trust Company, the Bankers' Trust Company, Guaranty Trust Company and Mercantile Trust Company.

EXAMINATION OF BANKS.

[By F. W. Lafrentz.]

Bank examinations by independent accountants are being widely discussed at the moment, owing, no doubt, to the disclosures of the recent past in our very midst.

The work of national and state examiners should be supplemented by more detailed investigations, for the time allotted to them is insufficient to enable them to make anything like a complete audit, and, after all, it is not contemplated that they should do anything more than satisfy themselves of the solvency of the institutions subject to their visitations.

While it is true that these examinations often disclose irregularities and defalcations, it must be borne in mind that these disclosures are usually due to chance, for the departments, national and state, cannot undertake such detailed investigations as are necessary to lay bare all the transactions of institutions.

I, therefore, think that directors and stockholders should fortify themselves with reports to them by public accountants of ability and training, not only as to the condition of the institution managed and owned by them, but as to the manner in which the officers conduct its affairs, and to the efficiency of the clerical force.

Good results are obtained in cases where directors or examining committees call to their assistance public accountants, when an examination is to be made, leaving it to the accountants to go into the many details they have not the leisure to fathom, although possibly qualified to do so. It is

A MISTAKE,

in my opinion, to ask the clerks for help, as is often done, because there may be among them some one who has either improperly discharged his duties or has committed a wrong against his employers. In other words, investigation to be of real benefit should be independent in every sense of the word.

There was a time when banks thought that the presence in their offices of accountants would be deemed cause by depositors for withdrawal of their funds. It is considered a sign of strength now, and of right should be, and it is much better to uncover any wrong rather than allow it to continue until the life of the concern is at stake, as often happens, owing to over-confidence.

If an accountant is instructed to call attention to weak points found by him, leaks are often prevented, and the means for easy thefts taken away. Many men in high positions have been utterly ruined because they placed too much confidence in men associated with or subordinate to them. Every right thinking person will welcome a thorough overhauling of transactions entered into by him in a fiduciary capacity, for the truth disclosed cannot but benefit him, as truth is eternal.

MOUNTVILLE, S. C.—The Bank of Mountville has been organized with a capital of $25,000. M. C. Crisp, Y. M. Buyson, J. M. Simmons, J. L. Fellers, John F. Stokes and R. R. Fuller are promoters.

MUSKOGEE, OKLA.—The capital stock of the Guaranty State Bank has been increased from $25,000 at $35,000.

Digitized by Google

ALBANY TRUST COMPANY.

One of the largest and most important trust companies in New York state, outside of Manhattan, is the Albany Trust Company, which has had a remarkable growth, showing a steady increase in assets of almost $1,000,000 a year. At the present time its assets equal $8,400,000.

For several years the president of the Albany Trust Company was Hon. George C. Van Tuyl, Jr., who has recently been elected superintendent of banks of the State of New York. Mr. Van Tuyl has been succeeded in the Albany Trust Company by Charles H.

CHAS. H. BISSIKUMMER,
Vice-President Albany Trust Company.

Bissikummer, who now occupies the position of first vice-president and acting president. Mr. Bissikummer has been associated with the Albany Trust Company since its incorporation in May, 1900, at which time he was teller and trust officer. He was subsequently elected assistant-secretary, secretary and third vice-president.

The other officers of the Albany Trust Company are as follows: Frederick A. Mead, vice-president; Alonzo P. Adams, Jr., treasurer; Philip Fitzsimons, Jr., assistant treasurer; James H. Wallace, assistant secretary. The chairman of the executive committee is Horace G. Young.

A PROGRESSIVE PAPER HOUSE.

Bayne, Ring & Company, 55 Wall street, New York, have the distinction of being a progressive and aggressive commercial paper house, and their large and continually increasing business has been built up through square dealing and the fact that they early recognized the vital importance of having in their possession every available bit of credit information possible. The credit department of this firm is known to be a model which others would do well to follow.

Bayne, Ring & Company handle the notes of wholesale sugar, grocery and hardware houses, which they term "necessity paper", and do not handle what might be termed "luxury paper".

Their main office is located in the National City Bank Building, New York City, and they have branch offices in Chicago, Philadelphia and Boston. They have a large corps of well-trained and efficient salesmen and are looked upon with much favor by the banks throughout the country.

The firm is composed of Paul Bayne, George S. Ring and Charles A. Worthington.

FIRST NATIONAL BANK.

The solid and substantial growth of the First National Bank of Albany, N. Y., is worthy of comment. The present management commenced business early in 1905, and on May 1 of that year, the total assets were $726,444, total deposits, $400,000, capital stock, $200,000, surplus and undivided profits $43,000.

At the present time the total assets of this bank are $10,347,000; deposits, $8,900,000; capital, $600,000; surplus and undivided profits, $265,000. This certainly is an excellent record for six years.

The First National Bank has outgrown its quarters twice, and now owns and occupies a fine bank building. This bank makes a specialty, with its direct service, of collecting New York and New England items.

BANK ITEMS.

GRAND CHAIN, ILL.—The First State Bank, capital $25,000, has been incorporated by P. T. Chapman and J. B. Jackson.

LEOMINSTER, MASS.—The Merchants National Bank has been organized with a capital of $100,000. Bernard W. Doyle, W. F. Whitney, W. E. Holman, C. H. Howe and A. N. Litch are promoters.

OSMOND, NEB.—The Farmers' State Bank of Osmond, capitalized at $25,000, has been converted into the First National Bank of Osmond.

SEATTLE, WASH.—The Commercial State Bank, capitalized at $200,000, has been converted into the National City Bank of Seattle. J. W. Manville is president; F. W. Baker, vice-president; J. H. Bloedel, cashier, and C. B. West, assistant cashier.

SPOKANE, WASH.—W. H. G. Phipps, accountant in the Bank of Montreal in Spokane, has been transferred to Nelson, B. C., and is succeeded here by G. A. Lafferty, formerly of Rossland, B. C.

"The Old Folks at Home."

This is the sequel to an installation made in a Maine town, at the home of his wife's parents, by a young man residing in the suburbs of Boston. It was related by him during a second call at our Milk Street Office, made for the purpose of expressing gratification for the promptness with which the telephone was installed, and also for the pleasurable results already enjoyed.

"Haven't had so much real, downright pleasure in years! The old folks are as tickled as children, and my wife is as happy as a lark. We've been married only a little while, and I suppose she has been pretty lonesome at times. We have a telephone at our own home, but the old folks didn't have one, and the thought came to me that if they did have one, it wouldn't seem quite so 'far from the old folks at home,' so to speak. And that's just what's happened. You ought to have seen my wife's face this morning just as I was leaving home. She was just putting in a call for her mother. I tell you the telephone makes happy days for all of us, now."

There are no worrisome preliminaries to a telephone visit. Take the receiver off the hook, ask for the Toll Operator, give her the name and address of the person you want—and there you are! If the person wanted lives within 15 miles of your exchange, give the order direct to the Local Operator.

Digitized by Google

Progress in Banking

[By Joseph T. Talbert.]

To be invited to address the associated bankers of the Empire State at an annual convention is an honor; to be asked to appear before them on such an occasion as a representative for the time being of the banks of the Metropolitan District of the city of New York is a marked distinction. For these honors I am grateful, and I wish to thank you for them, but I am not unmindful that honors entail responsibilities.

In view of the agitation and discussion which have been going on for a number of years concerning the defects in our financial system and the reforms which are imperatively needed, it is not easy to say anything which has not already been said nor to contribute a thought which has not been expressed by someone else in a better way.

The minds of not a small number of the clearest and ablest thinkers we have, both practically and theoretically, have been applied to the whole problem, until now it would seem that a positive and correct solution has been proposed, and that the best and final thought in respect of monetary reform appears to have been reduced to a definite plan. This is a long step towards progress in American banking, whether the proposed plan now is enacted into law or not.

Instead of dwelling upon the details, or of launching into anything in the nature of an argument in favor of the plan or into a discussion of it I shall briefly review it as well as several other progressive steps which have been taken since the panic of 1907 towards insuring bettter and

SOUNDER BANKING

in this country; and afterwards, if time remains, to make a few hurried comments upon the plan by way of preparation for the discussion of it which is to follow.

Before the panic there were not a few earnest advocates of currency reform; there were bankers and others skilled in monetary science, who foresaw the impending dangers and who had the courage to point them out; but there were doubters and scoffers also. Because of the diversity of opinion, and of the inability of those who advocated reform to agree among themselves upon any definite plan, bankers and business men generally preferred to leave the whole tedious and vexatious question to the realm of academic discussion; for the most part they proceeded as serenely and happily upon their ways and as careless of the experiences of the past and of the dangers of the future as singing crickets are of approaching frost. The stock argument, not only of the scoffers among bankers at their numerous conventions, but of the lawmakers as well, was that it would be useless to ask for new laws of any sort in the nature of currency reform, or for any legislation affecting banking or looking towards the establisament of a central bank (the very name of which was hateful), until the bankers should be able to reach substantially unanimous agreement among themselves at least upon all fundamental principles. In addition to this, it was required that the bankers should be able to bring to the support of their plan, whatever it might be, the approval of the American and the various state Bankers' Associations, of Chambers of Commerce, commercial bodies, and generally the support of the business interests of the whole country. This seemed then to be a hopeless task; but

JOSEPH T. TABBERT.
Vice-President National City Bank.

there remained a few courageous spirits who went bravely on planning and preaching and prophesying; and whose hearts failed them not, because their beliefs were rooted in knowledge and their faith

FOUNDED UPON A ROCK.

I rmember that in Washington, in December, 1906, one year before the panic, in the rooms of the House Committee on Banking and Currency, there was held a hearing on a certain currency bill then pending. It was a bill which had been framed along the lines previously recommended by the Currency Committee of the American Bankers' Association, who were advocating its passage. A man who had been an attentive listener to all which had been said by the various committeemen finally arose and asked permission to say a few words. His request was granted. After a brief review of the testimony, and after entering a protest against the passage of the bill, as he insisted because it had been framed by the bankers, he said:

"Trust the steel barons to shape our tariff laws, trust the bankers to have a voice in framing our monetary laws; I would just as soon trust the convicts in Sing Sing to enact our criminal laws!"

This, of course, was an unusual and an extreme view, but it reflected not unfairly the hostility of the public at the time to any scheme looking toward increasing the note-issuing privileges of our banks or toward the establishment of anything resembling a central bank. This was less than five years ago. As certain bankers had predicted, the panic came a year later, and almost before the fact could be realized the banks throughout the whole country virtually had suspended cash payments, and business was paralyzed.

Neither a bank depositor, a man in debt, nor a banker who always is the chief debtor of the community, need suffer the trials and anxieties of more than one such panic before it is possible to convince him that something is radically wrong with our monetary system. Those of us who have had the misfortune to endure more than one such experience, and have survived them, know that there is absolutely no doubt of the

NECESSITY OF REFORM,

and we know also that until we shall procure reformation we shall continue to suffer the evils of recurring panics.

A few days ago a justice of the Supreme Court of the United States said:

"The most certain thing in all the public affairs of this country is that if you will give the people time to think and to discuss all the public questions fully and fairly before them, their final judgment is better than the judgment of any political convention and better than that of any smaller body of men."

This is well stated and perfectly true. Experience brought quickly to the knowledge of the people the fact that our system is weak ad defective. The lesson was a hard and costly one. They have had time to think it over. Their judgment may be slow, but it is sound, and now it cannot be doubted that a chance has come and that their minds are made up, and that they want, and will have, reform. Herein lies the reason for the progress that already has been made, and in it lies the hope and the certainty that in the end measures will be enacted which shall secure in the future

THE FINANCIAL PEACE

and security of our country.

It is conceivable that the panic of 1907, although powerfully instructive, may not have been sufficient to bring about the necessary legislation until we shall have had another such object lesson. For my own part, I fear, in view of political exigencies, that the chances are altogether against the speedy passage of any such important legislation, and it is nearly certain that it will not be accomplished unless the people shall arise and demand it. But in this particular matter it would be far better that we should have no legislation now, and that we should wait for years and eventually suffer another panic, than that by any hook or crook there should be injected into banking legislation any element of

Google

politics. This is not a political question. It is a national question of the greatest and most vital importance. It would be nothing short of a public calamity that the needed monetary legislation should take on any shade or color of politics. The machinations of designing politicians brought to an end the First and Second Banks of the United States, splendid institutions though they were, and when not entangled in the nets of political plotters, admirably adapted they were to perform the functions for which they were created.

In the matter of preserving and insuring our financial health and stability there is no more room for politics to enter than there would be in a case which involved the nation's physical health or the stamping out of a plague. The bankers and all other citizens of every state in the Union should wake up and bestir themselves not only to secure

THE SPEEDY PASSAGE

of a law in the nature of that suggested to the National Monetary Commission by Senator Aldrich, but they should see to it that all political considerations and every thought of party advantages are cast aside. We should set ourselves resolutely and determinedly on these points, and we should endeavor also to inspire our patrons with equal resolution and determination.

Referring to the Aldrich plan as a whole (including the proposed changes and improvements), I would say if anyone has a sound and defensible objection to it, let him propose it; if anyone has a better plan, or one so good, let him bring it forth. It is one thing to object, criticise and oppose, another to create and construct. While it has been properly enough christened "The Aldrich Plan", the distinguished Senator himself, although deserving the greatest credit for all the time and labor, and for the mature and enlightened thought which he has given the question, and who perhaps knows more about it than any other man, would be the last citizen to attach his own name to the plan. It is the result of the best thought and of years of labor and collaboration on the part of himself and many other serious minded, capable, experienced and patriotic men, in both public and private life, men who have worked not for their own, but for the common good.

We pass now to other

STEPS OF PROGRESS

which have been made in banking in recent years. The review not only is encouraging, but the outlook is hopeful. The first important and decisive step was taken by the clearing house banks of the city of Chicago, after the failure of the Chicago National Bank and its allied trust company and savings bank, in instituting a system of examinations of the members of the clearing house under the authority of the Clearing House Association. Suddenly and without warning, the associated banks of Chicago were confronted by the necessity of assuming and paying on demand the liabilities of a member bank amounting to more than twenty million dollars, and taking over its assets of unknown or indeterminate value, on the one hand; or of suffering the humiliation, on the other hand, of permitting a member whose business was large and important to fail, and consequently to incur criticism and possibly public distrust and discredit of the banking methods of all the other members. They wisely chose the former course, and paid the creditors of the failed bank in full. It was a costly experience. True to human nature, they then proceeded to securely lock the doors against contingencies of that character in the future. They

ENGAGED A COMPETENT MAN

to examine frequently and thoroughly the members of the clear-

Portland National Bank

PORTLAND, MAINE

Union Mutual Life Insurance Co. Bldg.

Accounts received on the most liberal terms consistent with sound banking.

Collections receive prompt attention.

WM. W. MASON ....President
EDWARD W. COX ....Vice-President
CHAS. G. ALLEN ....Cashier
EDWARD L. PIPER ....Asst. Cashier

Directors:

Fred E. Richards, Henry B. Cleaves, William W. Mason, Lyman M. Cousens, Charles G. Allen, George F. West, George Westcott Beyer, Roswell C. Bradford, Edward W. Cox.

CHARTERED 1799

Bank of The Manhattan Company

40 Wall Street - NEW YORK

Capital	**$2,050,000**
Surplus and Undivided Profits	**4,300,000**

OFFICERS:

STEPHEN BAKER, President
HENRY K. McHARG, PIERRE JAY, Vice-Presidents
D. H. PIERSON, Cashier
JAMES McNEIL, B. D. FORSTER, Ass't Cashiers

DIRECTORS:

James Talcott	H. D. Auchincloss	James Speyer
M. C. D. Borden	Fredk. G. Bourne	William Sloane
Henry K. McHarg	R. W. Paterson	Samuel Sloan
Stephen Baker	William S. Tod	Pierre Jay

BANKERS TRUST COMPANY

WALL STREET, NEW YORK

Capital - $3,000,000 **Surplus and Profits - $6,000,000**
Deposits over $90,000,000

DIRECTORS

STEPHEN BAKER, President Bank of the Manhattan Co., New York
SAMUEL G. BAYNE, President Seaboard National Bank, New York
EDWIN M. BULKLEY, Spencer Trask & Co., Bankers, New York
JAMES G. CANNON, President Fourth National Bank, New York
EDMUND C. CONVERSE, President, New York
THOMAS De WITT CUYLER, President Commercial Trust Co., Philadelphia
HENRY P. DAVISON, J. P. Morgan & Co., Bankers, New York
E. HAYWARD FERRY, V.-Pres't Hanover National Bank, New York
WALTER E. FREW, President Corn Exchange Bank, New York
FRED'K T. HASKELL, V.-Pres't Illinois Trust & Savings Bank, Chicago
A. BARTON HEPBURN, Chairman of the Board, Chase Nat'l Bank, N. Y.
THOMAS W. LAMONT, J. P. Morgan & Co., Bankers, New York
EDGAR L. MARSTON, Blair & Co., Bankers, New York
JOSEPH B. MARTINDALE, President Chemical National Bank, New York
GATES W. McGARRAH, Pres't Mechanics' & Metals National Bank, N. Y.
GEORGE W. PERKINS, New York
DANIEL E. POMEROY, Vice-President, New York
WILLIAM H. PORTER, J. P. Morgan & Co., Bankers, New York
DANIEL G. REID, Vice-President Liberty National Bank, New York
BENJ. STRONG, Jr., Vice-President, New York
EDWARD F. SWINNEY, President First National Bank, Kansas City
GILBERT G. THORNE, Vice-President National Park Bank, New York
EDWARD TOWNSEND, Pres't Importers' & Traders' Nat'l Bank, New York
ALBERT H. WIGGIN, President Chase National Bank, New York
SAMUEL WOOLVERTON, President Gallatin National Bank, New York

E. C. CONVERSE, Pres. B. STRONG Jr., V. P.
D. E. POMEROY, V. P. F. I. KENT, V. P. F. N. B. CLOSE, Sec'y
H. W. DONOVAN, Treas. H. F. WILSON Jr., Ass't Sec'y R. H. GILES, Ass't Treas.

Digitized by Google

THE STABILITY OF A BANK DEPENDS UPON ITS CONVERTIBLE ASSETS.
COMMERCIAL PAPER SELECTED WITH CARE INSURES STABILITY.

GEORGE H. BURR & CO.
BANKERS
COMMERCIAL PAPER

CHICAGO
ST. LOUIS
BOSTON

37 WALL STREET, New York
Wall Street Exchange Building

PHILADELPHIA
KANSAS CITY
SAN FRANCISCO

ing house and all banks clearing through the members. The purpose of this was to keep the committee fully advised as to the actual condition and as to the character of the assets of every member of the association and of all outlying banks enjoying through the members the privileges of clearing. This scheme was in time adopted by the banks in a number of other cities, in more or less modified forms, and it has recently been voted upon and adopted, and will shortly be established and made effective among the banks of New York City. The subcommittee appointed by the Clearing House Committee to investigate and report upon the practicability of establishing a system of clearing house examinations among the banks in New York City found to their great satisfaction that wherever in any city such a system has been installed it has been successful beyond all expectations. Banking conditions have been greatly improved; mutual confidence of local bankers in one another has been established, and in every instance the members themselves and those clearing through them are thoroughly satisfied, and none were found willing to abandon the practice of having their own examinations.

It may not be inopportune to point out here, and to make clear not only to you as bankers, but to the depositing public, especially of this community, that in adopting a system of self-inspection a clearing house does not at all undertake to guarantee the soundness of the assets nor to insure the correct conduct of the business of the members. All responsibility in that respect is expressly disclaimed, but it is not too much to say that it is believed and expected, in view of the satisfactory experiences elsewhere that under the plan of self-examination shortly to be established in New York City it will be possible to maintain a condition of

SOUNDNESS AND LIQUIDNESS

among the members, not possible without it. That the result in the end will be most beneficial to the banks themselves and satisfactory to the public is not to be doubted. It is a long step and one which has been wisely and carefully taken towards the insurance of good, sound and safe banking in this community. The Clearing House Committee which accomplished it, and especially its chairman who initiated it, deserve the thanks no less of this community than of the whole country. No less do they deserve public thanks for bringing into the clearing house and placing under examination and control the trust companies of New York. The ultimate benefit of this to the people of the city and of the whole country scarcely could be overestimated. It is one of the wisest and most important steps yet accomplished.

I wish again, however, to empha-

Charter Member New York Clearing House

OFFICERS
EDWARD EARL, President
J. CHRISTY BELL, Vice-President
JOHN MUNRO, Vice-President
W. B. NOBLE, Cashier
H. P. STURR, Assistant Cashier
N. D. ALLING, Assistant Cashier
R. M. BAILEY, Assistant Cashier

THE NATIONAL NASSAU BANK OF NEW YORK

DIRECTORS
J. CHRISTY BELL
HENRY C. MILLER
RICHARD YOUNG
SAMUEL R. WEED
JOHN MUNRO
EDWARD EARL
HARRY BRONNER

ESTABLISHED 1852 NATIONALIZED 1911

FIDELITY TRUST COMPANY

FIDELITY TRUST CO. NEW YORK

Capital and Surplus, $2,000,000.00
Resources Over - $9,000,000.00

Legal depositary for funds of State of New York
Legal depositary for funds of City of New York
Legal depositary for State Banking Institutions

Officers

President - -	Samuel S. Conover	Secretary - - -	Andrew H. Mars
Vice-President -	Wm. H. Barnard	Asst. Sec'y - -	Stephen L. Viele
Vice-President -	John W. Nix	Trust Officer - -	Arthur W. Mellen

MEMBERS OF THE NEW YORK CLEARING HOUSE.
New business welcomed

size the fact, and to direct especial attention to it, that no system of examinations or of supervision under clearing house authority or any other authority can prevent acts of bad judgment or of dishonesty, nor can they prevent occasional failures of banks. Let no one be deceived on this point. But clearing house examinations, wherever introduced, and efficiently administered can and will, by their restraining influences, reduce those evils to a minimum and prevent any general condition of unsoundness or of bad banking to prevail, just as certainly as modern sanitation, isolation and health inspection may be depended upon to prevent the serious spread of contagious diseases. An occasional death may occur, but there can be

NO EPIDEMIC.

In discussing recent "Progress in Banking", no particular stress is laid upon the Aldrich-Vreeland bill which is now a law, because that bill was a political one. It was passed because the impending presidential campaign in 1908, and the temper of the public after the panic of 1907 made it necessary from a political point of view to enact some sort of currency legislation. It was never intended to be anything but a temporary makeshift, and nothing more was claimed for it. But it may be fairly said that while it is to be hoped that no resort to it may be found necessary during its limited existency, it would at least afford an abundant supply of safe currency in a panic, although at high cost. Under the terms of the law the government has prepared to supply all the currency which the banks may need. To that extent the law is a comfort and a relief, until we shall have a better one.

The next important step has been the general elevation to a higher plane of the methods and management of national banks throughout the country. This has been accomplished through the persistent and determined efforts of the comptroller of the currency. He has brought it about in the first case by dropping out of the service all incompetent examiners and by insisting upon thorough and efficient work.

FITNESS AND CAPABILITY

have been the necessary qualifications of his examiners. He has divided the United States into a number of districts, in each of which he has appointed an examiner to be chairman, and he requires the examiners in each district to hold meetings from time to time to compare notes and mutually to give and receive the benefits of experience. He has appointed examiners-at-large, and has himself gone out into the field and worked with the examiners, assisting, advising and instructing them in the details of their work, and determining from personal observation those who are fittest. He has brought about co-operation in nearly all the states between his office and the state banking departments and between his examiners and state bank examiners, so that there is no longer that feeling of jealousy between them which existed in former years. He has also made it possible to have allied state and national banks examined simultaneously, and has in every possible way encouraged and promoted co-operation between his office and that of the state banking department. He has caused his examiners to bring directly to the attention of the directors of a bank under examination all matters and things subject to criticism or unfavorable comment. The effect of this has been highly beneficial to the banks. He has eliminated dishonest bank managers and officers whenever and wherever he has found them and through these and numerous other similar measures he has done much to improve the condition of the national banks of the country and to place them upon a sounder basis than they have ever been. Ninety-five per cent of the criticism, technical and otherwise, heretofore found necessary, has been dispensed with, and he has publicly stated that practically every national bank in the United States now is in a

SATISFACTORY CONDITION.

The few which are not are subject to the strictest supervision. This is saving a good deal, but it is as it should be. He has put a stop to the operations of bank promoters and has declined to give charters to persons of ill-repute, or to any person who has been associated either with a state or national bank in the past which failed. For all these things, and for others which he has in contemplation, it is not too much to say that he has done more to elevate the standard of banking and to improve the efficiency of bank examinations and the character of bank management, both state and national, than any and all comptrollers who have preceded him. He recently has given a conspicuous example of personal sacrifice to public duty, and for this as well as for the other things he has done he deserves the thanks, the confidence and the lasting gratitude of every banker, business man and bank depositor in the United States. Probably the most important progressive move he yet has made, among many which stand out conspicuously, is the effort he is now making to induce the banks in every reserve city of the United States to employ their own examiners. Not only does he not discourage the newly-discovered system of

SELF-INSPECTION

among clearing house banks, but he is

Guaranty Trust Company of New York

announces that it is now a member of the New York Clearing House Association, and that on and after June 12, 1911, all items deposited with the Company will be cleared through the New York Clearing House.

28 Nassau Street

Fifth Ave. Branch 5th Ave. & 43d St.

London Office 33 Lombard St. E. C.

Capital and Surplus, - $23,000,000
Deposits - - - - 144,000,000

ORGANIZED 1838 NATIONALIZED 1865

THE AMERICAN EXCHANGE NATIONAL BANK
NEW YORK

Capital, Surplus and Profits, $9,496,000

LEWIS L. CLARKE, President
EDWARD BURNS, Vice-President
A. K. de GUISCARD, Asst. Cashier
ELBERT A. BENNETT, Asst. Cashier
WALTER H. BENNETT, Vice-Pres. and Cashier
ARTHUR P. LEE, Asst. Cashier
GEORGE C. HAIGH, Asst. Cashier

ACCOUNTS OF MERCANTILE FIRMS, CORPORATIONS, BANKS AND BANKERS INVITED
We Offer Every Facility Consistent With Sound Banking

Depositary of the United States, State of New York and City of New York

HUNGARIAN AMERICAN BANK
Fifth Avenue and Twenty-first Street
NEW YORK

The bank offers to bankers, corporations, merchants and others the fullest possible service in all departments of modern banking.

Foreign Exchange in all its branches a specialty

Digitized by Google

UNION EXCHANGE NATIONAL BANK, NEW YORK
CLEARING HOUSE No. 100
CAPITAL AND SURPLUS $2,000,000 Organized 1903 DEPOSITS $10,000,000
SITUATED IN THE NEW COMMERCIAL AND MANUFACTURING DISTRICT, 5th AVE. AND 21st STREET
Banks that can handle to advantage the items payable in their locality are invited to correspond with us

big enough to encourage and to help along the movement to the point of insisting upon it, and even to the extent of proposing to allow his own well-trained and most experienced men to make examinations for clearing house committees in the smaller cities (of course, at their own expense) where it would be impracticable on account of the greater expense to maintain a competent private examiner. You gentlemen, as bankers, whether your banks are located in reserve cities or not, and the bankers of the whole country, should support Comptroller Murray in this important and courageous stand, not only by your voices, but by your actions in showing preference in the designation of your reserve agents to banks located in those cities which accept and conscientiously enforce this modern, wholesome and effective measure of reform. It is to be hoped that bankers everywhere will do so, and that the banks in at least every reserve city may thereby be obliged to adopt it. It is difficult to imagine how any reserve city can long stand out against it, because it marks progress, and is a real, vital and very necessary reform.

Now we come to a review of the final and most important of all the steps in banking progress which in this generation we shall be called upon to take. I refer, of course, to

THE ENACTMENT

of a law along the lines proposed to the National Monetary Commission which shall create and establish a permanent and adequate banking system in the United States. Of all the experiences of the panic, bitter and costly as some of them were, perhaps the most needed and effective was the proof it afforded that strength and safety are to be found in combination. It proved also that, although our system may be good enough in normal times, it is a failure in times of panic, because every unit among thousands in the system is compelled at the expense of every other unit to shift for itself, and to fight for its life and safety, regardless of the welfare of others. It was demonstrated that wherever three or four banks (even though they were small and weak), were gathered together in the name of a "Clearing House Association", they could, in this combination of reserves, find not only strength and safety for themselves, but help for their customers and for the communities which they served, by giving mutual support to one another. In effect this meant the pooling of their reserve cash" for mutual benefit. If this can be safely done even in small communities where only a few banks are involved, how much more safe and effective might the combination of all the banks of the whole country be made through the agency of the proposed National Reserve Association. The protective and defensive strength of such an organization is nearly incalculable.

The general terms of

THE ALDRICH PLAN

undoubtedly are familiar to you, and I shall not discuss them, but I may say that if and when it is enacted into law it would accomplish among other things the following objects, which are necessary for our own protection and essential to the achievement and maintenance of our proper position financially and commercially among the enlightened and progressive nations:

1. The centralization of the cash reserves of the nation, which in this Central Reserve Association would become by far the greatest and most effective stock of gold in the world.

2. The eventual abandonment of our inelastic and unscientific bond-secured circulating notes.

3. The establishment of a discount system which will utilize the merchant loans and give to them immediate debt-paying power. It will thus vitalize the current credits of trade, which constitute the safest and soundest basis for bank note issues.

4. The absolute and automatic adjustment of volume of note issues to fluctuating business demands and to the temporary seasonal needs.

5. The conversion of the public debt from a false and fictitious basis to an investment basis, without loss to the government and without cost to the people. In this respect the proposal is a marvel of ingenuity as well as of simplicity.

6. It will secure to the country all the advantages of a great central bank of discount for all banks, without the disadvantages of government competition in banking and without the fear of political entanglements or of control by any financial group or set of interests. In this respect the proposed organization is admirable and beyond criticism.

7. It will conduct the fiscal affairs of the government without the locking up of money in the treasury at critical times to the embarrassment of banks and to the inconvenience of business.

8. The people, through the government, will share the profits of carrying on this busines, which will be done with no liability to the government, no cos to it, nor any chance of loss.

9. The equalization of interest rates, the extension of discount privileges and the ability to procure notes when needed by the banks in every section of the United States alike.

10. The ability to meet any sudden or unexpected strain upon the credits or reserves of this country, whether arising internally or by reason of failures, wars or other disasters in foreign countries.

11. The association would possess

THE
SEABOARD
National Bank
of the City of New York
Capital - - - $1,000,000
Surplus and Profits (Earned) $2,050,000
Accounts Solicited
S. G. BAYNE.....President
S. G. NELSON.....Vice-President
C. C. THOMPSON.....Cashier
W. K. CLEVERLEY.....Assistant Cashier
L. N. DEVAUBNEY.....Assistant Cashier
J. C. EMORY.....Assistant Cashier
O. M. JEFFERDS.....Assistant Cashier

Western National Bank
PHILADELPHIA
Capital - - - - - - - $600,000.00
Surplus and undivided profits - 234,136.92
GEORGE E. SHAW, President
EDWARD J. DURBAN, Vice-President
SIDNEY LABE, Vice-President
E. E. LINDEMUTH, Vice-President
CHARLES F. WIGNALL, Cashier
JOHN BAUMGARTNER, Asst. Cashier
A conservatively managed bank invites your correspondence.

CAPITAL $1,500,000.00 SURPLUS $2,000,000.00
Second National Bank
OF
PITTSBURGH, PENN'A.
HENRY C. BUGHMAN, President
WILLIAM McCONWAY, Vice President
THOMAS W. WELSH, JR., Vice President
JAMES M. YOUNG, Cashier
BROWN A. PATTERSON, Ass't. Cashier

OLDEST BANK IN AMERICA
Chartered by Congress, 1781.
The
Bank *of* North America
(NATIONAL BANK)
PHILADELPHIA, PA.
Capital .....$ 1,000,000.00
Surplus 2,250,000.00
Undivided Profits 424,000.00
Deposits 15,269,000.00
HARRY G. MICHENER.....President
SAMUEL D. JORDAN.....Cashier
WILLIAM J. MURPHY.....Asst. Cashier
RICHARD S. McKINLEY.....Asst. Cashier
Accounts Solicited
Correspondence Invited

The National Park Bank
OF NEW YORK
Organized 1856.
Capital $5,000,000.00
Surplus and profits 12,941,415.18
Deposits, June 7, 1911..... 108,964,675.64

Digitized by Google

MELLON NATIONAL BANK, PITTSBURGH, PA.

Offers perfect service on attractive terms to other banks and bankers

CAPITAL $6,000,000 **SURPLUS $1,300,000**

all the strength and advantages of a branch bank system in its responsiveness to local needs, coupled with the greater advantage of having local interest and sympathy in the banks and of local control of each unit, which the branch bank system does not possess.

12. It would secure to a certain extent the unification of our state and national banking systems, through their common interest in and joint ownership of the Central Reserve Association, and through the granting and extension to all classes of

BANKING INSTITUTIONS,

equal privileges, opportunities and advantages of stockholding, and in dealing with the National Reserve Association, without impairing the rights of any class. It seems in this respect that when the diversified interests of our country are taken into account, and the number of states, each with its own system of banks, is considered, that the limit of ingenuity has been reached, and that nothing better, fairer or more comprehensive could be proposed.

13. The bedrock of soundness in banking is the ability of the banks to maintain cash payments. Through the power of the Central Reserve Association to issue notes to banks in any community against the discount of their shortly maturing mercantile paper, the natural fear which every banker now has of being unable at times to procure the required notes will be removed, and there will remain no necessity of any bank hoarding an abnormal amount of cash reserve even in stringent times. This eliminates the underlying cause of that particularly aggravating trouble known as a "bankers' panic". Such panics nearly always end in more or less complete suspension of cash payments and results in the collapse of trade.

14. Through its power to raise and lower discount rates, power which is now wisely used by such banks as the Bank of England and the Bank of France for the protection of their reserves, as well as for the benefit of the trade of their respective countries, the Reserve Association could and would protect our national stock of gold, which at present is wholly unprotected. This unprotected condition has subjected the business interests of our country many times to grave and unnecessary perils. It is not saying too much to assert that the inability of our treasury, and of the banks as independent units, to protect our gold stock, has cost this country more than the total amount of our

NATIONAL DEBT.

15. Through its power to purchase and accumulate international bills of exchange, and to sell them or to sell its own bills when exports of gold were threatened, and to hold such bills when the importation of gold became necessary or desirable, the Central Reserve Association would achieve an international position worthy of itself as a bank. It would compel the great banks of all other important countries to recognize it eventually as one of the most powerful factors in the world's commerce and one whose influence must always be taken into account.

16. The Reserve Association as proposed would not be an excrescence upon the national banking system, not merely an agency of discount for the national banks, but it would accomplish by legal organization, for the benefit of the public, normally, continuously and cheaply, what the banks have been obliged in a way to accomplish for themselves at great cost in times of distress through their clearing house organizations without possessing the equipment for it. I mean the unloosening, the quickening into life of the short-time mercantile credits which are locked up in the portfolios of banks, or lying dormant upon merchants' books, by converting them into live credits passing from hand to hand in the form of bank notes, possessing and exercising debt-paying and credit-liquidating power.

The growth of knowledge, the dissemination of intelligence, the rapidity of communication and the increasing needs of mankind growing out of the complexity of our civilization, all tend to increase the struggle for

INDIVIDUAL SUBSISTENCE.

New principles of social welfare have been accepted, and others are about to be established. They involve a revolution of material conditions. We, in common with other enlightened nations, are approaching a condition of economic maturity. We cannot afford any more to disregard and ignore the agencies of defence and the instruments of protection which other nations use economically and financially in their trade relations, than we could afford to disregard the means of military and naval defence which they use.

The establishment of some kind of Central Reserve Association for all these reasons has become a national necessity. If organized according to the plan suggested, it would as a bank be as great as our country is great; it would possess strength and power adequate to the country's needs and equal to all its demands. Such an institution would be a lasting monument to the financial genius of this generation. Our country needs it. We must and eventually will have it. It is to be hoped that we shall not be called upon to pay the price of another panic before it shall be given us. I trust that before adjournment this convention may unanimously approve the plan and by an affirmative vote urge the members of Congress from the state of New York to work for its speedy enactment into law.

HomeSavings Bank
Toledo, Ohio

Capital and Surplus, $400,000

Is a State Bank authorized to conduct a **General Banking Business,** and is operating strictly within the laws of the State governing Banks.

Collections given especial attention, for which remittances are made promptly at a reasonable charge.

First National Bank
San Francisco, California

Capital - - - $3,000,000.00
Surplus and Profits - 1,865,492.48

OFFICERS
RUDOLPH SPRECKELS, President
JAMES K. LYNCH, Vice President
J. K. MOFFITT, Cashier
J. H. SKINNER, Asst. Cashier
C. H. McCORMICK, Asst. Cashier
GEO. A. KENNEDY, Asst. Cashier

Invites your business and places at your disposal facilities developed and perfected during forty years of successful banking.

THE
People's State Bank
DETROIT, MICH.

Capital, $1,500,000.00
Surplus, 1,500,000.00

Collections a specialty
Correspondence Invited

The Fourth National Bank
OF THE CITY OF NEW YORK

OFFICERS
JAMES G. CANNON, President
SAMUEL S. CAMPBELL, V. Pres.
CHARLES H. PATTERSON, V. Pres.
DANIEL J. ROGERS, Cashier.
E. W. DAVENPORT, Asst. Cashier.
CHARLES E. MEEK, Asst. Cashier.

DIRECTORS:

James G. Cannon	L. F. Loree
Cornelius N. Bliss	Eugene Delano
Robert W. Stuart	M. Orme Wilson
William S. Opdyke	Elbridge G. Snow
T. Frank Manville	Welding Ring
Thos. H. McKittrick	Morton F. Plant
Mortimer L. Schiff	Samuel S. Campbell

CAPITAL AND SURPLUS - $10,000,000

Digitized by Google

Trust Companies and Reserve Assns.

[By William C. Poillon.]

There is no subject discussed by those interested in banking affairs in this country at present which compares in interest and importance with the movement to secure real currency reform. It would seem as if the discussion had now reached a point where the prediction is justified that the monetary legislation to be finally enacted will be based upon the suggested plan of the Hon. Nelson W. Aldrich to the National Monetary Commission. The ready acceptance of the general principles laid down in this plan by business men everywhere, as well as by many of the banking experts of this country and Europe, shows that the

TIME IS RIPE

for its enactment into law.

In view of the probability of action by Congress at its next session in December, it is of vital importance to those interested in trust companies throughout the United States to consider their part in the plan as it stands at present. There is no doubt that, if it be found advisable to change the plan in any particular, the best time to do so is before the legislation is enacted, rather than to amend it subsequently.

In the plan submitted by Senator Aldrich to the commission last January, he contemplated the establishment of a new class of national banks, which were to be "in effect national trust companies, to be designated by some appropriate name and to exercise all the functions and have all the privileges, including length of charter, which are given to trust companies by the laws of the various states". As a result of this provision in his plan, Mr. Aldrich was invited to address the trust companies of the United States at a dinner to be given by them for the express purpose of hearing more in detail his suggestions on this all-absorbing subject.

HE FRANKLY STATED

that he had given comparatively little study to this feature of his plan, and would welcome the freest discussion from those interested in trust-company affairs.

The dinner was given in New York City May 5, 1911, and was a representative gathering of officers and directors of trust companies and, in addition, bankers from all parts of the country. Senator Aldrich spoke on the subject of the "Relation of Trust Companies to Monetary Reform". After referring to the general features of his plan as applied to banking as a whole, he referred to the phenomenal growth and success of trust companies as compared with national or state banks, and assigned as the cause the much wider range of profitable business which they are authorized to transact, without the same restrictions as to the extent of their legal cash reserves against deposits. He placed himself firmly on record as to the utmost importance from a broad public standpoint, as well as for the safety and welfare of the banks themselves, that there should be

A COMPLETE UNIFICATION

in one comprehensive system of all our banking institutions; stating that, if co-operation is desirable for the 7,000 national banks, it is much more desirable that the 16,000 state banks and trust companies should be included in any plan for concerted action or joint responsibility. However, he stated that after most careful consideration of the subject of nationalizing state banks and trust companies he had reached the conclusion that, in view of the diverse interests involved, the obstacles in the way of nationalization are insuperable, and that our aim must be to accomplish the desired results with as little disarrangement as possible.

Accordingly, he suggested that state banks and trust companies should be

WILLIAM C. POILLON.

admitted to participate upon reasonable terms in the advantages and responsibilities of the proposed Reserve Association, but that such membership must be upon the terms and conditions fixed by national legislation. Among these is the requirement for uniform, reasonable reserves against deposits. This and other requirements would render necessary

CO-OPERATIVE LEGISLATION

by all the various state legislatures; such, for instance, as that the deposit balance of any bank or trust company in the Reserve Association, and the notes of the association, shall be counted as a part of its legal reserve.

As you are doubtless aware, the Currency Commission of the American Bankers' Association unanimously approved the general principles of currency reform embodied in the plan of Senator Aldrich, and appointed a special committee of five bankers of national reputation to carefully consider the nationalizing of savings banks and trust companies, and to prepare a special report thereon. This committee reported definitely against the proposed nationalization, and in favor of the participation of existing

Franklin National Bank

PHILADELPHIA

Capital $1,000,000.00
Surplus and Undivided Profits 2,730,181.17

INCORPORATED 1900.

OFFICERS:

J. R. McALLISTER, President.
J. A. HARRIS, JR., Vice-President.
E. P. PASSMORE, Cashier. L. H. SHRIGLEY, Assistant Cashier.
J. W. HARDT, Assistant Cashier.
Foreign Exchange Department.
WILLIAM WRIGHT, Manager.

Chartered 1836

GIRARD TRUST CO.

PHILADELPHIA

Capital and Surplus, $10,000,000

OFFICERS

E. B. MORRIS	:: :: ::	President
W. N. ELY	:: :: ::	Vice-President
A. A. JACKSON	:: ::	Vice-President
C. J. RHOADS	:: ::	Vice-Pres. & Treas.
E. S. PAGE	:: :: ::	Secretary
G. H. STUART, 3d.	:: ::	Asst. Treas.
S. W. MORRIS	:: ::	Asst. Secretary

THE Chatham and Phenix National Bank NEW YORK

Capital and Surplus $3,000,000

All business under direct supervision of the officers.

LOUIS G. KAUFMAN, President.

GEO. M. HARD, Chairman of the Board.
F. J. HEANEY, Vice-President.
W. H. STRAWN, Vice-President.
A. M. BULL, Vice-President.
BERT L. HASKINS, Cashier.
H. L. CADMUS, Assistant Cashier.
N. P. GATLING, Assistant Cashier.
W. B. BOICE, Assistant Cashier.
H. C. HOOLEY, Assistant Cashier.

Your Account Solicited.

CAPITAL, SURPLUS AND PROFITS $3,300,000

THE NATIONAL BANK of the REPUBLIC

OF CHICAGO

offers to conservative bankers its facilities developed and perfected by twenty years of close personal relations with correspondents in all parts of the country.

JOHN A. LYNCH, President,
W. T. FENTON, Vice-President,
R. M. McKINNEY, Cashier,
O. H. SWAN, Assistant Cashier,
JAMES M. HURST, Assistant Cashier,
WM. B. LAVINIA, Assistant Cashier,
W. H. HURLEY, Assistant Cashier.

Digitized by Google

state and savings banks and trust companies under their present charters and organizations, with certain reasonable provisions regarding capitalization, reserves, and examinations. This report was presented to the Executive Committee of the Trust Company Section of the American Bankers' Association at the Executive Council meeting in Nashville, Tennessee, last month, as this Committee is the only organized body solely representing the sentiments of the trust companies throughout the United States.

After a full discussion of the whole subject, it was

RESOLVED: That the Executive Committee of the Trust Company Section of the American Bankers' Association

HEARTILY APPROVES

the plan proposed by Senator Aldrich for the organization of a National Reserve Association, and of the modifications thereto suggested by the Special Committee appointed by the Currency Commission of the American Bankers' Association, at its meeting held in Washington, March 28, 1911, especially that portion of the report of the Special Commission defining the terms upon which trust companies may subscribe to capital stock of the National Reserve Association;

This approval, however, being subject to the following exceptions:

First—As to reserve required to be maintained by trust companies in central reserve cities, and reserves required to be maintained aganst trust funds not subject to immediate withdrawal.

Second—As to amount of paid-in capital to be required of trust companies, proposed in the report of the Special Committe.

Third—As to limitations upon character of notes that may be discounted by the National Reserve Association.

The Special Committee of Five thereupon amended its report, so far as it related to trust companies, substantially along these lines, and the amended report has been made a part of the report which the Executive Council will submit, with its

UNANIMOUS ENDORSEMENT,

to the American Bankers' Association at the next annual convention, to be held in November at New Orleans. If the association approves of the plan as thus amended, there is good reason for assuming that the amendments to the plan will be favorably received by the National Monetary Commission, which is expected to report to Congress in December.

Therefore, it is urgent that all who are interested in trust-company affairs should study this subject carefully from the broadest point of view, to the end that the statute, when finally enacted, should represent the best judgment of all who by study and experience are competent to express their views on this most important legislation.

SIKESTON, MO.—The Sikeston Trust Company is organizing with $100,000 capital. E. J. Malon, Mayor of this place, is to be president.

YORK, PA.—A trust company, with $125,000 capital. H. C. Wyatt and H. V Jennings are interested.

MARINE NATIONAL BANK BUFFALO

Capital and Surplus Earnings, - - - $3,250,000.00
Resources, - - - - - - - - - $30,000,000.00

Accounts of firms, corporations and banks solicited. Collections given careful and prompt attention.

The Merchants National Bank Indianapolis Indiana

ESTABLISHED 1865

CAPITAL :: $1,000,000 SURPLUS FUND AND PROFITS, $900,000

Superior facilities for handling items on Indianapolis and State of Indiana.

ORGANIZED 1864 German National Bank OF PITTSBURGH, Pa.

CAPITAL and SURPLUS :: $1,200,000.00

OFFICERS

F. ERNY, President — C. A. FAGAN, Vice President
F. W. EVERSMANN, Cashier — A. FRAUENHEIM, Vice President
ROBT. E. REED, Asst. Cashier

ACCOUNTS SOLICITED

FIRST NATIONAL BANK, Denver

Capital and Surplus .....$2,000,000.00 Resources $20,125,194.21

OLDEST BANK IN COLORADO.

D. H. MOFFAT, President. THOS. KEELY, Vice-President.
F. G. MOFFAT, Cashier.
C. S. HAUGHWOUT, Asst. Cashier. J. C. HOUSTON, Asst. Cashier.

FIRST NATIONAL BANK
EUCLID AVENUE CLEVELAND

CAPITAL $2,500,000 Surplus and Profits $1,250,000

ACCOUNTS OF BANKS AND BANKERS, MERCHANTS AND CORPORATIONS, SOLICITED

SPECIAL ATTENTION TO COLLECTIONS

DEPOSITS :: :: :: :: :: $25,000,000

Utah National Bank SALT LAKE CITY UTAH

CAPITAL AND SURPLUS $240,000.00

W. S. McCORNICK, President. T. R. CUTLER, Vice-President.
R. T. BADGER, Cashier. C. H. WELLS, Asst. Cashier.

UNUSUAL FACILITIES FOR COLLECTING ITEMS IN THIS TERRITORY.

Atlantic National Bank, Providence, R. I.

Direct connections with every Town in R. I.

SEND US YOUR COLLECTIONS. MINIMUM RATES.

New York State National Bank

ALBANY, N. Y.

Capital, $500,000 Deposits, $13,000,000 Surplus, $500,000

LEDYARD COGSWELL, President
LEDYARD COGSWELL, JR., 2nd Vice President LAURENCE H. HENDRICKS, Cashier
GEORGE A. WHITE, Asst. Cashier.

OVER 800 BANK DEPOSITORS IN THE UNITED STATES.

NATIONAL METROPOLITAN BANK
OF WASHINGTON, D. C.

Oldest National Bank in the District of Columbia

GEO. W. WHITE - - - President
CUNO H. RUDOLPH - - Vice-President GEORGE O. WALSON - - - Cashier
O. H. P. JOHNSON - - - Vice-President I. CALES MOORE - - - - Auditor

Planters National Bank RICHMOND VA.

ORGANIZED 1865.

Capital $300,000 Surplus and Profits (earned) $1,160,000
Deposits $5,500,000

SUPERIOR FACILITIES FOR COLLECTING VIRGINIA ITEMS.

Digitized by Google

BAYNE, RING & COMPANY

BANKERS

Dealers in

Commercial Paper

National City Bank Building, NEW YORK

CHICAGO	PHILADELPHIA	BOSTON
Harris Trust Building	Drexel Building	Boston Safe Deposit Building

List of Delegates and Guests in Attendance

Among those who registered at the convention were the following:

Ayres J. D., Vice-Pres. Bank of Pittsburg, Pa.
Arnold, H., Cash. First Nat. Bank, Albany.
Aitken, W. B., Bronx Savings Bank.
Alexander, O. G., Cash., 1st Nat. Bk., Corona.
Alley, E., Pres. Second Nat. Bank, Cortland.
Alexander, O. G., Cash. First Nat. Bank., Corona.
Booth, A. S., Director Ballston Spa National Bk.
Burke, John H., Director Ballston Spa Nat. Bk.
Bridges, F. E., Cash. Nat. Bk. of Liberty, and wife.
Burdick, L. W., Cash. First Nat. Bk., Gouverneur, and wife.
Burns, E. V. P. Am. Ex. Nat. Bk.
Bennett, W. J., A. C. Mechanics Bank, Brooklyn.
Beach, C. T., Cash. Sandy Hill Nat. Bank, Hudson Falls, and wife.
Benedict, C. B., Pres. Bank of Attica, and wife.
Brundage, F. D., Asst. Mgr. Knauth, Nachod & Kuhne.
Bausch, A., Pres. First Nat. Bank, Farmingdale.
Boschen, F., Cash. Hillsdale Bank, Richmond Hill, and wife.
Blauss, John Lincoln, N. Y. City.
Bell, S. R., Cash. Larchmont Nat. Bk., and wife.
Boody, Chas. A., Pres. People's Trust Co., Brooklyn.
Bartow, G. Edwin, Cash. Bank of Hicksville.
Brokaw, T. P., Cash. Flushing Nat. Bk., and wife.
Barnes, F. L., A. C. Nat. Bank of Syracuse.
Bartlett, H. A., Pres. Highland National Bank, Newburgh.
Brundage, W. W. Cash. Bank of Hahnondsport.
Bisdkummer, Charles H., V. P. Albany Tr. Co.
Brewer, R. G., Cash, Nat. Bank of Mamaroneck.
Brewer, G., V. P. U. S. Mort. & Tr. Co.
Bennett, A. C., Mechanics Bank, Brooklyn.
Clarke, J. G., Pres. Pulaski Nat. Bank, and wife.
Coun, R. T., Cash. Citizens Nat. Bank, Albion.
Curtis, J. C., A. C. Citizens Nat. Bank, Albion.
Carpenter, H. M., V. P. Ossining Nat. Bank.
Cogswell, L., Pres. N. Y. State Nat. Bk., Albany.
Clapper, C. W., Cash. Nat. Hudson River Bank, Hudson.
Crandell, H. S., V. P. Bank of L. I.
Conkey, H. M., Cash. Chase Nat. Bank.
Clute, J. S., Cash. Mfg. Bank Cohoes, and wife.
Carpenter, T., Mount Kisco Nat. Bank.
Couch, H. J., C. H. Couch & Son, Odessa.
Conklin, R. P., Cash. Seacliff State Bank.
Clarabut, G. E., Cash. Farmers Nat. Bank, Rome.
Cuddeback, W. L., Pres. Nat. Bank of Port Jefferson.
Carpenter, T. E., Pres. Mt. Kisco Nat. Bank.
Cambell, Alex. D., A. C. Hanover Nat. Bank.
Churchill, O., Cash. Bank of Hamburg.
Chase, G. W., Cash. Nat. Bank of Pawling, and wife.
Colvin, A. B., Pres. Glens Falls Trust Co.
Cromwell, David, Pres. First Nat. Bank, White Plains, and wife.
Carse, Henry R., V. P. Hanover Nat. Bk.
Clarke, F. J. R., Pres. Nat. Ulster County Bank, Kingston.
Conable, C. F., Cash. Fultonville Nat. Bank.
Carr, Cuyler E., Director Milford Nat. Bank, and wife.
Case, C. W., Cash. Second Nat. Bank.
Campbell, S. W., V. P. 4th Nat. Bank, and wife.
Cannon, J. G., Pres. Fourth Nat. Bank, and wife.
Cogswell, Ledyard, Jr., V. P. N. Y. State Bank, Albany.
Crandall, F. A., Nat. City Bank, Chicago.
Clark, C. E., Sec. Buffalo Loan & Safe Dep. Co.
Corwin, F. H., V. P. Woodhaven Bank.
Crandall, F. W., Pres. First Nat. Bank, Ripley.
Crandall, F. W., V. P. Nat. Bank of Westfield, and wife.
Couden, E. R., Cash. Ridgewood Nat. Bank.
Cornvell, W. H., Director Freeport Bank.
Campbell, S. S., V. P. Fourth Nat. Bank.
Dimse, Henry, 2d Vice-Pres. Greenwich Bank, and wife.
Donald, J. M., Chairman Board of Directors Hanover Nat. Bank, and wife.
Duncan, Wm. C., Pres. Greenwich Bank.
Dodge, W. L. Cash. Callicoon Nat. Bank.
Duryee, J. F., Cash. Suffern Nat. Bank and wife.
Durland, B. C., Cash. Chester Nat. Bank, Chester.
Dorgeloh, H. J., A. C. Coal & Iron Nat. Bank.
Dunbar, Alex., Cash. Exchange National Bank, Pittsburgh.
Edwards, Wm. C., Treas. Guaranty Tr. Co., N. Y. City.
Emerson, J. E., Sec. Farmers & Mechanics Sav. Bank, Lockport.
Eldredge E. O., Ex-Secretary N. Y. Bankers Association, N. Y. City.
Earl, E., Pres. Nat. Nassau Bank.
Estelow, J. C., Cash. First Nat. Bank, Oxford.
Evans, D. J., Cashier Granville Nat. Bank.
Frew, Walter E., Pres. Corn Exchange Bank.
Fonda, H. B., Treas. Trust Co. of America.
Farnham, A. C., Lincoln Nat. Bank, Rochester.
Ferry, E. Hayward, V. P. Hanover Nat. Bank.
Feathers, W. C., Cash. Manufacturers Nat. Bank, Troy, and wife.
Frissell, H. S., Pres. Fifth Ave. Bank.
Farnsworth, C. E., Cash. First National Bank, Cleveland.
Fancher, E. R., V. P. Union Nat. Bk., Cleveland.
Gethoefer, L. H., Cash. Columbia Nat. Bank, Buffalo, and wife.
Grant, Rollin P., V. P. Irving Nat. Ex. Bank.
Gavitt, S. B., Cash. Gavitt Nat. Bank, Lyons, and wife.
Gordon, L., Pres. First Nat. Bank, Brockport.
Griswold, S. M., Pres. Montauk Bank, Brooklyn.
Giles, R. H., Asst. Treas. Bankers Tr. Co.
Gregory, A. W., Cash. Frontier Nat. Bk., Morristown.
Gunnison, F. E., Pres. Home Tr. Co., Brooklyn.
Graham, D., Cash, Matteawan Nat. Bank.
Gibson, C. R., V. P. Salamanca Tr. Co.
Green, S. T., Pawling Bank, and wife.
Harris, C. N. Cash. City National Bank, Gloversville, and wife.
Hedges, D., Director Patchogue Bank, and wife.
Hopkins, W. F., V. P. Third Nat. Bank, Buffalo.
Hall, F. P., V. P. Union Trust Co., Jamestown.
Hall, R. A., Pres. State Bank of Brocton, N. J.
Howland, W. L., Pres. Manufacturers Nat. Bk., Mechanicville, and wife.
Holmes, J. D., Cash. Bank of Richmondville, and wife.
Hall, G. F., A. C. Bank of New York, and wife.
Hunter, W. E., Cash. First State Bank, Canisteo.
Hopkins, W. L., Cash. First Nat. Bank, Ozone.
Halpin, F., Cash. Chemical Nat. Bank.
Hogan, W. J., Cash. State Bank, Bolivar.
Herzog, J. H., A. C. Nat. Commercial, Albany.
Holden, A. M., Pres. Bank of Honeoye Falls.
Hammond, Frank, Cash. Greenwich, Bk., and wife.
Hyde, F. W., Cash. Nat. Bank of Chautauqua, Jamestown.
Hannahs, G. W., Cash. Farmers Nat. Bk. Adams.
Hall, Percy L., Cash. Bank of Farmingdale.
Harriman, F. C., Asst. Treas. Guaranty Tr. Co.
Higley, H. H., V. P. Chenango Nat. Bk., Norwich.
Henry, W. J., Sec. Fidelity Tr. Co.
Hewitt, F. W., Pres. Washington Co. Nat. Bank, Grandville.
Hopping, D. M., Pres. Yonkers Nat. Bk., and wife.
Hayes, R. G., Cash. Nat. Bk. of Whitehall.
Hopkins, W. L., Cash. First Nat. Bank, Ozone Pk.
Hammond, Frank, Cash. Greenwich Bk.
Haskins, B. L., Cash. Chatham & Phenix Nat. Bk.
Haas, H. J., A. C. First Nat. Bank, Philadelphia.
Ireland, C. O., Cash. Bank of Amityville, and wife.
Imhoff, C. H., Mercantile Nat. Bank.
Johnson, L. G., Cash. Carthage Nat. Bk., and wife.
Jefferson, H. M., V. P. and Cash. Bank of Coney Island, and wife.
Judson, J. D., Pres. 1st Nat. Bank of Rhinebeck.
Jefferson, H. H., V. P. Bank of Coney Island.
Jones, W. O., A. C. Nat. Park Bank.
Kent, F. L. V. P. Bankers Trust Co.
Kerley, T., Pres. Ballston Spa Nat. Bk. and wife.
Kloepfer, J. A., Pres. Union Stock Yards Bank, Buffalo, and wife.
Kleine, F. A., Cash. First Nat. Bk., Port Jefferson.
Kavanagh, A., Cash. Nat. City Bank.
Keeler, Henry T., Cash. Nat. Bank of Auburn.
Lanthrop, K. B., A. C. State Bank, Canastota.
Lee, F. G., Pres. Broadway Trust Co.
Lewis, T. J., V. P. National Reserve Bk.
Lee, E. A., A. C. Chase National Bank.
Leggett, J. C., Pres. Cuba Nat. Bank.
Lyford, F. E., Pres. 1st Nat. Bank of Waverly.
Lewis, G. E., Cash. Gallatin Nat. Bank.
Leeky, J. D, Pres. Ashokan, Nat. Bank, and wife.
MacDougal, E. C., Pres. Bank of Buffalo.

Digitized by Google

Marks, H. F., V. P. Traders Nat. Bank, Rochester, and wife.
Massey, G. B., Pres. Jefferson County Nat. Bk., Watertown.
Mott, H. S., Pres. State Bank of Northport, and wife.
Mott, C. S., Cash. Bank of Northport, and wife.
Mead, Frederick A., First Nat. Bank, Albany.
Maddox, W. S., A. C. Philadelphia Nat. Bank.
Miller, S. H., V. P. Chase Nat. Bank, and wife.
Meeker, F. H., Cash. Unadilla Nat. Bank.
Morgan, H. C., Treas. N. Y. State Bankers Association, Pres. First Nat. Bank, Cuba, and wife.
Merchant, J. H., Pres. Nat. Bank of Stamford.
Mattox, E. T., A. C. Merchants Ex. Nat. Bank, and wife.
Mott, L. W., V. P. First Nat. Bank, Oswego, and wife.
Maxfield, D. H., Pres. Hiram Maxfield Bk., Naples.
Mason, A. E., Cash. Glens Falls Tr. Co.
Millmire, E. L., Cash. Mohawk National Bank, Schenectady.
Marshall, N. M., Pres. People's Bank, Malone.
Marwick, W. A., Cash. Bank of Philadelphia.
Maine, W., Cash. First Nat. Bank, Dolgeville.
Mitchell, C. S., V. P. Century Bank.
Noddem, J. H., Ocean Bay Bank, and wife.
Newell, E. J., Cash. Peoples Bank, Buffalo, and wife.
Nevius, D., V. P. Union Ex. Nat. Bank.
Nelson, S. G., Pres. Seaboard Nat. Bank.
Nash, W. G., Pres. Mercantile Nat. Bank.
O'Hanlon, Wm., Cash. Geneva Nat. Bk.
Paynter, O. E., A. C. Merchants Nat. Bk.
Powers, F., V. P. Westbarry State Bank.
Poillon, W. C., Pres. Mercantile Tr. Co., N. Y. City.
Polk, Wm. F., Cash. Nat. City Bank, Troy.
Prion, F. F., Cash. Merch. Nat. Bk., Glens Falls.
Purdy, W. E., A. C. Chase Nat. Bank.
Peck, Chas. A., Cash. First Nat. of Mexico.
Perkins, J. H., V. P. Nat. Commercial Bank, Albany.
Potter, Frank A., Cash. Patchogue Bank, and wife.
Penny, D. H. G., A. C. Irving Nat. Ex. Bk.
Pratt, Jas. A., Asst. to Treas. Guarantee Trust.
Pratt, D. M., Pres. Second Nat. Bank, Elmira.
Patterson, Chas. H., V. P. Fourth Nat. Bank, and wife.
Pierson, L. E., Pres. Irving Nat. Exch. Bk.
Pierson, D. M., Cash. Bank of the Manhattan Co., N. Y. City.
Platten, J. W., Pres. U. S. Mortgage & Tr. Co.
Patterson, R. A., Pres. Tarrytown Nat. Bank, and wife.
Pollard, W. G., pres. Bank of Genesee, Batavia.
Patterson, C. E., Cash. Hempstead Bank, and wife.
Pine, D., Wesley, V. P., Freeport Bank.
Pugsley, C. A., Pres. Westchester Nat. Bank, Peekskill.
Rowland, D. W., V. P. Columbia Bank.
Ringler, W. A., Knauth, Nachod & Kuhne.
Roach, J. P., Am. Ex. Nat. Bank, and wife.
Runkle, Delmar, Peoples Nat. Bk., Hoosick Falls.
Remer, J. B., Pres. First Nat. Bank, Ozone.
Reed, Wm., A. C. Nat. City Bank.
Rhoades, J. H., Rhoades & Co., N. Y. City.
Rowley, E. N., pres. First Nat. Bank, Northport.
Riecks, C. W., V. P. Liberty National Bank, and wife.
Redfern, S., A. C. Mercantile Nat. Bank and wife.
Reddish, T. H., Cash. Oswego Nat. Bk.
Rhodes, Bradford, Pres. First Nat. Bank, Mamaroneck.
Richards, W. W., Cash. Ticonderago Nat. Bank, and wife.
Snow, A. W., Cash. Garfield Nat. Bank, and wife.
Swan, C. C., Pres. Merchants Nat. Bank, Elmira, and wife.
Skinner, L. A., Schenectady Savings Bk.
Stewart, T., V. P. State Bank of Silver Creek, and wife.
Schenck, Chas. L., V. P. Peoples Tr. Co., Brooklyn.
Slade, C. C., A. C. Chase Nat. Bank.
Sniffen, F. L., Mgr. Title Guar. & Tr. Co., Brooklyn.
Sheldon, J. O., Cash. B. of Gouverneur
Shute, Jr. E., V. P. Yonkers Nat. Bank.
Smith, E. Foster, Cashier Nassau Nat. Bk., Brooklyn.
Schenck, E. S., Pres. Citizens Central Nat. Bank, and wife.
Swanton, T. J., Pres. Nat. Bank of Commerce, Rochester.
Sprague, W. F., Pres. First Nat. Bank, Ossoe, and wife.
Smith, F. O., Cash. Farmers Bank, Springville.
Simonson, W. A., V. P. Nat. City Bank.
Scott, W. S., Asst. to Pres., Harriman Nat. Bank.
Smith, A. P., Cash. Mech. Bk. of Brooklyn, and wife.
Snyder, G. E., Cash. Cayuga Co. Nat. Bk., Auburn.
Spielberger, L. N., Cash. Union Nat Bk. Philadelphia.
Stumpf, Anthony, Anthony Stumpf Pub. Co., N. Y. City.
Spence, G. W., Pres. People's Nat. Bank, Brooklyn.
Sage, John, A. C. Bank of America.
Sammis, H. F., V. P. Bank of Huntington, and wife.
Smith, Hiram, Pres. Rockville Centre Bk., and wife.
Smith H. R., Cash. Bank of North Hempstead.
Sherill, I. W., Fallkill Nat. Bank, Fallkill.
Stone, A. G., Cash. Tompkins Co. Nat. Bank, and wife.
Schenck, C. L., V. P. People's Tr. Co., Brooklyn
Tomlinson, T. W., Bank of Batavia.
Tripp, D. B., Cash. Nat. Bank, Marathon.
Talbert, J. T., V. P. Nat. City Bank.
Taber, W. L., Pres. Citizens Tr. Co., Utica, and wife.
Thurwood, F. C., Cash. Mfrs. Nat. Bank, Ilion.
Terry, L. E., Cash. Southampton Bank.
Tefft, E. S., Cash. First Nat. Bank Syracuse.
Thompson, A. W., Cash. Rondout Nat. Bank, Kingston, and wife.
Taylor, D., V. P., Coal & Iron Nat. Bk.
Thornton, H., Pres. Nat. Bank of Newburgh.
Voleh, S. S., Hathway, Smith, Folds Co.
Vail, G. M., Pres. Suffolk Co. Tr. Co., L. I. City.
Voorhis, A. L., Cash. State Bank.
Verity, A. P., A. C. First Nat. Bank, Brooklyn.
Van Tuyl, G. C., Superintendent Banking Dept.
Woodward, W., Pres. Hanover Nat. Bank.
White, C. H. Cash. First Nat. Bk. Cooperstown, and wife.
Wallace, H. L., Cash. Dobbs Ferry Bank, Dobbs Ferry, and wife.
Watson, F. Barry, Pres. Central Bank of Medina.
Wallen, Wm. F., Mechanics & Metals Nat. Bank.
Ward, Wm. J., Vice-Pres. Bank of Coney Island.
Waller, G. Griffith, Cash. Columbia Bank.
Watson, A. H., Cash. Hungarian-American Bank
Ward, H. E., Cash. Irving Nat. Ex. Bk.
Whittaker, Elmer E., Cash Hanover Nat. Bank.
Willard, Mrs. M. F., A. C. Citizens Nat. Bank, Fulton.
White, G. A., A. C. N. Y. State Nat. Bank, Albany.
Wilber, G. I., Pres. Wilbur Nat. Bank, Oneonta.
Worden, L. E., Cash. Exchange Nat. Bk., Olean.
Weppner, E. A., Cash. German-American Bank, Buffalo.
Waterbury, W. H., A. C. Citizens Nat. Bank, Saratoga Springs.
Willits, F. E., Pres. Glen Cove Nat. Bk. and wife.
Young, J. C., Pres. Sullivan Co. Nat. Bk.
Zimmerman, H. S., Mellon Nat. Bk., Pittsburgh.

BANK ITEMS.

CHICAGO, ILL.—The Greenbaum Trust Company is organizing with $1,000,000 capital. James E and Henry E. Greenbaum are the organizers.

CLIO, MICH.—The Clio State Bank has been organized with $25,000 capital.

DEMOPOLIS, ALA.—The Commercial National Bank has been organized with a capital of $100,000. A. R. Smith, L. L. Steinhart, J. H. Speight and C. C. Clay are interested.

WILLIAMSON, W. VA.—The Mingo County Bank, capitalized at $100,000, has been converted into the National Bank of Commerce. W. Goodykoontz, A. G. Rutherford, J. K. Anderson and E. F. [illegible] are interested.

6% BONDS **For Investing July Dividends**

These two forms of 6% Gold Bonds of the American Real Estate Company—

6% Coupon Bonds

For those who wish to invest $100 or more

6% Accumulative Bonds

For those who wish to save $25 or more a year.

offer to careful investors a time-tried and conservative plan to increase their income or to place their savings where they will secure the greatest safety, pay the highest interest return consistent therewith, and be convertible into cash.

A-R-E Six's are safe, because they are based by assets of $23,000,000 and capital and surplus of $2,000,000. They have paid 6% for 23 years, returning to investors more than $7,000,000 in principal and interest.

Booklet describing Bonds and properties on which they are based, map of New York City showing location, and financial statement sent on request.

AMERICAN REAL ESTATE COMPANY

Capital and Surplus, $2,011,247.80
Founded 1888 Assets $23,026,889.67

527 Fifth Avenue, New York

The BEST Investment is LOANS UPON FARMS combining

1. A liberal rate of interest.
2. Ample security.
3. Increasing security from the fact that the supply of agricultural land is not equal to the demand.

For 35 years we have sold such loans and no buyer has waited a day for payment of principal or interest.

THE MIDDLESEX BANKING COMPANY,
MIDDLETOWN, CONNECTICUT
ASSETS OVER - - - - - $5,000,000

FUNDING COMPANY OF AMERICA

40 Exchange Place, New York

Investment Department offers securities of high-grade financial enterprise paying regular and attractive dividends, and growing rapidly—an exceptional opportunity; also railroads, public service and industrial bonds yielding from 4% to 8%. Write for particulars.

OFFICERS AND DIRECTORS

Edward Staats Luther, President

Charles W. Abrams, Treasurer John W. Harding, Secretary

Howard S. Kennedy, Vice-President Chatt, Peabody & Co., Troy, N. Y.

A. H. Phelps, President First National Bank, New Berlin, N. Y.
James D. Abrams, President Hudson Yacht & Boat Co., Nyack, N. Y.

Corporation Organizers

Delaware charters are inexpensive and perpetual, and permit stockholders and directors to hold meetings anywhere. The law is more stable, and grants greater powers than other states. $1,142,424,409 of capital organized in Delaware during 1910—double that of New Jersey or elsewhere. In selecting an agent to organize and represent your company, get the best—it will be cheaper and safer in the end and will add prestige to your enterprise. Lawyers' and Brokers' business a specialty. Corporation Law and forms sent on request.

MERRICK SECURITY & TRUST CO.
Wilmington, Del.

The American Audit Co.

Home Office

100 BROADWAY, :: NEW YORK

F. W. LAFRENTZ, C. P. A., President

THEO. COCHEU, Jr., C. P. A., Vice-President and Secretary A. F. LAFRENTZ, Treasurer

BANK EXAMINATION DEPARTMENT
CHAS. W. GOETCHIUS, Manager

¶ Audits and Independent Examinations made of Banks of Deposit, Savings Banks and Trust Companies. ¶ Assitance rendered Directors in their Periodical Examinations. ¶ Modern Accounting Methods Introduced. ¶ Certificates for Publication Issued. ¶ Certified Statements prepared showing the Financial Condition of Customers desiring Credit.

BRANCHES

NEW YORK, (Waldorf-Astoria) 33d St. and 5th Ave.
CHICAGO, Marquette Building
WASHINGTON, Colorado Building
PHILADELPHIA, Bellevue-Stratford
SAN FRANCISCO, Claus Spreckels Bldg.
MILWAUKEE, Plankinton Bank Building
BOSTON, Exchange Building
ATLANTA, Fourth National Bank Bldg.
RICHMOND, Mutual Building
BALTIMORE, Keyser Building
NEW ORLEANS, Maison Blanche
LONDON, E. C., 50 Gresham Street, Bank

6% Timber Bonds

Secured by First Mortgage on one of the finest and safest stands of commercial timber on the continent. The bonds are a first lien on the land as well as on the timber and carry with them a participation feature which should give investors a net return considerably in excess of the 6% interest on the bonds.

Circular with Photographs and Full Details on Request

American Finance & Securities Co.

5 Nassau Street New York

FRANKLIN NATIONAL BANK

PHILADELPHIA

Incorporated 1900

CAPITAL
$1,000,000.00

Surplus and Profits

$2,822,047.43

OFFICERS

J. R. McALLISTER
President

J. A. HARRIS, Jr.
Vice-President

E. P. PASSMORE
Cashier

L. H. SHRIGLEY
Assistant Cashier

J. W. HARDT
Assistant Cashier

Foreign Exchange Department

WILLIAM WRIGHT, Mgr.

DIRECTORS

SAMUEL T. BODINE
Vice-President United Gas Improvement Co.

JAMES C. BROOKS
President Southwark Foundry and Machine Co.

THOMAS DE WITT CUYLER
Lawyer, Director Girard Trust Co., Commercial Trust Co., Pennsylvania R. R. Co. Equitable Life Assurance Society

GEORGE H. FRAZIER
of Brown Bros. & Co., Bankers of Philadelphia, New York and London

WILLIAM F. HARRITY
Lawyer, Director The Equitable Trust Co., Trustee Mutual Life Insurance Co. of New York

EDWARD B. SMITH
of Edward B. Smith & Co., Bankers, Philadelphia

HENRY TATNALL
Fourth Vice-President, Pennsylvania R. R. Co., Director Girard Trust Co Commercial Trust Co.

J. RUTHERFORD McALLISTER
President, Director Commercial Trust Company

FREDERICK L. BAILY
of Joshua L. Baily & Co., Dry Goods Commission Merchants

EFFINGHAM B. MORRIS
President Girard Trust Co., Director Pennsylvania R. R. Co., Commercial Trust Co.

EDWARD T. STOTESBURY
of Drexel & Co., Philadelphia; J. P. Morgan & Co., New York; Morgan Harjes & Co., Paris

HENRY C. FRICK
of Pittsburg

PERCY C. MADEIRA
President Madeira, Hill & Company

JOHN B. THAYER
Third Vice-President Pennsylvania R. R. Co.

ELLIS PUSEY PASSMORE
Cashier.

J. ANDREWS HARRIS, JR.
Vice-President

JOHN HAMPTON BARNES
Lawyer

MORRIS L. CLOTHIER
Strawbridge & Clothier

C. S. W. PACKARD
Pres. Penna. Co. for Insurances on Lives and Granting Annuities

CHARLTON YARNALL
Director Commercial Trust Co

GENERAL LIBRARY
UNIV. OF MICH.
NOV 10 1911

THIS ISSUE CONTAINS THE BANK EARNING TABLES.

United States Investor

Volume XXII. BOSTON, NEW YORK AND WASHINGTON, JULY 8, 1911 Number 27.

THE

FOURTH NATIONAL BANK

OF THE CITY OF NEW YORK

OFFICERS

JAMES G. CANNON, President

SAMUEL S. CAMPBELL, Vice-President

CHARLES H. PATTERSON, Vice-President

DANIEL J. ROGERS, Cashier

ERNEST W. DAVENPORT, Ass't Cashier

CHARLES E. MEEK, Ass't Cashier

DIRECTORS

JAMES G. CANNON	L. F. LOREE
CORNELIUS N. BLISS	EUGENE DELANO
ROBERT W. STUART	M. ORME WILSON
WILLIAM S. OPDYKE	ELBRIDGE G. SNOW
T. FRANK MANVILLE	WELDING RING
THOS. H. McKITTRICK	MORTON F. PLANT
MORTIMER L. SCHIFF	SAMUEL S. CAMPBELL

Capital and Surplus :: :: $10,000,000

Digitized by Google

One of the incidental results of the admission of such a numerous body of trust companies to the New York clearing house may be the transfer of some of their deposits to banks in Philadelphia and Albany. Some banks in other places may also be beneficiaries of the movement, the magnitude of which it is as yet impossible to forecast. It is not merely among the banks of Philadelphia or Albany that one hears this result predicted, although they certainly are keeping an alert eye on the New York situation. They learned some years ago when the New York clearing house first adopted its system of collection charges on checks and drafts, that this development offered an opportunity for solicitors from Philadelphia and Albany to get accounts from parties aggrieved by the innovation. They are not likely, therefore, to keep their solicitors touring the West now or sweltering in the South when there is bigger game nearer home.

New York Trust Companies

Neither is the prediction made only by certain big business men of New York, heads of corporations or firms whose sales are made all over the country, although from this quarter some loud complaint against the effect upon their own accounts of the admission of the trust companies to the clearing house is heard. Apparently, the trust companies look with some concern, too, upon this feature of the situation. Perhaps that is why some of them have not as yet applied for clearing house membership. Some of the accounts which they fear will be put in jeopardy by their affiliation with the clearing house were obtained only by much effort and they dislike even to think of forfeiting this business. Candor compels one to voice the belief, however, that few New York trust companies will remain without the fold on this account, and one's hope, moreover, is in accord with this belief, for the clearing house needs them and they in turn stand in need of it. The clearing house ought to be able, when the next panic comes, to represent, in its efforts to ward off or alleviate trouble, all of the responsible, down-town banks of New York, instead of only a fraction of them, and it ought, too, to have on its governing committee the benefit of the judgment and influence of the abler trust company managers.

Susceptible Accounts

Nevertheless, it is true, of course, that there is a substantial volume of business now with the trust companies which is peculiarly susceptible to appeals from Philadelphia and Albany banks and, to some extent, from banks in other places. The business in question is that which would naturally have gone to these banks outside New York years ago had the trust companies not held it back. It comes from various sources, located in various communities. Some of these deposits are made by manufacturers, some by merchants, some by out-of-town banks which are for the most part trust companies, although there are national banks among them. The cause which brought this business to the New York trust companies is much the same in all cases. These merchants and manufacturers desired to avoid paying for the collection of such portions of their deposits as consist of checks and drafts payable by or at banks outside New York. The banks who keep accounts with the New York trust companies came to a large extent for that very reason, although a few came because they wished to act as collecting correspondents for the New York trust companies and were willing to pay for this boon by keeping balances with those trust companies. Since these various manufacturers, merchants and out-of-town banks can no longer make use of New York trust companies to avoid collection charges, they may be expected to seek some other agency that will enable them to continue their freedom from these annoying costs. Certainly, the language which some of them are employing, relative to their plight since the trust companies they have been accustomed to patronize have entered the clearing house, is about as inconsistent with passive submission to the new status as one can well imagine.

Seek New York Exchange

Very likely the first effort of some of these patrons of the New York trust companies will be to remain as patrons of their present trust company, even while they seek a means of freeing themselves from these exchange charges. They have been with it so long and have been so well treated that they dislike to sever their present amicable bank connections. To this end they will try to force their deposits to consist as largely as possible of New York drafts. New York trust companies are not to be blamed if they urge their customers strongly to make this attempt. Such a course, if it succeeds, will keep these deposits in New York and will in addition have another effect that New York banks may properly desire. This is that out-of-town banks will have to enlarge their deposits at New York in order to afford the increased supply of New York drafts which will be called for.

But the attempt may not have all of the success which some of the more optimistic anticipate. The depositors of the New York trust companies have much less control over the character of the checks which they receive and make over to their respective depositories than they might desire to have. You see the checks they receive are not from their dependents and friends, but from customers, and it isn't the easiest thing in the world to persuade a customer, whom one naturally does not desire to offend, that every time he makes a remittance he should go to the trouble of asking his bank to give him a New York draft for the purpose.

Some years ago, when the national banks of New York adopted their present schedule of charges on collections, the attempt was made by many of their patrons to get more of their deposits in the form of New York drafts. Many of their patrons found the undertaking rather ineffectual. And when you come to think of it, it isn't at all remarkable that this should have been the experience. There are very few business men, except perhaps those who have a monopoly of some very desirable commodity, who feel like asking their customers to pay in any other way than that which is most convenient for the customers themselves, so long as that most convenient way is a thoroughly businesslike one. If customers prefer to pay with checks drawn on the banks of their own towns, one is too anxious to retain their custom to interpose any objection.

Some Are Powerless

The banks of Hartford, Conn., can bear convincing testimony as to the much slighter control over the character of the checks they deposit which some businesses have than do certain other businesses which seem to be of very similar nature. In that city several insurance companies have their main offices and have given it considerable reputation as an insurance centre. Part of these companies provide life insurance, part of them insure against loss by fire. The life insurance companies, so the Hartford banks tell us, have little or no difficulty in making the pile of checks which they send each day to the bank for deposit consist largely of New York drafts. Fire insurance companies, on the other hand, can do almost nothing in this direction. Their deposits consist of all sorts of checks gathered in from all the four quarters of the country, checks on little banks in out of the way towns of the South, checks from the Rocky Mountain region, checks on banks in the Mississippi valley, in short, checks on almost every conceivable type of bank located in almost every hamlet and

Digitized by Google

NATIONAL BANK 3rd OF ST. LOUIS

CAPITAL $2,000,000
SURPLUS $2,000,000
DEPOSITS $35,000,000

NATIONAL BANK 3rd OF ST. LOUIS

village that the imagination can call to mind.

At first blush, the different characters of the deposits of the fire companies looks difficult of explanation. Their receipts come almost entirely from their own agents, just as the receipts of the life companies come from their agents. Why should the fire companies have so little control over their representatives when the life companies are able to exact of their representatives exactly the variety of remittance which they desire? It really is a case of respective degrees of control, for the fire companies would be quite as happy as their banks would be to have the checks they receive consist mainly of New York drafts.

The explanation is, after all, really very simple. The fire companies are not in position to enforce their desires. The tie which binds an agent of a life company to it is a rather strong one. He has found that self interest dictates that he shall work, except on the most infrequent occasions, for one company and for one alone. The story he tells his prospective customers is of the virtues of that company, its unrivaled surplus, or its substantial dividends, or its liberal treatment of policy holders, or its peculiarly attractive new policies. Customers come eventually to associate him in their minds with that company, and their feelings toward him would be those of strong suspicion, if presently he should begin visiting them in the interest of some other company which on previous occasions he is not unlikely to have decried. As part of the stock in trade of the life insurance solicitor is a reputation for sincerity, he cleaves, therefore, to one company with a determination which makes him somewhat responsive to the company's discipline. This enables the company to impose upon him the requirement that his remittances to it shall consist of checks drawn on some New York bank.

Can't Require New York Funds

A fire insurance agent, on the other hand, is not only not tied to any one company, but it is best both for himself and for the companies that he should represent several companies and feel equal devotion to all. Any scheme which looks in the direction of restriction of fire agents to a single company would tend very strongly to prevent that scattering of risks which comes so near to being a first requirement of sound fire insurance management. If he were writing for only one company, an agent, in his desire to make his income as large as possible, would seek to insure every house or other building in his town in that company. If he had sufficient ability to accomplish it, he would have houses after houses located side by side, insured in this company, and before long he might have his company altogether too much concerned in the fire losses of that one place. A single fire in this one community might deal his company a really heavy blow. A wholesale conflagration such as Chelsea or San Francisco experienced might actually ruin the corporation. Since he represents several companies, he has every incentive to divide his business among them, to have houses that are side by side insured in different corporations, and to have all the companies have about an equal share of his business. He doesn't wish any one of them to be so heavily affected by any fire in his community that there will be any danger of losses not being promptly paid, or his standing with any of his companies given a shock. For this desirable condition the companies, however, have to pay the price of being somewhat less able to impose requirements upon him than are the life companies.

If, for instance, they should demand from him that his remittances be in New York funds, his response would probably be a refusal to do business further with a company which is so finical. There are plenty of other companies, he will state, who would be glad to take his business without requiring of him this sort of remittance. Especially would he be apt to elect to represent some other company if he found his local bank disposed to charge him exchange for the New York funds it furnished him. Not a few banks would be disposed to make such a charge, and the result is that the fire insurance companies, at least of Hartford, and probably of most places, allow their agents to make their remittances in any kind of check that is good. And the Hartford banks, like many other institutions who find their deposits of each day made up in considerable part of checks upon which their New York correspondents will make a charge for collection, maintain substantial balances at Philadelphia and Albany banks for the pur-

THE
OLD NATIONAL BANK
OF SPOKANE
OFFERS ITS CORRESPONDENTS
Better Banking Service
The Largest Number of direct connections of any bank in the Inland Empire.
Send us your Washington, Oregon, Idaho and Montana Items.

Central National Bank
of DENVER, COLO.
Capital - - - - - $ 200,000
Surplus and Undiv. Profits - - - - 40,000
Deposits - - - - 2,250,000
S. F. SALZER, President
W. M. MARSHALL, Vice-President
J. B. LAZEAR, 2d Vice-President
W. H. TRASK, Cashier
D. H. STALEY, Asst. Cashier
AUG. SCHMIDT, 2d Asst. Cashier
Prompt and Careful Attention to all Business sent us

Chase National Bank
NEW YORK
Capital .....$ 5,000,000
Surplus and Profits (earned) ... 8,282,871
Deposits 118,648,760
A. BARTON HEPBURN, Chairman of the Board
ALBERT H. WIGGIN, President
SAMUEL H. MILLER, Vice-President
HENRY M. CONKEY, Cashier
CHARLES C. SLADE, Asst Cashier
EDWIN A. LEE, Asst Cashier
WILLIAM E. PURDY, Asst Cashier
ALFRED C. ANDREWS, Asst Cashier
DIRECTORS
Henry W. Cannon
James J. Hill — George F. Baker
Grant B. Schley — Albert H. Wiggin
A. Barton Hepburn — George F. Baker, Jr.
John L. Waterbury — Francis L. Hine
FOREIGN EXCHANGE DEPARTMENT

Ladd & Tilton Bank
PORLAND, OREGON.
Established 1858.
Capital $1,000,000.
Surplus & Undivided Profits $700,000.
OFFICERS
W. M. LADD, President
EDWARD COOKINGHAM, Vice Pres.
W. H. DUNCKLEY, Cashier
ROBERT S. HOWARD, Asst. Cashier
J. W. LADD, Asst. Cashier
WALTER M. COOK, Asst. Cashier
DIRECTORS:
EDWARD COOKINGHAM — J. WESLEY LADD
WILLIAM M. LADD — S. B. LINTHICUM
HENRY L. CORBETT — FREDERIC B. PRATT
CHARLES E. LADD — THEODORE B. WILCOX

Cleveland National Bank
CLEVELAND, OHIO
Can handle your Ohio business to your advantage and satisfaction.
WE INVITE CORRESPONDENCE

Digitized by Google

THE NATIONAL CITY BANK OF CHICAGO

CAPITAL :: :: $2,000,000.00
SURPLUS & PROFITS 500,000.00
DEPOSITS :: :: $28,558,582.42

United States Depository — Accounts of Banks and Bankers solicited. Correspondence invited. — Organized 1907

pose of getting their collections made without charge. They began to do this at the time when the New York national banks as members of the clearing house began to make charges for collections.

An Anomalous State

As with the fire insurance companies, so with numerous other corporations. Just because their New York bank would like to have them make their deposits consist mainly of New York funds, it does not follow that these corporations can thus regulate the components of their deposits. They must either patronize other banks, therefore, to a sufficient extent to warrant those other banks in assuming the expenses of check collection for them, or they must assent to the charges of the New York banks. Considerable business that the New York trust companies have would have gone to the New York national banks instead, had those banks not been obliged by clearing house rule to make charges for collection of checks. For years, New York national banks have been discovering, sometimes to their considerable chagrin, that some trust company right in the same building with them or just across the street has an account which a national bank would have if that trust company were not making collections free. Very frequently, the situation has been positively exasperating. The rule may have seemed anomalous some times when its effect appeared principally to be to assist trust companies to get business rather than to cure the evil which it was meant to cure. Now, the anomaly will be eliminated, for with the principal trust companies subject to clearing house rules, the only two alternatives for many corporations will be to yield to the charges or to open accounts in some other city.

Attempts at Reprisal

Those banks outside New York who have also been using the trust companies as depositories in order to obtain free collection of checks will be in the same plight. Some of them will elect, very likely, to pay the charges, because of the demand of their customers for New York funds, which demand they can readily satisfy by keeping their present connection with the New York trust companies. Some will elect to transfer their accounts to Philadelphia or Albany. One is somewhat curious to know whether any of them will attempt acts of reprisal. Some few years ago, when the national banks of New York were first imposing charges for collections, the banks of one of the principal cities of New England tried to retaliate. In a custom of their clearing house, not uncommon among clearing houses generally, they saw the means. This custom is that of permitting banks to pay balances standing against themselves at the clearing house in New York funds. The suggestion was made that this custom be terminated, that the requirement be that any bank not settling in cash should settle with Boston funds. The purpose, of course, was to bring about withdrawals by the local banks of their funds from New York, to some extent, and the deposit of those funds instead in Boston. The suggestion either was not tried at all, or was soon abandoned. Very likely, there are some communities where the plan would have worked, but in this city enough of the banks found genuine need of New York funds to such an extent that the proposed plan was irksome instead of helpful. There seems to be no disposition in other communities to try this scheme, and the probability is that it would be ineffectual anyway.

Some Won't Solicit

Some of the banks in Philadelphia and Albany may, we imagine, be less keen after the collection accounts of the trust companies now than they were after the similar accounts which the New York national banks displaced when they first put their exchange charges into force. The relation of the Philadelphia and Albany banks with the New York trust companies are decidedly cordial, if not positively profitable. The habit with some of the New York trust companies has been to keep good balances at Philadelphia and Albany, and thus to obtain the privilege of unloading great quantities of checks upon the banks in those cities to collect, a privilege of which they have availed themselves on a huge scale. Of course, the amount of items these trust companies will have now to collect may diminish and the balances they keep at Philadelphia and Albany may shrink commensurately. So long, however, as the balances continue at all substantial there may well be a disposition on the part of the Philadelphia and Albany banks not to search for business among the patrons of the trust companies which keep such generous balances at those two cities.

That the Philadelphia and Albany banks will be alert, however, to all reasonable opportunities is wholly likely. The prospect is that not only they but the banks of Pittsburgh, Baltimore and other centres will reach for some share of the business the New York companies have had. Enlisted in the same army with them will be banks in small communities where factories are located whose main business offices are in New York. There is no reason, for instance, why a bank in Wilmington, Del., should not ask a New York firm, whose factory is in Wilmington or vicinity, to increase slightly the balance that firm has with this bank for meeting weekly payrolls. It could offer in return to do much collecting of checks and drafts for that firm. What it cannot readily collect direct, it can unload on that reserve agent bank with which it keeps a balance itself for obtaining free collections.

MARINE NATIONAL BANK.

An outing of about 100 employes and officers of the Marine National Bank, of Buffalo, N. Y., at the summer home of President Clement, on July 4, made that day one of the pleasantest holidays which those who participated in it have ever enjoyed. Incidentally, it brought to Thomas L. Jewett, who has been for forty years employed by the bank, two souvenirs never to be forgotten. One was a check for $5,000 given by the bank, and the other a silver loving cup from his fellow employes. Outdoor sports, a pleasant luncheon, and an inspection of Mr. Clement's ample farm made up the day's programme.

When Mr. Jewett entered the employ of the Marine National Bank, in 1871, there were but five other employes, and the resources of the bank were but $1,500,000. The resources now aggregate $13,000,000.

INDUSTRIAL PREFERRED STOCKS.

Geo. H. Burr & Company, 35 Wall street, New York, bankers, have just issued a very interesting compilation of carefully selected industrial preferred stocks of proven merit, comprising twenty of the more prominent companies, all of which have regularly paid dividends on their preferred shares ever since they were issued. From this list the investor can select seasoned securities yielding an income of from 5½ to 7 per cent.

The table which accompanies this pamphlet is divided into two groups, group one being industrial preferred stocks having no bonded indebtedness, and group two, industrial preferred stocks with bonded indebtedness. They will be pleased to send this pamphlet to all who are interested.

Digitized by Google

IF YOU HAVE NO CORRESPONDENT

IN CINCINNATI

WE WILL WELCOME THE OPPORTUNITY OF PROVING TO YOU THE BENEFITS WHICH WILL ACCRUE FROM FORMING A CONNECTION WITH US.

RESOURCES

TWENTY-FIVE MILLION DOLLARS

And every facility for the satisfactory handling of Bank Accounts.

THE FIFTH-THIRD NAT'L BANK CINTI. O.

WABASH-PITTS. FIRST MTG. BONDS.

New York City, July 6, 1911.

ED. UNITED STATES INVESTOR:

There is danger that some may be beguiled into accepting a "plan" giving only from 60 to 70 for our bonds, and it becomes necessary constantly to remind bondholders of the great value of their security, that no one may make a mistake through ignorance. I intend sending out a series of letters, each devoted to the worth of our property to some single interest, such as Erie, Pennsylvania, Western Maryland, Lackawanna, etc. One certain interest to be referred to is very much alive to the situation and is anything but inactive. A seller must have, however, more than one buyer to get a proper price. In the present case there should be six or more competitors for the plum that one now expects to get for a song.

Let us consider first whether the Wabash-Pittsburg has any value to its parent, the Wabash Railroad. We already begin to read

HINTS OF THE FOLLY

of the original conception of the Pittsburg Terminal, statements of heavy losses to Wabash Railroad, etc., and through all there runs the constant hint of depreciation and belittlement. True, the Wabash Railroad has lost money on the Terminal (not as much as ingenious press writers figure, but maybe three or four millions). The Wabash stockholders had the option, and guessed wrong. Had the man who was president of the three allied companies—and who left the presidency because too honest to tolerate what was then planned and afterward carried out—won the control, there would have been no Wheeling & Lake Erie notes, with alleged bond security, no Wheeling & Lake Erie receivership, no Wabash and Wheeling & Lake Erie repudiation of a moral and legal obligation, no Wabash-Pittsburg receivership, no attempt to rob the Wabash-Pittsburg of its subsidiaries, no starving of bondholders into submission, etc. Probably the Wabash-Pittsburg would now be paying interest on its second mortgage, with considerable prospective value to its common stock.

Still, losses have occurred by the action of Wabash management and stockholders. Why, then, should not these stockholders bear losses? But need

THE LOSSES

go on any longer? If the present real owners of the Wabash (not the Goulds) were to step to the front now in manly, honest fashion, reinstate the traffic agreement, help to provide equipment and traffic for Wheeling & Lake Erie and Wabash-Pittsburg, announce that the Wabash is still in Pittsburg, and means to stay, and means to carry out all agreements, whether they bring loss or profit, it would improve the credit of the Wabash Railroad like magic.

The Terminal was well planned. The properties were wisely brought together. The building of a really great system was well under way. There have intervened some years of dishonor. Of course, losses followed. Perhaps some people have stolen a part of what the others lost. Perhaps not. Perhaps all have lost, the tricky and the honorable together. But why need they lose more?

The world likes honesty. It likes courage. Let the Wabash stand up and try to do its present duty. Its character and reputation would be restored instantly, while credit and dollars would follow. Not much financing would be necessary. The Wabash is

ALREADY RESPONSIBLE

for the Wheeling & Lake Erie notes. The Wabash-Pittsburg second mortgage would not make onerous terms. If the first mortgage coupons now due, and to accrue for a year or two, were extended at 6 per cent interest and future principal and interest were guaranteed, there would be no pressure from that source. About all to be looked out for would be receivers' certificates to the amount of some seven millions. The Wheeling & Lake Erie and Wabash-Pittsburg properties are at this moment in shape to provide interest on these certificates and to do the necessary double tracking, etc., out of earnings.

Of course, an adjustment with Wabash is not much in our interest, for our bonds being in default, we can demand, and by proper action can get 114 in cash, but such adjustment could easily be carried through, if the Wabash ownership, aside from the Goulds, wish to serve their own interests. I need not take space to show the value of Pittsburg to the Wabash.

Portland National Bank
PORTLAND, MAINE
Union Mutual Life Insurance Co. Bldg.

Accounts received on the most liberal terms consistent with sound banking.

Collections receive prompt attention.

WM. W. MASON .....President
EDWARD W. COX .....Vice-President
CHAS. G. ALLEN .....Cashier
EDWARD L. PIPER .....Asst. Cashier

Directors:

Fred E. Richards, Charles G. Allen,
Henry B. Cleaves, George F. West,
William W. Mason, George Westcott Beyer,
Lyman M. Cousens, Roswell C. Bradford,
Edward W. Cox.

OLDEST BANK IN AMERICA
Chartered by Congress, 1781.

The Bank of North America
(NATIONAL BANK)
PHILADELPHIA, PA.

Capital .....$ 1,000,000.00
Surplus 2,250,000.00
Undivided Profits 424,000.00
Deposits 15,269,000.00

HARRY G. MICHENER.....President
SAMUEL D. JORDAN.....Cashier
WILLIAM J. MURPHY.....Asst. Cashier
RICHARD S. McKINLEY.....Asst. Cashier
Accounts Solicited
Correspondence Invited

HUNGARIAN AMERICAN BANK
Fifth Avenue and Twenty-first Street
NEW YORK

The bank offers to bankers, corporations, merchants and others the fullest possible service in all departments of modern banking.

Foreign Exchange in all its branches a specialty

FIDELITY TRUST CO. TACOMA, WASHINGTON
CAPITAL AND SURPLUS, $900,000
General Banking
Oldest Trust Company in the State of Washington.

THE DEXTER HORTON NATIONAL BANK of Seattle maintains a department organized for the especial care of the accounts of banks and bankers. Our officers will be pleased to correspond with bankers contemplating the establishment of relations in the Pacific Northwest. CAPITAL & SURPLUS $1,440,000

CITIZENS NATIONAL BANK BALTIMORE, MD.
CAPITAL, $1,000,000 SURPLUS, $2,000,000

Digitized by Google

ANGLO & LONDON PARIS NATIONAL BAI

SAN FRANCISCO

Capital, Surplus and Profits, $5,700,000.00 Deposits, $23,600,000.00 Cash and Sight Exchange, $10,300,000.00

Issues Travelers' Letters of Credit, available in all parts of the world; buys and sells Foreign Exchange, and issues Drafts and Cable Transfers

ACCOUNTS OF BANKS, BANKERS, CORPORATIONS, FIRMS AND INDIVIDUALS INVITED

All of that is self-evident. The entrance was planned

IN HARRIMANIC STYLE.

Had the builders not turned wreckers the enterprise would ere this have proved a wonderful success. It may be yet. For the Wabash's own sake (not for the Terminal's) it needs, and must have, the Pittsburg-Toledo system. That system would be worth far more than it ever cost.

In my next letter I expect to point out the value the Terminal property would have if in the hands of another system. Yours very truly,

GEO. L. HOXIE.

P. S.—Can it possibly be true (as is rumored) that in exchange for a few places on the Wheeling & Lake Erie directorate our committees have agreed not to press suits involving Gould interests?

If so, individual bondholders must intervene by counsel, and hold the situation until bonds can be withdrawn from the two committees, under the court decision, and until a genuine bondholders' association be formed.

G. L. H.

AMERICAN BANKERS' ASS'N.

The next convention of the American Bankers' Association will be held in the city of New Orleans, La., the week of November 20. All meetings of committees and sections will be held at the St. Charles Hotel, while the convention will meet at the Athenaeum, which is a magnificent structure, and well adapted for this purpose.

Monday, November 20.—Committee meetings and Executive Council meeting. Evening, banquet tendered by the bankers of New Orleans to the Executive Council. The ladies will be entertained at a special evening reception.

Tuesday, November 21.—Association convenes at 10 o'clock and 2 o'clock. Fete Champetre at City Park and reception at the Country Club at 8 o'clock p. m. Fireworks and illumination in the park and on the lakes.

Wednesday, November 22.—Meetings of Trust Company and Clearing House Sections. Automobile rides throughout the city for the ladies and visit to the water works plant in special street cars in the afternoon. All parties to meet at Audubon Park at 4 p. m. to attend a polo game. Reception and ball at the French Opera House in the evening.

Thursday, November 23. Meetings of Savings Bank and organization of Secretaries Sections. Visiting the harbor and excursion by boat to Reserve Plantation; lunch to be served on the boat or boats to be chartered, and return to be arranged from Reserve, La., by special train to be furnished by the Illinois Central Railroad Company. Invitations to all leading theatres in the evening.

Friday, November 24.—Second day's convention and Executive Council meeting. Entertainment to be left open to enable the bankers to entertain those of their friends who may be in the city.

THE LARGEST TRUST COMPANY.

The semi-annual statement of the Guaranty Trust Company of New York, as of June 30, 1911, records the largest figures ever reported by an American trust company. The deposits are $163,000,000, which is a gain of over $38,000,000 since the annual statement of December 31, 1910, and a gain of over $18,000,000 since the last published statement of the company, June 7. The total resources are now $217,000,000, as against $151,000,000 six months ago.

LOS ANGELES, CAL.—The Citizens National Bank is to increase its capital from $1,000,000 to $1,500,000.

NEW IBERIA, LA.—The Citizens Bank, capitalized at $50,000, commenced business June 5. Felix Patout is president; E. T. Weeks and H. Patout, vice-presidents; Charles L. Provost, cashier, and Fred Patout, assistant cashier.

FINANCIAL INQUIRY.

Allis-Chalmers Preferred stock.

21257. (Cleveland, O.) As Allis-Chalmers Preferred stock had a range of from 54¾, down to 27 last year, and from 34 down to 25 this year, we would be much pleased, if possible for you to do so, to have you give us the reason for this and inform us what you consider the future prospects of this stock. Is there any likelihood of any of the accumulated dividends thereon being paid, if so, how soon?

Ans.: The advance in Allis-Chalmers preferred last year was based in part upon knowledge that the company's business and earnings were substantially better than those of the preceding year, joined to the fact that industrial shares generally were then selling at the highest point of the year. The subsequent reaction carried this issue back with others, and the movement has been accelerated by evidences of a slackening in the company's business within recent months. For the twelve months ended June 30, 1910, there was earned on the preferred shares 3.09 per cent, against .84 per cent in 1909 and 3.81 per cent in 1908. Evidently, the year just closed will show less favorable results than its predecessor, thereby dimming the outlook for the payment of the 50 per cent deferred dividends on the issue. As a speculation, the stock has good possibilities, as a revival of industrial property would naturally result in better earnings and a higher market valuation for the shares. It is, however, a long pull proposition. We refer you to a detailed article on this company, which appeared in our issue of March 4, 1911, page 352.

THE NEW YORK TRUST COMPANY

26 BROAD STREET

OTTO T. BANNARD, *President*

MORTIMER N. BUCKNER, FREDERICK J. HORNE, HERBERT W. MORSE, Secretary. } Vice Presidents. CHARLES E. HAYDOCK, ARTHUR S. GIBBS, H. WALTER SHAW, } Asst. Secretaries.

JAMES DODD, Treasurer.

TRUSTEES

OTTO T. BANNARD	F. N. HOFFSTOT	JOHN S. PHIPPS
S. READING BERTRON	ARTHUR CURTISS JAMES	E. PARMALEE PRENTICE
JAMES A. BLAIR	FREDERIC B. JENNINGS	EDMUND D. RANDOLPH
JAMES C. COLGATE	WALTER JENNINGS	NORMAN B. REAM
ROBERT W. de FOREST	CHAUNCEY KEEP	H. AYMAR SANDS
JOHN E. DEVEREUX	WOODBURY LANGDON	JOSEPH J. SLOCUM
ELBERT H. GARY	JOHN J. MITCHELL	JOHN W. STERLING
JOSEPH P. GRACE	JAMES PARMELEE	JAMES STILLMAN
CHARLES W. HARKNESS	GEORGE W. PERKINS	ERNST THALMANN
JAMES N. HILL		MYLES TIERNEY

Statement of Condition at the Close of Business, June 30th, 1911

RESOURCES.		LIABILITIES.	
Cash in Office and Banks	$12,492,271.03	Capital Stock	$3,000,000.00
Loans on Collateral	28,425,408.24	Surplus and Undivided Profits	11,184,103.84
Bills Purchased	4,818,687.47	Deposits	47,716,179.84
Stocks & Bonds (Market Value)	15,182,659.27	Cheques outstanding	3,632,292.19
Bonds and Mortgages	2,213,075.00	Reserved for Taxes	150,000.00
Exchanges for Clearing House	2,221,406.13	Interest Payable	56,839.57
Interest Receivable	385,908.30		
	$65,739,415.44		$65,739,415.44

Member of The New York Clearing House Association

Digitized by Google

BORROWING ON POLICIES.

A Practice Which is Becoming All Too General For the Good of Life Insurance Patrons and Their Families.

There is no doubt at all of the right of the policy holder to such portion of the reserve on his policy as he may demand, either for surrender or loaning purposes, so long as it comes within the bounds of safety. The original purpose of loans on policies in recent years was to prevent, if possible, the surrender of the policy and thus save the insurance to the policy holder in cases where it was difficult or impossible for him to pay the premium. As a matter of fact, this writer strongly advocated the plan years ago.

Of late years, however, especially during the past half decade, the increase in loans on policies has been so large as to provoke attention and to call for comment upon the conditions which exist. The power of a policy holder to borrow on his policy is one which carries with it greater benefits, but which at the same time may carry with it large evils. The company is always protected, for it is only loaning to the policy holder that which is his own, and it loans upon the assignment of the policy the amount of the loan to be deducted from the insurance in case of the death of the policy holder or the maturity of the policy. The practice, however, has resulted in

GRAVE ABUSES

from the point of view of the policy holder, and is one which calls for thought as to how its growth may be prevented. Previous to 1905, or a few years before that, applications were seldom made for loans on policies, but since that time, the increase both in companies of the state of New York and other state companies has been very large. During the panic of 1907, when business men had sudden calls for ready money on account of the depreciation of the values of their securities, and for other business reasons, there was a large jump in the amount of these loans. It was, in fact, during that year that the policy holder may have been said to have "got the habit". The habit is a bad one in many ways. In the first place, instead of leaving untouched the protection which the head of the household has provided for his family, it has made serious inroads upon it, for it reduces by so much the actual amount and value of his insurance. The ease with which these loans may be obtained, because the companies always have the money and are always ready to grant these loans, so far as the value of the policy will permit, has added to the prevalence of the practice. It has also been noted that very few of these loans are ever repaid, for, as has been well said, there is no money so hard to raise as that which is "dug up" for the purpose of

PAYING OFF A DEBT.

It is very easy for a man in straightened circumstances to turn to his life insurance policy for relief, and this is done in many cases where it is unjustifiable and probably unnecessary. He borrows perhaps only $200 on his policy. At the time this appears to be only a small loan, but as time goes on, he finds it money which is very hard to refund. Then perhaps an occasion arises where he becomes really in need of money. He again goes to the insurance company to find out how much more money he can borrow. This, like the first loan, is hard to refund, and as the years roll on, instead of decreasing the amount of his loans, the policy holder continues to increase them as the terms of his policy permits him. He forgets, perhaps, one of his main aims in having taken out insurance; he may have a wife and family dependent upon him, or he may have an aged father or an aged mother who have looked to him for their support. As a safeguard against the need of these loved ones, in the event of his death may have been the big purpose of his insurance; and yet, when he has died, this aim he perhaps may have defeated himself through borrowing on his policy, so that his beneficiaries in the person of his loved ones received but little after the amount of the loans had been deducted from the insurance. The result is that the

INDIVIDUAL SUFFERS GREATLY

in the long run, and although what insurance is left is always entirely safe, he has anticipated what was originally intended to be a payment for the support of his family after he was gone. We present the following table, showing the amount of loans on policies for 1890, 1900, 1895, 1905 and for each of the succeeding years up to the end of 1910:

Year.	New York companies.	Other states.	All companies.
1900	$35,291,908	$35,410,234	$70,702,142
1905	119,027,115	76,999,658	196,626,813
1906	144,142,811	89,725,578	233,868,389
1907	188,719,113	117,857,539	306,576,652
1908	222,849,488	138,992,973	361,843,461
1909	241,301,697	155,476,567	396,778,264
1910	265,610,358	175,786,106	441,396,466

As before stated, the great increase in policy loans was made in 1907, and was in the neighborhood of $73,000,000, taking the figures of all companies reporting to the New York department. Fifteen years ago very few of the companies were lending on policies, except for the purpose of paying premiums, and the loans, apart from those thus used, were almost negligible. The practice, however, gradually grew, until in the year 1900, the loans on policies far exceeded the premium notes, and amounted to $70,702,142. From this time they have steadily increased at an average rate of about $28,000,000 a year, until in 1910 the amount had grown to $441,000,000. It is, of course, the right of the policy holder by the laws of most states and by the provisions of his policy to take advantage of the possibility of these loans. The effect upon the individual, however, is distinctly bad, except so far as it may act as a deterrent from the absolute surrender of the policy and the possible loss of the insurance. In many cases, we understand that the companies, through their agents, are

ENDEAVORING TO DISCOURAGE

this practice, and to urge the repayment of such loans as quickly as possible, in order that the insurance may remain intact. As the laws now stand, however, this is a difficult matter, and it is hard to say which is the greater evil, the tendency towards surrender for a lump sum, or the practice of what has been well termed "tapping the till" by borrowing from the amount originally intended for the protection of the family. So far as our readers are concerned, we strongly advise them against either practice. The surrender of the policy may result in the impossibility of obtaining more insurance unless at a very much greater cost; while borrowing on a policy, unless it is in a case of extreme necessity, is subject to condemnation, for reasons which are herein before set forth, and which must be evident to all.

Note. The above article which was published in our issue of June 10 is reprinted at the request of several insurance companies and others who are interested in sound finance.

HARRISON, ARK.—The Farmers Bank has filed articles of organization with a capital of $25,000. E. S. Harrison and others are interested.

THE FIVE PER CENT INVESTMENT

Security of principal and an assured income of 5 per cent. may be obtained in the mortgage bonds of conservatively capitalized public service corporations having an established earning capacity and serving large centres of population.

We shall be pleased to furnish upon request a selected list of bonds of this character which we have purchased after careful study and investigation and which we recommend for investment.

Merrill, Oldham & Co
35 Congress Street Boston

Digitized by Google

Fears A Runaway Copper Market

Daniel Guggenheim, the Smelting Magnate, Advances a New Reason For Apprehension—Fear of Federal Persecution, He Says, Is a Stumbling Block—A Question of Consumption—Telephone Companies a Powerful Ally—An Age of Electricity Is an Age of Copper—Need of Co-Operation Among Producers Generally Realized—Merger Is Still Hanging Fire.

The growth of a more optimistic feeling with respect to the outlook for the general business and financial situation continues to extend its influence of healthy stimulation to the copper market as well, with the result that the metal has been selling around the 12¾-cent mark for electrolytic to the accompaniment of increasing sales. Within the past month or two there has been a change in sentiment towards the copper market, as well as the copper share market, which is little less than remarkable, and experts and laymen, big men and small, have been rivalling each other in venturing roseate prophecies of coming developments. The most striking of these rose-tinted interviews came from no less an authority than President Daniel Guggenheim of the American Smelting & Refining Company, whose dissatisfaction over the attitude of the Washington authorities toward the Alaska question is seemingly no less keen than his belief in a much higher market for the red metal at no far distant date. Mr Guggenheim's words are so forceful, so impelling and so significant that they are certainly worthy of being quoted, particularly as there are very few people who have allowed their growing optimism to expand so far that they see indications of

A RUNAWAY COPPER MARKET.

"As regards copper," Mr. Guggenheim says, "my uneasiness is because of the fear of a possible runaway market upward that is likely to take place, for during the last twelve months more copper has been produced than at any time in the history of copper production, and with all this, there has been over 40,000 tons more consumed than has been produced, and this in face of the fact that America has only been doing business on the basis of from 60 to 70 per cent. Furthermore, the merchants formerly carried an amount of stock for use averaging from three to six weeks. At the present time they are not carrying any stocks. To a very great extent this enormous increase in copper consumption has been taken care of by Germany and England. It is a fact in Germany, with the exception of one merchant, stocks on hand are not carried beyond one or two days' supply. I repeat that I do not fear a low price for copper, but rather a runaway price, and nothing can be done to prevent it unless the various copper interests get together, study the conditions, discuss their affairs, as has been done by the United States Steel Corporation, and prevent such an unfortunate condition as an abnormal high price for copper. But this is something that the copper people are not willing to do, because they fear the annoyance of persecution. It is quite true that they have had several dinners and discussed matters, but beyond this and being entertained by their charming hosts, nothing was accomplished."

LARGE CONSUMPTION NEEDED.

No one at all conversant with present conditions will venture to dispute the assertion that to keep up with the greatly increased production of the past two or three years an enormous consumption is needed, but, fortunately for the welfare of the market and the peace of mind of investors in copper shares, such a consumption is in sight. Wire requirements must, of course, play a very important part in the market's future course, and the outlook in this direction is very encouraging to say the least. President Theodore N. Vail, of the American Telephone & Telegraph Company, presented some very interesting figures in the report for the last fiscal and calendar year, figures which dovetail very nicely with the expectation of a growing demand from this quarter for wire and other manufactures of copper. The Bell telephone system in the United States had a total mileage of wire in use for exchange and toll service at the close of the year to the amount of 11,642,212 miles, of which 1,162,186 miles were added during the year. These figures, moreover, do not take into account the mileage of wire operated by connecting companies, which would be a very important item of itself. The past year's installation of new telephone wire service by the Bell companies is estimated to have consumed in the neighborhood of 95,000,000 pounds of copper, while the total mileage now in use must have required close to 1,-000,000,000 pounds of the metal to meet the original requirements of such an extensive installation.

EXTENSIVE RENEWALS NEEDED.

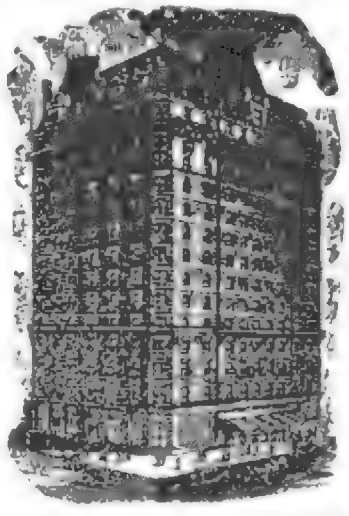
Another important element to be considered is that in this class of business the original installation is only the beginning of the consumption of wire, for the ravages of storms and like contingencies make frequent and extensive renewals imperative. President Vail deals with this feature of the situation in his report in these words:

"The telephone business is unique in that it supplies its own terminals, which are vast in number, are temporary in character, and call for a large investment, unique in that a very considerable part of its plant is of a rapidly deteriorating character. Underground conduits and cables and aerial cables are fast changing this, but in the outlying rural and semi-urban districts and for long-distance lines construction will always have to be overhead on poles. There is nothing analogous to it in industrial or public utility service except the telegraph.

"The entire disregard or underestimating of depreciation and future replacement is the cause of nearly all the financial disasters that have occurred in the telephone business, and has been the common failing of newcomers

(Continued on page 1185.)

"In the Heart of Things"
HOTEL
MARTINIQUE
Absolutely Fireproof
B'way, 32d-33d Sts., New York City
ONE BLOCK FROM NEW PENN. R. R. DEPOT
and opposite
HUDSON TERMINAL
connecting with
Erie Lackawanna Lehigh Valley Pennsylvania Railroads
from which
BAGGAGE TRANSFERRED FREE TO AND FROM HOTEL



In the midst of leading Department Stores and Theatres
600 ROOMS 400 BATHS
Rooms with use of bath, - - $1.50 up
Rooms with private bath, - - $2.50 up
CHAS. L. TAYLOR, Pres. W. S. GILSON, Vice-Pres.
WALTER CHANDLER, Jr., Mgr.
Also Proprietors of St. Denis Hotel

THE ALBANY HOTEL IN THE HEART OF DENVER'S
SOCIAL AND BUSINESS LIFE AND ACTIVITIES.

Digitized by Google

Reports to the Comptroller

The Essential Figures of the Reports of the National Banks of the Leading Reserve Cities Under Date of Mar. 7, 1911, and June 7, 1911.

CENTRAL RESERVE CITIES

NEW YORK, N. Y.

Names.	Capital.	Surplus & Profits.		Due Banks & B'kers.		Total Deposits.		Loans & Discounts.	
		Mar. 7.	June 7.	Mar. 7.	June 7.	Mar. 7.	June 7.	Mar. 7.	June 7.
Ætna	$300,000	$300,924	$300,225	$459,098	$533,553	$2,537,385	$2,768,110	$1,981,599	$2,144,769
American Exchange	5,000,000	4,448,288	4,416,206	22,264,673	23,975,439	52,737,880	61,999,217	30,883,549	35,541,696
Audubon	250,000	50,000	50,147	29,196	30,241	421,434	119,563	432,659	364,477
Bank of N. Y., N. B. A.	2,000,000	3,658,440	3,680,389	11,622,699	12,508,949	28,521,999	30,279,478	15,608,126	15,683,705
Battery Park	200,000	147,579	148,902	40,421	34,526	1,365,371	1,747,925	1,170,662	1,162,939
Bronx	200,000	229,511	229,388	70,531	102,940	855,408	928,362	617,661	680,599
Chase	5,000,000	8,252,851	8,440,682	70,278,892	74,073,343	118,548,760	104,318,195	67,681,689	66,229,697
Chatham & Phenix	2,250,000	1,992,214	1,105,140	6,146,520	5,983,700	17,453,924	18,924,190	13,050,730	13,164,345
Chemical	3,000,000	6,577,168	6,841,029	6,696,658	6,033,958	34,115,088	33,956,968	27,787,252	27,280,488
Citizens' Central	2,550,000	1,600,427	1,697,797	6,994,354	7,211,777	25,828,312	26,797,876	19,981,569	20,397,015
Coal & Iron	1,000,000	421,125	422,021	1,817,155	2,114,444	7,351,146	7,672,750	4,844,464	4,597,499
East River	250,000	98,252	101,388	48,782	48,782	1,816,173	2,013,754	1,283,319	1,408,571
Fifth	250,000	202,367	202,777	188,806	189,191	4,176,685	4,684,587	2,283,262	2,420,923
First	10,000,000	20,428,429	20,996,214	68,197,641	65,112,595	118,603,112	145,329,846	55,993,846	61,634,742
Fourth	5,000,000	2,883,250	6,000,250	30,500,445	28,592,643	43,427,077	48,909,542	34,549,034	34,634,262
Gallatin	1,000,000	2,553,351	2,606,496	3,142,082	2,517,272	15,805,955	11,653,464	6,754,468	6,410,533
Garfield	1,000,000	1,239,808	1,243,450	1,670,650	1,525,937	10,301,697	10,216,635	7,613,519	7,726,762
Gotham	500,000	146,115	146,875	39,293	46,444	1,453,372	1,685,548	851,648	928,745
Hanover	3,000,000	12,399,291	12,623,454	36,368,027	42,733,433	102,182,214	109,406,708	63,960,480	61,915,978
Harriman	300,000	.....	229,035	.....	1,041,827	.....	6,909,106	.....	4,097,907
Importers' & Traders'	1,500,000	7,431,617	7,735,606	13,277,278	13,306,716	20,683,700	20,251,102	26,374,962	25,087,224
Irving National Exchange	2,000,000	1,997,328	1,997,442	16,773,074	16,276,034	31,231,372	31,251,942	22,519,110	22,028,014
Liberty	1,000,000	2,744,317	2,811,999	17,344,791	16,205,952	29,698,286	26,717,092	18,562,306	15,883,751
Lincoln	1,000,000	1,208,514	1,222,559	2,292,731	2,018,088	17,109,232	17,814,886	11,219,357	10,429,351
Market & Fulton	1,000,000	1,771,925	1,755,487	2,562,430	2,401,130	10,179,542	10,311,585	8,251,398	8,953,863
Mechanics' & Metals	6,000,000	8,146,660	8,220,676	26,143,324	27,088,951	64,729,253	70,805,765	42,155,176	44,629,115
Mercantile	3,000,000	2,717,311	2,727,177	6,189,618	6,291,880	14,180,471	13,867,320	12,538,562	13,749,125
Merchants'	2,000,000	1,402,768	1,441,784	15,656,247	17,160,436	26,149,712	26,727,353	16,548,330	16,997,287
Merchants' Exchange	600,000	61,752	62,647	3,556,371	3,227,923	8,441,492	8,622,905	5,943,279	6,087,396
National Bank of Commerce	25,000,000	17,005,758	15,361,658	92,246,963	90,726,954	169,567,668	176,818,174	126,472,113	107,348,164
National Butchers & Drovers	300,000	158,092	158,341	113	142	2,309,601	2,853,469	2,254,714	2,120,563
National City	25,000,000	31,114,870	31,276,854	96,604,112	108,867,278	221,247,856	258,896,881	122,256,624	132,247,504
National Nassau	500,000	542,423	544,015	1,263,720	2,421,000	10,720,352	12,459,259	7,768,091	8,870,316
National Park	5,000,000	12,278,212	12,941,477	71,402,923	63,603,230	115,278,142	108,534,675	84,408,936	80,319,537
National Reserve	1,250,000	6,316,675	6,258,346	2,442,458	1,811,812	1,417,762	3,405,271	2,340,775	3,108,176
New York County	500,000	1,665,386	1,758,723	948,264	918,226	9,075,975	9,198,436	5,109,950	4,568,454
Seaboard	1,000,000	2,025,894	2,041,254	20,929,152	19,150,008	50,967,815	35,522,127	20,411,791	20,380,992
Second	1,000,000	2,116,941	2,241,837	228,189	616,459	14,851,139	15,614,149	10,863,569	10,851,448
Sherman	200,000	37,580	37,586	287,825	268,240	1,472,149	1,430,002	1,109,246	1,149,788
Union Exchange	1,000,000	945,997	961,631	1,516,112	1,519,991	10,961,572	10,612,678	7,159,436	6,757,351

CHICAGO, ILL.

Names.	Capital.	Surplus & Profits.		Due Banks & B'kers.		Total Deposits.		Loans & Discounts.	
		Mar. 7.	June 7.	Mar. 7.	June 7.	Mar. 7.	June 7.	Mar. 7.	June 7.
Continental & Commercial	$30,000,000	$10,250,443	$10,285,337	$104,001,158	.....	$170,688,315	$176,453,677	$117,776,161	$121,046,672
Corn Exchange	3,000,000	1,666,667	1,666,771	31,094,120	29,029,972	61,586,540	59,623,164	41,703,836	39,254,106
Drovers Deposit	600,000	439,806	443,228	5,207,263	4,702,913	8,472,465	8,649,466	5,369,627	5,627,329
National Produce	250,000	87,095	90,389	654,490	638,719	1,878,806	1,892,709	1,117,345	1,149,392
First	10,000,000	11,261,530	11,276,436	63,933,116	60,988,704	116,044,873	116,947,742	84,104,429	85,589,695
Fort Dearborn	1,500,000	479,682	608,188	11,535,000	11,697,733	21,571,956	23,137,746	14,006,227	16,044,489
Live Stock Exchange	1,250,000	537,823	546,708	6,095,765	7,048,498	10,146,808	11,532,242	7,619,998	7,572,249
Monroe	200,000	65,280	68,540	115,419	148,628	1,589,161	1,914,392	1,152,427	1,272,942
National City	1,000,000	488,524	491,330	17,906,714	19,308,697	27,925,941	29,246,988	17,002,300	18,361,602
National Bank of Republic	2,000,000	1,329,995	1,311,277	15,775,151	15,247,960	25,305,487	24,442,379	18,376,396	17,876,476
First Englewood	150,000	187,109	191,237	7,629	6,689	3,340,419	3,413,617	1,880,706	1,734,115
Calumet	100,000	44,528	44,709	.....	.....	915,528	892,206	706,438	726,925
La Salle Street	1,000,000	252,716	257,031	1,103,371	553,358	2,893,193	2,232,561	2,458,517	1,940,396

ST. LOUIS, MO.

Names.	Capital.	Surplus & Profits.		Due Banks & B'kers.		Total Deposits.		Loans & Discounts.	
		Mar. 7.	June 7.	Mar. 7.	June 7.	Mar. 7.	June 7.	Mar. 7.	June 7.
Central	$1,000,000	$1,071,810	$1,092,511	$6,260,957	$5,514,965	$10,230,535	$9,541,478	$7,014,132	$6,589,165
National Bank of Commerce	10,000,000	8,067,961	8,335,027	41,213,668	37,569,208	67,729,429	63,244,682	52,096,805	50,731,065
Merchants-Laclede	1,700,000	1,804,178	1,841,108	6,468,854	5,852,554	14,778,218	15,013,806	11,071,788	11,369,500
State	2,000,000	911,496	772,092	3,214,265	2,362,617	10,109,677	9,585,817	7,623,047	7,736,398
Third	2,000,000	2,117,795	2,141,009	21,322,970	21,023,597	38,340,092	37,628,740	19,964,966	18,368,632
Merchants-American	2,000,000	2,883,172	2,851,924	23,604,520	21,121,097	39,212,687	32,030,354	22,197,815	20,534,979
Broadway	200,000	12,312	13,576	2,600	2,204	490,754	551,624	454,565	496,248

Digitized by Google

Franklin National Bank

PHILADELPHIA

Capital $1,000,000.00
Surplus and Undivided Profits 2,730,181.17

INCORPORATED 1900.

OFFICERS:

J. R. McALLISTER, President.
J. A. HARRIS, JR., Vice-President.
E. P. PASSMORE, Cashier. L. H. SHRIGLEY Assistant Cashier
J. W. HARDT, Assistant Cashier.
Foreign Exchange Department.
WILLIAM WRIGHT, Manager.

The Fourth National Bank

OF THE CITY OF NEW YORK

OFFICERS

JAMES G. CANNON, President
SAMUEL S. CAMPBELL, V. Pres.
CHARLES H. PATTERSON, V. Pres
DANIEL J. ROGERS, Cashier.
E. W. DAVENPORT, Asst. Cashier.
CHARLES E. MEEK, Asst. Cashier.

DIRECTORS

James G. Cannon	L. F. Loree
Cornelius N. Bliss	Eugene Delano
Robert W. Stuart	M. Orme Wilson
William S. Opdyke	Elbridge G. Snow
T. Frank Manville	Welding Ring
Thos. H. McKittrick	Morton F. Plant
Mortimer L. Schiff	Samuel S. Campbell

CAPITAL AND SURPLUS - $10,000,000

THE Chatham and Phenix National Bank NEW YORK

Capital and Surplus $3,000,000

All business under direct supervision of the officers.

LOUIS G. KAUFMAN, President.

GEO. M. HARD, Chairman of the Board
F. J. HEANEY, Vice-President.
W. H. STRAWN, Vice-President.
A. M. BULL, Vice-President.
BERT L. HASKINS, Cashier.
H. L. CADMUS, Assistant Cashier.
N. P. GATLING, Assistant Cashier.
W. B. BOICE, Assistant Cashier.
H. C. HOOLEY, Assistant Cashier.

Your Account Solicited.

The National Park Bank OF NEW YORK

Organized 1856.

Capital $5,000,000.00
Surplus and profits 12,941,415.18
Deposits, June 7, 1911-.....108,964,675.64

CENTRAL RESERVE BANK EARNINGS.

The first column in the following tables shows what the national bank named earned net between corresponding calls of the Comptroller of 1910 and 1911. The period from June 30, 1910, to June 7, 1911, (about a year), is covered this time. The second and third columns give the net funds of the bank on these two dates. The fourth column shows the ratio which the earnings given in the first column bear to the average of the net funds the bank has had at its disposal. The fifth column shows the ratio of these earnings to the capital stock.

NEW YORK.

From June 30, 1910, to June 7, 1911.

Name.	Total earned since June 30, 1910.	Net funds, June 30, 1910.	Net funds, June 7, 1911.	Percentage earned on net funds.	On capital surplus and profits.	On capital.	Annual dividend rate.
Ætna	$22,686	$3,137,772	$3,378,835	.69	3.72	7.56	8
American Exchange	721,809	56,310,627	71,498,133	1.13	7.67	14.43	10
Audubon	.....	659,198	669,730	.....	.....	.....	..
Bank of N. Y., N. B. A.	496,966	35,856,028	36,007,718	1.34	8.67	24.84	14
Battery Park	.....	1,850,492	2,093,227	.....	.....	.....	3
Bronx	23,489	1,239,754	1,360,796	1.80	5.59	11.74	8
Chase	1,917,551	105,325,089	117,808,277	1.72	14.27	38.35	20
Chatham & Phenix	.....	.....	21,679,380	.....	.....	.....	..
Chemical	724,962	41,118,333	42,907,568	1.70	7.52	24.16	15
Citizens' Central	353,533	32,0[illegible]1,035	31,222,192	1.12	8.32	13.86	8
Coal & Iron	121,850	8,2[illegible],804	9,112,023	1.40	8.49	12.18	6
East River	14,311	2,408,381	2,255,142	.59	4.07	5.72	6
Fifth	73,055	5,[illegible]3,529	4,887,364	1.42	9.33	29.22	12
First	4,051,147	142,[illegible]6,917	179,106,575	2.51	13.11	40.51	28
Fourth	549,547	50,651,500	59,084,797	1.00	5.15	10.99	8
Gallatin	148,819	20,027,443	15,176,502	.85	4.96	14.88	14
Garfield	185,343	11,771,182	12,564,955	1.52	8.27	18.53	12
Gotham	10,03[illegible]	[illegible]35,926	1,947,771	.69	3.22	5.01	..
Hanover	1,393,240	117,988,262	125,179,515	1.14	[illegible]	46.44	16
Harriman	.....	.....	6,858,143	.....	.....	.....	..
Importers' & Traders'	663,461	26,437,858	35,534,128	1.84	7.18	44.23	24
Irving National Exchange	310,814	30,729,893	35,165,003	.94	7.98	15.54	8
Liberty	249,961	32,327,173	30,449,617	.79	6.72	24.99	25
Lincoln	205,913	25,927,238	21,255,717	.87	7.82	20.59	10
Market & Fulton	235,698	12,822,740	13,109,083	1.82	8.43	23.56	12
Mechanics & Metals	1,066,282	88,913,896	85,111,726	1.23	7.49	17.77	12
Mercantile	250,864	17,787,267	19,625,041	1.34	4.38	8.36	6
Merchants'	329,796	28,9[illegible]2,988	30,712,537	1.10	8.34	16.48	7
Merchants' Exchange	50,977	9,822,528	9,909,423	.52	4.32	8.49	6
National Bank of Commerce	1,267,580	221,[illegible]0,257	217,570,632	.58	3.15	5.07	8
National Butchers & Drovers	21,071	3,175,354	3,311,027	.65	5.91	7.02	6
National City	6,464,222	305,[illegible]8,706	304,755,690	2.12	10.83	25.85	10
National Nassau	.....	.....	13,633,330	.....	.....	.....	8
National Park	1,569,656	130,928,866	126,906,090	1.22	8.76	31.[illegible]	16
National Reserve	.....	7,4[illegible]6,040	5,089,638	.....	.....	.....	6
New York County	353,655	11,4[illegible]6,316	11,456,749	3.09	15.66	70.73	40
Seaboard	255,853	32,[illegible]8,170	38,590,472	.71	8.39	25.58	12
Second	326,621	17,[illegible]0,997	19,555,280	1.74	10.07	32.66	12
Sherman	526	1,716,915	1,737,539	.03	.20	.28	..
Union Exchange	107,590	12,458,444	12,568,710	.86	5.51	10.76	8

CHICAGO, ILL.

Calumet	.....	.....	$1,041,566	.....	.....	.....	..
** Continental & Commercial	*	$102,645,999	206,[illegible]9,014	.....	.....	.....	10
Corn Exchange	$840,875	6[illegible],000,000	68,219,436	1.28	9.67	28.03	16
Drovers Deposit	125,682	7,716,072	9,642,[illegible]60	1.44	12.05	20.95	10
First	2,341,644	127,511,[illegible]80	138,[illegible]24,178	1.76	11.00	23.42	16
Fort Dearborn	*	16,[illegible]2,926	25,[illegible]8,934	.....	.....	.....	8
Live Stock Exchange	131,283	11,[illegible]7,1[illegible]7	13,[illegible]8,231	1.06	7.71	10.50	10
Monroe	14,114	1,[illegible]0,[illegible]23	2,[illegible]1,[illegible]72	0.67	3.89	4.70	4
National City	*	21,[illegible]4,[illegible]01	31,[illegible]4,[illegible]46	.....	.....	.....	6
National Bank of Republic	275,892	25,[illegible]7,[illegible]86	27,[illegible]5,[illegible]56	1.03	8.62	13.79	8
First (Englewood)	28,304	3,[illegible]25,1[illegible]3	3,[illegible]4,[illegible]85	0.79	8.67	18.56	10
Produce	28,955	2,[illegible]7,962	2,[illegible]3,[illegible]69	1.25	8.51	11.58	6
La Salle Street	.....	.....	3,489,592	.....	.....	.....	..

* Capital increased during year. ** Merger of Continental and Commercial.

ST. LOUIS, MO.

Broadway	$11,789	$[illegible]90,844	$765,201	1.89	5.84	5.89	..
Central	68,478	8,[illegible]00,[illegible]00	10,615,613	0.70	6.21	6.84	5
National Bank of Commerce	827,998	73,[illegible]05,[illegible]11	81,[illegible]60,161	1.06	4.57	8.28	6
Merchants' Laclede	229,908	17,[illegible]0,[illegible]57	18,[illegible]0,[illegible]57	1.28	6.49	13.52	12
State	68,760	12,[illegible]7[illegible],[illegible]57	12,[illegible]7,[illegible]56	.56	2.42	3.44	8
Third	281,540	37,[illegible]2,[illegible]90	38,[illegible]0,[illegible]04	.74	6.76	14.08	16
Mechanics-American	148,902	[illegible]1,[illegible]48,[illegible]56	36,[illegible]4,[illegible]39	.42	3.00	7.45	12
Mercantile	63,262	7,[illegible]68,[illegible]95	7,813,132	0.81	3.15	4.21	6

Digitized by Google

THE GIRARD NATIONAL BANK

PHILADELPHIA

Statement of March 7, 1911

RESOURCES		LIABILITIES	
Loans and Investments	$31,357,724.18	Capital	$2,000,000.00
Due from Banks	6,001,231.24	Surplus and net Profits	4,453,898.40
Exchange for Clearing House	1,485,444.64	Circulation	1,075,300.00
Cash and Reserve	8,897,196.72	Deposits	40,212,398.38
	$47,741,596.78		$47,741,596.78

FRANCIS B. REEVES, President

Richard L. Austin, Vice-Pres. — Joseph Wayne, Jr., Cashier

T. E. Wiedersheim, 2d Vice-Pres. — C. M. Ashton, Asst. Cashier

WE WANT YOUR PHILADELPHIA BUSINESS

RESERVE CITIES

ALBANY, N. Y.

Names.	Capital.	Surplus & Profits.		Due Banks & B'kers.		Total Deposits.		Loans & Discounts.	
		Mar. 7.	June 7.	Mar. 7.	June 7.	Mar. 7.	June 7.	Mar. 7.	June 7.
First	$600,000	$255,096	$266,000	$5,624,235	$6,222,262	$7,931,762	$8,736,798	$4,120,131	$4,188,729
National Commercial	1,000,000	1,515,[illegible]	1,[illegible]	14,456,402	14,897,754	22,[illegible]2,153	21,801,600	9,[illegible]4,544	9,313,609
New York State	500,000	696,912	[illegible]	13,587,604	13,750,249	18,[illegible]9,737	18,778,625	7,472,563	6,638,815

BALTIMORE, MD.

Names.	Capital.	Surplus & Profits.		Due Banks & B'kers.		Total Deposits.		Loans & Discounts.	
		Mar. 7.	June 7	Mar. 7.	June 7.	Mar. 7.	June 7.	Mar. 7.	June 7.
National Bank of Baltimore*	$1,210 700	$357,192	$376,740	$941,282	$1,925,832	$5,449,423	$8,488,041	$4,860,613	$6,108,539
Citizens	1,000,000	1,081,75[illegible]	2,007,967	4,251,683	4,499,872	9,972,923	10,473,389	7,990,504	8,648,273
National Bank of Commerce	500 010	553,251	575,450	890,013	925,529	2,670,278	3,023,731	2,380,971	2,469,944
Commercial & Farmers	500,000	114,314	**	245,443	**	1,408,726	**	1,179,498	**
Drovers & Mechanics	600,000	487,129	516,780	3,005,146	3,264,560	6,728,429	6,619,006	4,422,206	4,572,947
National Exchange	1,000,000	708,[illegible]47	716,[illegible]34	1,812,193	1,64[illegible],847	4,684,281	4,540,335	3,901,253	3,924,947
Farmers & Merchants	650,000	276,[illegible]18	288,[illegible]23	1,042,342	868,967	2,948,327	3,230,927	2,189,974	2,239,893
First	1,000,000	558,046	587,092	3,231,565	2,680,070	6,287,[illegible]8	5,840,189	4,309 138	4,186,037
Howard	250,000	119,795	123,[illegible]8	110,474	56,333	1,221,271	1,313,472	892,001	842,687
Marine	400,000	218,896	215,175	230,426	340,[illegible]96	2,[illegible]54,462	2,[illegible]96,914	2,039,702	2,129,686
Maryland	500,000	108,160	122,953	1,067,964	999,263	2,[illegible]00,[illegible]18	2,[illegible]25,742	1,985,813	2,337,730
National Mechanics	1,000,000	1,089,118	1,139,900	2,630,855	2,445,221	6,[illegible]08,[illegible]25	6,419,458	4,288,712	4,752,930
Merchants	1,500,000	1,046,[illegible]03	1,100,767	1,280,016	6,872,780	12,[illegible]03,[illegible]59	11,925,948	10,018,975	9,873,109
Old Town	200,000	91,[illegible]39	102,213	42,749	54,429	1,[illegible]00,[illegible]76	1,61[illegible],[illegible]15	1,253,398	1,414,246
National City	500,000	131,436	140,[illegible]55	61,771	87,982	747,[illegible]05	1,[illegible]35,170	1,221,041	1,393,216
Second	500,000	796,[illegible]27	840,[illegible]20	116,166	159,979	1,[illegible]81,[illegible]27	1,[illegible]67,[illegible]49	1 914,992	2,065,907
Union	1,000,000	630,[illegible]06	650,[illegible]42	1,053 968	1,097,660	2,[illegible]88,[illegible]89	2,[illegible]16,[illegible]82	2,844,296	2,839,527
Western	500,000	571,[illegible]88	583,230	649,901	665,404	2,[illegible]95,[illegible]03	2 761,845	2,060,346	2,104,981

* Absorbed the Third National Bank and the Commercial & Farmers National Bank. ** Absorbed by the National Bank of Baltimore.

Digitized by Google

BOSTON, MASS.

Names.	Capital.	Surplus & Profits.		Due Banks & B'kers.		Total Deposits.		Loans & Discounts.	
		Mar. 7.	June 7.	Mar. 7.	June 7.	Mar. 7.	June 7.	Mar. 7.	June 7.
Atlantic	$750,000	$626,871	$636,125	$1,496,630	$1,651,142	$5,[illegible]	$5,[illegible]	$4,115,016	$4,098,722
Boylston	700,000	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	2,[illegible]	3,001,827
National Bank of Commerce	1,500,000	1,[illegible]	1,[illegible]	6,[illegible]	6,412,534	14,[illegible]	16,[illegible]	9,[illegible]	[illegible]
Commercial	250,000	[illegible]	262,780	[illegible]	[illegible]	[illegible]	[illegible]	1,[illegible]	1,718,254
Eliot	1,000,000	1,[illegible]	1,[illegible]	4,[illegible]	3,[illegible]	11,[illegible]	12,[illegible]	9,[illegible]	9,068,330
First National	3,000,000	6,[illegible]	6,[illegible]	27,[illegible]	27,[illegible]	[illegible]	[illegible]	45,[illegible]	44,404,111
First Ward	200,000	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	1,016,188	1,044,734
Fourth	1,000,000	[illegible]	[illegible]	1,[illegible]	1,[illegible]	[illegible]	[illegible]	6,[illegible]	6,901,905
National Market	250,000	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	599,285
Merchants	3,000,000	3,[illegible]	3,[illegible]	4,072,506	3,[illegible]	11,[illegible]	11,[illegible]	12,[illegible]	12,074,180
Old Boston	900,000	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	2,[illegible]	2,220,161
Peoples	300,000	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	1,[illegible]	1,287,382
National Rockland	300,000	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	2,808,997
Second	2,000,000	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
National Security	250,000	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	3,648,858
National Shawmut	3,500,000	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
South End	200,000	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	1,[illegible]	[illegible]	[illegible]
State	2,000,000	1,[illegible]	1,[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Union	1,000,000	1,[illegible]	1,[illegible]	2,[illegible]	2,[illegible]	[illegible]	[illegible]	[illegible]	8,411,380
Webster & Atlas	1,000,000	1,[illegible]	1,[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	4,[illegible]	4,879,255
Winthrop	300,000	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	2,[illegible]	2,715,782
Mutual National Bank	200,000	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	606,845
New England	200,000	129,[illegible]	126,[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	454,780

BUFFALO, N. Y.
(NOT A RESERVE CITY.)

Names.	Capital.	Surplus & Profits.		Due Banks & B'kers.		Total Deposits.		Loans & Discounts.	
		Mar. 7.	June 7.	Mar. 7.	June 7.	Mar. 7.	June 7.	Mar. 7.	June 7.
Third	$500,000	$127,761	$142,529	$566,111	$625,749	$3,447,[illegible]	$3,637,142	$2,402,447	$2,530,200
Marine	2,000,000	1,411,390	1,536,709	5,480,782	5,577,869	[illegible]	[illegible]	17,302,657	19,267,250
Manufacturers & Traders	1,000,000	1,[illegible]	1,406,439	2,244,606	2,156,454	17,149,[illegible]	18,331,625	11,868,887	11,972,940
Central	300,000	106,992	132,417	565,953	590,758	1,[illegible]	1,[illegible]	997,415	1,066,396
Columbia	2,000,000	1,028,434	1,053,008	2,301,911	2,515,082	9,394,275	11,467,290	8,566,492	9,463,553

CINCINNATI, O.

Names.	Capital.	Surplus & Profits.		Due Banks & B'kers.		Total Deposits.		Loans & Discounts.	
		Mar. 7.	June 7.	Mar. 7.	June 7.	Mar. 7.	June 7.	Mar. 7.	June 7.
First	$6,000,000	$2,341,955	$2,248,194	$13,220,107	$12,0[illegible]	[illegible]	[illegible]	[illegible]	$22,276,582
Second	1,000,000	1,211,268	1,14[illegible]	4,[illegible]	4,[illegible]	[illegible]	[illegible]	6,[illegible]	6,614,741
Fourth	500,000	[illegible]	[illegible]	1,[illegible]	1,[illegible]	[illegible]	[illegible]	2,[illegible]	2,574,830
Fifth-Third	3,000,000	1,[illegible]	1,[illegible]	[illegible]	8,0[illegible]	[illegible]	1,[illegible]	15,[illegible]	14,389,240
Atlas	400,000	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	1,[illegible]	1,658,881
Citizens	2,000,000	2,[illegible]	2,[illegible]	[illegible]	2,[illegible]	[illegible]	[illegible]	6,[illegible]	6,314,624
German	500,000	[illegible]	777,178	2,[illegible]	2,[illegible]	[illegible]	[illegible]	3,[illegible]	3,879,734
Market	500,000	488,963	496,875	[illegible]	896,424	[illegible]	[illegible]	[illegible]	3,190,714

CLEVELAND, O.

Names.	Capital.	Surplus & Profits.		Due Banks & B'kers.		Total Deposits.		Loans & Discounts.	
		Mar. 7.	June 7.	Mar. 7.	June 7.	Mar. 7.	June 7.	Mar. 7.	June 7.
Bank of Comerce N. A.	$2,000,000	$1,[illegible]	$1,[illegible]	$1,[illegible]	$1,[illegible]	[illegible]	[illegible]	$10,[illegible]	[illegible]
Central National	1,000,000	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	1,[illegible]	1,[illegible]
Cleveland	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	1,[illegible]
First	2,[illegible]	1,[illegible]	1,[illegible]	18,[illegible]	17,[illegible]	[illegible]	[illegible]	[illegible]	19,867,104
National City	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	1,[illegible]	1,[illegible]	1,410,654
National Commercial	1,[illegible]	[illegible]	[illegible]	[illegible]	2,[illegible]	[illegible]	[illegible]	5,[illegible]	5,852,486
Union	1,000,000	9,[illegible]	[illegible]	6,623,247	6,[illegible]	[illegible]	[illegible]	[illegible]	9,742,364

COLUMBUS, O.

Names.	Capital.	Surplus & Profits.		Due Banks & B'kers.		Total Deposits.		Loans & Discounts.	
		Mar. 7.	June 7.	Mar. 7.	June 7.	Mar. 7.	June 7.	Mar. 7.	June 7.
City	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	$1,231,698
Commercial	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Hayden-Clinton	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Huntington	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
National Bank of Commerce	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
New First	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Ohio	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	2,[illegible]	2,[illegible]
Union	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Central	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Fourth Street National Bank

PHILADELPHIA

CAPITAL, $3,000,000 SURPLUS and PROFITS, $6,400,000

ACCOUNTS SOLICITED UNSURPASSED SERVICE

SIDNEY F. TYLER, Chairman of the Board.
E. F. SHANBACKER, President. F. G. ROGERS, Vice-President.
JAMES HAY, Vice-President. R. J. CLARK, Cashier.
B. M. FAIRES, Vice-President. W. A. BULKLEY, Assistant Cashier.
W. K. HARDT, Assistant Cashier.

DETROIT, MICH.

Names.	Capital.	Surplus & Profits.		Due Banks & B'kers.		Total Deposits.		Loans & Discounts.	
		Mar. 7.	June 7.	Mar. 7.	June 7.	Mar. 7.	June 7.	Mar. 7.	June 7.
American Exchange	$400,000	.....	.....	.....	.....	.....	.....	.....	.....
First	2,000,000	$1,307,162	$1,321,435	$8,718,888	.....	$20,359,187	$21,848,402	$13,291,607	$13,471,647
Old Detroit	2,000,000	964,965	906,826	6,780,745	$6,277,619	18,912,402	12,786,390	12,878,206	12,928,411
National Bank of Commerce	750,000	322,871	334,869	1,306,300	1,533,637	6,118,662	6,296,377	4,364,007	4,586,946

INDIANAPOLIS, IND.

Names.	Capital.	Surplus & Profits.		Due Banks & B'kers.		Total Deposits.		Loans & Discounts.	
		Mar. 7.	June 7.	Mar. 7.	June 7.	Mar. 7.	June 7.	Mar. 7.	June 7.
Capital	$1,000,000	$459,416	$477,494	$2,610,433	$2,462,591	$5,066,519	$6,745,211	$4,506,874	$4,391,654
Columbia	500,000	30,942	33,889	664,764	599,239	1,913,471	1,890,276	1,576,174	1,511,773
Indiana	1,000,000	1,275,721	1,302,294	2,420,553	2,724,479	6,422,664	7,945,686	5,497,549	5,648,236
Merchants	1,000,000	902,983	926,486	2,035,801	2,014,105	5,565,382	5,729,000	3,459,046	3,259,831
Continental	400,000	37,816	42,826	503,332	431,713	1,213,069	1,571,135	1,272,734	1,481,799
Union	400,000	37,569	61,328	572,721	530,570	1,698,171	1,681,486	1,590,990	1,437,659
Fletcher-American	2,000,000	1,058,879	1,100,961	7,385,596	7,337,939	12,340,731	14,567,963	9,685,796	8,663,737

KANSAS CITY, MO.

Names.	Capital.	Surplus & Profits.		Due Banks & B'kers.		Total Deposits.		Loans & Discounts.	
		Mar. 7.	June 7.	Mar. 7.	June 7.	Mar. 7.	June 7.	Mar. 7.	June 7.
National Bank of Commerce	$2,000,000	$371,212	$391,345	$14,613,770	$12,697,312	$20,406,[illegible]	$20,[illegible]	$11,587,[illegible]	$11,961,[illegible]
Commercial	300,000	276,740	283,842	3,965,968	3,244,[illegible]	[illegible]	[illegible]	2,814,256	2,929,113
First	1,000,000	1,821,48[illegible]	1,544,248	15,348,291	14,170,317	[illegible]	[illegible]	14,177,607	13,999,429
Interstate	500,000	1,[illegible]	1,108,[illegible]	6,530,888	6,280,521	[illegible]	[illegible]	5,[illegible]	5,[illegible]
Traders	300,000	[illegible]	[illegible]	2,182,810	1,779,329	[illegible]	[illegible]	1,957,[illegible]	2,081,291
New England	500,000	[illegible]	[illegible]	7,691,328	6,700,[illegible]	[illegible]	[illegible]	9,076,[illegible]	9,295,877
National Bank of Republic	500,000	[illegible]	[illegible]	1,851,[illegible]	1,740,[illegible]	[illegible]	[illegible]	2,126,[illegible]	2,265,589
Gate City	250,000	[illegible]	[illegible]	794,850	846,662	[illegible]	[illegible]	771,[illegible]	818,698
Southwest	1,000,000	[illegible]	[illegible]	6,961,594	6,272,940	[illegible]	[illegible]	7,457,[illegible]	7,[illegible]
Drovers	300,000	[illegible]	[illegible]	.....	835,736	[illegible]	[illegible]	.....	1,126,473
Security	300,000	[illegible]	[illegible]	560,022	594,924	[illegible]	[illegible]	[illegible]	[illegible]
Peoples	200,000	[illegible]	[illegible]	.....	280,014	[illegible]	[illegible]	.....	[illegible]
National Reserve	1,200,000	[illegible]	[illegible]	.....	2,457,526	[illegible]	[illegible]	.....	5,491,039

LOUISVILLE, KY.

Names.	Capital.	Surplus & Profits.		Due Banks & B'kers.		Total Deposits.		Loans & Discounts.	
		Mar. 7.	June 7.	Mar. 7.	June 7.	Mar. 7.	June 7.	Mar. 7.	June 7.
American	$300,000	$329,832	$244,700	.....	$2,257,963	$4,324,352	$3,970,475	$3,382,203	$2,637,200
Citizens	600,000	628,318	630,018	$1,748,525	1,096,449	4,017,990	3,694,925	.....	2,756,510
First	600,000	239,018	236,013	689,072	842,337	3,286,247	3,007,925	.....	1,403,997
Louisville Nat. Banking Co.	250,000	107,629	111,525	.....	754,966	2,169,461	2,348,109	1,634,712	1,494,431
National Bank of Kentucky	1,645,000	1,360,000	1,410,734	.....	2,817,893	7,014,954	6,507,962	.....	5,846,669
Southern	500,000	96,989	101,523	1,256,762	1,196,564	4,631,368	4,500,042	.....	2,530,277
Union	500,000	536,485	528,594	.....	2,191,299	5,021,463	4,678,119	3,484,063	3,318,008
National Bank of Commerce	300,000	370,385	392,176	1,584,694	1,119,771	4,147,408	4,143,845	.....	2,836,674

Digitized by Google

Fidelity Title and Trust Company

PITTSBURGH, PENNA.

DEPOSITS, $11,500,000.00 ***TRUST FUNDS, $65,000,000.00***

Pays Interest on all Deposits **Acts in all Trust Capacities**

Rents Safe Deposit Boxes

OFFICERS

JAMES J. DONNELL.....Chairman of the Board
CYRUS S. GRAY.....President
H. S. A. STEWART.....Vice President
C. E. WILLOCK.....Treasurer
JOHN McGILL.....Secretary
WM. A. MORROW..... Auditor
EUGENE MURRAY.....Assistant Secretary-Treasurer
JOHN M. IRWIN.....Assistant Treasurer
W. A. ROYSTON, JR.....Assistant Secretary
A. F. BENKART.....Assistant Trust Officer
MALCOLM McGIFFIN..... Assistant Trust Officer
W. J. FROEHLICH .....Assistant Trust Officer

MILWAUKEE, WIS.

Names.	Capital.	Surplus & Profits.		Due Banks & B'kers.		Total Deposits.		Loans & Discounts.	
		Mar. 7.	June 7.	Mar. 7.	June 7.	Mar. 7.	June 7.	Mar. 7.	June 7.
First	*$2,500,000	$932,349	$780,955	$5,601,463	$4,526,750	$19,384,349	$18,547,234	$14,843,445	$14,757,504
Germania	300,000	115,407	134,796	396,441	343,870	4,493,125	4,255,573	2,701,732	2,483,368
Marine	500,000	612,879	615,552	1,603,647	1,323,353	5,919,673	6,410,444	4,265,309	3,851,317
Milwaukee	450,000	160,018	139,242	745,692	694,028	2,329,370	2,878,698	2,518,573	2,360,608
National Exchange	500,000	570,914	562,788	1,073,522	997,547	5,085,411	4,648,932	3,793,572	3,312,855
Wisconsin	2,000,000	1,258,013	1,297,613	5,062,158	4,422,107	17,612,400	17,119,711	12,603,706	11,064,648

* Capital increased.

MINNEAPOLIS, MINN.

Names.	Capital.	Surplus & Profits.		Due Banks & B'kers.		Total Deposits.		Loans & Discounts.	
		Mar. 7.	June 7.	Mar. 7.	June 7.	Mar. 7.	June 7.	Mar. 7.	June 7.
First	$2,000,000	$2,391,195	$2,393,294	$8,629,512	$7,480,129	$19,076,541	$18,096,971	$14,036,997	$13,912,433
Metropolitan	300,000	57,688	59,424	23,122	48,546	815,372	1,205,696	753,666	1,228,373
Northwestern	3,000,000	2,306,276	2,331,500	11,330,001	9,390,730	22,177,040	23,008,850	17,689,029	17,394,777
Scandinavian-American	500,000	49,089	50,262	808,963	815,851	2,161,676	2,385,080	1,929,897	2,122,638
Security	1,000,000	1,866,236	1,888,718	6,917,627	5,078,115	18,125,797	17,107,930	12,463,574	12,936,361

NEW ORLEANS, LA.

Names.	Capital.	Surplus & Profits.		Due Banks & B'kers.		Total Deposits.		Loans & Discounts.	
		Mar. 7.	June 7.	Mar. 7.	June 7.	Mar. 7.	June 7.	Mar. 7.	June 7.
Commercial	$300,000	$426,144	$451,305	$1,763,700	$1,561,297	$3,414,151	$3,376,629	$2,155,396	$2,321,147
German-American	1,000,000	692,896	709,592	2,417,723	2,111,678	5,946,815	5,454,900	4,816,262	4,909,704
New Hibernia	400,000	87,168	84,016	1,092,118	1,080,901	1,185,623	1,157,549	481,272	253,300
New Orleans	1,000,000	607,649	645,059	549,733	500,660	4,540,423	4,636,263	3,277,330	3,158,142
Whitney Central	2,500,000	1,698,571	1,808,379	5,184,671	4,248,268	12,722,210	15,069,655	9,682,197	9,963,704

OMAHA, NEB.

Names.	Capital.	Surplus & Profits.		Due Banks & B'kers.		Total Deposits.		Loans & Discounts.	
		Mar. 7.	June 7.	Mar. 7.	June 7.	Mar. 7.	June 7.	Mar. 7.	June 7.
Omaha	$1,000,000	$599,399	$601,959	$6,083,175	$5,830,279	$12,042,850	$11,759,780	$6,709,882	$7,494,437
First National	500,000	877,023	883,908	5,404,326	4,952,444	11,457,539	11,295,647	7,069,823	6,909,387
United States	600,000	707,467	719,546	5,186,536	4,791,497	11,526,748	10,979,951	7,229,893	6,820,281
Merchants	500,000	.....	565,696	2,158,114	2,087,358	6,413,961	6,744,678	4,456,876	4,549,914
Nebraska	300,000	.....	.....	491,148	.....	1,718,933	.....	1,062,817	.....
City	500,000	.....	67,262	220,040	264,747	2,005,286	2,209,899	1,576,045	1,436,816
Corn Exchange	300,000	.....	80,871	.....	48,995	1,262,833	1,185,148	.....	1,030,492

Digitized by Google

PHILADELPHIA, PA.

Names.	Capital.	Surplus & Profits.		Due Banks & B'kers.		Total Deposits.		Loans & Discounts.	
		Mar. 7.	June 7.	Mar. 7.	June 7.	Mar. 7.	June 7.	Mar. 7.	June 7.
Bank of North America	$1,000,000	$2,635,385	$2,674,337	$5,975,284	$6,078,130	$13,971,317	$15,269,673	$12,237,517	$9,486,890
Centennial	300,000	672,914	581,503	191,852	128,544	3,769,753	3,614,513	2,666,861	1,968,533
Central	1,000,000	3,323,383	3,302,000	4,615,239	4,614,219	15 625,352	17,901,133	12,268,820	12,806,369
Corn Exchange	1,000,000	1,602,000	1,609,339	15,906,966	16,443,536	22,967,000	22,792,650	14,876,027	14,522,223
Eighth	275,000	945 059	972,501	87,697	69,947	2,984,193	3,178,000	2,804,416	2,980,830
Farmers & Mechanics	2,000,000	1,442,599	1,452,305	6,296,674	6,864,771	12,728,868	15,295,915	7,496,658	7,934,140
First	1,500,000	1,595,017	1,605,416	13,970,985	13,032,255	25 168,674	25,140,562	14,007,320	15,064,067
Fourth Street	3,000,000	6,499,000	6,433 952	26,606,092	29,770,961	46,775,067	48,116,443	26,794,119	26,912,980
Franklin	1,000 000	2,822,047	2,800,561	21,175,966	20,195,730	31,739,656	38,405,587	20,190,990	19,954,861
Girard	2,000,000	4,450,939	4,453,808	24,962,742	24,732,570	38,517,800	40,212,000	25,119,993	25,585,382
Kensington	250,000	325 527	325,856	44,797	34,882	1 594,501	1,620,761	1,368,081	1,459,312
Manayunk	200,000	390,215	408,898	110,816	153,495	1,854,496	2,065,062	1,668,450	1,708,681
Manufacturers	500,000	414,034	402,716	402,000	434,437	1 687,304	1,108,516	1,762,746	1,787,272
Market Street	1,000,000	1,777,061	1,154,416	3,174,588	4,182,354	8,902,415	8,997,932	5,886,791	5,805,017
National Bank of Germantown	200,000	671,625	669,739	374,232	386,580	2,850,687	2,851,582	1,981,946	1,782,116
National Bank of Liberties	500,000	933,689	923,556	856,486	921,612	3,097,564	3,479,268	2,549,525	2,472,970
National Security	250,000	839,420	869,772	174,079	191,589	3,211,954	3,421,652	3,151,706	3,204,971
Ninth	200,000	639,382	607,704	210,454	198,989	3,111,314	3,404,784	3,021,668	2,965,451
Northern	200,000	214,787	215,961	142,972	209,692	2 346,564	2,432,538	1,628,021	1,688,021
Northwestern	200,000	637 831	641,214	8,693	35,869	2,796,552	2,902,834	1,821,818	1,879,116
Penn	500,000	1,396,063	1,384,966	721,769	609,045	5,654,026	6,152,179	4,588,556	4,717,396
Philadelphia	1,500,000	4,017,406	3,566,617	25,735,201	28,328,194	46,789,976	52,436 218	26,805,589	26,694,646
Quaker City	500,000	459,000	472,040	389,154	291,007	2,724,040	2,617,760	1,611,794	1,823,343
Second	250,000	567,788	560 663	110,917	54,033	2,195,029	2,219,862	1,801,929	1,923,798
Sixth	150 000	277,265	277,265	1,377	523	1,372,620	1,546,247	1,196,979	1,186,417
Southwark	250,000	151,344	147,843	401,100	439,733	1,961,799	2,042,387	1,440,544	1,431,868
Southwestern	200,000	162 781	162,781	863	807	827,000	1,019,000	737,661	797,968
Tenth	200,000	132,792	131,546	61,625	63,052	1 052 189	1,158,883	765,894	862,625
Textile	200,000	100 937	96,712	102,717	296,753	1 150,105	1,406,419	993,564	851,386
Third	600,000	897,870	889 511	1,075,478	1,067,777	5,402,780	6,069,754	3,635,624	3,883,614
Tradesmens	500,000	818,497	875,531	3,239,936	3,114,552	5,759 842	6,081,996	3,769,212	3,871,379
Union	500,000	769 000	725,366	1,815,599	1,672,094	7,227,943	8,469,658	5,668,829	6,211,106
Western	600,000	234,137	245,523	2,000,731	1,740,060	4,383,569	4,475,357	2,862,588	2,802,130

PITTSBURGH, PA.

Names.	Capital.	Surplus & Profits.		Due Banks & B'kers.		Total Deposits.		Loans & Discounts.	
		Mar. 7.	June 7.	Mar. 7.	June 7.	Mar. 7.	June 7.	Mar. 7.	June 7.
Bank of Pittsburgh, N A	$2,400,000	$3,126,321	$3,186,912	$10,096 112	$10,512 061	$18 929 266	$19,224,696	$17,070,198	$12,550,100
Columbia	600,000	1,086,331	888,770	3,261,512	3,519,718	8,071,632	9,028,919	4,110,000	5,306,705
Commercial	300,000	298,871	292,166	909,092	711 746	2 415 081	2,435,564	1,599 654	1,639,486
Dasmond	600,000	1,688 291	1,620 320	2,637,326	2,465,168	5,302,267	5 471 903	4,069,285	4,199,826
Duquesne	500 000	662,009	680,782	822,856		5,350 176	5,561,444	4 314,668	
Exchange	1,200,000	881,977	883,365	1,064,548	1,797,712	5 581,609	5 432,874	4 511,035	4,380 130
Farmers Deposit	6,000,000	2,911,087	2,928,972	9,019,077	9,353 804	21,089 199	25,835,072	18,987,654	15,460,286
Federal	1,000,000	1,311 558	1,338 671	1,810,361	1,674,933	3 141 040	4 022,366	4,080,726	4,083,630
First	1,000,000	2,198,250	2,252,000	8,389 543	7,206,583	22 180,015	18 880,026	13 574,145	9,882,919
German	500,000	715,057	718,540	1,508,218	1,530 124	4 169 352	4 255 [illegible]	3,916,969	3,903,542
Keystone	500,000	883,324	868,854	741,705	704,139	3,850,617	3 991,068	2,935,302	2,594,595
Liberty	200,000	146,180	146,564	122,066	131 635	1,417 [illegible]	1 443 [illegible]	675,812	654,382
Marine	100,000	140 448	144 101	176,941	140 768	1,242,630	1 176,845	962 116	991,651
Metropolitan	100,000	350,787	354,000	30,324		700,822	780,000	924 441	
Mellon	6 000,000	3 432 216	3 433,000	19,955 [illegible]	19,103,637	30 [illegible]	32 722,415	23,835 718	21,453,099
Monongahela	1,000,000	1,818,000	1,951,425	2,397,201	2,110 268	6,568,000	6,250,225	5,818,772	5,421,374
National Bank of W. Penn	1,000 000	87,229	146,000	1,455 121	1,437,373	1 180 747	1 287 [illegible]	3,218,311	3,638,817
Pennsylvania	200,000	177,751	181,708	60,231	31,662	840,071	804,198	525,370	711,151
Peoples	1,000,000	1,188,730	1,200,000	6,152,961	6,584,766	12 131,761	12 841 [illegible]	4,655,117	2,264 684
Second	1 500,000	2,307,000	2,330,027	7,625,411	7,520,501	14 473,269	15,590,161	8,063,938	8,737,644
Third	500,000	700,000	710,000	245,622	50,000	1,000,000	1,170,851	1,400,000	1,231,150
Union	600,000	91,941	5,151,100	1,586,356	1,518,842	10,706,137	11 [illegible]	9,221,963	9,502,403
United States	500,000	140,000	173,542			840,871	747,867	1,186,117	1,122,464
Lincoln	600,000	868,000	881,000	905,145	831,470	7,068,000	5,700,000	4,104,000	4,007,005
First of Birmingham	300,000	110,000	110,000			770,717	740,858	815,000	
First of Allegheny	250,000	168,151	168,151		5,000	1,881,000	1,761,000	1,440,127	1,361,981
Second of Allegheny	200,000	87,000		119,000		1,241,371		1,824,000	
German of Allegheny	200,000	92,000	93,000	35,631	20,639	927,479	1,000,081	1,875,305	1,838,946

WASHINGTON, D. C.

Names.	Capital.	Surplus & Profits.		Due Banks & B'kers.		Total Deposits.		Loans & Discounts.	
		Mar. 7.	June 7.	Mar. 7.	June 7.	Mar. 7.	June 7.	Mar. 7.	June 7.
American	$600,000	$266 039	$270,904	$903,254	$598,470	$2,650,918	$2,666,001	$1,710,486	$1,850,564
National City	300,000	92,264		413,358		1,495,112		994,222	
Riggs	1,000,000	1,903,750	1,924,067	1,244 007	1,126,988	8,627,271	9,034,750	6,940,469	7 237,852
Columbia	250,000	295,877	294,306	349,583	324,064	1,906,482	2,070,816	1,151,443	1,361,958
Commercial	*750 000	502 425	474,446	605,171	1,229,391	3,486 607	5,208,998	2,052 090	3,307,528
Farmers & Mechanics	252,000	425 666	416,964	35,255	42,444	1,006,044	1,060,874	813,530	880,777
Lincoln	300,000	91,251	98 049	76,578	53,182	1,497,852	1,197,568	769,708	758,906
National Capital	200 000	248,292	252,000	87,776	88,402	895,325	1,015,230	526,882	537,272
National Metropolitan	800,000	620 791	610,877	737,394	606,470	3,740,976	4,284,352	2,000,471	2,140,491
National Bank of Washington	1,050,000	683,965	718,586	34,272	48,870	3,206,957	3,600,249	2,853 261	2,796,870
Second	500,000	249,225	259,135	183,511	111,738	1,468 368	1,575,196	1,065 931	1,115,994
District	400,000	72,336	79,847	164,147	200,274	1,211,65[illegible]	1,444,611	985,462	1,165,394

* Capital increased during year.

(Continued on page 1183.)

Digitized by Google

Pittsburgh Terminal Reorganization

$25,000,000 of New Capital to Be Raised in Reorganization Programme—In the Compromise Settlement It Is Understood That the Wabash Railroad Company Takes a Cash Loss of About $10,000,000 Besides $10,000,000 of Its Common Stock—Holders of Wabash-Pittsburgh Terminal First Mortgage 4 Per Cent Bonds Will Receive 120 Per Cent in New Securities Comprising First Mortgage Bonds, Adjustment Bonds, Preferred Stock and Common Stock—Nearly $10,000,000 Will Be Secured Through Assessment of Junior Securities.

Several hundred trust companies, banks and insurance companies, as well as about a thousand other investors who are the owners of the first mortgage 4 per cent bonds of the ill-fated Wabash-Pittsburgh Terminal Railroad Company, it now seems probable will fare much better in the reorganization of the property than is either indicated by the prevailing market price of the bonds around 48 or by any of the premature predictions made in financial articles as to what terms would be given bondholders in the reorganization.

In previous articles in the UNITED STATES INVESTOR, the story has been told at length of this enterprise, and the unfortunate results to the purchasers of bonds on account of the Gould road's repudiation of the contract to provide for the payment of interest during the development period as well as the endeavor of the Goulds to reacquire the property at junk-shop prices.

Altogether, the Wabash-Pittsburgh Terminal enterprise makes as interesting a story as has ever appeared on the Wall street stage, because in the original sale of bonds, so many substantial trust companies were landed with the goods, to use a slang expression, that the final result is to be a heavy loss, not to the buyers, but to the Goulds, and finally the acquisition and rehabilitation of the property by the trust company interests who originally bought the bonds on a basis which will

ENABLE THEM TO GET OUT

of their investment in a few years without loss, if not at a profit.

When James C. Chaplin, vice-president of the Colonial Trust Company, of Pittsburgh, organized what has since been known as the Chaplin Committee of Wabash-Pittsburgh Terminal bondholders, things began to happen in the interests of the long neglected and well-plundered bondholders. Something like a half a dozen suits were filed against the Wabash Railroad, the Gould Syndicate and all other parties involved. After much delay, the examination of George J. Gould before a referee began a few months ago. After a few hearings in which Mr. Gould eloquently displayed his ability to forget facts and figures, the hearing was adjourned until fall, according to the official announcement. It was well known at that time, however, that this announcement really meant a compromise settlement in which the militant Chaplin committee had secured enough of their demands so they felt justified in compromising instead of continuing the litigation which necessarily would have to be carried on for several years.

No official announcement as to the terms of the settlement or the details of the plan to reorganize the terminal company and its controlled properties have been made public, but it is expected that such

AN OFFICIAL ANNOUNCEMENT

will be made in a few days. It is known, however, that the amount of new capital necessary has been fixed upon, and the underwriting of this new money is now being allotted. If current reports may be believed, the new interests in the property are having much more difficulty in distributing the underwriting among the large bondholders who they think are entitled to most consideration than they are in securing the money. Although several banking houses have made every endeavor to secure the handling of the reorganization, all these offers have been declined, and practically speaking, the bondholders themselves are going to do their own underwriting.

The new company to be formed will represent a merger of the Wabash-Pittsburgh Terminal, the Wheeling & Lake Erie, the Pittsburgh Terminal Railroad & Coal Company, and the West Side Belt Line. A first and refunding 4 per cent mortgage will be placed on the consolidated properties sufficient to provide for present and future needs, as well as the retirement at maturity of outstanding bonds of the constituent companies. The new company will have in addition an adjustment or income 5 per cent bond issue, preferred stock and common stock.

It is understood that the holders of

I. M. TAYLOR & CO.
8 Congress St., Boston
115 Broadway, New York
Members of New York, Boston and Chicago Stock Exchanges
This week's Market Letter summarizes the situation and is especially devoted to
American Car & Foundry Co.
Sent Upon Request

Knauth, Nachod & Kühne
15 William St., NEW YORK — Leipzig, GERMANY
BANKERS
Members New York Stock Exchange
High Grade Investment Bonds
Drafts on all parts of the world.
Letters of Credit and Travelers' Checks
Interest on Deposit Account

High Grade Investment Securities
Lists on request
GILBERT H. CARR
50 Congress St., Boston

DIVIDEND BOOK
The July 1 edition of our Dividend Book—64 pages—is ready for mailing, and will be sent gratis upon application to any of our offices.
The Dividend Book comprises statistics on the Leading Railroad, Street Railway, Telephone, Industrial and Mining Stocks, showing dividend periods and payments, high and low prices in former years, and comprehensive general data.
Thompson, Towle & Co
Members New York and Boston Stock Exchanges
50 Congress Street, Boston
25 Broad Street, New York
Springfield — Worcester

Digitized by Google

the first mortgage 4 per cent bonds of the Wabash-Pittsburgh Terminal Company will receive without paying any assessment about

120% IN NEW SECURITIES

distributed as follows: 10 per cent in new first mortgage bonds, or the equivalent in cash; 50 per cent in the new income or adjustment 5 per cent bonds; 40 per cent in preferred stock, and 20 per cent in common stock. These terms, if they have been correctly reported, are not as favorable as many of the bondholders anticipated they would receive. In a former article I quoted one of the large holders of the bonds who has been active in the support of the Chaplin Committee in his statement, that when he went into this enterprise, he believed he was getting a high-grade first mortgage 4 per cent bond, and that he was going to come out on exactly the same basis. He explained this statement by saying that he was going to insist upon such a settlement of the claims due the company, as well as such a reorganization that would give him without paying any assessment a new first mortgage 4 per cent bond, representing par and accrued interest for the original bonds he purchased. The outstanding bonds have been in default for over three years, so there is over 12 per cent in past due interest. In first mortgage 4 per cent bonds, however, 112 per cent or 116 per cent would be better than the proposed offer of 120 per cent in four different kinds of securities, of which one-half is in the form of stock.

Members of the reorganization committee state, however, that they have secured the very best terms possible, and the only settlement which would enable them to go ahead with the immediate reorganization and rehabilitation of the property. The only other alternative was to continue at heavy expense the pending lawsuits for several years.

It is understood that Wheeling & Lake Erie stock is to be

ASSESSED $25 PER SHARE.

There are three classes of this stock with the following amounts outstanding: First preferred 4 per cent, $4,986,900; second preferred, $11,993,500; common, $20,000,000. The Wabash-Pittsburgh Terminal Company has in its treasury a majority of all the Wheeling & Lake Erie stock, principally in common and second preferred. The assessment of $25 per share on the outstanding minority holdings of Wheeling & Lake Erie will therefore produce about $4,500,000. It is also understood that the $20,000,000 of Wabash-Pittsburgh Termnial second mortgage income 4 per cent bonds now selling around 4 in the market, will also be assessed 25 per cent, which would produce $5,000,000 more.

The total of new cash to be provided in the reorganization will be about $25,000,000, out of which the receivers' certificates will be paid off, a considerable portion of the Wheeling & Lake Erie double tracked, and a considerable amount of new equipment bought. In addition, $8,000,000 of Wheeling & Lake Erie notes secured by a deposit of Wheeling & Lake Erie bonds, and guaranteed by the Wabash Railroad Company will be taken care of.

As near as can be ascertained, the compromise settlement with the Gould and Wabash Railroad interests will result in a net loss to the Wabash Railroad of about $10,000,000 in its endeavor to secure an entrance into Pittsburgh. The Wabash Railroad Company issued to the promoters of the Terminal enterprise $10,000,000 of its common stock, and besides bought for $6,000,000, or practically 90, $6,600,000 of the terminal company first fours. These bonds were sold a few months ago at a price reported to be around 40, so that a loss of $3,300,000 resulted in this transaction. As security for advances made by the Wa-

(Continued on page 1174.)

Kidder, Peabody & Co.
115 Devonshire St.
Boston
56 Wall Street
New York
INVESTMENT SECURITIES
FOREIGN EXCHANGE
LETTERS OF CREDIT
Agents and Attorneys for
Baring Brothers & Co., Ltd.
LONDON

Hodenpyl, Hardy & Co.
BANKERS
7 Wall Street, New York
6% PREFERRED STOCKS A SPECIALTY

DOMINION BOND COMPANY
LIMITED
MONTREAL TORONTO OTTAWA
LONDON, ENGLAND
Dealers in HIGH-GRADE CANADIAN BONDS
List on Application

YIELDING OVER 14%
The common stock of a prominent industrial company in which we have traded a great deal, is offered at a price which yields the above return. Descriptive circular on application
Please ask for circular 1-28
E. BUNGE & CO. 20 BROAD STREET, NEW YORK
Cable Address, "Ernestus, New York" Long Distance 'Phone 4735-4736 Rector

Baker, Ayling & Co.
50 Congress street, Boston
INVESTMENT BONDS
Philadelphia Office, Land Title Building

Geo. D. Cook & Co.
BANKERS
71 BROADWAY, NEW YORK
We make a Specialty of
Mexican Government and State Bonds

McCoy & Company
Municipal and Corporation Bonds
181 LA SALLE STREET
CHICAGO

Boody, McLellan & Co.
111 BROADWAY, NEW YORK
MEMBERS OF NEW YORK STOCK EXCHANGE
Orders Executed for Investment or on Margin

We Offer
$100,000.00 of (7%) Cumulative
Preferred Stock of a New Power Plant
Now installing dam for 25,000 horse power. The Company has contracts closed for sufficient business to pay all interest charges, expenses and dividends on the common stock.
WM. D. PERKINS & CO., Bankers
No. 211 Cherry Street, Seattle, Wash.
Estab. 1893. Oldest Bond House in Wash.

BODELL & CO.
PROVIDENCE, RHODE ISLAND
Boston Office, 35 Congress St.
Bonds and Preferred Stocks of Proven Value

5% BONDS
Guaranteed by
National Light Heat and Power Co.
A. H. BICKMORE & CO.,
30 PINE ST., NEW YORK

6% Timber Bonds
Carrying With Them An Exceptionally Attractive Feature
American Finance & Securities Co.
5 Nassau Street New York

H. C. Gibbs & Co.
Gas and Electric Light Bonds
To yield 5% to 5 1-2%
60 State Street BOSTON

CIRCULAR ON MISCELLANEOUS UNLISTED MILL AND MANUFACTURING SECURITIES
SENT UPON REQUEST
HORNBLOWER & WEEKS
60 CONGRESS ST., BOSTON

Digitized by Google

Municipal Bond Sales

MUNICIPALITY.	Date of sale.	Classification of bonds.	Amount.	Rate of Interest. Per cent.	Maturity.	Sales price	Purchaser.	Income basis.
New Hampshire, State	June 27	Highway	$128,000	3½	**6-10	par	Local Investors	3.60
Attleboro, Mass	June 27	Sewer	50,000	4	*25¼	106.82	Estabrook & Co., Boston	3.581
Essex County, Mass	June 29	Notes	14,062	4	1912	100.39	City National Bank, Gloucester	3.60
Fall River, Mass	June 29	School	100,000	4	**1-20	103.26	Hayden, Stone & Co., Boston	3.623
Attleboro, Mass	June 27	Water	85,000	4	*14	104.09	Estabrook & Co., Boston	3.625
Mansfield, Mass	June 28	High School	40,000	4	**1-20	103.19	Curtis & Sanger, Boston	3.631
Cohasset, Mass	June 28	Refunding	60,000	4	*5 1-6	101.61	Adams & Co., Boston	3.654
Akron, Ohio	June 27	Various	101,740	4½		102.792	First Second National Bank, Akron	3.664
Auburn, Me	June 3	Refunding	13,000	4	1951	104.462	O'Connor & Kahler, Boston	3.682
Niles, Ohio	June 14	Street Imp.	2,830	5	*2½	102.43	Niles Trust Co., Niles	3.97
Steubenville, Ohio	June 20	Paving	2,000	4½		103.10	Vinton Banking Co., Vinton	3.983
Bluffton Ohio, Sch. Dist	June 26		35,000	4	*21¼	par	Spitzer, Rorick & Co., Toledo	I
North Chautauqua, Pa	June 26	Municipal bldg	7,000	4	10-30	par	National Bank of Chautauqua	I
Steubenville, Ohio	June 20	Sewer	41,000	4½	*6 2-3	102.83	Seasongood & Mayer, Cincinnati	4.008
Youngstown, Ohio, Sch. Dist	June 19	Building	64,000	4½	*27 1-6	107.76	Stacy & Braun, Toledo	4.027
Warren, Ohio	June 17	Park	10,000	4½	*1½	106.65	New First Nat. Bank, Columbus	4.046
Schenectady County, N. Y	June 28	Court House	100,000	4½	1955	107.348	West, Resh & Co., Cincinnati	4.047
Hoboken, N. J	June 28	City bldg. imp.	125,000	4½	1931	106.851	Morris Bros., New York	4.069
Ansonia, Conn	June 27	Sewer	40,000	4	1925	98.78	Merrill, Oldham & Co., Boston	4.082
Paterson, N. J	June 22	School	200,000	4½	1941	107.155	N. W. Halsey & Co., N. Y.	4.084
Newburgh, N. Y	June 24	School	40,000	4 10	1922	100.05	Isaac W. Sherrill, Poughkeepsie	4.097
Salem, Ohio Sch. Dist	June 12	Building	12,000	4½	*6 2-3	102.292	First National Bank, Cleveland	4.101
Fremont, Ohio	June 27	Paving	12,000	5½	*5½	102.106	Atkinson & Wolcott Co., Cleveland	4.127
Hempstead, N. Y	June 23	Sewer	250,000	4.20	*17	100.189	Harris, Forbes & Co., New York	4.18
Canton, Ohio	June 26	Street Imp.	1,17,200	4½		101.15	Stacy & Braun, Toledo	4.183
Hempstead, N. Y	June 23	Building	30,000	4.30	*10½	100.031	Harris, Fobes & Co., New York	4.19
Hempstead, N. Y	June 23	Park	8,100	4.30	*5½	100.02	Harris, Fobes & Co., New York	4.19
Rocky River, Ohio	June 16	Street Imp.	5,512	4½	*3 5-6	101.59	First Nat. Bank, Cleveland	4.19
Westville, Conn., Sch. Dist	June 15	Building	40,000	4½	1941	105.169	E. H. Rollins & Sons, Boston	4.136
Sandusky County, Ohio	June 21	Road	100,000	4½	*25½	100.693	Stacy & Braun, Toledo	4.241
Portland, Oregon	June 26	City	125,000	4	1936	96.76	Meadows Bros., Portland	4.277
Beach City, Ohio	June 28	Paving	10,500	5	**1-10	102.85	Security Sav. Bk. & Tr. Co., Toledo	4.353
Beach City, Ohio	June 28	Village	1,000	5	**1-2	102.85	Security Sav. Bk. & Tr. Co., Toledo	4.353
Niles, Ohio	June 20	Street Imp.	2,500	4½	1920	100.92	Dollar Savings Bank, Niles	4.397
Bath, N. Y	June 19	Village	30,000	5	**2-16	104.56	Davenport Orphan Home	4.399
Hamburg, N. Y., School District No. 13	June 23	Building	20,000	5	**1-20	104.67	J. J. Hart, Albany	4.400
Pennsauken Township, N. J., Sch. Dist	June 20	Building	61,900	4½	**20-26	100.67	A. B. Leach & Co., New York	4.446
Rush Township, O., Sch. Dist	May 18	Building	2,000	5	*3½	101.55	Hayden, Miller & Co., Cleveland	4.515
Morrison, Ill	June 22	Paving	9,000	5	*6	102.28	H. T. Holtz & Co., Chicago	4.561
Ross, California	June 22	Improvement	30,000	6	**1-30	103.903	E. H. Rollins & Sons, San Francisco	4.644
Queensbury, N. Y., Sch. Dist. No. 1	June 26	Building	15,000	5	*14	103	W. N. Coler & Co., N. Y.	4.704
Mechanicsville, N. Y	June 14	Paving	17,000	4.75	*13	100.114	Adams & Co., New York	4.733
St. Louis County, Minn., Sch. Dist. No. 21	June 10	Building	100,000	5	*2 1-6	103.50	First National Bank, Chicago	4.752
Winfield, Kansas	June 15	Funding	29,676	5	t10-20	101.60	J. T. Lafferty, Winfield	4.796
Oklahoma City, Okla., School District	June 15	Building	235,000	5	1931	102.08	M. L. Turner, Oklahoma City	4.836
West St. Paul, Minn	June 21	City	7,000	5	1921	101.08	Security Trust Co., St. Paul	4.862
Babylon, N. Y., Sch. Dist. No. 5	June 27	Building	12,000	5	**1-20	101.03	Douglas Fenwick & Co., N. Y.	4.873
Cheyenne County, Neb.	June 19	Crt h'se & jail	50,000	5	t5-20	100.51	Cutler, May & Co., Chicago	4.894
Christiansburg, Va	May 20	Water works	40,000	5	t15-30	par	Ulen & Co., Chicago	5
Lincoln County, Idaho, School District No. 12	June 17	Building	16,000	5	*15	par	State Land Board	6
Walla Walla Co., Wash., Sch. D	June 14	Building	5,500	5	1921	par	State	6
Sanders County, Mont	June 30	County	40,000	5	t10-20	par	State	6
Richland County, S. C	June 16	Bridge	75,000	5½	1924	101.46	Townsend, Scott & Son, Baltimore	5.379
Page County, Iowa	June 15	Drainage	62,000	6	**6-16	103.75	Wm. R. Compton Co., St. Louis	5.416
Cochise Co., Ariz., S. D. No. 40	June 1	Building	1,800	6	*15	106.61	L. J. Shattuck, Phoenix	5.447
San Diego County, Cal	June 8	Building	4,900	6	*10½	104.19	Bank of La Mesa	5.47
Kitsap Co., Wash., S. D. No. 24	June 12	Building	1,700	5½		par	State	5.50
Barnwell, S. C	June 15	Refunding	6,000	6	1931	102.41	E. H. Gallet, Chicago	5.766
Wendell, N. C., Sch. Dist	June 15	Building	10,000	6	1941	102.38	New First Nat. Bank, Columbus	5.82
Kansas City, Mo	June 26	Park, Boul.	75,000	4	**1-15	100.05	Kansas City Trust Co., Kansas City	5.999
Broadwater County, Mont	June 20	Building	600	6	15-16	par	State	6
Carbon Co., Mont., S. D. No. 54	June 30	Building	5,000	6	t10-20	par	State	6
Fergus Co., Mont., S. D. No. 14	June 20	Building	1,000	6	t1-20	par	State	6
Fergus Co., Mont., S. D. No. 79	June 20	Building	1,200	6	1-20	par	State	6
Fergus Co., Mont., S. D. No. 81	June 30	Building	1,400	6	1-10	par	State	6
Port of Siuslaw, Ore	June 14	Harbor Imp.	135,000	6	1931	par	State Land Board	6
Shawnee, Ohio	June 13	Fire Dept	1,100	6	**1-5	par	State	6
Barnesville, Georgia	June 27	Land	2,000	5		101.05	Citizens & Southern Co., Sparks	
Barnesville, Georgia	June 27	Sewer	4,000	5		101.05	Citizens & Southern Co., Sparks	
Barnesville, Georgia	June 27	Water	8,000	5		101.05	Citizens & Southern Co., Sparks	
Barnesville, Georgia	June 27	School	2,000	5		101.05	Citizens & Southern Co., Sparks	
Beltrami County, Minn	June 20	Ditch No. 12	45,000				State Land Board	
Blakely, Ga	June 28	Sewer	6,000			101.266	Citizens & Southern Bank, Blakely	
Colquitt, Ga	June 22	Electric light	7,500	5	1951		H. T. Holtz & Co., Atlanta	
Colquitt, Ga	June 26	Sewer	2,000	5	1951		H. T. Holtz & Co., Atlanta	
Colquitt, Ga	June 26	Water	7,000	5	1951		H. T. Holtz & Co., Atlanta	
Elk Mound	June 24	Sewer	3,000	6			State	
Eugene, Oregon	June 5	Sewer	28,000	5½	1931		Ladd & Tilton, Portland	
Eugene, Oregon	June 5	Electric light	2,000	6	1931		Ladd & Tilton, Portland	
Glen Ridge, N. J., Sch. Dist	June 1	Building	7,000			par	Glen Ridge Trustees	
Hanover Tp., N. J., Sch. Dist	June 28	Building	28,000	4½			Hanover Trustees	
Hardin County, Ohio	June 26	Refunding	2,000	5½	*5		Hayden, Miller & Co., Cleveland	
Hardin County, Ohio	June 27	Drainage	7,800				First Nat'l Bank, Columbus	
Madison, Wis	June 23	Sewer disp. works	75,000	5		98.31	Harris, Fobes & Co., Chicago	
Marshall County, Minn	June 19	Bridge	100,000	5	*10½		Harris, Fobes & Co., New York	
Oxford Co., Me., Sch. Dist	June 19	Building	11,000				Chase, Mo	
Oxford, Ohio, Sch. Dist	June 24	Building	15,000	5½		104.167	Seasongood & Mayer, Cincinnati	
Paris, Ill	May 15	Water imp.	45,000			102.50	Mason, Moran & Co., Chicago	
Paterson, N. J	June 22	Pub. Impr. Imp	75,000	4½	1962		Sinking Fund Trustees	
Plainfield, Minn., Sch. Dist	June 3	Building	28,000				State	
Pottawatomie, Okla	June 29	Improvement	50,000	5		102.75	H. T. Douglas	
Saginaw, Mich	June 24	Ref'dg & park	7,000	5	**1-8		Detroit	
Westbrook, Me	June 15	Refunding	25,000	4		102.96	O'Connor & Kahler, Boston	
Spokane, Wash	June 17	City	427,000		1951	102.06	Harris, Fobes & Co., New York	
Tacoma, Wash	June 17	City	18,711	7	1915		Citizens	

*Year average. **Year serial. t Year optional.

Digitized by Google

MUNICIPAL SHORT TERM LOANS.

WOBURN, MASS.—Loring, Tolman & Tupper, of Boston, have been awarded a temporary loan of $40,000, maturing December 1, 1911, at 3.45 per cent discount.

LOWELL, MASS.—The city has awarded a temporary loan of $700,000, dated July 1, 1911, maturing July 1, 1912, to Estabrook & Co., at 3.75 per cent interest to follow. Also, a temporary loan of $100,000, dated July 1, 1911, maturing December 1, to First National Bank at 3.45 per cent discount.

BOSTON, MASS.—City Treasurer Slattery has negotiated a 5-months' loan in anticipation of taxes to the amount of $1,000,000 at 2¾ per cent discount. The notes mature in November, 1911.

CHICOPEE, MASS.—Blake Bros. & Company, of Boston, were the successful and only bidders for the 5½-months' temporary loan to the amount of $50,000 at 3.41 per cent discount.

PEABODY, MASS.—Bond & Goodwin, of Boston, were the successful bidders for a 4-months' temporary loan to the amount of $60,000 at 3.29 per cent discount. Notes mature October 24, 1911. Other bidders were: Loring, Tolman & Tupper, Boston, 3.35 per cent; Estabrook & Company, Boston, 3.48 per cent; Blake Bros. & Co., Boston, 3.56 per cent.

ROCHESTER, N. Y.—Geo. H. Burr & Company, of New York City, were the successful bidders for the 8-months' disposal notes to the amount of $100,000 at 3.55 per cent interest.

WORCESTER, MASS.—The treasurer has awarded a temporary loan of $100,000 maturing October 17, 1911, to Kissel, Kinnicutt & Company, of New York, at 3.125 per cent discount less $50 or a 3.276 per cent discount rate. Other bidders were: Blake Bros. & Co., 3.33 per cent discount plus 50 cents premium and Curtis & Sanger, 3.40 per cent discount.

WATERTOWN, MASS.—The treasurer has awarded a temporary loan of $50,000, maturing April 29, 1912, to the Old Colony Trust Company at 3.67 per cent discount plus 40 cents premium. Other bidders were: R. L. Day & Co., 3.62 per cent discount; Loring, Tolman & Tupper, 3.74 per cent discount, and Estabrook & Company, 3.63 per cent discount plus $2 premium.

DEDHAM, MASS.—Adams & Company, Boston, have been awarded $12,000 4 per cent notes, dated July 1, 1911, at 100.317 per cent.

SALEM, MASS.—Blake Bros. & Company, Boston, have been awarded a temporary loan of $100,000, maturing February 16, 1912, at 3.69 per cent discount.

FINANCIAL INQUIRY.

Mississippi Dike Bonds.

21256. (New York.) We desire to know the value and issue of Mississippi Dike Bonds, also the rate of interest on same.

Ans.: We find no issue of bonds under this classification. It may be that you refer to an issue of Mississippi Levee bonds, dated Jackson, Mississippi, 1883, for which no value is found. The Mississippi Levee District, (P. O. Greenville) has outstanding an issue of $200,000 6s, due 1924, and $1,000,000 5s, due 1944, and quoted at 105 bid, 107 asked. The refunding 4½s, due 1934 (issue $450,000) of the same district are quoted at 101 bid, 102 asked. On January 9 last, the board of levee commissioners in Greenville, sold at par $500,000 10-25 year optional coupon refunding bonds.

BANK ITEMS.

BROOKLYN, N. Y.—Stockholders of the Nassau National Bank of Brooklyn have adopted the recommendation of their directors to increase the capital from $750,000 to $1,000,000. This action was taken in order that the bank might become a member of the New York clearing house, for admittance to which it recently applied. The new stock will be offered to present shareholders at par, at the ratio of one share to each three now held.

GUSTINE, TEXAS.—The Farmers & Merchants' State Bank increased its capital to $20,000.

NEW YORK, N. Y.—Directors of the National City Bank have voted to organize a security company with a capital of $10,000,000 to take over the security investments of the bank. A cash dividend of 40 per cent has been declared, payable July 5. This dividend will be used to organize the security company, the name of which has not yet been determined upon. It has not been determined yet who the officers or the directors of the security company are to be. This will be announced later, when the company has been duly formed. It is assumed, however, that Frank A. Vanderlip, the head of the National City Bank will be its president.

Bond Certification

Modern conditions make the registration and certification of municipal and corporate obligations desirable and convenient. We have a department maintained exclusively for this purpose.

First National Bank of Boston
70 Federal Street

THE KANSAS CITY, MEXICO & ORIENT RAILWAY CO.

Kansas City, Mo., July 1st, 1911.

Coupons of the First Mortgage Bonds of the Kansas City, Mexico & Orient Railway Company, due August 1, 1911, will be paid at the American Exchange National Bank, 128 Broadway, N. Y.

WM. LEE KARNES, Treasurer.

The Reece Button Hole Machine Company.
DIVIDEND NO. 101.

A quarterly dividend of 2 per cent has been declared payable July 15, 1911, to stockholders of record at the close of business July 5, 1911.

FRANCIS A. SHEA, President.

The International Button Hole Sewing Machine Company.
DIVIDEND NO. 55.

A quarterly dividend of 1 per cent has been declared payable July 15, 1911, to stockholders of record at the close of business July 5, 1911.

FRANCIS A. SHEA, President.

Reece Folding Machine Company.
DIVIDEND NO. 9.

A quarterly dividend of 1 per cent has been declared payable July 15, 1911, to stockholders of record at the close of business July 5, 1911.

FRANCIS A. SHEA, President.

American Telephone & Telegraph Co.

A dividend of Two Dollars per share will be paid on Saturday, July 15, 1911, to stockholders of record at the close of business on **Friday, June 30, 1911.**

WM. R. DRIVER, Treasurer.

LIGONIER, PA.

Proposal for Bonds

Sealed proposals will be received by the Ligonier Borough Council, at the Borough office until 10 o'clock A. M. on the 1st day of August, 1911, for $18,800.00, 4½% bonds, issued for refunding and sewerage purposes, interest payable semi-annually, Tax free, and to be dated August 1st, 1911, redeemable in ten years and payable in thirty years, of the following denomination:

94 for $200 each. This issue will provide for the total bonded indebtedness of the town which has an assessed valuation of $940,785.00, and which owns and controls its Water System, producing an annual net revenue of $3,000.00.

Bids must be addressed to W. A. Peterson, Chairman Finance Comm. and be accompanied with a certified check, payable to the Treasurer of Ligonier Borough, for 2% of the bid.

Ligonier Borough Council,
by W. A. Peterson, Chairman Finance Committee.

UNITED STATES SMELTING REFINING & MINING CO.

The Directors of the United States Smelting, Refining & Mining Company have declared a quarterly dividend of 1¾ per cent (87½ cents per share) on the **Preferred Capital Stock**, and a quarterly dividend of 1 per cent (50 cents per share) on the **Common Capital Stock**, payable July 15, 1911, to stockholders of record at the close of business, June 30, 1911.

F. W. BATCHELDER, Treasurer.

INTERNATIONAL PAPER COMPANY.

A dividend of ONE-HALF of ONE PER CENT, on the Preferred Stock has been declared payable July 15th, 1911, to Preferred Stockholders of record at the close of business (3 P. M.), July 5th, 1911. Transfer Books will remain open. Checks mailed.

E. W. HYDE, Secretary.

UNITED FRUIT COMPANY
DIVIDEND NO. 48

A quarterly dividend of two per cent on the capital stock of this company has been declared payable July 15, 1911, at the office of the Treasurer, 131 State Street, Boston, Mass., to stockholders of record at the close of business June 24, 1911.

CHARLES A. HUBBARD, Treasurer.

Office of
THE UNITED GAS IMPROVEMENT COMPANY

N. W. Corner Broad and Arch Streets,
Philadelphia, June 14, 1911.

The Directors have this day declared a quarterly dividend of two per cent ($1.00 per share), payable July 15, 1911, to stockholders of record at the close of business, June 30, 1911.

Checks will be mailed.

LEWIS LILLIE, Treasurer.

Pay-As-You-Enter Car Corporation
50 Church Street.

New York, June 17, 1911.

The Board of Directors have this day declared a quarterly dividend of one and three-quarters per cent (1¾%) on the Preferred Stock of this Company, payable July 15, 1911, to stockholders of record at the close of business, July 5, 1911. Checks will be mailed by the Standard Trust Company of New York.

CHARLES S. FIELDSTEEL, Secretary.

Digitized by Google

United States Investor

Published Every Saturday Morning by

FRANK P. BENNETT & CO., Inc.

SUBSCRIPTION RATES

$5.00 per annum in United States and Mexico; $6.50 per annum in Canada.

$7.00 per annum in England, the Continent, Australia and Countries in the Postal Union.

$10.00 per annum for Investor and Inactive and Unlisted Securities Supplement, including privilege of inserting quotations in the Supplement.

ADVERTISING RATES

20 cents per agate line. $2.80 per inch each insertion. $20 per inch three months. $70 per inch one year. There will be no deviation from these rates under any circumstances and all of our advertisers may depend upon being treated alike.

PUBLICATION OFFICE,

530 Atlantic Avenue, Boston.

NEW YORK OFFICE,

2 Rector Street, New York.

JOSEPH L. BARKER, Manager.

Washington Office, 208 Corcoran Building; Philadelphia Office, 305 Chestnut Street.

COPYRIGHT 1910, BY
FRANK P. BENNETT & CO., INC.

Entered at the Post Office at Boston, Mass., as second class matter.

Some difference of opinion with respect to the crop outlook is now evident in Wall Street. Government reports have been pretty generally reassuring, but there are some private sources of information which take a less hopeful view. Undoubtedly, the crop situation is now the most important factor in the stock market and will continue to be so for some time to come. The government cotton report at the opening of this month was better than had been expected, but the extreme hot weather, so general throughout the country for the past few days, has undoubtedly done damage. The crop situation will not be made clear in all its bearings for several weeks to come, and meanwhile it will be an uncertain market factor.

The Treasury Department has closed its fiscal year with far better conditions than had been expected at the outset, there being a small surplus on hand when Panama Canal and public debt outlays are taken into account. This, of course, is fictitious, because the corporation tax came in very largely at an earlier date than last year, so that in this year's receipts it is in part counted twice. There were unusually large miscellaneous receipts, while the public debt incomes, which consist largely of funds deposited for the purpose of redeeming national bank notes, have been abnormally large. There is no ground to expect that next year the showing will be exceptionally good, notwithstanding the optimistic views which are now being expressed, largely, it seems, for political purposes. Expenditures will be very heavy during the coming fiscal year, while receipts will probably not be up to the level they have now reached.

Indications appear to be more and more gloomy with respect to the adjournment of Congress for the present session. While it now appears as if a vote on the reciprocity bill might be had late this month, the demand for general tariff discussion subsequent to that time appears to have lost none of its vigor, but has grown more and more insistent with the small group of Republican insurgents. So far as the Democrats are concerned, it is probable that they will be entirely content with a purely perfunctory vote on their free list measure and their wool revision bill. The Republican insurgents can, however, without much outside aid, protract the session to an almost indefinite extent. The business community is undoubtedly growing exceedingly restive in view of this unpleasant prolongation of the session.

BANK CONDITIONS.

Comptroller of the Currency Murray has issued the final results of the call for condition of national banks issued during June. Made public on July 1, the statement shows a very material growth in the operations of the banks and also a large accumulation of surplus funds. This is what had been expected. The returns which trickled in from many different sources during the weeks immediately after the issuance of the call showed how things were shaping themselves, and there is, therefore, no ground for surprise in the final combined statement. It is the opinion of the Treasury officers that the showing is wholesome, and of this in the main there seems to be little doubt.

The bank statement shows that saving and the accumulation of funds has been proceeding at a more rapid rate than investment. This is one of the grounds currently given for the belief that there will be a strong upward movement in the stock market. That may or may not be true. The accumulation of funds, however, does imply an increasing pressure for investment and a willingness to put up with a low rate of interest—an opinion fully confirmed by the large oversubscription of the recent Panama bond issue. What direction the upward trend of investments which will undoubtedly characterize the next few months will take is open to question. It may result in a continuation of the real estate "boom" so marked in the West, and the over-building which has been in progress in many of the eastern cities; it may result in increased activity in the stock market; or it may take shape in a larger development of expenditure for consumption. The accumulation of the funds itself points away from the latter channel of use and indicates that the community prefers actual investment either in real property or in industrial and railway shares. It is highly desirable that the way for investment in the latter channel should be opened, and this is an appropriate time once more to emphasize the conditions which have prevented capital from being freely supplied for industrial and railway uses. Those conditions are essentially the resort to unfair not to say dishonest methods of capitalization and the bad treatment accorded to small stockholders.

The time has come when those American business men who have been given to criticism in this regard will find it profitable to abandon the methods that have prevailed in too many quarters during recent years. Government oversight of finance is becoming much closer, and the public desire for control of corporate operations has been infinitely strengthened of late. The question whether those who live mostly for the present might not afford to snap their fingers at these factors in the situation may be an open one. But recent developments point more and more strongly to the opinion that the public will in future invest in corporate securities much less readily than in the past, and will be willing to offer its funds for business uses only when tolerably assured of protection for its investments. By cutting off the stream of cash which has been flowing into the stock market so freely during the rushing times that have existed since 1898, with the brief interval of the panic of 1907, the public has it entirely within its own power to make the occupation of floating fictitious and over-capitalized concerns unprofitable. The time has come for a drastic change in these respects, if the supply of investment funds is to continue.

BREAKING AWAY FROM ALDRICH.

According to what seem to be unquestionable advices, the so-called National Citizens' League, lately organized with headquarters in Chicago, will shortly assume the principal place in forwarding and directing the crusade for banking reform. The management of the work has been placed in the hands of Professor J. Laurence Laughlin, of the University of Chicago, who has been given a year's leave of ab-

sence by his institution for the purpose of undertaking this campaign. The plan is to urge upon Congress the necessity of action in regard to banking, and if possible to secure some legislation during the coming winter.

For this general movement every man of enlightenment and sound sympathy will feel the heartiest good will. It is understood that the National Citizen's League has no intention of leaning upon Senator Aldrich, and that the plan for a National Reserve Association, which has heretofore been miscalled the Aldrich plan, will no longer pass by that name. This is as it should be. The plan was never in any proper sense Mr. Aldrich's creation, and those parts of it to which he lent special countenance and approval are in process of being eliminated. Not only from the standpoint of political expediency, but also from that of historical accuracy, it is, therefore, well to drop the misnomer which has been unwisely and erroneously bestowed upon this proposition. It will not, however, suffice to drop Mr. Aldrich and his ideas in name only. We believe it is true that there is a widespread and sincere opinion throughout this country in favor of banking reform. The lack of progress thus far characteristic of the movement has been largely due to suspicion and fear of the auspices under which the plan was being urged. Remove these, and the first step toward better conditions has been taken. But it is unlikely that any banking bill can be forced through Congress unless the public is genuinely convinced that the plan is to be shaped in the interest of all, and that there is to be no special favoritism for any particular class or for any particular group of businesses.

In order to establish in the public mind the opinion that the movement for banking reform is now entirely free from Mr. Aldrich's point of view, as well as from personal control of the ex-senator himself, the National Citizens' League should as soon as possible put its plan into the terms of a definite bill. If it thinks best to adopt the ideas heretofore grouped as the Aldrich plan as the basis of such bill, no one will object, for, as we have often noted, the fundamental ideas underlying the Aldrich plan are the same that have been accepted by all students of banking for years past. The league will necessarily have to reshape the proposition at those points where objection has been found, and must hold itself in readiness to make further changes as occasion seems to demand in order to adapt the measure to public requirements. No such bill can go through Congress unless it is accepted by practically all groups, for Congress is now so badly broken that no purely machine proposition can secure acceptance. This means that there must be concessions on all sides and that the time has come to cease the attitude of secretiveness and class favoritism which has heretofore been maintained in regard to this proposal.

With these precautions observed, with Senator Aldrich's influence largely eliminated, and with a decent regard for the wishes of all sections of the community, we see no reason why the National Citizens' League should not succeed in securing the adoption of an important remedial measure that will greatly improve banking conditions in the United States.

THE STEEL REPORT.

In sending to the President the first installment of his report on steel and iron, Commissioner of Corporations Smith has furnished information of great interest by all of the many holders of shares and bonds issued by steel-making companies. Mr. Smith's report is of practical significance, not merely from the standpoint of the United States Steel Corporation, with which it chiefly deals, but also from that of the industry as a whole. Stockholders in the United States Steel Corporation will study this document with care, in the assurance that the information it contains is honestly and accurately put together. But those who have invested their funds in other concerns will also find much in this report to throw light upon the general question of the desirability of steel securities.

The whole burden of Mr. Smith's report is to lay stress upon the great prosperity of the steel industry, and consequently, upon the good quality of the securities issued by sound concerns engaged in the business. Mr. Smith shows by a process which, it is understood, was agreed upon between the accountants of the Bureau of Corporations and those of the Steel Corporation itself that the concern has very large concealed profits. When these are added to those which are openly declared, it appears that the Corporation has averaged no less than 12 per cent on the total actual investment in its property for the whole period. This is interesting in itself, particularly when viewed in the light of the fact that the Steel Corporation has gradually squeezed the water out of its stock to such an extent that instead of $700,000,000 at the start, it now has only $280,000,000 of capitalization (bonds and stocks) outstanding, in excess of the actual worth of its property. When these facts are considered, in conjunction with the circumstance that the independent companies in the steel business, taken as a whole, are doing well, and have succeeded in more than holding their own since the formation of the United States Steel Corporation, it is evident that the earning of this great profit has not interfered with the continuation in business of other concerns which were able to pay their stockholders handsome dividends in many instances, and to increase their output from about 40 per cent of their industry, at the time the steel corporation was organized, to about 50 per cent a day.

Facts like these show how good an investment the steel industry has been during the past ten years. Apparently, there is no reason why it should not continue its successful course in the future. Commissioner Smith's report seems to furnish but scant ground for supposing that the government would be warranted in attacking United States Steel itself under the Sherman Anti-Trust Law, or that it would bring about much result if it did. The study shows, moreover, that the United States Steel Corporation is likely to occupy an increasingly strong position in the future, not merely because of its better organization and larger actual investment, but also because of the immensely extensive control over iron ore deposits which it has succeeded in acquiring. As for the position of the other companies, there is certainly nothing in the report or in any other material now available to suggest that they will be less well off than they have been. The facts all go to show the truth of what has been so often alleged by capable steel makers—that the United States has the lowest cost of production and is more favorably situated for making steel and iron than any other country in the world.

BANK ITEMS.

COPENHAGEN, N. Y.—The Copenhagen National Bank, with a capital of $25,000, was recently organized by M. H. Holt, A. L. Clark, H. L. Grant, F. P. Lansing and W. J. Twining.

DEMPOLIS, ALA.—The Commercial National Bank has been organized by Isadore Bley, A. R. Smith, L. L. Steinhart, J. H. Spright and C. C. Clay. The bank has a capital of $100,000.

MINOT, N. D.—The Bankers' Title & Trust Company has been organized with $100,000 capital.

MONTPELIER, VT.—The Capital Savings Bank & Trust Company makes a very creditable showing in their semi-annual statement. After paying taxes to the state during the year of $10,000, and 4 per cent interest to depositors, $60,000, it not only paid 8 per cent dividends to stockholders amounting to $8,000, but carried to surplus over 8½ per cent more or $8,500 on a capital of only $100,000. The bank shows resources of $1,346,354. The president is T. J. Deavitt and the treasurer, Frank N. Smith.

Digitized by Google

PITTS. TERM. REORGANIZATION.

(Continued from page 1169.)

bash to the Terminal Company amounted to $5,000,000, the Terminal Company turned over to the Wabash as collateral security $14,000,000 of the stock, and $3,800,000 of the bonds of the Pittsburgh Terminal Railroad & Coal Company. In the settlement, it is understood that the Coal company's securities are to be

RETURNED TO THE TREASURY

of the Terminal Company, and the $5,000,000 obligation cancelled. Taking into account, therefore, the loss of actual cash, as well as interest, the total net cash loss to the Wabash in this enterprise may be calculated at very close to $10,000,000, aside from $10,000,000 of the Wabash common stock, which was also lost in the shuffle.

No name has been agreed upon for the reorganized terminal property, but it has been suggested that the Pittsburgh, Wheeling & Erie would be as good a name as could be selected. Interest on the underlying bonds of the consolidated property which will not be disturbed in reorganization amount to about $954,000 a year, and the interest on the immediate issue on the new first and refunding 4 per cent bonds will be $664,000, making a total fixed charge on the new property of but a little over $1,600,000 a year. That this capitalization will be very conservative is indicated by the fact that the Wheeling & Lake Erie alone could take care of all these fixed charges. For the ten months ending April 30, of this year, the Wheeling earned net $1,438,000. The net earnings in April were $128,000, and if this rate continues to the end of the fiscal year with other income, there should be a balance available for fixed charges of approximately $1,700,000. All the properties, however, have been

OPERATED BY RECEIVERS,

and separately, and none of them have had but a small percentage of the equipment necessary to handle traffic originating on their line. In the reorganization, with ample capital furnished, and the properties consolidated under a single management, all this will be changed and not only fixed charges be taken care of, but the full interest earned on the proposed issue of $24,000,000 5 per cent adjustment or income bonds, and a surplus remain for the stock.

P. De M. Jones.

The admission of Robert S. Weeks, Irving F. Marshall, W. Forrest McGregor and Max O. Wheeler to an interest in N. W. Harris & Company is announced. This is in accord with the policy of this corporation to be constantly on the lookout for the right kind of young men among its employes, who can be given an opportunity to keep up the aggressiveness and high character of the house.

WILKES-BARRE, PA.—The Hanover Bank, with a capital of $50,000, is being organized by Charles H. Price, George Nicholson, Zebulon S. Robbins, William S. Goff, Charles K. Gloman, Wayne D. James, Harry H. Davenport and Adam M. Hildebrand.

National Life Insurance Company
MONTPELIER, VERMONT.

Mutual. Organized 1850.

This company has increased its dividend scale this year for the third successive year, and the increase applies to all participating policies in force from 1850 to date.

An attractive monthly income policy just placed on the market.

A good agency opportunity for the right man.

Correspondence invited.

UNUSUAL FEATURES
In Life, Accident and Health Insurance

New Methods of Compensation
Short Form Policies Clear Terse
Easy to Read and Understand
Low Non-participating Rates

The Columbian National Life Insurance Company, Boston, Mass.
ARTHUR E. CHILDS, President
Wm. C. Johnson, Vice Pres. and Gen'l Mg.

Before All Else

there is found in every Union Mutual Policy the first and strongest Purpose of Life Insurance.

Protection

Clear, Faithful Reasonable Contracts
Ask for Particulars.

Union Mutual Life Insurance Co.
Portland, Maine
Fred E. Richards, President.

JANUARY 1, 1911
Insurance in force more than $140,000,000
ASSETS - $36,327,0[illegible]9.69
LIABILITIES 33,371,841.25
SURPLUS - $ 2,956,237.70
1910 MOST PROSPEROUS IN HISTORY OF THE COMPANY

North American Accident Insurance Co.
CHICAGO

Net Surplus & Capital .$ 609,961.[illegible]
Income 1910 . . . . . 1,15[illegible],896.39
Will aid good men in Establishing Agencies.
Best Policies — Largest Commissions or Profit Sharing Contract.
A. E. Forrest, Vice-Pres. & Sec'y
Chicago

Business and Pleasure Combined

"That word 'hot' doesn't begin to express the torrid truth, my dear. . . . A [illegible] from the water, eh? Well, I wish *we* had a [illegible]. . . . No, I don't believe I can [illegible] to-night; too much to do. . . . Do it by telephone? Oh, pshaw!

"By George! I don't know but there's something in that, after all. You [illegible]. Pick up some pretty good ideas, don't you? I [illegible] I *can* arrange to [illegible] by telephone. *Seems to me I read somewhere about a scheme for leasing a cell line for half an hour at a time at pretty low rates. I'll look into that at once.* I'll [illegible] it, then I can [illegible] and [illegible] as well [illegible] and [illegible] as I can in [illegible]. Maybe I can get there to-night [illegible]. Darling, after all

New Eng[illegible]hone & Telegraph Co.

Cash Registers or Car Lighting?

One of Our Subscribers Has Bought Stock of the United States Light & Heating Company, and Seems to Be Inclined to Get Out and Buy Shares of the New Dial Cash Register Company of Milwaukee—Relative Merits of the Two Companies Compared, and Advice Given That the Car Lighting Stock Looks Better.

A subscriber advises us that he has invested some money in electrical car lighting, and inferentially says that he is inclined to be nervous about it. He in addition states that he has under consideration an investment in a new cash register enterprise. The two securities he has in mind are United States Light & Heating common and Dial Cash Register stock, and presumably he contemplates selling the car lighting stock to buy the cash register stock.

Our subscriber's letter is as follows:

Meriden, Conn., June 6, 1911.

ED. UNITED STATES INVESTOR:

I own some United States Light & Heating Com., which cost me $2. I notice that it fluctuates between 1⅞ and 2¼. Do you think it a good thing to keep or would you advise selling, and can you give me any information as to when they will probably pay dividends on the common.

I am in receipt of a paper dated New York, September, 1909, called the "Truth" published by Anthony Rasines, 1 West 34th street, New York, which advertises the Dial Cash Register Company of Milwaukee, and strongly advises the purchase of the stock at $10 par. Will you give me what information you can regarding this company? F.

We have heretofore had several articles, and made frequent reports on the progress of the United States Light & Heating Company, which company, aside from being a large manufacturer of storage batteries of all sizes, seems to have perfected a device for the lighting of steam railroad cars by electricity generated from the revolution of the axles. The new cash register company is located in Milwaukee, Wis., but as our subscriber who makes the inquiry with reference to this concern lives in Connecticut, it would seem that the allurements of

THE CASH REGISTER

business are being given wide publicity.

I have on several occasions heretofore investigated the United States Light & Heating Company, and have this week looked into the prospects of the cash register scheme. Briefly stated, my conclusion is that our subscriber had much better renew his faith in the possibilities of car lighting than to divert in making an investment in the shares of the Dial Cash Register Company.

The United States Light & Heating Company has an able management, ample financial backing, and has made substantial progress in the development of an idea which would seem to afford great money-making possibilities.

It would take, however, much more imagination and hope than I possess to advise anyone to take a flier in the stock of any concern which undertakes to compete with the National Cash Register Company, in any event, unless it had first perfected a machine which had a sufficient number of points of superiority, to overcome the big advantage in selling organization, financial resources and the signally efficient executive equipment which is now possessed by the National company.

One of the advertising documents issued by the Dial Cash Register Company for the purpose of selling stock has its front page devoted to this inspiring suggestion in large type—"an opportunity for you to break a trust." There are, of course, many people who would vociferously enthuse on this suggestion, but unfortunately, they are not the class of people who have any very large amount of money to invest. To the ordinary investor or speculator, the proposition of breaking into a trust domain does not appeal strongly, unless some overwhelmingly convincing arguments can be adduced that the expedition will be successful. I have been unable to discover any of these elements of

PROBABLE SUCCESS

in the present condition or future prospects of the Dial Cash Register Company of Milwaukee.

The company has an authorized capital stock of $500,000 divided into shares of the par value of $10 each. The promoters state very frankly that one-half of the stock or $250,000 has been issued by the company in exchange for patents, and the money and time spent in perfecting these patents. This leaves the company with $250,000 of treasury stock for sale. I have not been able to ascertain what rate of commission the New York broker secures who is handling the stock of the company, but judging from the experience of other similar enterprises, it is safe to presume that when the cost of advertising, printed matter and commissions is all added up, the total cost to the company is likely to aggregate 40 per cent or 50 per cent of the gross amount of the proceeds of stock sales. Assuming, then, that the company will receive from the sale of its $250,000 of treasury stock $150,000 net, or even a few thousand more, the possibility of its getting very far in competition with the National Cash Register Company, which sold about $36,000,000 worth of machines last year, does not appear very inviting.

The Milwaukee Company, however, urges that its prospects are very attractive. Their story runs in this way: The plant capacity is 50 machines a day, and contracts have already been made for the sale of the entire output for the next two years. The selling price of the machines is $100. Agents are allowed a commission for selling of 37½ per cent, which would give the company $62.50 net for each machine. The cost of manufacture of these machines, as stated by the agents who are selling the stock is $25 each, although they say that it

(Continued on page 1177.)

DENVER Bonds Stocks

Denver Union Water — Denver Gas & Electric
Denver Tramway — Cities Service
Denver & Northwestern — Northern Colorado Power
Nevada-California Power

We buy and sell the bonds and stocks of all the above companies.

Nathan Gregg & Company
Century Bldg., Denver.

Assets Realization Company
Capital $10,000,000
Purchases Estates in Liquidation at any point in the United States
NEW YORK PHILADELPHIA CHICAGO

CONSIDERING SECURITY
high grade industrial bonds pay the *highest income* and offer the best chance for rising profits. Send for circular "M".
BEARDSLEY AND COMPANY
Henry Shedd Beardsley, President
Pullman Building, Madison Square New York

American Industrials Co.
Broad Exchange Building, New York.
INVESTMENT SECURITIES.
6% Twenty Year First Mortgage Gold Bonds.
7% Preferred Stocks.
8% Preferred Stocks.

LUDLOW PATTON & CO.
Established 1848
INVESTMENT SECURITIES.
111 Broadway, New York
53 State Street, Boston.
Offer and recommend a 6% Gold Bond with a 50% bonus of **common stock**, which may shortly be taken by our regular subscribers. Quick application necessary. Send for particulars.

INVESTMENTS
Bonds and Stocks
WM. F. CROSBY,
Tel. 4090. 311 Main St.
WORCESTER, MASS.

The Best Purchases on the Industrial List

As Indicated by the Two Standards of Comparison: of Present Investment Yield on Basis of Current Dividends and Prevailing Market Price, and on Basis of Present Earnings on Prevailing Market Values

The average net yield of the 50 industrial stocks quoted in the following table was 6.22 per cent on July 3, as compared with 6.19 per cent on June 27, 6.30 per cent on January 3, and 5.76 per cent on January 2, 1910.

United States Cast Iron Pipe & Foundry preferred occupies a more lowly position in our investment yield table this week, as a result of the showing made in the recently submitted annual report covering the fiscal year, which closed May 31, 1911. This report shows total income of $630,509, from which was deducted $90,000 for bond interest; $44,140 for reserve for improvements, and $12,000 for reserve for doubtful accounts, leaving a balance available for dividends of $484,369. This is equal to 3.88 per cent on the outstanding preferred stock, as compared with 4.37 per cent in 1910; 1.25 per cent in 1909, and 5.38 per cent in 1908. The dividends paid during the fiscal year amounted in all to $625,000, so that the company wound up the year with a deficit of $140,631. To provide for the above mentioned dividends, $250,000 was transferred from the reserve for additional working capital in 1910-1911, and $200,000 in 1909-1910, and by a court decision, such action was pronounced legal. After taking in this item, the profit and loss surplus was $144,881.

American Car & Foundry common, on the other hand, has improved its position in the same table, that company having shown in its annual report covering the fiscal year to April 30, last, results in the way of earning power, which were an improvement over those of the previous fiscal period. Net earnings from all sources were $6,240,324, from which was deducted $2,005,535 for renewals, replacements, repairs, etc., and $2,100,000 for the 7 per cent dividends on the $30,000,000 preferred stock, leaving a balance for the common stock of $2,134,789. The 2 per cent dividend on the $30,000,000 of this issue outstanding required a disbursement of $600,000, so that there was a surplus for the year after all dividends of $1,534,789, from which there was deducted $750,000 for repairs, maintenance, improvements, etc., leaving a final surplus for the year of $784,789. The indicated earnings on the stock issues are 14.11 per cent on the preferred, and 7.01 on the common.

In 1910, the company showed earnings of 6.63 on the common, as against 2.65 per cent in 1909 and 22.87 per cent in 1907-1908. Within the last two or three weeks, the railroads have begun to place orders for equipment with a greater degree of freedom than they have been willing to do for a long time past, and there are strong hopes of a more pronounced and more general improvement in this direction in the near future. Some of the stockholders are becoming impatient for larger dividends on their holdings, and one of them made inquiry at the annual meeting as to why larger payments could not be made in view of the large cash surplus on hand, and the reserve set aside. President Eaton replied that the large amount of cash on hand was due to slack business, since it did not have to be put into material, as is the case when business is in better shape.

STOCKS SHOWING BEST INVESTMENT YIELD.

Present rank.	Stock.	Present dividend.	Price.	Yield on present price.
1	Am. Steel Foundries	5%	41	12.20
2	Am. Cotton Oil, com.	5%	52	9.61
3	Va.-Carolina Chem., com.	5%	55	9.09
4	U. S. Cast Iron Pipe, pref.	5%	57	8.75
5	United Dry Goods, com.	8%	106	7.83
6	U. S. Rubber, 2d pref.	6%	77	7.79
7	Republic I. & S., pref.	7%	93	7.58
8	American Woolen, pref.	7%	93	7.52
9	U. S. Rubber, 1st pref.	8%	114	7.02
10	Central Leather, pref.	7%	100	7.00
11	Pressed Steel Car, pref.	7%	100	7.00
12	Ry. Steel Spring, pref.	7%	102	6.86
13	Union Bag & Paper, pref.	4%	59	6.78
14	Crex Carpet	5%	75	6.66
15	Inter. Steam Pump, pref.	6%	90	6.66
16	People's Gas	7%	106	6.60
17	Am. Smelt. & Refg., pref.	7%	106	6.60
18	U. S. Realty & Imp.	5%	76	6.58
19	Laclede Gas	7%	108	6.48
20	National Lead, pref.	7%	108	6.48
21	Va.-Carolina Chem., pref.	8%	125	6.40
22	American Locomotive, pref.	7%	110	6.36
23	U. S. Steel, com	5%	79	6.33
24	American Tobacco, pref.	6%	96	6.25
25	Am. Beet Sugar, pref.	6%	98	6.12
26	Corn Products Refg., pref.	5%	82	6.10
27	Am. Car & Foundry, pref.	7%	117	5.98
28	U. S. Steel, pref.	7%	118	5.93
29	American Sugar, pref.	7%	119	5.88
30	Westinghouse, 1st pref.	7%	119	5.88
31	Pacific Coast, com.	6%	102	5.88
32	Am. Ag. Chem., pref.	6%	102	5.88
33	American Can, pref.	5%	85	5.88
34	American Sugar, com.	7%	120	5.83
35	American Tel. & Tel.	8%	139	5.75
36	Inter. Harvester, pref.	7%	125	5.60
37	Mackay Companies, com.	5%	90	5.55
38	Distillers Sec. Corp.	2%	36	5.55
39	National Lead, com.	3%	56	5.36
40	National Biscuit, com.	7%	137	5.11
41	Sears, Roebuck, com.	7%	140	5.00
42	Am. Smelt & Refg., com.	4%	80	5.00
43	General Electric	8%	161	4.97
44	Am. Malt Corp., pref.	2%	41	4.88
45	Consolidated Gas	6%	145	4.14
46	Inter. Harvester, com.	5%	122	4.10
47	Inter. Paper, pref.	2%	49	4.08
48	Underwood Typewriter	4%	102	3.92
49	Am. Car & Foundry, com.	2%	57	3.51
50	Amalgamated Copper	2%	70	2.85

STOCKS SHOWING BEST EARNINGS.

Present rank.	Stock.	Price.	Earning on present price.
1	Inter. Merc. Marine, pref.	18	32.05
2	Bethlehem Steel, pref.	63	21.30
3	Am. Beet Sugar, com.	52	21.05
4	American Linseed, pref.	31	18.90
5	Va.-Carolina Chem., com.	55	18.30
6	Am. Ag. Chem., com.	57	18.30
7	Westinghouse, com.	75	17.45
8	Ry. Steel Spring, com.	36	16.65
9	Pressed Steel Car, com.	37	15.00
10	United Fruit	193	13.90
11	Crex Carpet	75	13.50
12	Am. Cotton Oil, com.	62	13.05
13	American Woolen, com.	32	12.65
14	U. S. Realty & Imp.	76	12.30
15	Inter. Harvester, com.	122	12.30
16	Am. Car & Foundry, com.	57	12.30
17	Colo. Fuel & Iron, com.	35	11.25
18	Am. Ice Sec. Co.	23	10.95
19	Sears, Roebuck, com.	140	10.95
20	General Electric	161	10.35
21	United Dry Goods, com.	106	10.35
22	Allis-Chalmers, pref.	30	10.30
23	Republic I. & S., com.	30	9.65
24	Union Bag & Paper, pref.	59	9.40
25	Inter. Paper, pref.	49	9.25
26	Corn Products Refg., pref.	82	8.60
27	People's Gas	106	8.50
28	Nat. Enam. & Stamping, com.	20	8.45
29	American Can, pref.	85	8.05
30	Am. Smelt. & Refg., com.	80	7.75
31	National Lead, com.	56	7.70
32	American Tel. & Tel.	139	7.35
33	National Biscuit, com.	137	7.20
34	Utah Copper	50	6.90
35	U. S. Cast Iron Pipe, pref.	57	6.80
36	Distillers Sec. Corp.	36	6.65
37	U. S. Steel, com.	79	6.35
38	Western Union	79	6.35
39	N. Y. Air Brake	75	5.95
40	American Sugar, com.	120	5.90
41	Mackay Companies, com.	90	5.70
42	Amalgamated Copper	70	5.60
43	Tennessee Copper	41	5.45
44	U. S. Rubber, com.	41	5.35
45	Consolidated Gas	145	5.15
46	Inter. Steam Pump, com.	42	5.05
47	Central Leather, pref.	100	4.50
48	Sloss-Sheffield, com.	50	4.05
49	Am. Steel Foundries	41	3.30
50	American Locomotive, com.	41	3.25

Digitized by Google

CASH REGISTERS.

(Continued from page 1175.)

will only be a short time before this manufacturing cost is reduced to $20. On the basis, however, of manufacturing cost of $25, and a net selling price of $62.50, there would remain a profit of $37.50 on each machine. The sale of 50 machines a day, therefore, would result in a

PROFIT OF $1,875 A DAY,

and figuring on 300 working days a year, the assured profits of the corporation for the next two years on the representations made should be $562,500 a year.

To carry the argument further, if aside from the cost of the patent idea we presume that the company will have invested a matter of $150,000 as the net proceeds from the sale of its capital stock for treasury purposes, there remains the entrancing hope of earnings amounting to somewhere between 350 per cent and 450 per cent per annum on the actual amount of cash invested. These figures are too eloquent for words, and I am fearful as I write about the consternation of the National Cash Register Company when they find out that their business field can be invaded with such attractive hope of financial reward to those who furnish the capital.

It is said that the National Company is one of those wicked and gormandizing monopolies which proves its iniquity by selling machines in foreign countries at half the prices charged in this country. And it is further alleged that some

GALLERY-PLAYING MEMBER

of Congress, presumably from the Milwaukee district, has heretofore taken occasion to tell the sad tale of the National company's aggressive and successive development. To flaunt this achievement, presumably, the National company a few weeks ago spent $7,200 for a two-page advertisement in the Saturday Evening Post, in which pictures of the company's plant were reproduced, and a few facts given about the development of the company's business.

If the National Cash Register Company can sell a few machines in foreign countries, as alleged, at half the price charged in this country, and if $7,200 can apparently be carelessly spent to show a picture of the factories, and further, if the annual volume of the company's business is $36,000,000 a year, it is surely worth while for our subscriber to calculate how many millions of profit the company is probably making. Then let him go further and calculate on the possibilities of any small rival with a prospective $200,000 of capital getting very far in the cash register game, and he will have a complete and convincing answer to his question.

It is true that the National Company is a shining mark to go after, because the company has made, and is making a large amount of money, and is generally recognized as having developed one of the most successful sales organizations in the history of this or any other country. But, when the realm of such a corporation as this is assailed, the attacking party

RESERVE BANK EARNINGS.

ALBANY, N. Y.

From June 30, 1910, to June 7, 1911.

Name.	Total earned since June 30, 1910.	Net funds, June 30, 1910.	Net funds, June 7, 1911.	Percentage earned on net funds.	On capital surplus and profits.	On capital.	Annual dividend rate.
Commercial	$164,797	$21,232,634	$24,506,687	0.72	16.43	6.09	16
First	47,312	7,542,518	9,602,388	0.55	5.45	7.65	8
New York State	56,103	18,076,274	19,967,222	0.30	11.22	4.72	13

BALTIMORE, MD.

National Bank of Baltimore*	.....	$4,287,002	$10,075,481	....	....	....	7
Citizens	**$254,000	12,374,539	13,481,256	1.86	8.44	25.40	20
National Bank of Commerce	74,657	3,954,700	4,439,201	1.75	6.92	14.98	10
Commercial & Farmers	*	1,976,764	.....	.....	.....	.....	0
Drovers & Mechanics	98,422	7,363,838	7,635,786	1.31	8.32	16.40	10
National Exchange	93,313	6,367,601	6,287,159	1.40	6.21	9.23	8
Farmers & Merchants	64,355	3,960,594	4,160,780	1.58	6.63	9.90	6
First	99,392	8,073,916	7,397,131	1.28	6.35	9.94	6
Howard	31,567	1,617,264	1,669,312	1.94	8.98	13.91	6
Marine	35,797	3,183,576	3,512,089	1.07	5.82	8.95	6½
Maryland	43,612	2,962,367	3,051,495	1.44	6.98	8.70	5
National Mechanics	111,000	9,961,600	8,530,000	1.20	8.21	11.10	14
Merchants	159,371	15,710,354	14,492,715	1.05	6.29	17.71	9
Old Town	22,115	1,767,254	1,915,726	1.25	.76	11.56	6
Second	67,600	2,292,678	2,631,900	0.92	4.50	11.11	9
Union	92,000	1,259,634	4,464,000	2.10	5.56	9.20	7½
Western	71,800	3,601,989	3,945,076	1.92	6.63	14.36	8
National City	19,094	1,222,575	1,875,506	1.23	2.10	3.82	2
Canton	9,487	704,452	694,708	1.25	8.51	9.48	4

* Absorbed Third National Bank and Commercial and Farmers National Bank.
** Earnings since March 29, 1910.

BOSTON, MASS.

Atlantic	$93,580	$6,265,381	$6,879,329	1.54	6.75	12.48	6
Boylston	44,989	4,042,544	4,319,575	1.07	4.66	6.43	5
Commerce	197,963	18,810,963	19,402,376	1.10	6.52	13.20	6
Commercial	18,071	2,587,720	2,657,140	0.68	3.52	7.22	8
Eliot	120,368	13,716,000	13,753,622	0.87	5.13	12.04	8
First National	986,206	67,461,184	74,034,336	1.39	10.51	32.87	12
First Ward	18,402	1,587,430	1,712,591	1.12	4.80	9.20	8
Fourth	112,864	9,899,201	10,038,302	1.12	6.12	11.28	7
Market	26,439	1,268,124	1,256,567	2.09	5.80	10.57	6
Merchants	404,340	19,058,911	17,819,223	2.19	6.05	13.48	10
Mutual	7,660	1,255,136	1,751,673	0.50	3.66	3.83	..
Old Boston	64,645	3,269,314	3,421,219	1.63	4.46	6.07	5
Peoples	35,489	2,189,000	2,373,529	1.55	7.00	11.83	6
National Rockland	66,021	3,845,898	3,168,932	1.57	6.63	18.34	10
Second	548,576	27,659,799	28,387,774	1.95	10.87	27.43	8
Security	58,700	3,049,000	2,976,000	1.74	5.26	23.48	12
Shawmut	1,095,000	90,430,182	96,320,000	1.16	11.70	31.31	12
South End	11,497	1,217,640	1,336,487	0.90	4.33	5.74	5
State National	245,217	13,078,593	13,195,001	1.87	6.76	12.26	7
Union	111,687	12,216,666	12,504,933	0.90	4.58	11.17	8
Webster & Atlas	105,994	7,296,193	6,768,281	1.50	5.14	10.59	7
Winthrop	30,648	4,218,880	5,998,529	0.74	3.57	10.22	12
New England	27,967	1,558,247	1,500,000	1.96	8.58	13.98	6

BROOKLYN, N. Y.

First	$76,578	$4,202,300	$4,534,756	1.75	4.95	15.52	10
Manufacturers'	101,728	7,664,300	8,028,443	1.33	9.44	41.55	20
Nassau	166,543	10,816,999	11,262,500	1.59	9.20	22.30	12
National City	59,585	6,417,699	6,680,418	.91	6.64	19.96	14
People's	26,378	1,000,200	1,728,131	1.58	7.76	13.18	4
Ridgewood	8,639	462,100	602,221	1.62	6.51	8.63	2

BUFFALO, N. Y.

Third	$34,749	$3,878,914	$4,279,671	0.84	5.56	6.96	5
Marine	560,009	25,286,729	31,185,144	1.98	15.83	28.00	12
Manufacturers & Traders	131,963	18,212,511	20,900,041	0.67	5.35	13.20	12
Central	43,666	2,137,945	2,660,913	2.08	13.14	21.83	8
Columbia	346,239	10,473,082	14,524,963	2.77	11.74	12.31	12

CLEVELAND, O.

Bank of Commerce, N. A.	$219,000	$17,961,000	$18,279,000	1.20	5.97	10.95	10
Central	293,365	9,386,145	10,165,064	3.00	16.89	29.34	8
Cleveland	31,918	2,206,843	3,292,894	0.98	5.26	6.38	6
First	274,760	31,566,874	34,294,611	0.83	7.14	10.99	8
National City	16,959	2,091,952	2,315,733	0.76	2.90	6.78	8
National Commercial	133,225	8,572,300	8,053,333	1.66	5.60	8.86	8
Union	135,156	14,707,359	15,835,467	0.85	5.29	8.45	8

Digitized by Google

CINCINNATI, O.

From June 30, 1910, to June 7, 1911.

Name.	Total earned since June 30, 1910.	Net funds, June 30, 1910.	Net funds, June 7, 1911.	Percentage earned on net funds.	On capital surplus and profits.	On capital.	Annual dividend rate.
First	$672,275	$32,473,551	$34,711,856	2.00	8.34	11.20	8
Second	13,000	9,646,600	11,143,000	0.12	.61	1.30	12
Fourth	42,492	4,541,835	4,869,874	0.90	3.35	8.50	8
Fifth-Third	294,117	20,416,232	21,644,687	1.39	6.47	9.80	10
Atlas	33,000	5,889,000	5,081,000	0.60	3.05	8.25	10
Citizens	241,777	10,906,306	10,787,763	2.22	6.89	12.09	10
German	45,953	6,771,147	7,185,968	0.65	3.59	9.19	10
Market	69,802	5,664,782	5,462,422	1.25	7.23	13.96	8

COLUMBUS, O.

City	$7,577	$1,573,293	$2,008,739	0.42	1.94	2.53	6
Commercial	52,634	3,647,804	3,785,524	1.41	9.08	17.54	12
* Hayden-Clinton	**	4,268,734	4,998,165	....	....	....	8
Huntington	42,993	2,160,235	2,151,442	1.99	8.52	10.75	8
National Bank of Commerce...	20,988	1,408,672	1,614,970	1.30	7.92	10.40	6
New First	120,300	5,427,328	5,268,873	2.24	15.91	24.06	10
Ohio	100,910	5,621,845	5,748,064	1.77	11.03	26.23	10
Union	39,738	3,816,362	3,202,996	1.13	4.64	5.29	4
Central	11,843	1,312,651	1,362,108	0.88	5.15	5.92	5

* Consolidated with Deshler National Bank. ** Capital changed during year.

DALLAS, TEX.

American Exchange	$326,770	$10,196,153	$11,372,288	2.94	15.03	22.67	16
City	226,359	8,676,457	9,267,477	2.62	10.32	22.63	20
Commerce	25,855	1,466,000	1,734,072	1.61	9.76	17.24	10

DENVER, COLO.

Capital	$36,110	$3,871,872	$3,867,421	0.93	5.91	12.04	6
Colorado	.....	17,029,192	.....	....	....	....	..
United States	.....	5,644,368	.....	....	....	....	10
Central	39,832	2,408,817	2,163,085	1.74	15.32	15.92	8
Denver	161,693	11,742,478	12,134,994	1.26	5.23	21.56	0
First	.....	22,558,405	.....	....	....	....	0

DETROIT, MICH.

First	$285,512	$22,819,098	$25,329,829	1.18	8.59	14.27	8
Old Detroit	404,751	18,[illegible]	22,040,327	2.00	13.51	20.24	8
National Bank of Commerce...	120,077	6,096,279	9,142,527	1.64	11.72	16.01	8
American Exchange	.....	4,310,302	.....	....	....	....	..

GALVESTON, TEX.

City	.....	.....	.....	....	....	....	0
First	$45,774	$1,399,122	$1,598,721	2.56	9.17	15.25	6
Galveston	.....	.....	.....	....	....	....	12

HOUSTON, TEX.

Houston National Exchange...	$58,022	$3,035,141	$3,517,749	1.83	17.63	29.01	..
South Texas	134,285	4,504,125	6,089,070	2.51	14.64	20.83	10
Commercial	68,106	4,725,424	5,507,961	1.19	6.21	13.62	12
First	162,100	7,542,458	8,980,830	1.96	12.46	16.21	10
Lumbermans	53,695	.....	4,196,415	....	8.42	13.42	6
Union	162,218	9,842,529	9,010,916	1.71	12.03	16.22	10

INDIANAPOLIS, IND.

Capital	.....	$7,394,545	.....	....	....	....	6
Columbia	$25,672	2,344,356	$2,423,115	....	6.65	7.14	5
Fletcher American	*	.....	17,668,223	....	....	....	10
Indiana	190,342	10,097,558	10,147,989	1.87	8.26	19.02	6
Union	.....	2,158,013	.....	....	....	....	5
Merchants	73,500	7,591,633	7,664,600	0.94	3.77	7.25	7
Continental	9,658	1,359,092	2,013,836	0.57	2.18	2.41	0

* Consolidation of Fletcher National and American National.

and the investors who furnish the wherewithal, should be very well assured of their premises.

I examined one of the machines of the Dial Cash Register Company at the office of its stock selling agent, and I was unable to see any

POINTS OF ADVANTAGE

over the National machine, and further than that, it did not appear to me to be nearly as good. One of the principal claims of the Milwaukee machine is that it has a four-dial top by which is meant that on top of the machine there are four different places where the amount of the sale as rung up can be seen. This would appear to be a very trivial detail, and if it had any virtue, it would be a very simple matter for the National company to add it to its present machines. The machine I saw in the New York office did not work very well, but this was explained by the promoter by the statement that it was one of the first models, and on account of its having been used to such an extent, had got out of gear. He further assured me, however, that all the new models which are now being turned out at a rapid rate worked with perfect precision.

Another advantage claimed for the Milwaukee machine is that its parts are less in number, and are made out of steel, instead of cast iron, so that they have much greater virtue in the line of durability than is true of the National register. In writing this story, I did not have time to ask the National people about this point, but I think it is safe to presume that they would use cast steel instead of cast iron in any part of their machines if it was of any advantage.

The Milwaukee register has no attachment for the printing of tickets representing sales made and rung up, and the stock-selling promoter in New York told me that this idea had

GONE OUT OF FASHION.

This may be true, but the fact has not developed in New York City. It is an old story that the cashier who takes payment on the checks, as rung out of a cash register, is a needless expense, but the fact remains that these cashiers in all the places I ever see are still drawing salaries, and proprietors of retail places of all kinds continue to be willing and anxious to spend more money instead of less, for the purpose of keeping check on their employes who hand out their merchandise.

With a cash register alone, it is a well-known fact that the clerks in the past have developed a saddening degree of efficiency in getting a liberal percentage of the gross receipts in their pockets. The next step was to give the clerks no chance to handle the money, but simply ring up the sale on the register, and give a ticket which the customer must pay at the cashier's desk. To beat this system necessitated of course collusion between the clerk and the cashier, and it has been amply demonstrated that this possibility is relatively so remote as to make the additional cost of a cashier, and a ticket emitting cash register desirable. The assertion, therefore, of the Dial Cash Register

promoter that the printing of the ticket representing the amount of the purchase recorded on a cash register is not essential, does not seem to be supported by the facts.

One of the interestingly absurd assertions of the Dial Company's prospectus is that by giving out exclusive territory to agents who guarantee the sale of a certain number of machines daily, the company has

ABSOLUTELY NO EXPENSE

in disposing of its product, and it is further claimed that the agents, because of the company's requirement to furnish show rooms, salesmen, advertising, etc., have entirely solved the problem of the selling of the product at a net profit of over 150 per cent.

Instead of a doubtful and very unattractive prospect, as presented by the Dial Cash Register Company, of Milwaukee, the United States Light & Heating Company at the present time represents a going enterprise, which is making very commendable progress. The company has a factory in Niagara Falls, employing 500 men, and covering about eight acres. Over 3,000 cars have now been equipped with the company's apparatus for furnishing electric light generated from the axle, and the factory now has a capacity of equipping about 6,000 cars a year. One criticism as to this company has been that it might soon equip all the cars, and then there would be nothing for it to do. On this point, however, it should be stated that there are now 65,000 passenger cars in use in this country, and about 5,000 new cars are being made each year. The company's capacity, therefore, of equipping 6,000 cars a year with its lighting apparatus can hardly be regarded as a dangerous capacity.

The capitalization of the United States Light & Heating Company is $2,500,000 of preferred 7 per cent stock and $12,500,000 of common stock. The par value of the stock of the company is $10; the preferred is now selling around 8½, and the common at around 2. The semi-annual dividend of 3½ per cent on the preferred stock, which will be payable on July 20, was declared this week payable to owners of record of June 30.

Our subscriber asks as to how soon the common stock of this company is

LIKELY TO PAY DIVIDENDS.

On this point it may be said that while no official facts are available, it is generally understood that the company makes a profit of around $300 for equipping each car, so that when the factory is running at the full capacity of 6,000 cars a year, a total profit of $1,800,000 a year might be realized. The 7 per cent dividend on the preferred stock only calls for $175,000 per annum, so that earnings of over 10 per cent on the amount of common stock outstanding can be looked for as a possibility of the near future.

The discarding of the dangerous Pintsch gas light from steam railroad cars can only be a question of time, and the substitution of electricity for this purpose is the logical and inevitable outcome. Several bills to enforce this procedure by legislation have been introduced in Congress, and it was not

KANSAS CITY, MO.

From June 30, 1910, to June 7, 1911.

Name.	Total earned since June 30, 1910.	Net funds, June 30, 1910.	Net funds, June 7, 1911.	Percentage earned on net funds.	On capital surplus and profits.	On capital.	Annual dividend rate.
Peoples	$4,332	$380,001	$929,303	.48	3.06	2.17	..
Interstate	221,452	8,004,074	9,557,889	2.52	11.59	44.28	30
First	*	27,094,305	25,959,863	....	....	....	20
New England	120,000	12,925,541	14,046,873	0.89	9.13	24.00	12
National Bank of Republic	47,945	4,198,823	4,796,330	1.06	8.17	9.59	6
Security	9,878	908,223	1,396,560	.68	3.71	4.94	0
National Bank of Commerce	102,958	24,359,522	23,335,123	.43	4.07	5.15	..
Southwest	91,586	10,406,000	11,752,498	.82	7.66	9.16	0
National Reserve	143,674	5,721,000	8,065,858	2.09	10.35	11.97	6
Traders	22,048	3,066,000	3,106,309	.71	9.34	11.02	7
Commercial	67,208	5,182,379	6,252,614	1.17	12.15	22.40	12
Gate City	3,100	1,160,183	1,285,200	2.59	1.37	1.55	4

* Capital increased during year.

LINCOLN, NEB.

First	$77,871	$4,031,129	$4,740,000	1.78	10.00	19.47	0
Commerce	.....	1,478,218	.....	....	....	....	8
City	$47,009	1,904,648	2,042,475	2.38	14.14	18.83	12

* Capital increased during year.

LOS ANGELES, CAL.

Commercial	.....	$2,080,223	.....	....	....	....	6
Citizens	.....	9,246,507	.....	....	....	....	12
Central	$274,430	2,656,238	$2,894,668	0.93	4.99	9.15	12
Farmers & Merchants	.....	14,169,455	.....	....	....	....	..
First	*	18,017,841	20,290,815	....	....	....	20
Merchants	.....	6,437,284	.....	....	....	....	24
National Bank of Commerce	.....	954,305	.....	....	....	....	6
National Bank of California	.....	4,903,531	.....	....	....	....	10
United States National Bank	.....	1,287,679	.....	....	....	....	6

* Capital increased during year.

LOUISVILLE, KY.

American	$76,493	$4,594,144	$5,015,215	1.59	7.53	9.56	6
Citizens	82,361	4,494,548	4,832,210	1.77	7.57	16.47	8
First	40,943	3,894,729	3,743,939	1.07	5.57	8.19	8
Louisville Nat. Banking Co.	24,623	2,369,180	2,769,684	.97	6.80	9.84	6
National Bank of Commerce	122,721	4,482,400	5,836,020	2.48	10.29	15.34	8
National Bank of Kentucky	200,387	9,055,142	9,563,700	2.15	6.58	12.18	8
Southern	*	2,489,064	5,106,718	....	....	....	8
Union	75,534	5,473,282	5,706,713	1.35	7.34	15.11	10

MILWAUKEE, WIS.

First	$447,000	$20,863,457	$22,479,000	2.08	10.17	22.35	8
Germania	53,176	3,392,778	4,790,360	1.29	12.22	17.72	5
Marine	71,232	5,898,195	6,525,294	1.14	9.38	14.24	10
Milwaukee	52,568	3,221,752	3,467,710	1.57	8.92	11.68	7
National Exchange	60,851	5,874,566	5,751,409	1.06	5.84	12.17	8
Wisconsin	240,893	21,171,215	20,417,323	1.14	7.31	12.04	10

MINNEAPOLIS, MINN.

First	$406,957	$23,586,000	$22,583,265	1.76	9.72	20.35	10
Metropolitan	26,398	971,326	1,654,492	2.04	11.89	13.19	6
Northwestern	441,500	31,476,000	28,340,356	1.48	8.51	14.72	10
Scandinavian-American	40 257	1,973,286	2,965,842	1.61	6.92	8.05	..
Security	393,530	19,927,764	20,096,648	1.97	12.09	38.15	12

NEW ORLEANS, LA.

Commercial	$87,144	$3,783,337	$4,127,834	2.20	11.60	29.04	10
German-American	134,313	8,025,880	7,757,412	1.70	8.16	13.43	8
New Hibernia	11,979	1,303,531	1,641,567	.81	2.54	3.60	..
New Orleans	153,260	5,707,196	6,271,582	2.56	9.31	15.32	8
Whitney Central	460,402	15,557,246	19,431,534	2.63	14.86	18.42	10

OMAHA, NEB.

Omaha	$145,068	$13,113,597	$13,391,739	1.09	9.05	14.50	8
First	38,215	12,197,071	12,625,060	.30	2.73	7.64	10
Nebraska	23,291	1,700,000	2,090,716	1.22	7.68	11.64	8
United States	100,745	11,571,595	12,159,497	0.85	7.46	16.79	8
Merchants	115,319	7,071,124	7,696,971	1.57	11.71	23.06	7
City	22,071	2,692,491	2,811,136	.82	3.92	4.41	5
Corn Exchange	15,432	1,408,339	1,509,562	1.06	5.08	4.14	..

PHILADELPHIA, PA.

From June 30, 1910, to June 7, 1911.

Name.	Total earned since June 30, 1910.	Net funds, June 30, 1910.	Net funds, June 7, 1911.	Percentage earned on net funds.	On capital surplus and profits.	On capital.	Annual dividend rate.
Bank of North America	$172,357	$18,247,016	$18,944,010	.92	4.73	17.23	12
Centennial	37,864	4,257,157	4,496,016	.86	4.29	12.62	12
Central c	270,039	23,474,742	22,208,133	1.17	6.56	30.86	e16
Corn Exchange	243,572	21,569,195	25,401,889	1.03	9.59	24.35	10
Eighth a	79,884	4,143,065	4,425,601	1.86	6.49	29.04	a12
Farmers & Mechanics	153,405	16,063,620	18,748 220	1.05	5.34	9.17	7
First c	*	14,007,822	28,245,978	*	*	*	10
Fourth Street	544,888	55,945,784	57,550,415	.96	5.51	18.16	14
Franklin	327,368	36,757,067	42,206,148	.82	5.80	22.73	16
Girard	542,943	42,370,000	46 645,898	1.21	8.58	27.14	14
Kensington	26,135	2,131,780	2,186,596	1.20	4.52	10.45	8
Manayunk b	63,998	2,453,828	2,673,960	2.49	10.35	31.96	b10
Manufacturers	40,944	1,482,045	2,018,232	2.33	4.53	8.18	6
Market Street	108,355	10,431,866	11,152,146	1.00	5.06	10.83	8
Germantown	28,161	3,343,063	3,611,721	.80	3.71	14.08	12
National Bank Liberties	59,586	4,693,186	4,902,824	1.24	4.17	11.91	12
National Security	67,226	4,386,706	4,541,424	1.50	6.09	26.80	14
Ninth	19,353	4,366,541	4,312,488	.44	2.12	6.45	10
Northern	25,727	2,594,622	2,848,499	.94	6.27	12.88	7
Northwestern c	61,336	3,671,156	3 644,096	1.67	7.43	30.66	c12
Penn	116,353	7,437,299	8,037,145	1.50	6.26	23.27	13
Philadelphia	400,015	49,306,602	57,902,855	.74	7.42	26.66	16
Quaker City	49,000	3,286,461	3,589,700	1.42	5.06	9.80	8
Second	46,486	2,925,199	3,000,535	1.51	5.46	16.24	10
Sixth d	18,000	1,968 689	1,972,512	.91	4.70	12.00	d10
Southwark	18,449	2,272,934	2,440,830	.78	4.62	7.37	8
Southwestern	19,437	1,358,048	1,381,781	1.47	5.31	9.71	6
Tenth	19,378	1,548,796	1,490,429	1.27	5.91	9.68	6
Textile	3,594	1,501,830	1,703,131	.22	1.19	1.79	6
Third	81,134	5,769,923	7,539,265	1.13	6.47	13.52	12
Tradesmens	73,748	6,929,232	7,397,727	1.03	5.65	14.74	10
Union	42,386	5,097,560	5,696,024	.47	3.46	8.47	8
Western	104,076	5,270,210	5,330,880	1.20	7.70	10.67	6

a 12 per cent regular dividend. Extra dividend of 4 per cent. b 5 per cent semi-annual and 2 per cent extra. c November, 1910, extra dividend of 2 per cent. d 2 per cent extra dividend. e Capital increased during this period from $750,000 to $1,000,000; 8 per cent paid on $750,000 and 8 per cent on $1,000,000. * Absorbed Merchants National, August 3, 1910.

PITTSBURGH, PA.

Bank of Pittsburgh	$389,912	$23,044,942	$24,822,912	1.21	6.98	15.24	12
Columbia		8,966,682	11,431,842	....	....	....	8
Commercial	31,573	2,749,532	2,989,689	1.10	5.72	10.52	8
Diamond	86,917	5,457,842	7,695,233	1.32	3.91	14.48	20
Duquesne	114,079	6,992,562	7,152,676	1.61	7.91	22.81	12
Exchange	76,830	6,065 472	7,516,239	1.13	3.68	6.40	7
Farmers Deposit	587,801	31,152,345	34,193,340	1.79	7.06	9.80	6
Federal	141,029	6,079 906	6,376,425	2.26	6.03	14.10	12
First		20,773,570	20,875,278	....	....	....	16
First of Birmingham	25,025	1,054,508	1,104,827	2.32	8.23	25.03	16
German	73,000	6,201,000	6,436,000	0.56	5.84	14.60	12
Keystone	63,851	5,220,000	5,365,299	1.21	4.65	12.77	14
Liberty		1,330,153	1,450,329	....	....	....	8
Marine	23,312	1,642,895	1,600,946	2.05	7.77	11.04	6
Metropolitan	37,496	1,431,728	1,569,692	2.49	5.04	9.37	8
Mellon	*	42,848 227	44,671,548	....	....	....	..
Monongahela	133,498	8,433 600	9,084,640	1.58	4.87	13.85	12
Western Pennsylvania	81,219	5,358 785	5,847,046	1.42	5.42	8.12	8
Pennsylvania	27,440	1,205,394	1,189,901	2.30	7.30	13.44	6
Peoples	199,700	16,515,024	15,738,635	1.24	7.00	19.97	18
Second	186,522	19,293,112	19 626,188	1.14	4.62	10.36	10
Third	25,926	1,565 107	1,853,750	1.67	3.73	5.39	6
Union	237,000	15,610 020	17,109,000	1.44	4.16	39.50	40
United States	23,833	1,411,107	1,571,833	1.59	3.47	4.77	7
German of Alleghany	68,686	4,812,945	4,928,223	1.37	6.95	33 34	36
First of Alleghany	21,976	2,017 388	2,054,984	1.08	4.24	6.38	6
Second of Alleghany	72,209	2,257 415	2,333,351	3.10	6.12	24.07	20
Lincoln	57,896	5,778,597	6,643,896	.93	3.89	9.66	10

* Capital increased during year.

PORTLAND, ORE.

United States	$244,233	$12,567,827	$13,103,406	1.90	12.75	24.42	12
First	448 911	15,733,473	15,884,307	4.15	18.18	29.92	28
Merchants	*	3,652 403	2,273,259	....	....	....	6
Lumbermans	68,164	3,437,605	4,332,064	1.75	12.51	13.63	6

* Decrease in surplus.

ROCHESTER, N. Y.

National Bank of Commerce	$168,908	$8,967,047	$10,168,277	1.75	12.13	22.50	..
Lincoln	120,464	14,484,143	14,940,883	0.81	5.96	12.05	..
Traders	.....	8,150,447	.....	....	....	....	..

long ago that a New York state assemblyman, after one of his relatives was killed on a school teachers' excursion as a result of an explosion from Pintsch gas, introduced a bill in the New York Legislature to compel all railroads to equip their passenger cars with electricity instead of gas for illumination purposes. This assemblyman argued eloquently for his measure and referred to the fact that as New York was the first state to compel the railroads to eliminate wood stoves, it should also be the first state to take the lead in enforcing the

BEST KNOWN SYSTEM

of car lighting.

The system of the United States Light & Heating Company has been adopted by the Pullman Company as well as over seventy other railroads, and to-day represents the best-known system of electric lighting for steam railroad cars. The possibilities for an investor in the stock of this company would, therefore, seem to be vastly preferable in comparison with the chance of making anything out of competition with the big predominating and immensely successful National Cash Register Company.

P. De Medici.

FINANCIAL INQUIRIES.

Sun Electric Generator Co.

21240. (New Orleans, La.) Please let me know what the Sun Electric Generator Company securities are worth?

Ans.: It would be a difficult matter in our opinion to find a market for the shares of this company, partly because of the unenviable notoriety which the project has received and partly because of the fact that purchasers of the stock have been placed under a two-year agreement that they will not transfer their shares. The company was organized some time ago under the laws of Arizona with a capitalization of $5,000,000. The president of the company, George H. Cove, is an inventor, who came originally from Somerville, Mass., arriving in New York between two and three years ago in an endeavor to interest capital in his generator. The men who interested themselves in the proposition, eventually were also the promoters and agents of Radio Wireless Telephone stock, which has attracted more than a little criticism, and against which a petition in bankruptcy was filed last March. The company for a time had an office in New York, and installed one of their generators for exhibition purposes on the roof of a downtown office building, with the result that a large amount of stock was sold. A former employe of the company made a statement some months ago, however, to the effect that the storage batteries were charged from the Edison wires and not from electricity generated from the sun's rays. Since this exposure, the company seems to have withdrawn from New York and established its headquarters in New Jersey.

U. S. Metal Recovery & Allied Companies.

21246. (Hagerstown, Md.) Will you please furnish me with any information that you can as to the value of an investment in the United States Metal Recovery and Allied Companies?

Ans.: This company went out of business some two months ago, and in view of this, we can learn nothing about it.

Financial Summary.

American Beet Sugar Co.—This company issues only annual statements of earnings, so that it is impossible to give figures for any shorter period. Also actual sugar-making operations are confined to a very short space of time, and the early part of the season is given up to preparation and growing of the beet crop. This period is one of expense entirely. The company, however, is in a better condition than ever before, having paid off all outstanding notes and thus wiped out all fixed interest charges. As of March 31, last, there was $1,825,637 working capital reserve as against $832,251 on the same date in 1910.

American Car & Foundry Co.—Earnings of the American Car and Foundry Company for the fiscal year ended April 30, available for dividends on the common stock, were equal to 7.01 per cent, which compares with 6.63 in the previous year. Earnings from all sources increased $515,226, but $750,000 was written off for maintenance and improvements. Nothing was charged to that account the previous year. After allowing for all dividends the company had a surplus left for the year of $764,789, a decrease of $604,689. On April 30, the company had a total surplus of $24,737,345 and working capital of $18,304,812.

American Cities Railway & Light Co.—The shareholders of this company have approved the sale of the company's assets to the new holding company, known as the American Cities' Company, which will also take over the New Orleans Railway and Light Company. The special meeting of stockholders held last week was held up for a time by a stockholder who procured an injunction, but this was withdrawn later. The American Cities Railway & Light Co. shareholders will receive in exchange collateral bonds, preferred and common shares, together with a small amount of cash.

American Water Works & Guarantee Co.—This company has increased its capital stock from $2,000,000 to $5,000,000, the new shares to be distributed as a stock dividend of 150 per cent.

Assets Realization Co.—The Assets Realization Company is offering to investors $1,875,000 of its $10,000,000 capital stock. This corporation recently converted its $5,000,000 preferred and $5,000,000 common stock into one class of shares. The old preferred stock was exchanged share for share for the new stock and a dividend of $1,500,000 on the new stock was declared out of surplus and distributed pro rata among holders of the preferred issue.

Bronx (N. Y.) Gas & Electric Co.—The Public Service Commission has issued a report covering the operations of the Bronx Gas & Electric for the year ended December 31, 1910, which shows operating revenue from sales of electricity $130,380, an increase of $14,231 over last year, while operating income after operating expenses and taxes amounted to $37,235, an increase of $3,405 over 1909. The revenue received from sales of gas was $127,552, an increase of $13,452 over last year, while the operating income from that source after expenses and taxes was $32,913, a decrease of $5,297. The combined operating income from gas and electricity was therefore $72,147, an increase of $4,107 over last year. The net corporate income after deductions for interest, sinking fund, etc., was $32,335, a decrease of $5,290. The profit and loss surplus, as of December 31, 1910, was $77,360, an increase of $8,326 over the previous year.

Brooklyn Union Gas Co.—This company reports an increase in operating revenues of $669,367 in the year ended December 31. In its statement of earnings to the Public Service Commission Operating expenses and taxes increased $461,263, so that operating income was $208,094, in excess of that for the previous year. After allowing for other income, interest, rentals and dividends, there was a surplus left of $428,546, a decrease of $80,222. The company now has a total surplus of $5,439,760, an increase of $472,229.

Carolina, Clinchfield & Ohio Railway.—A joint lease of the Carolina, Clinchfield & Ohio Railway Company by the Chesapeake & Ohio and the Seaboard Air Line Railway is about to be consummated. The Chesapeake & Ohio will get an outlet to the South Atlantic States through the Seaboard Air Line. A short line between the Chesapeake & Ohio and the Clinchfield road will be constructed to connect the two lines.

Copper Market.—Exports of copper in

ST. JOSEPH, MO.

From June 30, 1910, to June 7, 1911.

Name.	Total earned since June 30, 1910.	Net funds, June 30, 1910.	Net funds, June 7, 1911.	Percentage earned on net funds.	On capital surplus and profits.	On capital.	Annual dividend rate.
Burns	$17,190	$2,627,949	$2,714,613	.64	6.30	8.60	6
First of Buchanan Co.	68,051	3,869,374	4,769,783	1.25	8.00	13.61	8
German-American	54,290	4,992,367	4,692,711	1.13	16.65	27.14	8
Tootle-Lemon	88,000	4,420,000	4,181,000	2.00	4.46	8.50	..

ST. PAUL, MINN.

American	$42,776	$1,961,353	$2,112,735	2.10	17.63	21.39	6
Capital	61,821	5,778,737	5,548,090	1.08	9.33	12.36	6
First	250,924	11,084,683	12,085,464	1.92	11.84	25.09	12
Merchants	195,595	10,903,791	11,022,524	1.77	7.52	19.56	10
National German-American	153,752	12,919,414	11,927,793	1.23	7.58	15.37	10
Second	70,943	4,225,981	4,148,946	1.67	6.11	17.51	10

SALT LAKE CITY, UTAH.

Continental	.....	$2,501,585	.....	....	....	....	8
Deseret	$78,696	4,977,796	$4,106,527	1.79	7.10	15.74	12
Utah	.....	1,711,845	.....	....	....	....	8
National Bank of Republic	.....	5,569,909	.....	....	....	....	8

SAN FRANCISCO, CAL.

American	**	$7,283,943	$6,726,096	....	....	....	7
Crocker	**	20,071,582	23,604,365	....	....	....	8
Anglo-London-Paris	$129,175	30,286,265	32,660,925	.42	2.27	3.23	7
First	102,932	16,520,511	17,467,301	0.85	2.17	3.43	10
Merchants	93,084	2,257,784	2,461,494	3.95	16.33	18.62	6
Seaboard	31,981	1,451,328	1,532,854	2.14	9.52	12.79	8
Wells-Fargo-Nevada	640,941	31,084,464	35,296,338	1.55	4.89	9.01	8
Western	*	3,234,579	4,267,261	....	....	....	..
Mercantile	164,733	12,841,903	13,285,418	1.27	5.42	8.24	10
Bank of California N. A.	*	43,072,747	41,489,286	....	....	....	9

* Capital increased during year. ** Decrease in surplus

SEATTLE, WASH.

First	$35,775	$4,308,110	$3,501,343	0.89	9.49	11.92	10
Seattle	172,758	17,124,948	16,017,484	1.04	13.53	17.37	20
National Bank of Commerce	246,636	14,777,285	15,614,707	1.80	11.07	24.67	16
Citizens	11,746	671,570	659,206	1.76	5.22	5.67	0

SPOKANE, WASH.

National Bank of Commerce	.....	.....	$884,468	....	....	....	..
Exchange	$190,231	$7,240,322	5,970,400	2.53	13.71	18.02	12
Traders	151,253	7,280,867	6,585,577	2.29	11.85	15.72	11
Old National	147,122	10,034,003	9,477,060	1.46	10.76	14.71	10
Fidelity National	*	1,576,684	1,775,287	....	....	....	10

* Decrease in surplus.

TOLEDO, O.

Commerce	$21,131	$7,615,308	$8,595,301	.27	1.65	2.11	6
Second	180,742	8,765,312	9,615,789	1.98	7.74	18.07	8
First	66,186	1,492,500	1,705,485	1.38	4.69	13.29	10
Northern	92,880	1,385,500	1,705,150	1.96	6.71	9.28	6

WASHINGTON, D. C.

American	$1,871	$7,147,222	$8,526,666	3.89	17.72	24.71	8
National City	.....	1,448,054	.....	....	....	....	8
Riggs	251,705	11,211,700	11,965,817	2.06	8.60	25.13	20
Columbia	24,000	2,000,000	2,004,000	1.11	5.33	11.60	..
Commercial	*	1,000,000	1,127,102	....	....	....	6
Farmers & Mechanics	17,110	1,781,750	1,779,858	2.12	6.57	17.17	12
Lincoln	19,201	1,241,700	1,285,201	1.27	4.85	6.44	6
National Capital	20,200	1,012,251	1,016,250	2.12	6.17	15.30	..
National Metropolitan	62,321	1,258,250	1,605,321	1.71	4.20	8.29	8
Second	17,000	2,252,614	2,511,321	2.06	6.28	9.54	8
National Bank of Washington	221,707	5,777,778	6,886,857	2.81	12.17	20.45	16
District	20,052	1,041,000	1,061,158	1.52	4.82	5.61	0

* Capital increased during year.

Digitized by Google

June aggregated 67,365,760 pounds, and were the largest reported for any month since December, 1910. The total exports for the first half of the current year amounted to 348,874,801 pounds, against 302,370,748 pounds in the first half of 1910, an increase of 46,504,053 pounds. Notwithstanding these heavy exports, the European visible supply of the metal has been steadily reduced and on June 15 the total visible supplies in Great Britain and France were at the lowest point in more than a year and a half.

Distillers' Securities Corporation.—Officials of the Distillers' Securities Corporation, the holding company for the Distilling Company of America and the United States Industrial Alcohol Company, expect the first half of 1911 to show an appreciable gain of the same portion of last year. This will be partly the result of increased sales, and partly because of the lower prices for corn, although these have been somewhat offset by the high cost of rye and malt.

Erie Railroad Co.—Erie reports an increase in gross earnings of $328,837 in May, and an increase in operating expenses and taxes of $58,784. Operating income was $270,053 larger than for the same month last year. For the eleven months ended May 31, operating income is $378,416 more than in the same period last year.

General Motors Co.—This company has found the past six months somewhat more profitable than many of the smaller automobile concerns, and officials are quite optimistic as to the outlook. Operations were started later than usual, owing to the financial trouble which was remedied by the $15,000,000 note issue of last October, so that production will probably be only half as large as that for the 1910 season. This, of course, will have an effect upon earnings, which for the six months ended March 31, showed $2,482,039 after interest charges, against $9,945,355 for the year ended September 30, 1910. The company is in a strong cash position, however, and has already paid in $1,000,000 of the sinking fund of $1,500,000 due next October; there is also $5,000,000 cash on hand.

Hawaiian Bond Issue.—The treasurer of Hawaii will receive sealed bids for $1,500,000 4 per cent public improvement coupon bonds of the Territory of Hawaii, dated August 1, 1911, and maturing in 1941, but an option to redeem them after 1931 is reserved. Interest will be paid semi-annually at the office of the Treasurer of the Territory in Honolulu, Hawaii, or at the option of the holder at the office of the United States Mortgage and Trust Company in New York.

Illinois Central Railroad Co.—Illinois Central reports an increase in gross of $403,933 in May. Operating expenses and taxes increased $175,883, while net was $228,050 larger than for the same month last year. For the eleven months ended May 31, net shows a gain of $2,158,857 compared with last year.

International Steam Pump Co.—International Steam Pump earnings for the past six months have shown a fair increase over the corresponding period of 1910. The corporation's income is pretty certain, because about 60 per cent of its gross business is derived from repairs, renewals and the trade pump demand, which is practically constant. Of the total amount of pumping machinery turned out in this country about 70 per cent comes from the International plants, and in addition, there are the foreign mills which have been doing a large business for many months. Recent orders of importance include that for the new municipal water works at Buenos Ayres, costing $1,000,000, and the contract from the city of Buffalo, for $70,000 worth of pumping machinery.

Mutual Gas Light Co. (N. Y.)—At book cost of $5,703,290, Consolidated Gas owns $1,886,200, or 54.9 per cent of the $3,436,600 outstanding stock of the New York Mutual Gas Light Company. This company earned 11.9 per cent in 1910 or $408,920, against 10.65 per cent, or $366,200 in 1909. Dividends paid were 7 per cent in 1910 and 6 per cent in 1909, and at least 8 per cent will be paid this year. Consolidated Gas received about $132,000 from this company, in 1910, or 2.31 per cent on its investment. The company on December 31, last, had an undivided surplus of $1,192,324, in which the controlling company's equity is $654,350, or 11.5 per cent on the investment cost.

New York Central Lines.—New York Central lines report a shrinkage in gross of $229,487 in May, but a reduction in operating expenses, taxes and net from outside operation of $442,501. Operating income, therefore, showed an increase of

THE

National Commercial Bank

of ALBANY, N. Y.

Capital - - $1,000,000
Surplus and Profits 1,713,362
Deposits - - 22,702,432

OFFICERS

ROBERT C. PRUYN, President

JOHN E. WALKER, Vice-Pres. EDWARD J. HUSSEY, Cashier.
JAMES H. PERKINS, Vice-Pres. WALTER W. BATCHELDER, Asst. Cash.
JACOB H. HERZOG, Asst. Cash.

Let us collect your New York and New England items

RUEL W. POOR, President
JAMES McCUTCHEON, Vice-President ARTHUR W. SNOW, Cashier
W. L. DOUGLASS, Second Vice-President RALPH T. THORN, Asst. Cashier

The Garfield National Bank

OF NEW YORK CITY

Capital and Surplus - - - $2,000,000

Offers to Banks, Bankers, Corporations and Firms the services of a thoroughly equipped and conservatively managed bank.

YOUR BUSINESS SOLICITED

The MECHANICS and METALS NATIONAL BANK

OF THE CITY OF NEW YORK

OFFICERS

GATES W. McGARRAH, President WALTER F. ALBERTSEN, Vice-Pres.
ALEXANDER E. ORR, Vice-Pres. JOSEPH S. HOUSE, Cash.
NICHOLAS F. PALMER, Vice-Pres. ROBERT U. GRAFF, Ass't Cash.
FREDERIC W. ALLEN, Vice-Pres. JOHN ROBINSON, Ass't Cash.
FRANK O. ROE, Vice-Pres. CHARLES E. MILLER, Ass't Cash.

Capital, Surplus and Undivided Profits, $14,000,000

The Commercial National Bank OF WASHINGTON D. C.

Capital $500,000 Surplus and Undivided Profits $296,000

ASHTON G. CLAPHAM, President
ELDRIDGE E. JORDAN, First Vice-pres. N. H. SHEA, Second Vice-pres.
T. K. SANDS, Third Vice-president
JOHN POOLE, Cashier HERBERT V. HUNT, Asst. Cashier.

METACOMET NATIONAL BANK

OF FALL RIVER, MASS.

Capital, $750,000 Surplus and Undivided Profits, $333,000

SIMEON B. CHASE, President
MILTON REED, Vice-President CHARLES B. COOK, Cashier

Special attention given to the handling and collecting of cotton drafts, sent direct from the South

(Continued from page 1167.)

SEATTLE, WASH.

Names.	Capital.	Surplus & Profits.		Due Banks & B'kers.		Total Deposits.		Loans & Discounts.	
		Mar. 7.	June 7.	Mar. 7.	June 7.	Mar. 7.	June 7.	Mar. 7.	June 7.
First	$300,000	$65,633	$71,645	$494,142	$498,287	$3,410,631	$3,629,096	$2,813,540	$3,455,498
Citizens	200,000	26,000	27,716	.....	476	480,000	433,014	.....	441,290
National Bank of Commerce	1,000,000	1,086,742	1,128,446	3,279,280	2,008,685	11,796,466	11,504,683	7,736,721	8,511,723
Seattle	1,000,000	205,170	264,364	3,121,180	3,864,746	14,745,461	14,763,120	8,542,226	8,010,153
Dexter-Horton	1,200,000	249,000	294,084	.....	2,699,218	10,215,000	10,277,627	.....	5,208,474

TOLEDO, OHIO.

(Not a Reserve City.)

Names.	Capital.	Surplus & Profits.		Due Banks & B'kers.		Total Deposits.		Loans & Discounts.	
		Mar. 7.	June 7.	Mar. 7.	June 7.	Mar. 7.	June 7.	Mar. 7.	June 7.
First	$500,000	$926,997	$917,023	$306,272	$385,458	$3,940,505	$3,681,937	$2,880,005	$2,962,707
National Bank of Commerce	1,000,000	246,649	235,263	1,952,347	1,775,348	6,809,137	7,049,537	5,943,061	5,846,923
Northern	1,000,000	388,439	374,383	1,761,761	1,229,349	3,705,826	3,277,962	3,539,680	3,423,446
Second	1,000,000	1,335,474	1,330,446	1,423,659	1,164,564	6,883,566	6,115,760	5,818,655	5,434,660

$213,014. For the five months ended May 31, operating income of the system shows a shrinkage of $3,742,470.

Northern Pacific Railway Co.—Gross earnings of the Northern Pacific in May were $1,467,529 smaller than last year. Operating expenses decreased $1,262,893, leaving net operating revenue $204,636 smaller. After allowing for outside revenues and taxes, there was operating income left of $1,678,696, a decrease of only $65,831. For the eleven months ended May 31, operating income was $2,013,429 less than in the corresponding period of the previous fiscal year.

Reading Company.—All Reading companies in May earned in net $1,699,838, compared with $1,961,658 in the corresponding month last year. After allowing for proportionate fixed charges and taxes, surplus of all companies for the month is left at $814,838, compared with $1,061,687 in May, last year. The Reading Company's net income for the month was $148,484, compared with $150,397 in May, 1910. For the eleven months ended May 31, net income of the Reading Company amounted to $1,606,844, against $1,600,967, in the corresponding period last year. Net earnings of all companies for the eleven months amounted to $2,059,038 less than in the corresponding period last year.

Rock Island Co.—Earnings of Rock Island lines for May were gratifying, as gross increased $224,215 and operating expenses were only $20,509 greater than for the corresponding month last year. Net showed an increase of $203,706, and after allowing for outside operation and taxes there was $247,712 operating income left in excess of that for the same month last year. Operating income of the lines for the eleven months ended May 31, increased $1,338,470, which is considered a fine showing and in contrast with the decreases reported by other large systems.

Standard Gas Light Co. (N. Y.)—The Consolidated Gas Company owns $4,096,100 out of the outstanding $4,295,700 6 per cent non-cumulative preferred stock of the Standard Gas Light Company, or 95.35 per cent and $4,796,200 out of $4,985,700 common stock, or 96.2 per cent. These stocks show book cost of $14,587,495. Standard Gas in 1910 declared 6 per cent on the preferred and 2 per cent on the common, and the Consolidated Gas Company received $341,690 on the investment, equivalent to a return of 2 34 per cent. Of the Standard Gas Company's final surplus on December 31, last, of $890,702, Consolidated Gas Company's equity is a little more than $850,000.

Union Oil Co. of California.—The first lien 5 per cent 20-year sinking fund bonds of the Union Oil Company of California ($5,000,000), which have been purchased by bankers, are offered at 91¼ and accrued interest, yielding about 5½ per cent. The amount presently offered is part of an authorized issue of $20,000,000, which is apportioned as follows: Of the balance, $8,235,000 is held as reserve against $7,235,000 guaranteed bonds of subsidiary companies and $1,000,000 debentures of Union Oil Company, and $6,665,000 is reserved for future issue.

United Box Board Co.—The directors of the United Box Board Company, which bought under foreclosure the assets of the United Box Board & Paper Company, which went into a receivership on July 2, 1908, have decided not to pay the July 1 interest, on the latter corporation's $1,592,000 general mortgage 6 per cent sinking fund bonds and $1,240,250 collateral trust 6 per cent bonds.

U. S. Cast Iron Pipe & Foundry Co.—United States Cast Iron Pipe & Foundry stockholders held their annual meeting last week. The annual report of the treasurer, B. F. Houghton, showed assets of $31,047,569. On May 31, the undivided profits were $144,880; the undivided profits on May 31, the previous year, were $35,000. The surplus on May 31, last, was $2,078,000.

United States Glass Company.—This company has passed its quarterly dividend of one per cent, which has been paid since April, 1910. The dividend was suspended to furnish the company with working capital, needed for its increased business.

United States Steel Corporation.—The net earnings of the United States Steel Corporation in the first half of the current year will approximate $53,000,000, which is at the rate of $106,000,000 a year. This is sufficient to pay 7 per cent on the preferred stock and 6 per cent on the common, and still leave a small surplus. Earnings in the last week of June, however, were at the rate of close to $130,000,000 a year. At no time during the recent depression were earnings insufficient to meet interest, dividend and depreciation charges.

Wabash Railroad Co.—Wabash Railroad has declared semi-annual interest or 1 per cent on the debenture "B," a reduction of one per cent semi-annually. Regular semi-annual interest of 3 per cent was declared on debenture "A." Only $1,276,000 out of an original issue of $26,500,000 Wabash debenture B bonds are outstanding, the remainder having been turned in under the offer of the company to exchange for them 72 per cent in new extended 4s, 52 per cent in Wabash preferred and 52 per cent in common stock. The company has from time to time had trouble with owners of the debenture bonds, interest on which was payable "if earned." The bonds were from the first a drag upon the credit of the Wabash and the action of the directors in retiring them was generally approved.

KELLOGG, IDAHO.—Directors of the First State Bank at Kellogg elected these officers at the annual meeting on June 19: President, W. W. Papesh; vice-president, O. M. Green, Spokane; Cashier, J. A. Waldon. The other directors are: D. W. Price, C. S. Seelig, T. O. Mason, William McDougal, D. W. Peeples and Edwin T. Coman, president of the Exchange National Bank of Spokane.

FINANCIAL INQUIRY.

La Crosse Water Power Co.

21247. (Madison, Ind.) Can you give me any information of the condition and prospects of the La Crosse Water Power Company?

Ans.: This company was organized in 1905 as a Wisconsin corporation under the name of La Crosse Electric Light & Power Company, the name being changed to the present style in 1906. The company instructed a concrete dam at Hatfield, Wis., on the Black River and dug a canal two miles down the river to its power house. Recently, the company has completed a second concrete dam seven miles above Hatfield with a storage capacity of 500,000,000 cubic feet. The funded debt amounts to $2,565,000 consisting of $1,000,000 first mortgage 5½s, secured by a first lien on 10,000 acres of land and power development, and $1,565,000 of 5s secured on the same property as the 5½s. The company defaulted the interest due on its bonds April 1, and availed itself of the six months' grace allowed under the mortgage.

A protective committee of which Fred Vogel, Jr., is chairman, has been organized and may be addressed, care of the First National Bank, Milwaukee, Wis. This committee is calling for the deposit of both classes of bonds. According to the circular sent out by this committee, the company has represented that there is no probability of its being able to meet its obligations within any definite time; that its financial difficulties arise very largely from inadequate facilities for the storage of water and that during a considerable portion of the dry season it is unable to perform its contract for the furnishing of light and power, except at a considerable loss; that the company has plans for the increase of its water storage facilities, but is financially unable to carry these plans into effect. The committee purposes to make an investigation including plans for the development of additional storage capacity and for a reorganization or refinancing of the company or for the foreclosure of the trust mortgage.

OAK PARK, ILL.—The Austin Avenue Trust & Savings Bank is organizing with $100,000 capital. H. Pillinger, H. R. Pillinger and W. B. Ross are interested.

"V. K." and Its Possibilities

Virginia Iron, Coal & Coke Company Stock at 72 Is Selling Higher Than Any Other Non-Dividend Paying Stock Listed on the New York Stock Exchange—Rumor That Company Is Going to Sell a Portion of Its 120,000 Acres of Coal Land to Retire Its Bonded Debt—President of the Company Says That Stock Is Now Selling Too High, Although Property Could Not Be Replaced at $200 Per Share—7,500 Acres of the Company's Coal Land Would Be Sufficient to Supply Its Requirements For Fifty Years, So That It Could Safely Sell Enough to Pay Off Its Bonds and Leave in the Treasury More Than Double the Present Market Value of the Stock.

The common stock of the Virginia Iron, Coal & Coke Company, designated on the ticker as "V. K.", has many features of interest for the long-pull investor, aside from the fact that it enjoys the distinction of selling higher than any other non-dividend paying stock which is listed on the New York stock exchange.

The stock sold at 72 on Tuesday of this week, and I called on Henry K. McCormick, president of the company, who is a unique individual in his ideas of extreme conservatism, and asked him for an explanation of the price of the stock of his company. He replied very frankly that in his opinion the stock above 70 was selling too high in consideration of the present situation, but at the same time he asserted that the property could not be replaced at even $200 per share.

The story has been current in Wall street that negotiations were pending, whereby a very small proportion of the company's coal lands would be sold for an amount sufficient to retire all of the outstanding bonds. The value of coal lands has recently been demonstrated by the purchase of some of the holdings of the Pittsburgh Coal Company by the United States Steel Corporation.

THE PRICE PAID

in this transaction, it was understood, was on a basis of $1,200 an acre for the developed coal land, and $800 per acre for the undeveloped coal acreage. The close proximity of the coal lands acquired in this purchase to the Pittsburgh district, of course, gave them an additional value, but the fact that the Steel Corporation has been in the market to increase its coal resources can hardly fail to suggest that any substantial ownership of coal lands with adequate transportation facilities is becoming more valuable.

The Virginia Iron, Coal & Coke Company owns 120,000 acres of coal land, as well as 180,000 acres of ore and timber land. The company only has ten iron furnaces and one hundred coke ovens, so that a conservative statement would be that it has more than ten times the amount of coal needed for the requirements of its present mills. One of the officials of the company told me that it would only require 7,500 acres of the Thomas Creek mine to supply all the company's coal consumption for the next fifty years. The significance of this statement may be better appreciated from the fact that the Thomas Creek mine is on what is known as the Upper Banner vein, where the company owns 55,000 acres. As to the quality of this coal, it is a well-known fact in the trade that it is given the preference over Pocahontas coal which is popularly regarded as the best steam coal.

The best evidence of the virtue of the company's coal is, however, in the fact that, in the present slack season covering the summer months, contracts have been made for

THE FULL CAPACITY

of the mines, notwithstanding the fact that most everyone else in the coal business is complaining of adverse trade conditions, and saying besides that the coal business is always dull in the summer months. With the Virginia Company, however, the coal department is showing the best results of any period in the company's history, and contracts have been made for 70,000 tons a month until next May, and at satisfactory prices.

The officials of the company admit that while the prospect for profit in the making of pig iron may be doubtful, there is an assured future for the company in the marketing of coal alone. The company's net revenue from coal this year will be greater than in any previous year, and in consequence, the coal department is being continually developed. Because the pig iron market has been unsatisfactory for some years, the management has not abandoned hope for making some money out of this department of their business, but the immense deposits of steam coal of highest quality have appeared to be more attractive in profit possibilities.

The company was originally designed to produce pig iron, and although the pig iron market does not look enthusing at the present time, there is every indication of a steady improvement from this date on. According to the most reliable statistics, our consumption of pig iron is about 27,000,000 tons per annum, while the present rate of production is only 20,000,000 tons a year. There is, however,

A SURPLUS HANGING OVER

the market of about 2,000,000 tons, which tends to depress prices and decrease production. The situation is naturally correcting itself, because pig iron is now selling so close to the cost of production as to incline manufacturers to close up shop and wait for a better market. The Virginia Company is continuing to make pig iron, but naturally is not pushing its capacity.

I have talked with a number of pig iron manufacturers, and the consensus of their opinion is that prevailing prices are as low as will ever be recorded. They base their idea on the well-known fact that most all of the available ore land has been secured by the large manufacturing companies, and that the cost of labor has been steadily increasing in recent years, while the market price of the output has been declining. In their opinion, the bottom has been reached on the price of pig iron, and from now on, increasing prices as well as increasing profits will be the natural order of things.

The Virginia Iron, Coal & Coke Company is in a position to make money on pig iron, when anyone else can, but its

MOST ATTRACTIVE PROSPECT

from the standpoint of the investor seems to lie in the value of its coal and ore lands. The company has outstanding $9,073,680 of stock, and a bonded debt aggregating $5,332,000. Current assets more than offset current liabilities, so that against the company's outstanding capitalization, the properties owned are sufficient in value to constitute a striking balance. The company's coal lands aggregate 120,000 acres. In the recent purchase of the Pittsburgh Coal Company's land by the United States Steel Corporation, it is reported that the basis was $800 per acre for the undeveloped land, and from $1,200 to $1,500 for the developed land. Assuming, however, a valuation of only $200 an acre for the Virginia Company's land, this asset amounts to $24,000,000, or sufficient to retire all the bonds, and leave a balance of around $200 per share for the stock, disregarding entirely the company's ownership of 180,000 acres of iron ore and timber land, 10 furnaces and 1,000 coke ovens.

One of the holders of the stock, who is very enthusiastic about its possibilities, figures out the case in this way. The coal lands are worth $15,000,000; the ore and timber lands are worth $9,000,000; the furnaces and other property are worth $7,000,000. Deducting the funded debt from this valuation, there remains about $260 per share for the outstanding stock. The idea of this enthusiastic stockholder is supported by the statement of President McHarg that the property of the company could not be replaced at less than

$200 A SHARE,

but at the same time the hopeful ardor of the stockholder is somewhat dampened by the statement of the president that the stock of the company around 70 is selling too high, because this figure represents too much anticipation of the future.

The company has always been unique and exceptional in its extent of depreciation charges. For example, on every ton of pig iron which is sold, 75 cents is placed to the credit of depreciation account. No other iron mill in the world regard any such amount as this as necessary. During the past five years, in following out this same general idea, there has been charged off over $4,000,000, or well over 40 per cent of the amount of the company's capital stock outstanding.

As would naturally be presumed, the company's bonded debt has been

Digitized by Google

Bankers Linen

These Marks Denote Southworth Quality

Bankers Linen Bond

Request your printer or lithographer to use these papers for your office stationery.

They are manufactured especially for use by Bankers, Brokers and financial people—those who know good paper and have discriminating taste. Send for specimen book to

SOUTHWORTH COMPANY, Mittineague, Mass.

Manufacturers of high grade writing papers

(Please mention United States Investor.)

steadily reduced. In 1903, it was $7,500,000, and in every succeeding year there has been a decrease, until at the present time, the debt is about $5,000,000. As to the story current in Wall street this week, that negotiations were pending, looking toward the sale of a portion of the company's coal lands, which would enable it to retire its entire bonded indebtedness, it is admitted that the company owns at least ten times the amount of coal land necessary for its present furnace capacity. On the recently established market valuation of the coal lands, it would not require the sale of but a small part of the company's holdings to secure enough money to pay off the bonded indebtedness. The officials of the company admit that they are ambitious to get the company out of debt, and that whenever there is an opportunity to

SELL ON FAVORABLE TERMS,

they will dispose of enough of the company's coal lands for this purpose.

The Norfolk & Western is building a short line, which will give the company the same freight rate on its coal to the lakes that is now secured in the Pocahontas district. In addition, the Chesapeake & Ohio Railroad Company on joint account with the Seaboard Air Line is about to lease the Carolina, Clinchfield & Ohio road, which is in the same coal district, and which will materially add to the marketability of the company's coal lands.

No speculator should buy Virginia Iron, Coal & Coke Company stock because the market for the stock is strictly allowed to take care of itself. Nor should any but the long-pull and courageous investor consider the stock, because it may take some years before the property has an opportunity to demonstrate what it can do. President McHarg, than whom no more efficient or honest Scotchman, ever appeared in Wall street, has always said that whenever there is a good year in the iron business, he would be able to pay a dividend, and in the meantime, he persists in his programme of conserving the company's resources and building up the property.

That good year and subsequent good years may not be far away, so that investors for the long pull should not overlook the claims of Virginia Iron, Coal & Coke stock.

P. De Medici.

RUNAWAY COPPER MARKET.

(Continued from page 1160.)

in the telephone field from the beginning to the present time."

This, of course, is but one of the many uses to which the metal is being put in this age of electricity, which means an age of copper, since the two industries go hand in hand. The rapidly growing tendency towards the electrification of steam railroads, not only in this country, but in Europe as well, is bound to play

AN IMPORTANT PART

in the future development of the industry.

That there is a growing realization of the foolishness of the "every man for himself and the devil take the hindermost" policy which copper producers were seemingly content to follow up to a year ago when the "gentlemen's agreement" to curtail production was placed in effect, and which is still too much in evidence to satisfy those who have the lasting welfare of the metal market at heart, is evident from the numerous opinions expressed from time to time on the subject. Heretofore the opinion most generally advanced is that the producers ought to get together and take steps to protect the market from a collapse to a level which would spell embarrassment, if not absolute ruin, to the great majority of producers. Mr. Guggenheim's argument that similar protective measures ought to be taken to prevent the market from skyrocketing is a decided novelty. The truth of the matter is that both arguments are reasonable and deserving of serious consideration. There ought to be some way through intelligent co-operation, through a proper adjustment between production and consumption, to do away with much of the irregularity which has marked the sensational course of the metal market in the past. The much-talked-of merger should, if carried out, as it presumably will be sooner or later, have some such effect on the market, and at the same time foreign critics will have less reason than they now have to rail at us for our prodigal output in days of depression. On another occasion, the demand from Germany and England might not come to the rescue of domestic consumption, as it did in the past year, thereby preventing the market from breaking

BELOW THE 12-CENT MARK,

as it was threatening to do only a few weeks ago.

It is a debatable question whether or not the market for the metal will continue to increase in strength with reactions from time to time. Any undue attempt to force the movement is sure to have the effect of discouraging consumers, whose optimism has not yet reached the point where they are so sure of a steady improvement in business conditions and an unbroken advance in copper that they are willing to throw restraint to the winds in their purchases of the metal for future consumption. Meanwhile, the merger is hanging fire, for the big producers do not consider this a propitious time for a public discussion of the question or for a committal to definite action, in view of the over-critical attitude of our Washington and state solons towards corporation affairs.

P. De Medici.

James Shay & Company, 60 State street, Boston, have just issued a circular covering the following subjects, which will be sent free upon request: Anti-Friction Roller Bearing, Century Safety Razor, Oxford Linen Mills, Pay-As-You-Enter Car and Price Campbell Cotton Picker.

JOHN P. DAVIS, President. WM. M. WELLCOME, Vice-President. BYRON H. DAVIS, Sec'y-Treas.

The Davis Wellcome Mortgage Co.

(Incorporated)

Gilt-edge first mortgage loans for sale at 5½% and 6% net to the investor. Security well-selected, improved farm lands, in no case to exceed 50% actual value of the farm. Every loan personally examined by one of our inspectors. No better or safer security for money anywhere.

We point with pride to a record of twenty-five years, loaned over $12,000,000, without foreclosing a mortgage or the loss of a dollar in either interest or principal.

Bank References:

BANK OF TOPEKA
CENTRAL NATIONAL BANK, TOPEKA

Correspondence Solicited

Digitized by Google

FEDERAL BISCUIT COMPANY.

In view of the interest which National Biscuit shares have been attracting among investors the country over within the last few months, it would seem that the Federal Biscuit Company has selected a propitious occasion for the public offering of a small portion of its preferred stock. This company is capitalized at $30,000,000, of which $18,000,000 is common, and $12,000,000 7 per cent cumulative preferred. It was organized in July, 1910, for the purpose of combining a large number of independent biscuit and cracker manufacturers in thirty different states. $1,000,000 of the preferred issue is now being offered at par with a bonus of one share of common, with every two shares of preferred.

Even before this offering of stock, the Federal Company had

ATTRACTED MUCH ATTENTION,

not only among bakers and cracker makers and sellers, but in financial circles as well. All sorts of statements have been made, including the assertion that the company would be affiliated with the National Biscuit Company. This is not the case, however, for the two companies have no direct connection. On the other hand, the organization of this company is not likely to mean a trade-war; for, while the Federal and the National companies manufacture the same class of goods, there seems to be room enough for both, and there is good reason to believe that the two concerns will work in harmony.

It is not as if the Federal Company was entering virgin territory, for it is simply taking up and expanding the business of independent cracker manufacturers who have been in business for some time. At the present time, the company is reported to have in operation a number of plants throughout the country, with a capacity of $2,000,000 of business per annum. It is proposed to add other plants in various sections of the country, and eventually 78 plants are to be included in the combination. Last year, these plants did a combined business of $27,650,000 at a net profit of $1,300,000. They have assets in real estate, buildings, machinery and other property estimated at $25,000,000. The insiders estimate that through economies made possible by the

COMBINATION OF PLANTS

under one control, they will be able to make a saving of $2,900,000 annually, sufficient to pay 7 per cent dividends on the common and preferred stock, and leave 2 per cent on the total capital for surplus, not taking into consideration the profits of $1,300,000 earned last year. These figures take no account of increased output, which would come as a natural result of the steadily growing demand for biscuit and cracker products.

The National Biscuit Company has shown what can be done in the manufacture and sale of these products by means of intelligent advertising, and proper salesmanship. The new company evidently proposes to work along similar lines, and is expected to play an important part in the trade from now on.

BOSTON STOCKS AND BONDS

For the Week Ending Thursday Evening, July 8, 1911.

Names.	RANGE FOR WEEK		Last Sale	Sales for Week	RANGE FOR YEAR OF 1911.				RANGE FROM JAN., 1879, TO JAN., 1911.	
Railroads.	Low	High			Lowest		Highest		Lowest	Highest
Boston & Albany	222	222	222	43	210	May 15	236	Feb 16	120 1879	*200 1899
Boston Elevated	128½	128½	128½	31	127	May 5	129¾	Feb 1	52¾ 1896	190 1907
Boston & Maine	108	108	107	45	101	May 10	122¾	Feb 15	106¾ 1879	230 1837
do. pref.	153	153	153	10	150	Jan 17	154	June 5	134¾ 1891	190 1903
Cent. Verm't 4s.	...	...	90½	.....	87½	Jan 25	93	Mar 22	75 1904	96¼ 1890
C. H. & Q. Jt. 4s	97¾	97½	97¾	33,000	96½	Jan 5	98¼	June 2	83½ 1907	103 1905
Chic. Junc. R...	...	...	115½	.....	.....		.....		50 1892	102 1904
do. 5s	...	...	101¼	.....	.....		.....		89¾ 1891	114 1899
Fitchburg pref..	126	126	126	22	126	May 1	126	Jan 9	63½ 1889	144 1905
K.C.,Ft.S.&M.4s	116½	116½	116½	1,000	115	Mar 22	116¾	Jan 6	76 1895	1.58 1902
K.C.M.&B.new4s	...	...	92	.....	91¼	Jan 19	93½	Jan 3	125½ 1894	$102 1896
do. inc. 5s....	...	...	88	.....	88	Apr 6	90	Mar 14	3 1896	104 1909
N.Y., N.H. & H.	140¾	141¼	140½	552	139¾	June 28	151¾	Feb 22	127 1907	279 1889
Old Colony.....	187	188	187	9	183	Mar 15	189	June 14	96 1879	221 1892
Rutland pref....	...	...	40	.....	32	Jan 28	43	Feb 21	6¼ 1879	125¼ 1902
West End.....	88¼	88¼	88½	60	86	June 29	95	Feb 6	43 1894	102 1906
do. pref.	103	103	103	17	102	Mar 3	105	June 22	78 1888	113¾ 1901
Miscellane's.										
Am. Agri. Chem.	58½	58	58	525	46½	Jan 6	60½	May 16	9 1903	60¼ 1909
do. pref.	103½	104	103½	580	99	Jan 6	106¾	Mar 1	68½ 1903	105 1910
Am. Pneu. Ser..	5	5	5	16	4½	Apr 25	6¾	Jan 31	3 1903	29 1906
do. pref.	...	...	16½	.....	14	Apr 21	19¾	Jan 31	9½ 1908	46 1906
Am. Tel & Tel.	†138	148¾	138	4,491	†138	July 6	153¾	June 8	88 1907	186 1902
do. 4s	91¾	92	92	32,000	89½	Mar 22	92	May 23	71 1907	101½ 1911
do. cons. 4s...	...	...	110½	.....	108¾	Jan 13	111¾	June 19	80½ 1908	107¾ 1909
Am. Woolen.....	31	31	31	15	31	June 26	36¼	Mar 20	7¼ 1903	61 1906
do. pref.	91¼	92¼	92¼	141	88¾	Apr 1	96½	June 15	65 1903	110¾ 1906
B. & Wor. Elec.	...	...	12	.....	6	Feb 15	12	June 29	3 1910	39½ 1906
do. pref.	58	58	58	20	28½	Jan 27	58	July 1	25 1910	90 1906
Cumberl'd Tele..	...	...	156½	.....	146	Jan 19	156	June 2	93½ 1907	152½ 1910
Dom. Ir. & St'l.	...	...	63¾	.....	.....		.....		6½ 1903	79½ 1903
Dom. Coal 5s....	...	...	95½	.....	90	Jan 4	98¾	Mar 21	90 1908	101½ 1905
E. Boston Land.	10¾	10¾	10¾	167	7¼	Jan 18	12	May 1	2¾ 1893	18¾ 1909
Edis. Elec. Ill..	281	283	282	54	281	July 5	292½	Feb 2	10 1893	310 1909
Gen'l Elec. Co..	159	162¾	161	187	145½	Mar 3	167¾	May 29	30½ 1896	258½ 1901
Mass. Elec.....	22½	23	23	367	16	Apr 24	24	June 3	6¾ 1907	45¾ 1902
Mass. pref.....	92¾	94¾	94¾	1,579	83¾	Jan 9	94¾	July 6	37 1907	89 1902
Mass. Gas.....	93¾	94	93½	40	87¾	Jan 3	94¼	June 15	30 1903	91¼ 1910
do. pref.	95¼	96½	96	411	91¼	Apr 13	98	June 5	74½ 1903	97 1910
Mergenthaler	224½	225	225	3	211	Jan 3	227	July 6	116¾ 1897	236 1910
N. E. Cot. Y'n.	112¾	113½	112¾	45	110	Apr 22	119	Mar 14	40 1879	125 1909
do. pref.	110	110	110	4	106	Jan 3	110½	Mar 15	30¾ 1903	113 1909
do. 5s	102	102	102	10,000	100¾	Jan 13	102	June 20	92 1906	105¾ 1901
N. E. Telephone.	146	147	146¼	96	137	Jan 17	150½	June 10	75¾ 1879	270 1906
Pullman Car.....	162	162½	162	32	158¼	Mar 10	163	Jan 30	5¾ 1901	23¾ 1895
Reece But. H...	14½	14½	14½	21	12	Jan 5	16¾	May 22	7¼ 1884	163 1901
Torr'g'n Co.Cl.A	31½	32	32	87	30	Apr 24	36	Jan 7	18 1906	37 1910
do. pref.	30	30	30	74	27	Mar 31	30	June 29	30 1907	35 1909
U'ted Fruit Co.	192¾	193½	193	91	188	Mar 24	197	June 12	72 1901	209 1911
U'ted Fruit 4½s.	97	97	97	1,000	96¾	Apr 17	97½	Jan 6	86 1910	97½ 1910
Un. Shoe Mac'y.	50½	52	51½	69	50	June 21	58¾	Feb 18	*88 1900	96½ 1895
do. pref.	25½	26¾	25½	84	27¾	June 2	29½	Mar 7	22 1900	39½ 1907
West. Tel. & T..	18½	19	18½	5	17¾	Apr 18	23¾	Feb 4	4 1908	33½ 1902
do. pref.	96	97	96	3	88	Jan 23	97½	June 7	50 1907	106½ 1902
do. 5s	99¾	99¾	99¾	8,500	90¾	Jan 3	100	June 9	74 1907	106¾ 1908
Mining.										
Adventure	6	6¼	6¼	740	4½	Apr 24	7¼	May 18	†.62½ 1907	33 1901
Allouez	...	...	32½	.....	30	May 19	39	Jan 5	90 1894	74¼ 1907
Amalgamated ..	67¾	69⅞	68⅝	3,32	59¾	Apr 18	71¼	June 26	32¾ 1903	128½ 1899
Am. Zinc.....	27½	27⅝	27⅝	40	25	Apr 25	30⅝	June 14	5 1901	67 1899
Arizona Com....	16	16¾	16¾	410	11¾	Apr 21	18⅝	June 14	7¾ 1907	51¾ 1900
Atlantic	6	6¾	6	41	3	Apr 18	6½	June 20	5 1910	45 1899
Bos. & Corbin...	14	14	14	80	10¾	Apr 24	15½	June 6	6 1907	26 1906
Butte Bal'kl'n...	4¾	4¾	4¾	11	4½	Jan 31	6¾	Jan 4	4½ 1910	18¾ 1910
Butte Coalition..	15	19⅛	18⅝	70	16¾	Apr 24	20¼	May 24	10 1907	43 1906
Calumet & Ariz.	57	59	58¾	89	46	Jan 13	63	June 14	44¾ 1910	138 1907
Calum & Hecla.	470	475	475	13	450	May 13	545	Jan 4	134 1884	1000 1907
Centennial	...	...	13	.....	11½	May 17	16	Jan 3	10c 1896	81 1899
Copper Range...	60	62	60¾	235	58¼	Apr 24	68⅝	Feb 2	37 1903	106 1907
Daly-West	6	6	6	20	3	Feb 15	6½	June 21	3½ 1910	56 1902
East Butte.....	13¼	14¾	14	3,32	10¾	Apr 27	14¾	June 26	3½ 1908	18½ 1907
Elm River.....	11	12	11	351	10	May 6	20	Jan 6	.05 1910	7 1901
Franklin	11¾	12½	11¾	313	7	Feb 3	14	June 14	4 1879	80 1899
Giroux	6¼	6⅝	6⅝	910	5⅜	Mar 10	8¼	Feb 6	2⅜ 1907	13¾ 1901
Granby	38	40	38	180	30	Apr 12	43¾	June 21	20 1910	131 1907
Greene Cananea.	7⅞	7⅝	7 3-16	1,725	5 5-16	Feb 9	8	June 26	5 1905	18 1907
Hancock, Con...	27½	28½	28½	810	17¾	Apr 24	30¾	June 19	1¾ 1907	36 1911
Helvetia	1¼	1¼	1¼	11	.90	Apr 26	2	Mar 4	1¾ 1910	33 1909
Isl'd C'k Coal**	37½	39¼	37½	461	29¼	May 9	40¾	June 3	30¾ 1910	33¾ 1910
do. pref.** ...	88	88¾	88	175	87	Mar 29	91	June 13	84½ 1910	90¾ 1910
Isle Royale.....	17	18	17½	130	12	Apr 22	19¾	June 13	5¾ 1903	75 1899
Kerr Lake.....	5	5¾	5	1,937	4 15-16	June 28	7¾	Jan 23	6 1910	35 1907
Kewenaw	3	3	3	21	1¾	May 10	3¾	June 14	2½ 1909	7¾ 1909
La Salle.....	31	31	31	50	25	June 6	6	Jan 3	3 1908	23¾ 1905
Lake Copper ...	36	37	36	33	26¼	Apr 26	40	June 17	4 1907	94½ 1910
Mass Cons.....	...	...	6	.....	5	May 27	10	June 19	2¾ 1908	37¾ 1901
Miami	...	...	22¾	.....	18½	Apr 21	23⅝	June 21	6¾ 1908	29 1910
Michigan	...	...	2½	.....	1¾	Apr 25	4¼	May 6	3 1900	24¾ 1907
Mohawk	49	50	50	85	38	Apr 24	55	June 15	11½ 1903	*97 1907
Nev. Cons.....	19¼	20	19¼	65	13¾	Apr 24	21¾	June 17	6½ 1907	30 1909
New Arcadian...	3½	3½	3½	8	2½	Mar 9	4¾	May 17	1½ 1905	†95½ 1899
Nipissing	10	10¼	10¼	500	10¼	June 21	13½	Feb 17	5 1903	33¾ 1905
North Butte.....	32	33½	32¾	1,85	22½	Apr 24	36	June 13	18½ 1910	120 1907
North Lake.....	7⅜	9	7⅜	20	5	Apr 18	9¾	June 3	4½ 1909	11¾ 1909
Old Dominion...	47	47½	47½	110	36	Apr 22	49	June 19	9¼ 1904	69¾ 1906
Osceola	102	105	104	77	95	Apr 21	124	Jan 4	7¼ 1889	181 1907
Parrot	12¼	12¾	12¾	54	11	May 2	13¾	May 22	8¾ 1907	72¼ 1899
Quincy	73½	74	73½	27	65	Jan 20	74	June 28	10 1879	190 1899
Santa Fe.....	...	...	1¾	.....	.75	Apr 26	1¾	June 13	1 1903	22 1899
Shannon	11	11¼	11	10	9¾	May 16	12¼	Feb 6	8½ 1904	24¾ 1907
Superior Copper	32	32	32	15	30	Apr 24	34½	June 14	7 1907	68¼ 1910
Sup. & Boston..	5¾	7¼	5⅝	1,20	2 15-16	Apr 7	8¼	June 15	1⅝ 1903	1⅝ 1908
Superior & Pitts	16	17½	16	6	13¾	Jan 3	18	June 19	7 1907	29¾ 1908
Tamarack	...	...	35	.....	34	Apr 21	52	Jan 3	45¼ 1910	363 1901
Tennessee	...	...	42	.....	36	Feb 1	43¼	June 12	9¼ 1901	55¼ 1907
Trinity	4	4½	4¼	16	3½	Apr 27	5	June 20	3¾ 1904	42½ 1907
U. S. Smelting..	*37¾	38½	38	1,10	32	Apr 3	40¾	June 24	24¾ 1907	70 1907
do. pref.	*47¾	48½	48½	42	45¼	May 10	49¾	June 26	37¾ 1907	84¼ 1906
Utah Cons.....	16¾	18¼	17¼	432	9¾	Jan 20	20	June 26	12¾ 1910	*79 1907
Utah Apex.....	3¼	3¾	3¾	317	2¾	Apr 28	3¾	June 15	1¾ 1907	10¾ 1905
Victoria	2	2	2	310	1½	May 2	2¾	Feb 7	1 1906	12 1901
Winona	...	...	8	.....	6	May 6	9½	Feb 6	1 1902	22 1906
Wolverine	115	115	115	61	107	Apr 26	122	Feb 10	73c 1898	200 1907

* Ex-dividend. † Assessment paid. ‡ Rights off. ‖ Auction. § Old securities. ¤ Old stock. ** Temporary certificates.

Digitized by Google

H. Dangel & Company

BANK CHECKS OF EVERY DESCRIPTION

We carry in stock a full line of bank supplies, coin bags, coin wrappers, bill straps and so on.

29 Otis Street, - - - - Boston, Mass.

N. W. HALSEY.

Mr. N. Wetmore Halsey, head of the banking firm of N. W. Halsey & Company, who died on July 1, although still a comparatively young man, had accomplished many large pieces of financing. After being for ten years a member of the firm of N. W. Harris & Company, he organized his own house. Among his various large pieces of financing was a consolidation of all the electric light and power companies in twenty-five counties of California, and his directorships included membership on the boards or the executive committees of many electric power and street railway corporations. A lawyer by profession, he combined with an intimate knowledge of the art of banking, a first-class appreciation of the very close connection which that art and the law have with each other.

WEST ALLIS, WIS.—The West Allis State Bank has been chartered with a capital of $30,000.

UNITED STATES RUBBER COMPANY.

42 Broadway, New York, July 6th, 1911.

The Board of Directors of the United States Rubber Company has this day declared from its net profits a quarterly dividend of Two Per Cent on the First Preferred Stock (including all outstanding old "Preferred" Stock), and a quarterly dividend of One and One-half Per Cent on the Second Preferred Stock of the Company, to Stockholders of record at 12 M. on Saturday, July 15th, 1911, payable, without closing of the Transfer Books, July 31st, 1911.

JAMES B. FORD, Treasurer.

MASSACHUSETTS GAS COMPANIES

Dividend on Common Shares

A dividend of 1% has been declared upon the Common Shares of the Massachusetts Gas Companies, payable on August 1, 1911, to holders of record thereof on July 15, 1911.

WALLACE S. DRAPER, Treasurer.

MINES COMPANY OF AMERICA.

111 Broadway, New York, June 27th, 1911.

The Directors of the MINES COMPANY OF AMERICA to-day declared a dividend of TWO AND ONE-QUARTER PER CENT for the quarter ending June 30th, 1911, payable on July 25th, to stockholders of record at close of business on July 10th. Transfer Books to be closed from July 10th until July 26th.

J. D. TOOKER, Secretary.

AMERICAN GLUE COMPANY.

A semi-annual dividend of four dollars per share will be paid August 1st, 1911, to Preferred Stockholders of record July 11th, 1911.

The preferred and common stock transfer books will close at end of business July 10th, 1911, and will reopen August 3rd, 1911.

JESSE P. LYMAN, Treasurer.

PHILADELPHIA STOCKS

For the Week Ending Wednesday Evening, July 5, 1911.

Names.	RANGE FOR WEEK Low	RANGE FOR WEEK High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911. Lowest	RANGE FOR YEAR OF 1911. Highest	RANGE FROM JAN., 1879, TO JAN., 1911. Lowest	RANGE FROM JAN., 1879, TO JAN., 1911. Highest
Amer. Cement..	...	...	13	.....	13 May 29	17½ Jan 4	5½ 1905	46 1899
Amer. Railways.	43½	43¾	43½	150	42 Jan 19	46½ Jan 23	21¼ 1900	56¾ 1902
Bell Telephone..	...	...	116½	.....			46 1907	134¾ 1903
Cambria Steel...	44¾	45	44¾	405	43½ Jan 4	48¾ Feb 18	18¼ 1909	49¾ 1909
do. Iron	...	...	44	.....	44 June 20	46 Mar 27	42 1907	138 1902
Elec. Co. of Am.	12¾	12¾	12¾	80	11¾ Jan 4	13¾ Jan 14	6¾ 1903	26 1899
Elec. Storage....	53½	54¼	54	490	48½ Jan 3	56¼ June 15	15 1894	194 1899
Gen'l Asphalt...	32	32	32	5	31¼ Mar 10	34¾ Jan 10	3 1907	84¾ 1910
do. pref.	73½	73½	73½	40	72 Mar 10	86¾ Jan 30	11 1905	84¼ 1910
Hunt. & B. T...	...	...	5	.....	5 June 12	8 June 19	7 1910	42 1899
do. pref.	14	14	14	15	14 July 3	27 Feb 1	7¾ 1880	89¾ 1902
Lake Sup. Corp.	25	25	25½	1,620	25 July 5	31¾ Feb 4	3¾ 1908	33¾ 1900
Lehigh Valley...	86 7-16	90¼	84½	741	84½ Apr 24	90½ Feb 3	17¾ 1897	121¼ 1910
Lehigh Navig'n.	85½	89	89	.....	86¾ May 15	89¼ June 19	85 1898	131½ 1901
Marsden	...	...	1¾	.....			¾ 1907	22¾ 1899
Penn. Steel.....	...	...	60	.....			5 1894	200 1881
do. pref.	...	...	106½	.....	104½ May 4	108¼ Apr 12	10 1897	117½ 1900
Phila. Co.....	58	58	58	1	50¾ Jan 4	58¾ June 5	23¾ 1907	86¼ 1906
do. pref.	43½	43¾	43½	100	42 Feb 20	46 Feb 8	24 1909	52 1906
Phil. Elec.....	17¾	17¾	17¾	2,174	16 Mar 9	17¾ July 5	2 1900	16¾ 1910
Phil. Rap. Trans	19¼	19¾	19¾	485	18¾ Apr 18	21¾ Jan 20	12 1907	37¾ 1900
Phil. Traction...	...	...	96½	.....	82¾ May 1	97½ June 15	5 1895	102¼ 1905
Tonopah Min'g..	5¾	6¼	6¼	1,435	5¾ June 1	8¾ Jan 17	3 3-16 1907	21¼ 1906
United Gas Imp.	87	88	87	476	86¾ Jan 3	89¾ Jan 9	50 1893	175 1899
Union Traction..	48¾	49½	49¾	1,149	43 Jan 4	51 June 8	8¾ 1897	68¾ 1904
Warwick Steel..	10	10	10	50	9¾ Jan 10	11¾ Feb 28	2½ 1908	18 1899
W'stm'el'd Co'l.	79	79	79	12	79 July 5	91½ Mar 20	65½ 1879	114 1906

* Ex-dividend. † Trust certificates. ** Temporary certificates.

CHICAGO STOCKS

For the Week Ending Wednesday Evening, July 5, 1911.

Names.	RANGE FOR WEEK Low	RANGE FOR WEEK High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911. Lowest	RANGE FOR YEAR OF 1911. Highest	RANGE FROM JAN., 1879, TO JAN., 1911. Lowest	RANGE FROM JAN., 1879, TO JAN., 1911. Highest
Am. Can.....	10⅜	10⅝	10⅜	300	8⅝ Jan 27	12¾ May 23	2⅜ 1908	81¼ 1901
do. pref.	84¾	84¾	81⅜	20	76⅞ Jan 7	88¾ May 27	25¼ 1902	86 1909
Am. Radiator...	...	...	265	.....	265 Jan 9	265 Feb 18	30 1900	260¼ 1910
do. pref.	...	...	128	.....	126½ Mar 9	130 Jan 22	96 1899	136 1901
Am. Shipbldg...	63½	65	63¾	340	63½ July 5	79 Feb 6	19 1904	84½ 1910
do. pref.	...	...	112½	.....	110¼ Jan 16	113 May 18	82 1904	112 1910
Chic. City Ry...	...	...	190	.....	185 Mar 23	190 Apr 28	140 1906	476 1892
Chic. Pneu. T'l.	50½	51	50½	250	41 Jan 13	55½ Feb 22	18 1904	107½ 1902
Chic. Subway...	3¾	4	4	210	3¾ June 29	6 Mar 1	2¾ 1910	87¾ 1905
Chic. Telephone.	...	...	124½	.....	115 Jan 25	134¾ May 17	96 1907	286 1901
C'm'nw'th Edis.	129½	132½	133	1,879	113 Jan 26	133½ July 5	77 1907	136 1910
Diamond Match.	102¾	103	102¾	25	90 Jan 16	103 June 29	83½ 1910	163 1893
Kan. City Light.	...	...	17	.....	17 May 27	25 May 22	20 1910	68¼ 1906
do. pref.	...	...	41	.....	40¾ June 17	72½ Feb 25	66 1908	93¼ 1906
Met. El.....	27	27	27	115	19½ Feb 1	28¾ June 29	13 1899	43 1902
do. pref.	74½	74½	74½	146	64 Mar 16	74½ July 5	32 1909	83¼ 1901
Nat. Carbon.....	...	...	120	.....	114 May 4	120 June 8	16 1889	145 1910
do. pref.	...	...	118	.....	118 June 20	120 Apr 12	72 1900	124 1909
No. West. Ill...	28¾	29½	29¼	370	20¼ Apr 27	29½ June 30	13¾ 1908	85 1901
do. pref.	...	...	68½	.....	60 Mar 1	67 Mar 20	44 1904	97 1901
Quaker Oats....	193	193	193	51	185 Mar 17	193 June 29	35½ 1904	188 1910
do. pref.	106½	106½	106½	15	102¼ Feb 8	106½ June 30	72 1908	109½ 1905
So. Side E.....	79½	80	80	871	66 Feb 16	80 June 30	40¾ 1897	199 1901
Streets' Car.....	8¾	8¾	8¾	25	8 May 31	13¾ Feb 24	10¾ 1910	54¼ 1909
do. pref.	...	...	42	.....	40 June 2	50 Mar 18	40 1910	111¾ 1906
Swift & Co.....	101⅜	102½	102	395	100¼ Mar 13	104 June 8	78¼ 1907	177¼ 1901
Un. Box Board..	2¾	3	2¾	320	2¾ July 1	7 Jan 5	¾ 1908	17¼ 1902
do. pref.	...	...	7¾	.....			1¾ 1908	71 1902
Western Stone..	...	...	19½	.....	19½ May 27	24¾ Jan 26	14 1908	60 1906

* Ex-dividend. † New. *** Receipts. ‡ Assessment paid.

Digitized by Google

FINANCIAL INQUIRY.

United Motors Company.

21264. (Jewett City, Conn.) Kindly give us what information you can regarding the United Motors Company, of New York, also their stock as an investment, and the quality of their tires manufactured by the Rutherford Rubber Company.

Ans.: The United Motors Company is a Delaware corporation with an authorized capital of $5,000,000, of which $2,500,000 is 7 per cent cumulative preferred and $2,000,000 common stock, par value of stock $10 per share. This company has purchased the Detroit Commercial Car Company, and the Rutherford (N. J.) Rubber Company, and contemplates acquiring additional motor plants and those devoted to automobile accessories. The two companies already acquired are simply a nucleus for a much larger company. The stockholders of the Rutherford Rubber Company are exchanging their stock for the stock of the United Motors Company and most of this stock, we understand, has already been exchanged. Included in the Rutherford Rubber Company are patents for the manufacture of automobile tires, and also patented tire manufacturing machinery. The plant, we are informed, represents an investment of $600,000. The greater portion of the stock of the United Motors Company is still in the treasury of that company, the stock having been offered for sale for only a comparatively short time.

As to the value of the United Motors Company stock as an investment, it has not thus far been presented as

AN INVESTMENT STOCK.

The promoters simply say to prospective purchasers that the tire buying privilege which accompanys it will save them from 30 to 35 per cent on all of their tire purchases, and this, according to the size and number of tires they use in a year, will produce a profit, it is stated, on their investment anywhere from 20 to 200 per cent per annum.

The United Motors Company now owns more than 90 per cent of the stock of the Rutherford Rubber Company, and at the rate the Rutherford Rubber Company is doing business now, the Motors Company should receive in dividends from the Rubber Company an amount more than sufficient to pay the 7 per cent preferred dividend on the Motors stock. Beyond this, we do not care to make any prediction.

Regarding the quality of the tires manufactured, the company states that it is buying the highest grade of material irrespective of cost. Since January first, it has employed as superintendent on its tire building department, a man who for several years had been general foreman of the Diamond Rubber Company's tire building department, and also a man who had been foreman in the Goodrich factory at Akron.

Thompson, Cobb & Co., Congress street, [illegible] the usual [illegible] of the Investment Year, containing [illegible] of statistics on the leading [illegible] railways, telephone, industrial and mining stocks, showing dividend records and payments, high and low prices in former years, and comprehensive general data. The book is replete with points of vital interest and importance concerning the more substantial corporations, and may be obtained gratis.

VANCOUVER, WASH.—The capital stock of the Vancouver Trust & Savings Bank has been increased from $30,000 to $50,000.

NEW YORK STOCKS AND BONDS

For the Week Ending Thursday Evening, July 6, 1911.

Names.	RANGE FOR WEEK Low	High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911 Lowest		Highest		RANGE FROM JAN., 1878, TO JAN., 1879, TO Lowest		Highest	
Atch. & T. R.R.	110½	113⅝	111⅝	35,400	100⅜	Jan 3	116⅝	June 6	3 1-16	1894	152½	1880
Atch. & Top. pf.	102¾	103¼	103⅛	500	100⅜	Jan 3	105½	June 12	14	1896	107¼	1901
Atch. & Top 4s.	98¾	99	99	163,500	93	Mar 22	99⅝	Jan 4	61	1894	106⅞	1903
do. adj. 4s....	91½	91⅝	91½	10,000	90⅜	Mar 29	92½	Jan 26	26	1896	99¾	1905
At'tic C'st Line.	127½	128	128	1,000	117	Jan 3	132¾	June 14	68	1907	170	1905
B. & O. Gold 4s.	98⅛	98⅛	98⅛	21,000	98	June 6	99⅛	Feb 21	83	1907	108⅜	1905
B.& O.S. W.3½s.	91	92	92	12,000	90⅜	Feb 28	93	Mar 11	80	1907	96	1899
Balti. & Ohio...	107½	109⅛	108¾	4,200	102	Feb 24	109⅛	Jan 31	9	1897	125¼	1906
do. pref.	90	90	90	100	88	Apr 20	91	Jan 4	67½	1899	100	1905
Brooklyn R. T..	80	81⅞	80¾	5,400	74⅜	Jan 3	82⅜	June 7	18	1896	127	1900
B.R.T.conv't 4s	85⅝	86⅛	86	188,000	82⅜	Apr 18	88⅜	Jan 26	66	1907	102¼	1905
Canadian Pac...	236	241⅜	238½	24,400	195⅝	Jan 3	243⅛	June 24	33	1895	202⅜	1910
Canada South...	...	...	68	.....	63	Mar 3	63	May 12	23	1858	97	1902
Cen.ofGa.Con.5s.	108⅜	108½	108⅞	3,000	107¼	Jan 13	109	May 18	85	1907	120¼	1901
do. 1st inc....	...	...	101	.....	100	Feb 27	114½	Apr 18	30	1890	102	1910
do. 2d inc....	96	96	96	5,000	96	Mar 1	108¼	Apr 5	9	1899	101	1910
do. 3d inc.....	...	...	88	.....	85	Feb 24	102	Apr 4	4	1898	100	1910
Central N. J....	...	...	285	.....	270	Mar 11	285	June 3	31	1885	312	1910
Cent'l Pac. 3½s.	...	...	91¼	.....	91¼	June 29	92	Mar 8	75	1907	91	1910
Ches.O. gen.4½s.	101	101⅜	101	14,000	100⅜	Apr 12	102	May 19	61	1893	111	1908
Chesapeake & O.	80⅝	83¼	82	17,500	77	Apr 24	86¾	Feb 10	1	1885	123⅞	1885
Chic. & Alton...	...	...	30	.....	25	Apr 24	31¾	May 22	8⅛	1907	74⅜	1909
do. pref.	...	...	62	.....	52	Mar 17	63	Jan 27	47	1908	85¼	1901
Chic. Gr't West.	23⅝	23½	23⅜	1,100	20¾	Apr 18	25¼	June 5	3⅝	1897	37⅜	1900
do. pref. A....	44½	45	44½	1,000	42	Apr 28	49¼	Feb 6	15¼	1908	90¼	1901
Chic. M. & St.P.	128⅝	127¼	125½	23,700	117½	Apr 18	133½	Feb 7	34⅜	1879	199⅝	1906
do. pref.	158	158	158	600	147	Jan 3	158½	June 15	74⅜	1879	218	1908
Chic. & N. W....	147	147	147	600	142¼	Jan 13	150½	June 12	49⅞	1879	271½	1902
do. pref.	...	...	201	.....	201	June 2	201	June 2	128	1893	274½	1902
Chi.,St.P. & Om.	...	...	144	.....	139¾	Apr 20	144	June 12	13½	1885	225	1905
do. pref.	...	...	155	.....	153	Feb 18	153	Feb 18	60	1885	230	1905
Chi. Ter. Trans.	...	...	152	.....	.....		.....		1¾	1908	31	1901
do. pref.	...	...	165	.....	.....		.....		8¾	1908	67½	1901
Chic. Un. Trac..	...	...	2½	.....	2	May 11	6	June 3	⅞	1908	23	1902
do. pref.	...	...	5½	.....	5¾	May 2	7¾	Feb 6	3	1908	60	1902
C.,C.,C. & St. L.	...	...	60	.....	54½	Apr 25	66	Jan 15	19¼	1896	111	1905
do. pref.	...	...	96½	.....	96½	June 16	96	Feb 1	63	1897	124¼	1902
Colo. & South'n.	...	...	56	.....	51¾	Apr 18	60	Jan 18	4⅜	1899	69¾	1909
Col. & So. 1st pf.	83	82	82	100	74¾	Mar 27	82	June 30	35	1890	86	1909
do. 2d pref....	...	...	75	.....	73½	Apr 13	75	June 7	12½	1899	64¼	1909
Del. & Hudson...	171⅜	171⅞	171⅜	100	164¼	Jan 3	175⅜	June 8	23	1879	240¾	1905
Del., L'ck & W.	...	...	546	.....	510	Feb 17	560	June 5	48	1879	630	1909
Den. & Rio G'de	27⅞	28½	28	600	27¾	June 22	35	Feb 21	4⅜	1895	386½	1889
do. pref.	57½	58¼	58¼	930	55¾	June 23	74	Feb 21	24	1894	103¾	1901
Dul.,So.Sh.& Atl.	...	...	14	.....	11	Jan 6	15½	May 1	2½	1895	24	1902
do. pref.	25	25	25	100	22	Jan 6	28⅝	Apr 4	5	1898	46⅜	1906
Erie 1st gen. 4s.	78¾	79¾	79	200,000	73½	Jan 3	79¾	July 3	58	1908	96	1905
Erie	38¼	38⅝	36½	43,020	27¾	Jan 11	38⅝	June 30	3⅝	1894	82⅝	1881
Erie 1st pref....	62¾	61½	59⅝	43,700	45⅝	Jan 12	61½	July 1	15	1893	95	1881
Erie 2d pref.....	47	49½	47⅝	4,000	35	Jan 13	49½	July 3	13	1896	78⅜	1905
Ev's'le & T. H.	...	...	85½	.....	40	Feb 1	85½	June 10	20	1897	152	1892
do. pref.	...	...	85	.....	85	June 5	85	June 5	72	1904	104⅜	1902
Gr'nell&WdebB.	...	...	13½	.....	13½	June 16	15¼	Jan 29	3½	1898	27½	1903
Gt. Northern pf.	134	137⅜	135⅜	20,100	122	Feb 24	140	June 8	44½	1890	343	1900
Hock'g Valley[4].	...	...	128⅜	.....	122	May 24	134	Apr 29	22	1899	140	1910
do. pref.	...	...	128	.....	.....		.....		53½	1889	101⅝	1910
Illinois Central..	141¾	142	141¾	800	132	Jan 3	142⅝	June 27	79¼	1879	184½	1906
Inter-Met (w.i.).	17⅜	17⅞	17½	2,500	17⅛	June 30	20⅜	Feb 15	4⅞	1907	55⅜	1910
do. pf. (w. i.)	49	50⅜	50⅜	3,900	47⅜	Apr 22	55⅝	Feb 10	14	1907	87⅜	1905
Iowa Central....	18	18½	18	400	15	May 12	19¾	Feb 3	2	1858	51⅜	1902
do. pref.	...	...	36¼	.....	28	Apr 27	36⅜	June 27	12	1898	90⅜	1902
Kan. City & So.	34½	35	35	500	32	Jan 3	35⅛	June 15	7	1900	60¼	1909
do. pref.	...	...	69	.....	64½	Jan 3	70	May 26	27½	1900	75½	1909
K.C.,Ft.S.&M.pf	...	...	76	.....	75	Apr 1	76	May 3	58	1908	88	1902
L'ke E. & West.	...	...	15	.....	14⅝	May 19	16⅛	Feb 1	1⅜	1885	76½	1901
do. pref.	...	...	35	.....	35	May 26	40	Jan 17	34	1908	133	1902
Louis. & Nashv.	150	151⅝	151	1,600	142¼	Jan 23	153	June 14	22	1885	162½	1979
Manh'ttan Elev.	...	...	135	.....	134	Mar 23	141	Jan 6	64¼	1884	175	1905
Metrop. St. Ry..	...	...	15	.....	.....		.....		15	1910	182	1901
Mex. Central....	...	...	23½	.....	.....		.....		4	1886	33	1892
do. 1st 4s.....	...	...	80⅜	.....	.....		.....		32	1886	99¾	1910
do. 1st inc....	...	...	21	.....	.....		.....		8	1892	46	1894
do. 2d inc.....	...	...	24	.....	.....		.....		4	1890	255⅛	1909
Minn. & St. L....	31	31	31	1,700	21¼	Apr 26	31	July 3	3⅛	1889	116	1902
do. pref.	...	...	45½	.....	35	Mar 13	46	May 22	7⅜	1889	127⅜	1902
M.St P. & S.S.M.	140¾	141	142	6,150	132⅛	Jan 4	152⅛	Mar 30	6	1897	164	1908
do. pref.	...	...	146½	.....	141⅜	Jan 6	156½	June 28	10	1897	183⅜	1908
M K. & T. 1st 4s	97⅛	97½	97½	19,000	96½	Apr 22	98	Jan 21	50	1896	104½	1905
do. 2d 4s.....	84⅛	84⅜	84¼	3,000	83¾	Jan 5	86½	Feb 17	27	1898	92⅜	1906
M.,K &T.of T.5s.	...	...	101¼	.....	101½	Jan 6	104¼	June 28	72	1896	114½	1909
Mo., K. & Tex..	30¼	30⅝	30½	4,300	31	Apr 24	35⅝	June 14	5⅜	1879	84	1881
do. pref.	...	...	68	.....	63½	Jan 16	69	June 12	13⅜	1897	78⅛	1909
Missouri Pacific.	48	50¼	48⅞	740	45⅝	Apr 18	63	Feb 15	10	1897	125⅞	1902
N. Y. Central...	168⅛	169⅜	169	5,900	166⅛	Apr 24	115½	Feb 3	31⅜	1867	174⅜	1901
N.Y.,C. & St. L.	...	...	56⅝	.....	57½	Apr 17	65	Jan 30	9	1899	93½	1905
do. 1st pref....	...	...	101⅜	.....	101½	Feb 21	101⅝	Mar 20	4	1898	124½	1902
do. 2d pref.....	...	...	85	.....	83	Apr 17	90	Jan 30	15	1899	100	1902
N.Y., Ont. & W.	46	46	47	2,200	46⅝	Apr 26	48½	Jan 27	6⅜	1885	84	1905
No & W'st'n 4s	97⅜	97⅜	97⅜	51,000	96⅝	July 3	99⅛	Feb 3	71	1895	110	1908
Norfolk & West	108	109⅜	109	4,200	100⅛	Jan 3	110⅞	June 26	⅛	1897	106⅜	1910
do. pref	...	...	106⅜	.....	86⅜	Apr 28	91	May 27	41⅜	1896	98	1912
N. Pac. prior 4s	90	90	90⅛	151,000	89¼	July 3	100⅜	Feb 6	60⅛	1898	109	1997
do. gen. 3s	71	71⅜	71⅛	20,000	70¾	Mar 27	77⅛	Jan 3	57	1898	90	2047
Northern Pacific	116⅛	117	117	27,300	116	Jan 12	127⅜	June 8	33	1897	1000	1901
Pacific Coast	...	...	102	.....	100	Jan 11	102	Jan 10	74	1898	142	1908
do. 1st pref....	...	...	105	.....	.....		.....		67	1897	105	1910
do. 2d pref....	...	...	101	.....	101	Jan 11	101	Jan 11	50	1897	100	1909
Penn R R.....	120⅝	121⅜	121⅛	900	120⅛	May 17	130¼	Feb 1	97½	1879	170	19-2
Penn & East'n	...	...	90	.....	.....		.....		2	1897	90	1907
P.,C.,C. & St. L.	110	111	111	.....	101⅜	May 17	120	Jan 17	1	1891	1.50½	1902
do. pref.	...	...	111	.....	111	May 20	112	Feb 17	10	1897	128	1902
Reading gen. 4s	96⅝	96⅞	96⅝	12,000	96⅜	Mar 15	98⅛	June 27	77	1896	104⅜	1997
Reading	165½	166¼	165¼	106,800	149⅛	Apr 24	167⅞	June 7	4⅜	1896	173⅜	1949
do. 1st pref....	...	...	91	.....	89	Mar 1	91	Feb 9	36	1896	97	1906
do. 2d pref....	...	...	90	.....	94	Apr 24	101	May 2	17⅜	1896	117⅜	1949
Rock Island new	30¼	30	31⅛	17,700	27⅜	Apr 24	34⅜	June 14	11⅜	1907	81	1909
do. pref.	61	63⅛	63⅛	70	57⅜	Apr 22	65⅜	June 14	26⅜	1907	90⅜	1949
St L.A.S.F.rfg 4s	81⅜	81⅞	81⅞	20,000	80⅜	Jan 3	87	May 4	65½	1907	98⅛	1951
St L.&s F.1st pf.	...	...	65	.....	61	Apr 24	68¼	June 9	9⅜	1879	130	1887
St L.&S F.2d pf	41	41	41	1,200	36	Apr 24	47¼	June 9	4⅜	1879	84½	1887
St L.&S.W.1st g4s	92	93⅜	92⅜	24,0	89⅞	Jan 24	92⅜	July 5	50	1892	110⅜	1908
do. 2d gen. 4s	82⅜	82⅜	82⅜	1,00	78	Jan 9	84½	June 29	12	1893	90¼	1913

Digitized by Google

NEW YORK STOCKS AND BONDS

For the Week Ending Thursday Evening, July 6, 1911.

Names.	RANGE FOR WEEK Low	High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911. Lowest			Highest			RANGE FROM JAN., 1879, TO JAN., 1911. Lowest		Highest	
St. L. Southw....	...	...	33	.....	34	Jan	13	34	Feb	4	1	1897	39½	1901
do. pref.	...	...	72	.....	69¾	Jan	3	72	June	27	21½	1900	80	1902
St'd A. Ladies.	80	80	80	2,100	75	Mar	15	80	July	1	69¾	1910	77⅝	1910
San. Ant. & A. P. 4s	97½	97¾	97¾	6,000	88¾	Apr	3	98	May	16	65	1898	92½	1909
So. Pac. rfd. 4s..	94⅞	95	95	$5,000	94½	Jan	3	95	May	8	94¼	1908	98½	1905
South'n Pacific..	126¼	125⅝	122	31,400	113¾	Apr	24	126¾	June	26	12	1858	139¼	1909
do. pref.	...	...	71⅜	.....	.....			.....			94¾	1909	137	1909
Southern	30¼	31½	31	10,600	25½	Mar	4	32½	June	27	12	1894	263	1882
do. pref.	71	72	71¾	1,600	61¾	Jan	11	73	June	28	112	1894	107	1906
Texas & Pacific.	28	28	28	200	26¾	Apr	24	30½	June	9	4⅜	1893	73⅝	1881
Third Avenue...	10⅜	11¼	10⅜	200	8½	Mar	2	26	Mar	2	5½	1910	242	1889
Tol. Rys. & Light	...	...	7	.....	6¾	Mar	17	8¼	Jan	17	5¼	1910	28	1902
Tol., St. L. & W	20	22½	22½	1,870	19	May	9	24¾	Feb	8	10⅜	1901	54⅜	1909
do. pref.	46	47½	47½	1,700	46	July	1	53¾	Feb	6	23⅜	1903	74¼	1909
Twin City R. T.	107½	108	108	400	107½	July	5	111	Feb	3	9¼	1897	129	1902
U.P.cvt. 4s, 1947.	103½	108¾	108	408,000	103½	Feb	24	108¾	June	27	78¼	1907	134¼	1909
Union Pacific....	184½	189	187½	132,800	169¾	Jan	3	190½	June	26	3	1896	204¾	1910
do. pref.	93¾	94½	94¾	1,000	91	Mar	22	95¾	May	17	17	1898	118¼	1909
Wabash 1st 5s....	108¼	108¾	108¾	3,000	100	June	7	119	Mar	30	93	1900	121	1902
do. deb. B's...	...	...	101	.....	.....			.....			19	1893	109	1909
Wabash	16	16¾	16¾	700	15¼	May	10	18¾	Feb	22	2	1895	66	1881
do. pref.	34½	36¼	35¾	2,100	32¾	Jan	11	40¾	Feb	22	9	1894	96¾	1881
Wheel. & L. E...	3⅞	3¾	3½	800	3	June	28	6¼	Feb	3	½	1897	63¾	1887
do. 1st pref....	10	10	10	100	10	July	5	17¾	Feb	3	2¾	1897	90¼	1892
do. 2d pref....	4	4¼	4	500	4	July	5	8	Feb	22	4	1910	42¾	1902
Wis. Central....	68	68	68	300	57	Jan	3	73¼	May	1	40	1899	64	1910
do. pref.	...	...	89½	.....	.....			8	Feb	22	60c	1899	91¾	1909
do. 1st 4s.....	93¾	93¾	93¾	28,000	91¼	Mar	27	96¾	July	5	127	1898	99¼	1899
Miscel. St'ks.														
Adams Express.	...	...	100	.....	235	Jan	20	243	June	13	97½	1898	315	1907
Allis Chalmers..	...	...	9	.....	7¾	May	16	9¾	May	31	4	1907	27½	1906
do. pref.	29½	29½	29½	100	25	Apr	21	34	Feb	3	14	1908	87½	1903
Amal. Cop.....	67¼	69¾	67½	26,400	58¾	Apr	18	71¾	June	19	33½	1908	130	1901
Am. Car & F'd.	55	56½	56¼	2,200	50¼	Apr	24	57½	Feb	9	16¾	1899	76½	1909
do. pref.	...	...	117	.....	114¾	Mar	13	120	May	23	61	1899	134¾	1909
Amer. Cot. Oil..	51¾	54	53¾	1,900	49¾	May	22	62¾	Feb	28	8	1895	79¼	1909
do. pref.	...	...	100	.....	100	June	27	106½	Mar	21	27½	1890	107¾	1909
Amer. Express...	...	...	237	.....	228	Jan	20	246	Mar	27	100	1888	401	1910
Am. H. & L.....	...	...	6	.....	3¾	Jan	28	6	June	28	3¼	1903	37½	1902
do. pref.	24	25¾	24	700	20	Jan	10	26¾	June	14	10	1907	83¼	1899
Am. Ice Sec.....	22¾	22¾	22¾	400	17¾	Jan	18	25¼	Mar	14	8¼	1907	96	1907
Am. Linseed Co.	11½	11½	11½	100	10¾	Apr	21	13¾	Feb	17	5	1903	30¾	1901
do. pref.	30¼	31¾	30¾	600	29	Apr	22	34	Feb	11	16¼	1907	66	1901
American Locom.	40¾	40¾	40¾	300	35¾	Apr	21	43¼	May	22	11½	1903	73¼	1906
do. pref.	...	...	110	.....	104	Apr	22	110¾	Mar	3	67¾	1903	122¼	1906
Amer. Malt Co..	...	...	5	.....	3¾	Feb	17	5	June	28	2½	1907	90¾	1898
do. pref.	39½	41	40¾	75	31¾	Mar	8	42¾	June	21	14¼	1903	59	1899
Am. Smtl. & Ref	78¾	80	79¾	19,700	71¾	Apr	24	83¾	June	15	30	1898	174	1904
do. pref.	106½	106½	105¾	300	100¾	Mar	10	108¾	June	15	77½	1899	137	1906
Am. St'l F'dry..	37	40¾	37½	1,700	41	June	22	53¾	Feb	9	2¼	1904	68¾	1903
do. pref.	...	...	102½	.....	.....			.....			30	1907	70	1902
Am. Sugar Ref.	119½	119½	119¾	10	113	Jan	6	122¾	June	14	105	1888	182	1899
do. pref.	...	...	119¾	.....	111	Jan	5	119½	Feb	14	68¼	1892	143	1902
Am. Tob. pref..	94¾	96	94¾	1,000	90¼	Jan	4	102	May	23	60	1907	151½	1902
Anaconda|||	39	40¾	39	1,200	36¾	Apr	24	41¾	June	20	35	1907	302¾	1907
Br'k Un'n Gas..	...	...	143	.....	135	Jan	3	145½	June	6	80	1907	253	1910
Central Leather.	30	30½	30⅛	200	26¾	Apr	24	33¾	Feb	2	11¾	1907	61⅜	1909
do. pref.	100½	100½	100½	100	96¾	Apr	29	105	Feb	10	68	1907	111	1909
Colo. Ind. 5s....	75¾	75¾	75¾	1,000	73¾	May	31	79¼	Feb	22	35	1907	83½	1906
Colo. F'l & Ir'n.	34¾	35⅝	34¾	200	28¼	Apr	24	36¾	Feb	6	14	1907	126¼	1901
do. pref.	110	110	110	200	110	July	6	110¾	Jan	9	30	1907	142¼	1901
C. & H. V. Co'l'dr.	...	...	4	.....	4	Feb	9	4	Feb	9	⅝	1896	92¼	1910
Consolid't'd Gas.	144⅝	145⅝	145¼	1,100	128¾	Jan	3	148½	June	6	67	1887	241¾	1897
Con. Tobacco 4s.	83½	83½	83½	12,000	81¾	Jan	17	88¾	June	7	51¾	1908	85¾	1904
Corn Prod'ts R.	14⅝	14⅝	14⅝	200	13¼	Apr	24	15⅝	May	17	8	1907	28	1906
do. pref.	81½	82	81½	600	74¼	Jan	10	88	May	29	46	1907	93¼	1906
Dist. Secur.....	35½	36⅛	35½	1,150	32¾	Jan	11	38¾	June	6	19¼	1904	78	1907
Fed. M. & Smlt.	...	...	33	.....	17¾	Jan	25	38	Feb	16	6¾	1904	199	1906
do. pref.	...	...	65⅝	.....	46¼	Jan	17	66½	May	19	47	1907	112¾	1907
Goldfield Con....	5⅛	5⅜	5⅛	2,100	5¼	July	5	7⅜	Jan	2	3⅜	1907	10	1910
Internat. Paper.	11¼	11½	11½	100	9¾	Apr	27	13¾	Feb	3	7¾	1907	63½	1899
do. pref.	48½	49¾	49¾	700	44¾	May	15	54¾	Jan	21	47	1909	95	1899
Inter. Power....	...	...	39	.....	.....			.....			22	1903	199	1902
Inter. Stm. P'mp	40½	42	41¾	1,500	38½	Apr	27	44	Feb	10	7¾	1907	60	1906
do. pref.	85¼	85½	85½	50	84¾	Jan	27	90½	June	12	50	1907	95	1901
Nation'l Biscuit.	124	127½	124	50	117¾	Jan	16	141	Apr	4	23	1900	120	19 0
do. pref.	128	128	128	10	124	Jan	3	130	Feb	4	79¼	1900	130	1900
Nat. En. & St'g.	18½	20½	19	4,200	16¾	May	29	20¼	July	1	6¼	1907	28	1902
do. pref.	96½	97	96	50	95	Jan	6	97	June	30	70	1903	99¼	1909
Nat. Lead.....	55½	57¼	55¼	50	55¾	Apr	7	59¾	Mar	15	110½	1903	95¾	1901
do. pref.	107¾	107¾	106¾	100	105¼	Mar	24	109½	May	22	45	1907	115	1899
N.Y. Air Brake.	75	75	75	100	68	Apr	3	76	June	19	14	1899	165½	1907
North Amer. Co.	27¾	28¼	27¾	200	24	Jan	16	28¾	May	22	5	1903	154	1901
Pacific Mail.....	27	27	27	200	23¼	Apr	24	29½	Feb	3	5	1907	70	1899
P'ple's G. L. & C.	...	...	106¾	.....	105	Apr	5	108	Jan	19	39	1900	175½	150
Pressed St'l Car	36	36	36	10	30½	Jan	3	42¾	June	27	15¾	1907	63½	1901
do. pref.	...	...	102	.....	92¼	Jan	3	103¼	June	16	51½	1907	111¾	1901
Ry. Stl Spring.	35	36¾	36	1,100	31	Jan	11	38	June	14	15¾	1907	63½	1901
do. pref.	...	...	102	.....	92	Jan	3	103¼	May	23	67	1907	109	1901
Rep'b Ir. & St'l	39¾	39¾	39	1,400	29½	May	29	53¼	Feb	3	8	1907	40¾	1901
do. pref.	94¾	96¾	96¾	100	92¼	Apr	26	99¾	Mar	14	39¾	1907	111½	1909
Sloss-Sh. S. & I.	...	...	50	.....	50	Jan	27	56¼	Feb	6	17½	1907	119½	1907
do. pref.	...	...	112	.....	112	Feb	15	112	Feb	15	59½	1907	120	1907
T. Pac. L. & Tr...	...	...	90½	.....	87	Mar	7	92	Jan	21	5	1907	95	1901
Un. Bag & Pap.	...	...	7¾	.....	6¾	Apr	27	9	Feb	16	3¾	1907	45	1901
do. pref.	...	...	89¾	.....	84¾	Apr	2	89½	Jan	30	38	1907	89	1901
U.S. Cast I. P. & F	16	16¼	16	300	15	Jan	11	19	Feb	24	6	1907	57	1902
do. pref.	...	...	57½	.....	50	Jan	18	59¾	Feb	24	22	1907	97¾	1902
U. S. Express...	...	...	95¾	.....	95	Jan	3	104	Feb	1	55	1907	160	1901
U.S. R'lw'y & Imp	...	...	76	.....	65¼	Jan	27	76¾	May	29	36	1907	90¼	1906
U. S. Rubber....	41	42	41¾	2,200	38	Jan	7	47¾	Mar	1	7	1907	60¾	1906
U. S. Rubber pf.	114	114½	114¼	300	109¼	Jan	2	114¼	July	3	30¾	1907	122¾	1907
U. S. Steel.....	77½	79¼	78¾	164,600	71¾	Jan	3	82¾	Feb	6	53	1901	91	1910
do. pref.	117⅝	118¾	118¾	2,200	116¼	Jan	3	120¾	Feb	4	49¾	1902	127¾	1910
do. 5s	103¾	104¾	104¾	187,000	103¾	Jan	3	106¼	May	27	65	1903	107¾	1910
Utah Copper.....	49¾	49¾	49¾	8,500	42¾	Apr	19	52	June	14	15	1903	67½	1909
Virg. Car Chem.	55	57¾	55	11,300	55	July	5	70¾	Feb	28	12¾	1907	72	1901
do. pref.	124½	125	124¾	400	122¼	Apr	22	128½	Mar	15	76	1907	133½	1901
West. Un'n Tel.	78¾	79¼	78¾	1,900	74¾	Mar	20	84¼	May	24	41	1903	137¾	1881
West. Mfg. Co..	74½	77¾	77¾	200	64¾	Apr	18	79	May	29	39¼	1896	154	1907
do. pref.	...	...	119	.....	116	Jan	14	122	Jan	5	49¼	1896	160	1907

* Ex-dividend. ** New. † Assessment paid. ‡ Ex-rights. ‖ Price bid. ¶ Price asked. § Old securities. ¶ Certificates. x Ex-interest. ||| Par value basis. *** Receipts.

We solicit orders to buy or sell the following securities:

AM. FELT 1ST 5S
AM. INVEST. SECURITIES C&P
ANDERSEN COAL 5S & STOCK
ANTI-FRICTION C&P
BLAUGAS CO. OF AMERICA
BOSTON-IDAHO MINING
BOSTON SECURITIES C&P
CASTLE VALLEY COAL
CENTURY SAFETY RAZOR
DOVER W. MARBLE 5S & STOCK
ERIES MFG. & LOWER 1ST 5S
KING-CROWTHER OIL
LIBRARY BUREAU A&B
NEW ENG. BRICK YARDS 5S
NEW ERA MACHINERY
P-A-Y-E CAR C & P
PNEUMATIC SCALE
ROYAL PORCUPINE MINES
RUSSELL FALLS PAPER 1ST 5S
SEVENSCHIPT OYSTER SYSTEM
SIMPLEX MFG.
UNITED DRUG C&P
WALTOLE RUBBER C&P
YANKEE FUEL 1ST 5S

JAMES SHAY & CO.
60 State St., Boston.

WANTED

Middleboro, Wareham & Buzzards Bay 4s, 1921.
Fairmont Coal & Coke 4s, 1919.
Hutchinson (Kan.) Wtr., Light & Gas 5s, 1935.
Hutchinson (Kan.) Wtr., Light & Gas 4s, 1928.
Atlantic Shore Line 5s, 1934.
Appleton Water Works 5s, 1920.
Appleton Water Works Co. 6s, 1920.
Boise-Payette River Elec. Co. 6s, 1921.
Glen Falls Gas & Elec. Co. 5s, 1919.
Quincy Gas, Electric & Heating 5s, 1935.
York Haven Water & Pwr. Co. 5s, 1951.
Idaho-Oregon Water & Power 6s, 1922.
Central Colorado Power Co. 5s.
N. E. Brick Yards Co. 5s, 1925.
American Axe & Tool Co.
Pere Marquette Pfd.
Walpole Rubber Common.
Huntington Chambers Trust.

HOTCHKIN & CO.
Specialties in Inactive Securities
STOCK EXCHANGE BLDG., BOSTON.
Telephone 3448 Main

WANTED

Hudson River Elec. Power 5s
Des Moines Water Co. 4s
York Haven Water & Power 5s
Appleton Water Co. 5s
Bodwell Water Power 5% Receipts
Middleboro, Wareham & B. B. St. Ry.

H. C. SPILLER & CO.
Specialists in Inactive Bonds
27 STATE STREET BOSTON

CAPITAL WANTED

Investors or operators interested in 35,000 acres Southern Illinois high grade steam, gas and domestic coal, can join conservative and reliable owners in organization of going mine. Three trunk lines cross property and furnish unexcelled transportation. Fifty miles from St. Louis and Two Hundred miles to Chicago. Panama Canal and Mississippi River will bring Central America to our door via cheap freight rates. This property is estimated to contain more than 350,000,000 tons of coal, and is worthy the consideration of those seeking safe and sound investments with large returns.

Address
"Owner"
Care United States Investor,
Boston, Mass.

Digitized by Google

THE YUMA CONSOLIDATED.

For years it has been known that there have been valuable deposits of gold in Arizona, and for a good many years, many of these deposits have been worked by old and crude methods. There has recently been incorporated, however, a company, the management of which is experienced in matters pertaining to mining which plans to work some of these deposits by the use of modern methods for extracting gold. This is the Yuma Consolidated Company, which is being financed by W. S. Baker, 84 State street, Boston, and which has a capital of $1,000,000, a capital which we consider to be very conservative for such a large property. This capital is divided into 200,000 shares, of a par value of $5 per share, 100,000 shares of which have been given in payment for the property, and 100,000 shares of which are in the treasury.

The property itself is a very extensive one. It comprises 5,520 acres of gold placer grounds, and 720 acres of gold bearing quartz veins, of which 2,280 acres of placers and 100 acres of quartz veins are in a solid body, located at Mesquite, Imperial county, California, only six miles north of the Glamis Station on the Southern Pacific Railway, the other 2,240 acres and 620 quartz veins being located near the quartz site, Yuma county, Arizona. While

ENGINEERS ESTIMATE

the average of the total gold bearing gravel of the Mesquite deposits at 25 to 30 feet in depth, the management for absolute safety have taken it but 15 feet deep, so that on the total 3,280, there would be a total of 16,072,000 cubic yards times five, or 80,360,000 cubic yards of gold bearing gravel. Estimating the value of this at 50 cents per cubic yard, the total value of the pay dirt will be found to be equal to $40,180,000, which, after the deduction of 25 per cent for gold losses and operating charges, leaves net profits of over $30,000,000. The quartz-site holdings, consisting of 2,240 acres of placer ground, the management estimate will yield over $20,000,000 of clear profit, making a total of some $50,000,000 for both properties.

From reports made by various well-known mining engineers, these estimates which the management make, do not appear to be over exaggerated, for from these same reports we find that the property, if managed properly, would yield a handsome profit to the stockholders. C. T. Henning, a mining engineer, of Brooklyn, N. Y., on May 1, 1903, said, "From tests so far made, the ore bed rock cement contains about $5 per ton of coarse gold, which can be saved by amalgamation.

THERE IS NO LIMIT

to the quantity of cement, and even a 1,000-ton plant could run for an almost indefinite period. The gold found in the cement is very pure, and brings about $19 per ounce." J. G. Allyn, of Chicago, in a report upon the property, says, "In view of the quantity of this material now available, I do not see that you take any risk in the erection of a milling plant for its treatment."

Professor John A. Church, the well-known geologist and mining engineer, whose experience has been gained in practical work in all parts of the world, in making a report upon part of this property, wrote: "When operations on a great scale are applied to these gravels, the returns ought to be very large. The gold placers of this section are of very unusual richness, and are of such extent that they can be worked on a large scale for a long time." Prof. Church's opinion is worthy of careful consideration, inasmuch as he is a graduate and exacting professor of mineralogy and metallurgy of the Columbia School of Mines, and was professor of mining and metallurgy of the Ohio State University. He was employed for four years by Viceroy Li Hung Chang, opening silver mines in Mongolia, and introducing American methods and machinery.

It appears, therefore, that the Yuma Consolidated has acquired a very valuable property, and for the purpose of equipping one of the properties, a block of 10,000 shares of the stock is now offered to the public at par, with the agreement that 50 per cent of the gross output of the mill, when completed, shall be set aside for the purpose of refunding the purchase price of these shares in full, saving the stock for the purchaser free.

JOSEPH L. McCULLOUGH.

NEW ISSUES OFFERED.

A particularly interesting array of good municipal railroad and corporation bonds is included in the new July investment circulars being distributed by the firm of D. Arthur Bowman & Company, 628 Third National Bank Building, St. Louis, Mo.

Several new issues are being offered to investors, and the public is bound to be interested in the various classifications of the bonds. Two particularly attractive emissions included are the Springfield Railway & Light of Springfield, Mo., First Lien Refunding 5s (1926) and St. Louis Southwestern Railway guaranteed 5s, due 1940, the latter being the obligation of the Central Arkansas & Eastern Railroad.

The present demand for desirable issues is such that it seems likely that such a presentation of bonds will meet with a hearty response from discriminating buyers. The circulars will be sent to any investor on request to D. Arthur Bowman & Company, 628 Third National Bank Building, St. Louis, Mo.

EMNAHA GOLD MINING COMPANY.

The treasurer, John Sennett, of Boston, Mass., and Charles B. Phillips, of Manchester, England, have recently returned from a visit to the property of this company, at Imnaha, Ore. They report very excellent progress in the development of the property, and also are very enthusiastic over the future prospects from the operation of the mine. They are delighted over the very fine showing of values at the property, and state that an assay from ore taken by them from the mine showed an average value of $30. They report that the veins are parallel and well defined, and carry very high gold values, and show permanency and depth, that a force of men are now at work erecting the necessary buildings, and that a reduction mill will be installed at a very near date, having a capacity of 20 tons per day. A fine site has been located for this purpose.

H. P. Davis, the author of the Handbook of the Cobalt Silver District, is now issuing a similar work on Porcupine. The volume embodies a map, an historical sketch of Porcupine, an outline of the geology and a general description of the district.

Volume 1 of the Canadian Mining Journal's Porcupine series is now ready for distribution. This volume is a work of reference prepared by experts.

FOR

Oil and Gas Land Leases

WRITE

C. W. DEMING & D. C. ACOSTA, Inc.
Tulsa, Okla.

FOR HIGH GRADE OIL STOCKS

WRITE

EQUITY BOND & SECURITY CO.
37 WALL STREET, NEW YORK CITY

PORCUPINE

Get in RIGHT or keep out. THE BOSTON DEVELOPMENT COMPANY, LIMITED, is operating along the right lines. Large acreage, conservative capitalization. For prospectus, statement of experts, etc., address

A. S. FULLER & COMPANY
CANADIAN INVESTMENTS,
407-8-9 Old South Building, Boston, Mass.

SIX NUMBERS FREE

Financial Converse (published every two months) answers more questions on mines than any periodical published. S. F. Campbell, of Chicago, says: "This paper is worth more than any other mining publication in the United States." Cut this out and send for six copies free covering the next year.

FINANCIAL CONVERSE
339 Monadnock Block, Chicago, Ill.

Almoloya Mining Co.

60 Wall St., NEW YORK

EMNAHA GOLD MINING COMPANY

Incorporated under the laws of the State of Idaho. Capitalization, $500,000, divided into 500,000 shares. Par value $1.00 per share. Of which 200,000 shares have been placed in the Treasury, for the development of the property.

This Company owns and controls nine claims on Battle Creek, Imnaha, Wallowa Co., Ore., on which there are three well defined parallel veins, carrying very rich gold quartz. A limited amount of the shares of the stock have been sold.

For full particulars, address

JOHN SENNETT, Treasurer
97 Milk Street, Room 602 Boston, Mass.

Digitized by Google

The Best Purchases on the Railroad List

As indicated by the Two Standards of Comparison: of Present Investment Yield on Basis of Current Dividends and Prevailing Market Price, and on Basis of Present Earnings on Prevailing Market Values.

The average net yield of the 50 railroad stocks quoted in the following table was 5.05 per cent on July 5, as compared with 5 per cent on June 28, 5.34 per cent on January 4, and with 4.71 per cent on January 2, 1910.

The passing of the dividend on Chicago & Alton preferred has brought the shares of the Brooklyn Rapid Transit Company one position nearer the top of our table of railroad stocks, with respect to net dividend returns. The issue in question now stands in their position following Toledo, St. Louis & Western Preferred, and Detroit United, and is one of the biggest bargains on the list at the present time. Brooklyn Rapid Transit combines investment value with speculative possibilities to an unusual extent, and the present yield of over 6 per cent should appeal to the discriminating investor in view of the fact that many issues no better secured are selling at a price to yield 5 per cent or less. During the past year or two, banking interests have increased their holdings of this stock to a considerable extent, realizing its present value and future possibilities. In this connection, it is well to keep in mind the fact that a road such as this, the bulk of whose business is passenger traffic, is not subject to the vicissitudes of the ordinary steam railroads, which is dependent for its prosperity upon such erratic factors as the crops, and the general commercial prosperity. Brooklyn Rapid Transit earnings are not affected to any remarkable extent by the varying conditions of commercial activity, for the people must be transported in good times or bad, and the earnings pile up in either case. Of course, the rapidly increasing population of Brooklyn is resulting in an expansion in the company's earning power, and the growth of population in other sections is having a similar effect, though in less striking form, since such growth must perforce result in an increased traffic between the different boroughs. The low price and corresponding high yield, which applies to Brooklyn Rapid Transit shares, result doubtless from the fact that the surplus of earnings over present dividend requirements do not appear at all large, as compared with that shown by many of our steam railroads. Such comparison is hardly fair, however, in view of the greater stability of Brooklyn Rapid Transit earnings, year in and year out. As Brooklyn Rapid Transit is destined to play a very important part in the development of the rapid transit system in New York, not only in Brooklyn, but in Manhattan as well, it is safe to say that before many years are past, the shares will have their earning power increased in a remarkable degree.

Wall street has been very much interested for some time past in discussing the probable acquisition of the Erie by some other of the larger roads, and the Canadian Pacific has been mentioned more often than any other system of late, as being the probable purchaser. President Shaughnessy, however, states that neither the Canadian Pacific nor any of the allied companies have at any time negotiated for control, or an interest in or working arrangement with the Erie.

STOCKS SHOWING BEST INVESTMENT YIELD.

Present rank.	Stock.	Present dividend	Price.	Yield on present price.
1	Toledo, St. L. & W., pref...	4%	47	8.51
2	Detroit United	5%	72	7.70
3	R. R. T.	5%	80	6.25
4	Chesapeake & Ohio, com....	5%	81	6.17
5	St. L. & San F., 1st pref....	4%	68	5.88
6	M., K. & T., pref.....	4%	68	5.88
7	K. C. Southern, pref.....	4%	69	5.83
8	Lehigh Valley	10%	173	5.78
9	St. Louis S. W., pref.....	4%	70	5.71
10	N. Y., N. H. & H.....	8%	140	5.71
11	St. Paul, com.....	7%	124	5.64
12	Baltimore & Ohio, com.....	6%	108	5.55
13	Twin City R. T., com.....	6%	108	5.55
14	Atchison, com.	6%	110	5.45
15	Union Pacific	10%	185	5.40
16	Colo. & Southern, 2d pref....	4%	75	5.33
17	Northern Pacific	7%	132	5 30
18	P., C., C. & St. L., com.....	5%	95	5.26
19	K. C., S. F. & M., pref.....	4%	76	5.26
20	Delaware & Hudson	9%	172	5.23
21	Great Northern, pref.....	7%	134	5 22
22	C., C., C. & St. L., pref.....	5%	96	5.21
23	M., St. P. & S. S. M., com...	7%	140	5.00
24	N. Y., C. & St. L., com.....	3%	60	5.00
25	Southern Pacific, com.....	6%	120	5.00
26	Illinois Central	7%	141	4.97
27	C., St. P., M. & O., com.....	7%	143	4.90
28	Colo. & Southern, 1st pref...	4%	82	4.88
29	Western Maryland, pref.....	4%	82	4.88
30	Atchison, pref.	5%	103	4.85
31	Pennsylvania	6%	124	4.84
32	Chicago & N. W., com.....	7%	146	4.80
33	Atlantic Coast Line	6%	127	4.72
34	Louisville & Nashville	7%	150	4.66
35	Norfolk & Western, com.....	5%	108	4.63
36	N. Y. Central	5%	108	4.62
37	St. Paul, pref.....	7%	153	4.57
38	M., St. P. & S. S. M., pref...	7%	155	4.52
39	Baltimore & Ohio, pref.....	4%	89	4.49
40	N. Y., O. & W.....	2%	45	4.44
41	Norfolk & Western, pref....	4%	91	4 40
42	Buffalo, R. & P., com	5%	115	4.35
43	Union Pacific, pref.....	4%	94	4.26
44	Canadian Pacific	10%	237	4.22
45	Central of N. J.	12%	285	4.21
46	Reading, com.	6%	158	3 80
47	Boston & Maine	4%	107	3.74
48	D., L. & W.	20%	546	3.66
49	Colo. & Southern, com.....	3%	85	3.64
50	Southern Railroad, pref.....	2%	71	2.82

STOCKS SHOWING BEST EARNINGS

Present rank	Stock.	Price.	Earnings on present price.
1	St. L. & San F., 2d pref.....	43	24.15
2	M., K. & T., pref.....	68	23.70
3	Erie, 1st pref.	59	19.40
4	Detroit United	72	16.05
5	Hocking Valley, com.....	128	14 90
6	Southern Railway, pref.....	71	14.60
7	K. C. Southern, pref.....	[illegible]	13.60
8	Buffalo, R. & P., com.....	115	12.00
9	P., C., C. & St. L., com.....	95	10.90
10	K. C. Southern, com.....	35	10.85
11	Colo. & Southern, com.....	55	10.05
12	C., St. P., M. & O., com.....	143	10.05
13	Atlantic Coast Line	127	9.70
14	Southern Pacific, com.....	120	9.50
15	Atchison, com.	110	9.50
16	Union Pacific, com.	185	9.30
17	Norfolk & Western, com.....	108	9 15
18	St. Louis S. W., pref	70	8.65
19	Louisville & Nashville	150	8.55
20	Twin City R. T., com.....	108	7.90
21	Central of N. J.	285	7.85
22	R. R. T.	80	7.25
23	Baltimore & Ohio, com.....	108	7.20
24	Erie, com.	56	7.20
25	M., K. & T., com.....	35	7.10
26	C., C., C. & St. L., com.....	60	7.00
27	D. & R. G., pref.....	57	7.00
28	Delaware & Hudson	172	6.95
29	N. Y., N. H. & H.....	140	6.70
30	D., L. & W.	546	6.50
31	Canadian Pacific	237	6.40
32	Illinois Central	141	6.35
33	Chesapeake & Ohio	81	6.30
34	Lehigh Valley	173	6.20
35	Northern Pacific	132	6.00
36	M., St. P. & S. S. M., com.....	140	5.80
37	Chicago & N. W., com.....	146	5.70
38	Great Northern, pref.....	134	5.70
39	Pennsylvania	124	5.45
40	St. Paul, com	127	5.40
41	N. Y. Central	108	4.85
42	Toledo, St. L. & W., pref.....	47	4.80
43	Chicago & Alton, pref.....	53	4.70
44	Reading, com.	159	4.70
45	N. Y., O. & W.	45	4.15
46	Chicago Gt. Western, pref.....	45	4.10
47	Western Maryland, pref.....	60	4.05
48	Wabash, pref.....	35	2.90
49	Boston & Maine	107	2.90
50	Missouri Pacific	48	2.20

Digitized by Google

The BEST Investment is LOANS UPON FARMS combining

1. A liberal rate of interest.
2. Ample security.
3. Increasing security from the fact that the supply of agricultural land is not equal to the demand.

For 35 years we have sold such loans and no buyer has waited a day for payment of principal or interest.

THE MIDDLESEX BANKING COMPANY,
MIDDLETOWN, CONNECTICUT

ASSETS OVER - - - - - $6,000,000

Local Brokers

Treasury stock of the United Motors Company is sold to automobile owners exclusively and carries with it the privilege of buying Sterling Tires at jobbers' prices—a saving of 30% to 35%. Thus the stockholder may receive from 25% to 200% per year in direct profit on his investment in the 7% Cumulative Participating Preferred stock.

We would be pleased to hear from local brokers in New England, New York, New Jersey, Pennsylvania and Ohio.

Fidelity Bond & Mortgage Company
2 West 33rd Street, New York

YOUR MONEY

Is worth much more than double the rate you are now getting for it. Its safety will be beyond question—the best security in the world—

New York City Real Estate

Send for full particulars of our

PROFIT SHARING COUPON GOLD BONDS

which, with interest payments and PROFIT SHARING additions, have averaged over 17½ per cent per annum for the past eight years. These Bonds are issued in denominations of from $5 to $1,000 and upwards, complete with interest coupons.

INTER BOROUGH REALTY COMPANY
(ASSETS OVER $1,000,000.00)
10 WALL STREET, NEW YORK CITY

6 PER CENT INTEREST PAID

By Coupon on Bonds Secured by Well Selected New York Real Estate.

"We Deal in No Other Securities"

THE DEBENTURE CORPORATION OF NEW YORK
334 Fifth Avenue New York City

Corporation Organizers

Delaware charters are inexpensive and perpetual, and permit stockholders and directors to hold meetings anywhere. The law is more stable, and grants greater powers than other states. $1,142,434,400 of capital organized in Delaware during 1910—double that of New Jersey or elsewhere. In selecting an agent to organize and represent your company, get the best—it will be cheaper and safer in the end, and will add prestige to your enterprise. Lawyers' and Brokers' business a specialty. Corporation Law and forms sent on request.

MERRICK SECURITY & TRUST CO.
Wilmington, Del.

EAST BUTTE

We are issuing a Special Letter on the above stock—a copy will be mailed free upon application.

"Coppers" and Curb Stocks bought and sold for Cash or Carried on Margin

H. A. BROWN & CO.

Members Boston Curb Exchange

60 State St., Boston — 74 Broadway, New York

FUNDING COMPANY OF AMERICA

40 Exchange Place, New York

Investment Department offers securities of high-grade financial enterprise paying regular and attractive dividends, and growing rapidly—an exceptional opportunity; also railroads, public service and industrial bonds yielding from 4% to 6%. Write for particulars.

OFFICERS AND DIRECTORS
Edward Staats Luther, President
Charles W. Abrams, Treasurer John W. Harding, Secretary
Howard S. Kennedy, Vice-President Cluett, Peabody & Co., Troy, N. Y.

A. H. Phelps, President First National Bank, New Berlin, N. Y.
James D. Abrams, President Hudson Yacht & Boat Co., Nyack, N. Y.

The ADVANTAGES of INCORPORATING IN DELAWARE

You can learn by writing the

Delaware Corporation Co.
Wilmington, Del.

Agents, Registrars, and Trustees for Foreign and Domestic Corporations

A Good Investment

To investigate is the six per cent Realty Bond of the New York Central Realty Company issued in denominations of $1,000, $500, and $100.

It offers a high grade of security, a liberal cash availability and an interest earning of 6%.

WRITE for booklet illustrating the methods of the Company, describing its bonds, their redemptive privileges and advantages over other Realty securities. Everybody knows us.

New York Central Realty Co.

Suite 1190, 1328 Broadway, Cor. 34th St., New York City

CAPITAL AND SURPLUS, $1,464,588.34

OUR NEW INVESTMENT PROPOSITION

is as

Sound and secure as a good bank and pays large dividends.

First class representatives wanted: must be men of good standing in their community

SECURED INVESTMENT TRUST
92 STATE STREET, BOSTON

MONATON REALTY INVESTING CORPORATION

Pays

6% COMPOUND INTEREST
On Money Invested in

Its Accumulative Certificates
Running terms of 10, 15 or 20 yr.
Payments may be made annually, semi-annually, quarterly or monthly.

SECURITY

OWNERSHIP OF NEW YORK INCOME PROPERTY
Affording
Immediate returns on investments and Opportunity for increase of valuation.

For Illustrated Booklet, inquire:

Publicity Department
Times Building
Broadway & 42nd Street, New York City

BENNETT'S INFORMATION AGENCY

INVESTMENT DEPARTMENT
The wisest men in the United States are those who never make a new investment which they consider good, and never get rid of an old investment which they consider bad, until they have made an investigation of the merits of the investment through BENNETT'S INFORMATION AGENCY.

CONGRESSIONAL INFORMATION
We attend to business at the Treasury Department as well as before Congress, the Courts, and all departments of the United States government, through our Washington office, 208 Corcoran Building, and through our staff of Washington correspondents. If you desire any information from Washington, or any business transacted at the National Capital, we shall be pleased to perform the desired service for our subscribers.

PROBATE DEPARTMENT
Information respecting probate matters, in any town or city of the United States, is furnished to our subscribers gratuitously if the inquiry is answered through the columns of the INVESTOR, or for $2.00 if the reply is by private letter

LEGAL DEPARTMENT
Questions answered by prominent attorneys upon any desired subject for $2.00 each.

MERCANTILE DEPARTMENT
A report regarding the standing and reliability of any firm or individual in the United States furnished for $2.00. Our information goes into the character and individuality of members of a firm and its methods of doing business.

MISCELLANEOUS QUESTIONS
Inquiries of any sort answered for $2.00 each. Send for descriptive pamphlet of the agency

REAL ESTATE DEPARTMENT
A report upon any piece of property in the United States furnished for $2.00.

Conducted by

Frank P. Bennett & Co., Inc.

530 Atlantic Ave., BOSTON.
308 Chestnut St., PHILADELPHIA.
2 Rector St., NEW YORK.

Digitized by Google

GENERAL LIBRARY,
UNIV. OF MICH.
JUL 17 1911

United States Investor

Volume XXII. BOSTON, NEW YORK AND WASHINGTON, JULY 15, 1911 Number 28

The forces behind the Aldrich currency plan are daily growing stronger. There can be little doubt as to that.

The Aldrich Currency Plan

As each state bankers' association assembles for its annual convention it makes discussion of that plan a major feature of its programme. Almost invariably it places itself on record squarely as in favor of the plan.

Some of the discussions at these sessions are genuinely valuable. The speakers on such occasions have been big bankers whose visions have been broadened to include something more than the narrow horizon set by the business of their own banks. Included among them have been such men as Mr. Forgan, Mr. Talbert and Mr. Pierson, all of them admittedly successful captains of the banking industry. When Congress next assembles, therefore, there seems likely to be a powerful gathering of the clans in favor of the bill, and if any antagonism to the suggestions of the National Monetary Commission shall raise its head, that antagonism will hardly come from within the ranks of the banking industry. It is with some diffidence, therefore, that one suggests the possibility of there being weaknesses still in the whole situation. With the tide setting so strongly in favor of a measure, anyone who would stand against the tide or seek to divert its course toward a somewhat more desirable end is essaying no slight task.

And yet it is no part of friendship for a new project to blind one's eyes to its defects or bridle one's tongue in discussion of the amendments it needs. Especially is this true when the project involves such tremendous consequences as does this one. The National Reserve Association is to be a huge aggregation of capital, and it is huge work which it is to be asked to do. The welfare of the people of the entire country is bound up in its successful operation. The panics which have so distressed us and of which this country appears to have had more than its share are to be dealt with by this plan, and if the plan shall prove inadequate, then may the effects of the panic be heightened rather than diminished, or what is the same thing, there may be new evils of scarcely less import substituted for the old. Hence, it is thoroughly in order for one to examine the Aldrich plan critically and to suggest alteratons in its composition and improvements in the propaganda which is being organized to procure its enactment. In both of these ways, namely, by improving the plan itself, and by improving the scheme by which it is to be popularized, is their opportunity of being of service.

A Huge Aggregation of Capital

First, as to the propaganda. It is being confined thus far too largely to bankers' associations, and they are being placed on record without sufficient critical discussion of the plan. One hesitates to make this latter statement in view of the effort which very capable managements, like that of the New York State Bankers' Association, for example, have made to have the discussion of the matter by their respective associations as broad and comprehensive as possible. It was truly a work worth while to have those discussions of the plan which occurred at Manhattan Beach. Nevertheless, it can be made even more enlightening if a big effort is made at future conventions to bring to the same meeting those who will assail as well as those who will laud Mr. Aldrich's scheme. Careful perusal of what has been said at various bankers' meetings does not indicate any lack of familiarity among bankers with the general features of the plan, but who can say that a few vigorous critics participating in the debate would not have added to the information of those present? That there are well informed men who could have pointed out faults in the plan no one will deny. That all of them are merely captious critics, skilful at tearing down, but unable to offer constructive criticism, is really not a correct statement to make. There are plenty of critics, we will admit, whose words in debate at Manhattan Beach would have been neither helpful nor entitled to the prestige which utterances on such an important occasion always enjoy. Former Governor Stokes of New Jersey, a trained banker, former Congressman Fowler, highly informed in finance and currency matters, and Dr. O. M. W. Sprague of Harvard University, who is no mere academician in matters of currency, are not of that sort. They can do constructive work as well as criticise, and their antagonism to central bank notions is founded upon quite as exhaustive a study of the problem as that which the National Monetary Commission has been making. It is no criticism of the programme committee of any bankers' association to suggest that at all future discussions of the Aldrich plan by bankers' associations some of these men would best be invited to be present to the end that these associations may act with the fullest possible knowledge.

The Propaganda

Moreover, boards of trade and chambers of commerce should be urged with every power possible to make close investigation of the Aldrich plan and to work for its enactment as law if they conclude that it should be made law. To have only the bankers enlisted in the cause means to accomplish far less toward popularizing the plan than is necessary. Legislators at Washington will never assume the responsibility for this plan which its enactment into law would involve for these legislators unless they are assured that the plan meets with rather general popular approval. Let only the bankers clamor for it and the legislator assumes at once an attitude of suspicion. Why, he asks, does this scheme appeal principally to bankers? Are they actuated in advocating it only by motives of disinterested philanthropy or by purposes that may fairly be called ulterior? There will be an element in Congress, especially from sections which have been taught in free silver campaigns and other demagogic outbursts of the past, to suspect financial institutions which will incline to disattitude of suspicion very strongly unless from business men connected in no wise or only in minor fashion with banks there shall come also a demand for the legislation. Consequently, it is our earnest hope, and it is in keeping with the speech of President Taft urging that partisanship be kept out of the propaganda, that there shall begin at once a movement to bring business men's organizations all over the country into line for the bill or into line for such modifications of it as shall

Not the Banker Alone

after full discussion of the matter, pro and con, appeal to them.

Therefore, it is with much satisfaction that we find lying before us the report of a committee which the Philadelphia Chamber of Commerce set to work upon the Aldrich plan. That committee is not content with mere praise of the plan. It has analyzed it at length, and section by section, part by part, it dissects, criticises and condemns or praises. Evidently, the desire of the chamber, or at least of its committee, has been really to know the plan. Anyone who reads the printed report will confess that the committee has fulfilled the purpose for which it was created. It shows the weaknesses and the elements of strength as it finds them, and ends by making suggestions which may well be seriously considered and perhaps may well be adopted. If the National Monetary Commission were to receive a good many such reports instead of mere resolutions of bankers' associations, it cannot fail after a while to bring its plan into more nearly perfected shape. Some of the suggestions of that committee of the Philadelphia Chamber of Commerce we purpose to discuss.

To Know the Plan

Its first objection is to the provision that the length of the charter of the Reserve Association shall be fifty years. Upon other critics this provision seems not to have had much effect, although many of them recall that the life of the first and of the second United States Bank was limited in each case to twenty years. Perhaps they have thought that the unfortunate end of central banking in this country might have been avoided if the first United States bank had not been prevented from continuing indefinitely its wholly desirable existence. Twenty years may, therefore, seem to them too short a term. The Philadelphia committee, on the other hand, suggests that for the present generation to give irrevocably for half a century to this or any other institution two exclusive rights, namely, the handling of the funds of the government and the issue of currency, is a proposition at which we may well pause to ponder. It points out that whatever monetry plan we now adopt must of necessity be an experiment until it has been tested thoroughly in actual experience. The committee goes even further and suggests that within a few years a better method of handling the currency and the government funds may be devised, and the present Aldrich plan, if made law, may become positively obnoxious to a large portion of our people. The committee, therefore, declare that every exclusive right given the association should be revocable at any time by Congress, although the terms and conditions upon which revocation may be effected should be clearly defined in the law when it is passed. Of course, any other policy than that of making terms and conditions of revocation clear at the outset would be grossly unfair to those who contributed funds for the starting of the association.

The First Objection

The committee next point out what seems to them an unfortunate feature of the provisions of the Aldrich plan relative to the executive committee of the Reserve Association. It is a feature which unfortunately seems to have been lost sight of in most discussions of the plan, for it is, on the whole, a rather vulnerable proposition. The scheme is to confer upon nine individuals, of whom no less than four are appointees of the President, namely, the governor of the association, the two deputy governors, and the comptroller of the currency, practically all the powers which are vested in the board of directors. Is the Philadelphia committee wrong in its notion that this single executive committee with its mere handful of members can hardly represent all the legitimate interests and all the different localities of the country impartially and efficiently? Our own impression is that its feeling of concern over this proposition is of ample warrant, and that the countersuggestion it makes is entitled to very sober thought. This is, that there be instead an executive committee of nineteen, one from each of fifteen districts, and the four whom the President would select. Each of the fifteen it would have chosen by the branch association of the district in which he resides, but during his membership on the executive committee he should reside in the city where the office of the Reserve Association is elected. The executive committee must pass on credits in all sections of the country. It must know local conditions as only a resident banker permeated with knowledge of the people and customs of each district can know them. Obviously, therefore, a real need for representatives from all parts of the country on its membership will be felt. The Philadelphia committee would have these fifteen men well paid and entitled to serve only two years, becoming then ineligible for reelection. If it be charged that this plan would detract from the desirability of the post in the eyes of bankers, the answer is apparent. This plan will keep the association from falling into the hands of selfish interests and the probability is that the honor and prestige a banker will acquire from serving on the executive committee for two years will give him a standing in the banking world which any ambitious banker will much desire.

A Feature Lost Sight of

The most telling criticism which the committee makes of the plan, in our opinion, however, is of the failure to provide for the retirement of the association's notes when they are not needed for the normal requirements of trade. The reliance of the author of the Reserve Association's plan is wholly upon the good judgment of the management of the association and upon taxation of its issues. No other device has he for forcing the circulating notes out of the currency when the requirements of trade slacken and business assumes a state of comparative inactivity like that which at present prevails in so many industries. What surety he has that his reliance is upon adequate influences is not clear. In no country is there to be found a board of directors charged with the responsibility for reducing and retiring note issues of so large a nation as is ours. The managers of the Bank of France most nearly approximate in responsibility for enlarging and diminishing issues of notes the directors of the Reserve Association. They have no such diversity of interests or magnitude of domain to serve, however. Moreover, they are dealing with a country whose bankers are accustomed to scan bank notes handed them, and to push them in for redemption, as our bankers send home a check to the bank upon which it is drawn for payment. The bankers of this country are not thus schooled. Instead, they are used to retaining bank notes in their vaults with the same sense of security that one may fairly feel in retaining a gold certificate in one's safe. Bankers' co-operation in forcing in the notes of the Reserve Association when the currency is becoming redundant, can hardly be looked for, and the Philadelphia committee appropriately asks whether the objectionable use of the association's notes as permanent money to too large an extent may not eventuate. The earnest consideration of this condition is urged upon those who are studying the plan with a view to becoming its advocates at bankers' association meetings. There ought to be some definite discussion

Most Telling Criticism

Digitized by Google

of the wisdom of specifically providing the means for enforcing retirement. Either that or a frank admission by the advocates of the plan that for this important portion of currency reform, they are content to rely upon the judgment of an executive committee not yet chosen, and limited in membership to nine men whose familiarity with some portions of the country and their respective needs may be very small.

Makes One Fact Clear

In short, the whole discussion of the plan by this competent Philadelphia committee makes clear one fact beyond peradventure. This is, that the Aldrich plan, good in many respects though it is, is by no means a complete proposition as yet. Much work remains to be done in rounding it out and smoothing it off. In a spirit of friendship for the plan, this work should be done and done now. It is no part of good government or good banking policy for anyone to set his approval upon it because it contains few sins of commission. It should be searched also for sins of omission, for what it fails to provide quite as much as for what it does provide. On this account, we urge upon bankers' associations and other bodies the wisdom of inviting critics of the plan to their meetings as well as its advocates. This big undertaking of improving our currency by the enactment of a species of central bank act must not be carried out in our ignorance. We must go into it with our eyes wide open. And in no way can the light be turned on more effectively, and the whole plan brought forth in bold relief with all its virtues clearly outlined and all its faults conspicuous more completely than by debates in which the advocates of the plan are forced to cross swords with critics of it who are their equals in intelligence and familiarity with practical banking.

NATIONAL CITY BANK.

The following comparative statement of deposits of the National City Bank of Chicago is striking, and warrants the admiration which patrons of this bank feel for its management and its service:

February 5, 1907 (Opening date)	$2,198,337.23
February 5, 1909	12,612,507.53
January 7, 1911	22,209,535.96
March 7, 1911	27,665,861.64
June 7, 1911	29,259,906.56

BANK ITEMS.

SEATTLE, WASH.—The German-American Bank has increased its capital from $50,000 to $100,000.

WALLA WALLA, WASH.—The Farmers Savings Bank, headed by W. P. Winans, has awarded a contract for the reconstruction of the bank offices. While the alterations are being made, the bank will be housed in the quarters formerly occupied by the First National Bank.

Franklin National Bank
PHILADELPHIA
Capital $1,000,000.00
Surplus and Undivided Profits 2,730,181.17
INCORPORATED 1900.
OFFICERS:
J. R. McALLISTER, President.
J. A. HARRIS, JR., Vice-President.
E. P. PASSMORE, Cashier. L. H. SHRIGLEY, Assistant Cashier.
J. W. HARDT, Assistant Cashier.
Foreign Exchange Department.
WILLIAM WRIGHT, Manager.

Chartered 1836
GIRARD TRUST CO.
PHILADELPHIA
Capital and Surplus, $10,000,000
OFFICERS

E. B. MORRIS	President
W. N. ELY	Vice-President
A. A. JACKSON	Vice-President
C. J. RHOADS	Vice-Pres. & Treas.
E. S. PAGE	Secretary
G. H. STUART, 3d.	Asst. Treas.
S. W. MORRIS	Asst. Secretary

THE
SEABOARD
National Bank
of the City of New York
Capital - - - $1,000,000
Surplus and Profits (Earned) $2,050,000
Accounts Solicited

S. G. BAYNE	President
S. G. NELSON	Vice-President
C. C. THOMPSON	Cashier
W. K. CLEVERLEY	Assistant Cashier
L. N. DEVAUSNEY	Assistant Cashier
J. C. EMORY	Assistant Cashier
O. M. JEFFERDS	Assistant Cashier

The Fourth National Bank
OF THE CITY OF NEW YORK
OFFICERS
JAMES G. CANNON, President
SAMUEL S. CAMPBELL, V. Pres.
CHARLES H. PATTERSON, V. Pres.
DANIEL J. ROGERS, Cashier.
E. W. DAVENPORT, Asst. Cashier.
CHARLES E. MEEK, Asst. Cashier.
DIRECTORS:

James G. Cannon	L. F. Loree
Cornelius N. Bliss	Eugene Delano
Robert W. Stuart	M. Orme Wilson
William S. Opdyke	Elbridge G. Snow
T. Frank Manville	Welding Ring
Thos. H. McKittrick	Morton F. Plant
Mortimer L. Schiff	Samuel S. Campbell

CAPITAL AND SURPLUS - $10,000,000

HomeSavings Bank
Toledo, Ohio
Capital and Surplus, $400,000
Is a State Bank authorized to conduct a **General Banking Business,** and is operating strictly within the laws of the State governing Banks.
Collections given especial attention, for which remittances are made promptly at a reasonable charge.

First National Bank
San Francisco, California
Capital - - - $3,000,000.00
Surplus and Profits - 1,865,492.48
OFFICERS
RUDOLPH SPRECKELS, President
JAMES K. LYNCH, Vice President
J. K. MOFFITT, Cashier
J. H. SKINNER, Asst. Cashier
C. H. McCORMICK, Asst. Cashier
GEO. A. KENNEDY, Asst. Cashier
Invites your business and places at your disposal facilities developed and perfected during forty years of successful banking.

THE
People's State Bank
DETROIT, MICH.
Capital, $1,500,000.00
Surplus, 1,500,000.00
Collections a specialty
Correspondence Invited

CAPITAL $1,800,000.00 SURPLUS $2,000,000.00
Second National Bank
OF
PITTSBURGH, PENN'A.
HENRY C. BUGHMAN, President
WILLIAM McCONWAY, Vice President
THOMAS W. WELSH, JR., Vice President
JAMES M. YOUNG, Cashier
BROWN A. PATTERSON, Ass't. Cashier

Western National Bank
PHILADELPHIA
Capital - - - - - - - $600,000.00
Surplus and undivided profits - 234,136.92
GEORGE E. SHAW, President
EDWARD J. DURBAN, Vice-President
SIDNEY LABE, Vice-President
E. E. LINDEMUTH, Vice-President
CHARLES F. WIGNALL, Cashier
JOHN BAUMGARTNER, Asst. Cashier
A conservatively managed bank invites your correspondence.

Digitized by Google

MELLON NATIONAL BANK, PITTSBURGH, PA.

Offers perfect service on attractive terms to other banks and bankers

CAPITAL $6,000,000 **SURPLUS $1,300,000**

This Week and Next

A Nervous Market, Troubled By Crop Scares, With the Public on the Outside—A Time For Caution, But No Reason For Panic—Crop Results Likely to Improve on July 1 Estimates—Signs of Better Times—Canadian Pacific Strong, Despite the Erie Alliance Denial—Erie Common Tipped For Forty-Five—Explaining the Mysterious Buying of St. Louis Southwestern, St. Paul and Lehigh Valley Dividend Probabilities.

The irregularity displayed by prices within the last week or two is deceptive, and one might surmise that an active trading interest was being shown in the market, if he were to base his observations upon daily price changes alone, since the backward-and-forward swing of prices bears a surprising similarity to that seen in by-gone days, when the public was invading the brokerage houses and placing its buying and selling orders with a vim which has long been lacking. To-day, however, the public is neither buying nor selling in any great volume. A year ago at this time, daily transactions were running at the rate of from 500,000 to 1,000,000 shares, whereas, to-day, they average between 200,000 and 300,000 shares, and not infrequently fall below the lower figure. Total sales to July 12, since the beginning of the year, amount to 55,512,750 shares, while, in the corresponding period of 1910, they aggregated 102,977,535 shares, a decrease of nearly 50 per cent.

THE SECRET

of this lack of activity, so far as the present is concerned, is found in the growing uncertainty engendered by the conflicting character of reports received from various quarters, as to the outlook for the crops. With torrid weather pervading the eastern financial centres, traders have probably followed the line of least resistance in giving credence to disquieting reports of drought from the western agricultural centres. The government report was something of a disappointment, although not nearly as disquieting as some of the private reports, probably inspired, which have been put out within the last three weeks. If the final figures should indicate a loss from the June 1 estimates as large as the government's estimates would indicate, the total wheat crop this year would still be the fourth largest ever raised, exceeding by about 10,000,000 bushels the average of the last five years. The promise for the corn crop on the basis of the July 1 estimate is for the second largest yield which the country has ever harvested. More than that, there seems to have been an improvement in conditions in the spring wheat territory since July 1, and there is likely to be a repetition of the crop history of last year, when the final figures for both spring and winter wheat were better than the July 1 indications. Crop scares are badly overdone, as a rule, and there is certainly no reason for

SACRIFICING SECURITIES

in any of the figures which have been reported thus far as coming from dependable authorities. Those figures may suggest caution, but they assuredly do not suggest distrust or panic.

Of course, there is no dodging the fact that the present inactivity of the market is a great disappointment to those who hoped that the settlement of the Standard Oil, American Tobacco and Union Pacific suits would clear the tracks for an era of active speculation. To be sure, immediately following the court decisions in those three important cases, the market gave evidences of much of its old-time activity, but unfortunately, something has arisen each time to place a damper upon the growing interest

MARINE NATIONAL BANK BUFFALO

Capital and Surplus Earnings, - - - $3,500,000.00
Resources, - - - - - - - - - - $33,000,000.00

INVITES YOUR CANADIAN BUSINESS

New York State National Bank

ALBANY, N. Y.

Capital, $600,000 Deposits, $13,000,000 Surplus, $500,000

LEDYARD COGSWELL, President
LEDYARD COGSWELL, JR., 2nd Vice President LAURENCE H. HENDRICKS, Cashier
GEORGE A. WHITE, Asst. Cashier.
OVER 800 BANK DEPOSITORS IN THE UNITED STATES.

NATIONAL METROPOLITAN BANK

OF WASHINGTON, D. C.

Oldest National Bank in the District of Columbia

GEO. W. WHITE - - President
CUNO H. RUDOLPH - - Vice-President GEORGE O. WALSON - - - Cashier
O. H. P. JOHNSON - - - Vice-President J. CALES MOORE - - - - Asst. Cashier

The Merchants National Bank Indianapolis Indiana

ESTABLISHED 1865

CAPITAL = = $1,000,000 SURPLUS FUND AND PROFITS, $900,000

Superior facilities for handling items on Indianapolis and State of Indiana.

ORGANIZED 1864 **German National Bank** OF PITTSBURGH, Pa.

CAPITAL and SURPLUS :: $1,200,000.00

OFFICERS

F. ERNY, President C. A. FAGAN, Vice President
F. W. EVERSMANN, Cashier A. FRAUENHEIM, Vice President
ROBT. E. REED, Asst. Cashier

ACCOUNTS SOLICITED

HUNGARIAN AMERICAN BANK

Fifth Avenue and Twenty-first Street

NEW YORK

The bank offers to bankers, corporations, merchants and others the fullest possible service in all departments of modern banking.

For ... in all its branches a specialty

and enthusiasm. For one thing, there is still too much of a disposition to investigate the activities of various corporations to suit many business men of a conservative turn of mind. Indeed, there is reason to believe that this condition of affairs has exerted not a little influence in restraining

A GENERAL IMPROVEMENT

in business conditions. Yet, despite this restraint, there has been a fairly pronounced improvement in more directions than one, and indeed, there is justification for belief that conditions confronting the market on July 1 were more favorable than those prevailing six months previously. The textile trade, it is true, is not in a particularly healthy condition, but evidences of improvement in the steel and copper industries are too plain to be doubted. The railroads have begun to place equipment orders with a greater degree of freedom, a fact which will benefit not only the steel companies, but the equipment manufacturing concerns as well. So far as the money market is concerned, there is nothing at all terrifying to be seen in that quarter. The banks disbursed approximately $230,000,000 in July interest, and dividends without the slightest inconvenience. American bankers have large balances to their credit abroad, and the balance of trade in the fiscal year just closed is in this country's favor by much more than $500,000,000. Current interest rates are exceeded to a considerable degree by the income return on standard stocks and bonds. Fundamental conditions generally are sound, and there is reason to believe that a closer and more dispassionate view of the crop outlook will result in a resumption of an upward movement in prices before many weeks have passed.

CANADIAN PACIFIC AND ERIE.

More than one over-captious critic, who can see nothing but manipulation in any advance in prices, no matter how legitimate and logical such an advance may be, seems to look upon the continued strength of Canadian Pacific shares as something in the nature of a personal affront. Accordingly, last week, when the stock showed a tendency to react, these critics hastened to call attention to the fact that they had predicted the pricking of this especially expansive bubble, and now their judgment was about to be vindicated. Canadian Pacific has returned this week to a point very close to its high record level, and the "bubble" is, if anything, more solid appearing than ever, because of the fact that crop conditions over the greater part of the Dominion are well-nigh ideal, according to the best reports available, while those on this side of the line are at least such as to give the professional "crop-killers" a foot-hold. The story of the Erie-Canadian Pacific alliance was not concocted for the purpose of bolstering up the market position of the latter issue, and attracting the "come-on" fraternity, but as a matter of fact, was designed primarily to explain the buoyancy of Erie shares, and to add to that buoyancy, if possible, to a more or less marked degree.

MISSING THE MARK.

Financial theorists, who have been so frequently pessimistic on Erie ever since the days when the offices of the company were carried about in the pockets of Jay Gould, Jim Fisk, et al., have been unwilling to believe that the road could accomplish much of anything on its own account, their skeptical attitude expressing more eloquently than words the question: "Can anything good come out of the Erie nest?" These people, therefore, have been at something of a loss to find a logical explanation for the recent strength of the shares of this one time pauper in the railroad family, and accordingly, ever since the rehabilitation process began in earnest three or four years ago, there has been a persistent endeavor in customers' rooms to tie the Erie up with some one of the larger systems of the country, in a laudable endeavor to bring support to the aid of a weaker comrade. Two or three months ago someone became possessed of the brilliant idea of a close alliance between the Erie and the Canadian Pacific, and up to a week ago, the suggestion had been continuously productive of efforts on the part of paragraph writers, and professional tipsters throughout the financial district. If silence gives consent, then the close-mouthed attitude of the Erie directors on this question suggests that "Barkis is willin' ," but President Shaughnessy, of the Canadian Pacific, has been less consider-

Guaranty Trust Company of New York

announces that it is now a member of the New York Clearing House Association, and that on and after June 12, 1911, all items deposited with the Company will be cleared through the New York Clearing House.

28 Nassau Street

Fifth Ave. Branch 5th Ave. & 43d St. | London Office 33 Lombard St. E. C.

Capital and Surplus, - $23,000,000
Deposits - - - - 144,000,000

The National Park Bank OF NEW YORK

Organized 1856.

Capital $5,000,000.00
Surplus and profits 12,941,413.18
Deposits, June 7, 1911..... 108,964,675.64

Atlantic National Bank, Providence, R. I.

Direct connections with every Town in R. I.

SEND US YOUR COLLECTIONS. MINIMUM RATES.

FIRST NATIONAL BANK
EUCLID AVENUE CLEVELAND

CAPITAL $2,500,000 Surplus and Profits $1,250,000

ACCOUNTS OF BANKS AND BANKERS, MERCHANTS AND CORPORATIONS, SOLICITED

SPECIAL ATTENTION TO COLLECTIONS

DEPOSITS $25,000,000

FIRST NATIONAL BANK, Denver

Capital and Surplus .....$2,000,000.00 Resources $26,135,134.89

OLDEST BANK IN COLORADO.

D. H. MOFFAT, President. THOS. KEELY, Vice-President.
F. G. MOFFAT, Cashier.
C. S. HAUGHWOUT, Asst. Cashier. J. C. HOUSTON, Asst. Cashier.

Utah National Bank SALT LAKE CITY UTAH

CAPITAL AND SURPLUS $240,000.00

W. S. McCORNICK, President. T. R. CUTLER, Vice-President.
R. T. BADGER, Cashier. C. H. WELLS, Asst. Cashier.

UNUSUAL FACILITIES FOR COLLECTING ITEMS IN THIS TERRITORY.

Planters National Bank RICHMOND VA.

ORGANIZED 1865.

Capital $300,000 Surplus and Profits (earned) $1,160,000

Deposits $5,500,000

SUPERIOR FACILITIES FOR COLLECTING VIRGINIA ITEMS.

Digitized by Google

UNION EXCHANGE NATIONAL BANK, NEW YORK
CLEARING HOUSE No. 100
CAPITAL AND SURPLUS $2,000,000 Organized 1903 DEPOSITS $10,000,000
SITUATED IN THE NEW COMMERCIAL AND MANUFACTURING DISTRICT, 5th AVE. AND 21st STREET
Banks that can handle to advantage the items payable in their locality are invited to correspond with us

ate of the feelings of the prophets, who have held that such an alliance would be

OF MUTUAL BENEFIT

to the roads involved. Some prophets have insisted that the Canadian Pacific was ready to take over the Erie, bag and baggage, while others more conservatively inclined were ready to limit the connection to a close traffic alliance. Another ramification of the story was to the effect that the International Mercantile Marine would also be included in a working alliance, making a powerful three-cornered combination.

President Shaughnessy, of the Canadian Pacific Railway, has done his best, however, to set such rumors at rest. He says that neither the Canadian Pacific nor any of its allied companies has at any time been negotiating for a control, or an interest in or working arrangement with the Erie.

Such an alliance, he says, would not be of advantage to either party, but perhaps he fails to realize the supporting influence which this kind of a big-brother alliance would have upon the Erie shares. A tip has been circulated to the effect that Erie common is to sell at 45 or better, by the close of the current month, and the prediction is not made by irresponsible parties, but comes from quarters where previous tips of the kind have made good in the past. First National Bank interests are believed to have been interested in purchases of large blocks of stock, including some of the holdings of the Harriman estate. Evidently, these banking interests are interested in advancing the shares from the original purchase price, $30, to the position 15 points higher, which has been set as the probable limit of the movement. The latter would probably have been facilitated, had President Shaugnessy seen fit to keep out of the affair. As a matter of fact, however, the Erie is in a position to stand by itself as a result of the substantial improvement shown in its position since 1907, and this change for the better is of itself sufficient to explain the growing popularity of the shares.

GOULD BUYING.

Buying orders of a different kind have been noticed in connection with the movement of St. Louis Southwestern during the past week or two, and there is a good reason to believe that Edwin Gould, the president of the road, has been adding to his stock holdings. He already holds control of the road, and for that reason his recent movements have created more than a little speculation on the part of those who are disposed to make a mystery of the affair. It is quite probable that Mr. Gould, profiting by the experiences of George Gould, fears that someone is gunning for his property, and as a means of protection against a possibly disastrous fight for control in the market, is strengthening his position, with respect to holdings of the stock. On two occasions within the last few months, outside railroad interests have given evidence of a remarkable interest in St. Louis Southwestern affairs. Probably Mr. Gould fears that this interest will soon crop out in another and more violent demonstration.

ST. PAUL DIVIDEND.

Coincident with the growing belief that the Chicago, Milwaukee & St Paul will fail to show its 7 per cent earned this year, comes reports of substantial buying of the stock in St. Paul. Evidently, the insiders are looking into the future, being possessed of better facilities for estimating the earnings of the coming years, than is the small stockholder. The dividends on the Puget Sound line, that is, the Chicago, Milwaukee & Puget Sound, are counted on to enable the company to meet the full 7 per cent requirements. There has been talk of an entirely unofficial nature from time to time of the possibility of a decrease in the St. Paul common dividend from 7 to 5 per cent. Accumulation of the stock by inside interests has made it possible to view the outlook from a new angle, and now one hears occasional hints of a more liberal payment, or of the distribution of a plum to the shareholders at some time in the future. The financial community is waiting with interest to see if the Puget Sound line will declare another dividend of 2 per cent in the near future, as it is expected to do. If this is done, the whole distribution for the year would be 4 per cent, which would mean a very substantial addition to the St. Paul's income.

LEHIGH VALLEY.

Just at present, Lehigh Valley shares are in much the same position, the margin of earnings over the current 10 per cent dividend rate being relatively slim; so slim, in fact, has it become, that more or less apprehension has been shown as to the maintenance of the present 10 per cent rate. I believe that these fears are largely without justification. The company will earn this year in the neighborhood of 13 per cent on the stock, while the coal company is earning an additional 2 per cent, or thereabouts, on the shares of the railroad company. It does not look, therefore, as if there was any immediate danger of a reduction in the dividend rate, and for the present, at least, Wall street may rest secure on this point.

THE FORECASTER.

Portland National Bank
PORTLAND, MAINE
Union Mutual Life Insurance Co. Bldg.

Accounts received on the most liberal terms consistent with sound banking.
Collections receive prompt attention.

WM. W. MASON ..... President
EDWARD W. COX ..... Vice-President
CHAS. G. ALLEN ..... Cashier
EDWARD L. PIPER ..... Asst. Cashier

Directors:

Fred E. Richards, Charles G. Allen,
Henry B. Cleaves, George F. West,
William W. Mason, George Westcott Beyer,
Lyman M. Cousens, Roswell C. Bradford,
Edward W. Cox.

OLDEST BANK IN AMERICA
Chartered by Congress, 1781.
The
Bank *of* North America
(NATIONAL BANK)
PHILADELPHIA, PA.

Capital	$ 1,000,000.00
Surplus	2,250,000.00
Undivided Profits	424,000.00
Deposits	15,269,000.00

HARRY G. MICHENER ..... President
SAMUEL D. JORDAN ..... Cashier
WILLIAM J. MURPHY ..... Asst. Cashier
RICHARD S. McKINLEY ..... Asst. Cashier
Accounts Solicited
Correspondence Invited

THE
Chatham and Phenix
National Bank
NEW YORK

Capital and Surplus
$3,000,000

All business under direct supervision of the officers.

LOUIS G. KAUFMAN, President.

GEO. M. HARD, Chairman of the Board.
F. J. HEANEY, Vice-President.
W. H. STRAWN, Vice-President.
A. M. BULL, Vice-President.
BERT L. HASKINS, Cashier.
H. L. CADMUS, Assistant Cashier.
N. P. GATLING, Assistant Cashier.
W. B. BOICE, Assistant Cashier.
H. C. HOOLEY, Assistant Cashier.

Your Account Solicited.

CAPITAL, SURPLUS AND PROFITS
$3,300,000
THE NATIONAL BANK
of the
REPUBLIC
OF CHICAGO

offers to conservative bankers its facilities developed and perfected by twenty years of close personal relations with correspondents in all parts of the country.

JOHN A. LYNCH, President,
W. T. FENTON, Vice-President,
R. M. McKINNEY, Cashier,
O. H. SWAN, Assistant Cashier,
JAMES M. HURST, Assistant Cashier,
WM. B. LAVINIA, Assistant Cashier,
W. H. HURLEY, Assistant Cashier.

Digitized by Google

Va.-Carolina Will Do Better This Year

Last Year Was an Exceptionally Bad One in Cotton Seed, and necessitated Reduction in the Dividend Rate on the Common Stock From 5% to 3% —Company At the Same Time Spent Almost as Much in Maintenance of Plants as Was Disbursed in Common Dividends—With a Record Cotton Crop and High Prices For Corn and Pork Products Company Will Make Very Substantial Earnings From Its Cotton Seed Department This Year—The Actual Facts About the Listing of the Company's Stock in Paris When It Was Selling at 70.

Virginia-Carolina Chemical is likely to make a much better exhibit of earnings for the current fiscal year than it did last year, but even last year the result was not nearly as bad as might be inferred, either from a superficial examination of the annual report, reflection on the fact that after the divident rate had been reduced on the common stock from 5 to 3 per cent, the surplus was reduced $529,450, or from a consideration of the sarcastic comments which have appeared in some of the papers with reference to the unloading of the company's common stock by listing it on the Paris Bourse when the price was around 70 and the 5 per cent dividend rate was in force.

It is always safe to presume that things are neither as good nor as bad as they appear at first blush. The company paid a dividend last year on its common stock amounting to $1,399,220, and in order to pay it had to draw on its surplus account to the extent of $529,450. At the same time, however, the company spent in repairs and maintenance on the property a sum no less than $1,285,146, or almost as much as was disbursed in common stock dividends. The company's net working capital, that is, excess of current assets over current liabilities

IS ABOUT $19,000,000,

which is ample for the company's requirements.

It is apparently not generally understood that the character of the company's business is such that earnings can only be actually known at the end of the fiscal year, and in consequence, the directors have very wisely adopted the policy of declaring dividends on the common stock payable for the succeeding year out of the profits which have been made in the preceding year. The company manufactures fertilizer and cotton seed oil products. Hence, during six months of the year the company is filling up its warehouses with fertilizer which will be sold in the crop-planting season which follows in the next six months. In the cotton seed oil department of the company's business an almost similar condition exists because all of the raw material, which is cotton seed, has to be bought in the few months of the year when the cotton crop is being harvested and then the various products which are made by crushing the seed have to be sold afterwards.

The market for fertilizer is reliable and steadily increasing in volume as well as profit-making possibilities, but cotton seed products are as fluctuating each year as the weather is from day to day. The price of cotton seed varies, of course, with the amount of the cotton crop, but in addition the cotton seed converter is equally affected by the corn crop. The various products of cotton seed are used as a substitute for lard and other hog products. The price of hogs is largely controlled by the price of corn, so that it happens not infrequently, as was the case last year, that the cotton seed converters got

HIT ON BOTH SIDES

by having to pay a high price for their raw material on account of the small cotton crop, and at the same time were compelled to sell their output at low prices on account of the low prices which prevailed for hog products.

The outlook for the present year, however, is much more favorable, as there seems to be every indication that we will harvest the largest cotton crop in our history, which should mean lower prices for the raw material, cotton seed, and at the same time, the corn crop seems to have been damaged enough so that relatively high prices for corn and the indirect products of corn will be assured, and this, of course, means that the cotton seed substitutes for pork products will demand better prices in the market.

There has been a considerable amount of flippant and unjustified comment in financial columns of late in reference to the fact that the Virginia-Carolina Chemical Company listed its common stock on the Paris Bourse when the dividend rate was 5 per cent and the stock selling around 70, in view of the reduction in the rate to 3 per cent this week and the previous decline in the market price of the stock to around 55. The facts in the case are that the negotiations for the listing of the stock began when the dividend rate was only 3 per cent, and the officials of the company felt confident that they would be able to increase the rate to 5 per cent the next year. The officials were correct in their estimate because for the fiscal year ending May 31, 1910, over 10 per cent on the common stock was earned and a 5 per cent dividend was declared. With their proverbial slowness, however, the

FRENCHMEN DID NOT DECIDE

to list the stock until a year after negotiations began, and in that year a material change in conditions took place. When the French people finally decided that they would list the company's stock, the officials of the company could ill afford to say they had changed their mind, so the programme was carried out, but the interesting and significant fact is that it was carried out in such a way that there can be and has been no cause for complaint from the French investors.

While $10,000,000 of the company's common stock was listed, only a small proportion of it was ever sold, and further, the stock was listed only in the cash department of the Coulisse. In a previous article in the UNITED STATES INVESTOR I explained the difference between the different departments of the Paris Bourse, which are the Parquet or what we would call the New York stock exchange and the Coulisse, somewhat similar to our curb. On both the Parquet and Coulisse securities are divided into two classes known as the cash and time or settlement departments. Any stock or bond in the cash department must be delivered and paid for in cash immediately after the transaction, which, of course, constructively means that the security has not sufficient stability to justify its being placed in the settlement department where contracts made for purchases and sales are adjusted on balance every two weeks the same as the

FORTNIGHTLY SETTLEMENTS

are handled on the London stock exchange.

It is obvious, therefore, that there is but little speculation in the stocks which have been listed in the cash department, and as a matter of fact, it is generally understood that securities listed only in the cash department of either the Coulisse or the Parquet are generally such as are bought outright by investors in small lots.

In the case of the Virginia-Carolina Chemical Company the common stock was listed only in the cash department of the Coulisse, and the small number of buyers for investment had an ample opportunity to make a profit on their purchase before there was any decline in the market price.

In fact, it is generally understood that the syndicate which arranged for the listing of the stock on account of the unfortunate combination of circumstances went to extreme lengths in order to be sure that no French investor was disappointed. These are the facts, even though they flatly contradict the many intimations which have appeared in the financial columns of the daily press to the effect that the management had put all American securities in bad repute by endeavoring to unload on the Frenchmen at inflated prices.

In the way of further substantiation of this statement, one of the directors of the company told me this week that the total holdings of French people in the form of bearer certificates at the present time amount to less than $100,000 of the company's common stock, out of a total of $27,984,400 of that issue outstanding.

The detailed figures of the company covering its operations for the year ending May 31, 1911, in comparison with the figures of the preceding year, are as follows:

	1911.	Changes. Decrease.
Net earnings	$3,488,529	$1,547,929
Charges	1,179,059	*189,021
Balance for dividends	$2,309,770	$2,046,850
Preferred dividend	1,400,000	.....
Balance for common	$869,770	$2,046,850
Common dividend	$1,399,220	*529,450
Deficit	529,450	*2,576,300
Previous surplus	$9,879,851	*$2,077,089
Profit and loss surplus	$9,350,401	$529,449

* Increase.

The balance sheet, as of May 31 last,

Digitized by Google

compares with the previous year as follows:

Assets—	1911.	Changes. Increase.
Real estate, plants, etc.	$47,432,489	$1,013,570
Current assets	26,467,162	1,286,078
Insurance fund inv'tment.	624,534	161,087
Total	$74,522,185	$2,463,035
Liabilities—		
Preferred stock	$18,000,000	.....
Common stock	37,984,400	.....
First mortgage bonds	11,400,000	*$300,000
Current liabilities	7,472,821	3,782,762
Reserve	314,563	10,741
Surplus	9,350,401	*$529,419
Total	$74,522,185	$2,463,035

* Decrease.

The Virginia-Carolina Company is generally regarded in Wall street as the fertilizer company with the best equipment and

THE BRIGHTEST PROSPECTS.

In efficiency of plants, ownership of supplies of raw material, cash resources and every other vital point the company does not suffer by comparison with any of its competitors. Through its ownership of the Southern Cotton Oil Company almost one-half of its annual earnings have in the past come from cotton seed products. Last year, however, was an exceptionally lean one for all cotton seed converters, and the Southern Cotton Oil Company, instead of contributing a profit to the parent company, brought in a deficit of $634,176. There is every assurance, however, that the present year will be a very profitable one for the cotton seed people, and there is no question about the steady development and increase of the fertilizer business every year for an indefinite length of time. The advance in the market price of Virginia-Carolina common after the announcement of the reduction in dividends may safely be construed as indicating that the worst is now known and has been discounted, and a further advance in the price of the stock is generally looked for.

P. DE MEDICI.

EXCHANGE TRUST COMPANY MOVES

The Exchange Trust Company, of Boston, took another step in its rapid growth, when, during the past week it removed its main offices from 33 State street to 21 Milk street. From the beginning, only about three years ago, the Exchange Trust Company has had a very successful existence, and the growth of its deposits has been very gratifying to the officers and directors. Special attention has been given to small and medium sized accounts, and although large accounts have been received from time to time, yet the small accounts have been given very complete attention, so that the bank has come to be called the small business men's bank. Only about three months ago the company opened up a branch on Boylston street, where its safe deposit vaults are now located, and where it has every facility for carrying on this class of business in a manner most satisfactory to its customers.

The banking rooms have a substantial, conservative, quiet and dignified appearance, and the floor space is utilized, so as to get the maximum of comfort, and the minimum of labor. In fact, everything has been done that will facilitate the transaction of business, and give the bank's customers the best possible service.

OHIO BANKERS' CONVENTION.

The twenty-first annual convention of the Ohio Bankers' Association was held at the Breakers' Hotel, Cedar Point, Sandusky, Ohio, on July 6 and 7.

On the opening day Judge E. B. King delivered the address of welcome, in behalf of the bankers of Sandusky, to which Col. J. J. Sullivan, president of the Central National Bank, Cleveland, responded. The annual address of the president of the association, Geo. P. Jones, cashier of the First National Bank, Findlay, and one by Hon. E. B. Vreeland, Washington, on the Aldrich plan for reform of our banking and currency systems, followed. The usual reports were read.

The speakers and subjects for Thursday afternoon were:

Mr. Wm. S. Rowe, president First National Bank, Cincinnati, Bank Credits and the Proposed New Banking Law; P. W. Huntington, president Huntington National Bank, Columbus, A Retrospective Sketch of Banking, the Extension of Credits and the Uses of Money; R. H. MacMichael, Mellon National Bank, president American Institute of Banking, Pittsburg, Pa., address.

On Friday reports of the protective, taxation, legislative resolutions and clearing house committees were read, followed by addresses on Currency Legislation by George M. Reynolds, president Continental and Commercial National Bank, Chicago, and on Our Postal Laws and One Cent Postage by Charles W. Burrows, Burrows Brothers Company, Cleveland.

Trips on Lake Erie were enjoyed on both days of the convention, with a reception and ball on Thursday evening.

PITTSBURG BANK EARNINGS.

In the table published in our issue of July 8, a printer's error caused the earnings of the national banks of Pittsburg, Pa., to appear out of order. All of the figures after those in the first column were made to appear beside the name of the bank which stood in the alphabetical list just above the one for which the figures should have appeared. The table appears correctly below:

PITTSBURGH, PA.

Bank of Pittsburgh	$389,912	$23,011,942	$24,822,912	1.21	6.98	16.24	12
Columbia	.....	8,986,682	11,431,842	.....	.....	.....	8
Commercial	31,573	2,740,592	2,989,699	1.10	5.72	10.52	3
Diamond	86,917	5,450,842	7,005,233	1.32	3.91	14.48	20
Duquesne	114,079	6,992,562	7,152,676	1.61	7.81	22.81	11
Exchange	76,830	6,668,472	7,516,229	1.13	3.68	6.40	7
Farmers Deposit	587,901	31,152,345	34,193,340	1.79	7.06	9.80	6
Federal	141,029	6,018,966	6,350,128	2.26	6.03	14.10	12
First	.....	25,778,570	20,875,278	.....	.....	.....	16
First of Birmingham	25,025	1,054,508	1,108,827	2.32	8.33	25.03	16
German	73,000	6,294,000	6,478,440	0.56	5.84	14.60	11
Keystone	63,851	5,280,000	5,365,269	1.21	4.65	12.77	14
Liberty	.....	1,320,153	1,450,329	.....	.....	.....	8
Marine	33,312	1,612,895	1,600,946	2.05	7.77	11.04	6
Metropolitan	37,496	1,431,728	1,509,202	2.49	5.04	9.37	8
Mellon	*	42,818,227	44,671,548	.....	.....	.....	..
Monongahela	138,498	8,432,600	9,084,840	1.58	4.87	13.85	12
Western Pennsylvania	81,219	5,558,285	5,837,066	1.42	5.42	8.12	6
Pennsylvania	27,440	1,305,284	1,189,901	2.30	7.20	13.44	6
Peoples	199,700	16,515,624	15,738,646	1.24	7.00	19.97	13
Second	186,522	16,993,112	19,027,188	1.14	4.62	10.36	10
Third	26,926	1,565,107	1,852,750	1.57	3.73	5.39	6
Union	237,000	15,610,029	17,109,060	1.44	4.16	39.50	40
United States	23,333	1,411,107	1,571,823	1.59	3.47	4.77	7
German of Allegheny	66,686	4,817,915	4,928,223	1.37	5.95	33.34	36
First of Allegheny	21,976	2,017,268	2,064,984	1.08	4.24	6.28	6
Second of Alleghany	72,209	2,257,415	2,333,351	3.10	6.12	24.07	20
Lincoln	57,596	5,778,597	6,643,906	.93	3.89	9.65	10

* Capital increased during year.

BANK EXAMINERS CONVENE.

Problems confronting national and state bank examiners in Washington, Oregon, Idaho and Montana were discussed at a meeting with bankers in the assembly hall of the Old National Bank in Spokane on July 5. Frank H. Luce, of Seattle, national examiner, presided at the sessions, which were executive. There was a general discusson on a plan of co-operation between the clearing house and the national and state examiners. Among the speakers were W. Wright, state examiner of Oregon; J. L. Mohundro, state examiner of Washington; Martin McLean, national examiner; F. E. Barbour, deputy examiner of Washington, and representatives of Idaho and Montana.

The session was followed by a banquet in the Hall of the Doges, where J. Grier Long, president of the Spokane Clearing House Association and head of the Washington Trust Company, presided. Plans for clearing house examinations in the reserve cities were discussed at length. The appointment of a special examiner was favored. This is in line with a resolution adopted some time ago by the clearing house association to secure for Spokane an examiner to act with the state and national examiners.

At the banquet were: Frank H. Luce and Martin McLean, national bank examiners; J. L. Mohundro, state examiner of Washington; A. V. Hayden and F. E. Barbour, deputy state examiners of Washington, and Will Wright, state bank examiner of Oregon. Thomas H. Brewer, president Fidelity National Bank; R. Lewis Rutter, vice-president Spokane & Eastern Trust Company; W. D. Vincent, cashier Old National; C. E. McBroom, cashier Exchange National; C. A. McLean, cashier Traders' National; G. A. Lafferty, Bank of Montreal; M. M. Cook, cashier Bank of Commerce; Adolph Galland, Northwest Loan & Trust Company; O. Larson, cashier Scandinavian-American Bank; J. A. Anderson, president Spokane State Bank; W. J. Kommers, cashier Union Trust & Savings Bank, and William Huntley, Farmers' & Mechanics' Bank.

B. R. T. As A Profitable Investment

Its Speculative Possibilities An Important Feature To Be Considered—The Company Plays a Part of Growing Importance in Greater New York Transit Affairs, and Is Rapidly Outgrowing Its Name—Measuring Its Future Possibilities by the Interborough's Past Performances—A Surprising Record of Efficiency in the Early Days of July—Southern Railway Preferred Another Attractive Investment so Far as Speculative Probabilities Are Concerned—A Participant in the Growing Prosperity of the South—The Outlook for Baltimore & Ohio and Atchison Common Issues

A UNITED STATES INVESTOR subscriber who comes to this publication for advice at frequent intervals has propounded an investment conundrum which it seems to me is of a character calculated to interest a considerable number of my readers, especially at such a time as this when they may have available for investment funds obtained from interest or dividend payments made July 1. I am, therefore, discussing this question at some little length in the hope that suggestions contained herein will benefit some one who is seeking an investment stock which contains substantial possibilities in a speculative way.

This subscriber's letter reads as follows:

"I should like very much to know which of the following stocks offers the best opportunity for speculative investment, Southern Railway preferred, Atchison common, Baltimore & Ohio common or Brooklyn Rapid Transit."

COMPARISON NOT EASY.

The inquirer has selected four railroad stocks and in that respect a comparison is rendered comparatively easy. In other directions, however, difficulties present themselves in the way of making such a comparison. In this quartet of stocks, all four of which are possessed of real investment merit and none of which are lacking in speculative attractiveness to a more or less pronounced degree, we have four different classes of securities and as many different varieties of operating conditions. In Southern Railway preferred we have an issue recently restored to the list of dividend payers after a lapse of more than three years and backed by a road operating in the South where evidences of material prosperity are at least as striking as those noticed in any other section of our broad land. In Atchison common we have the junior issue of a road, which, for years past has been managed in such a businesslike manner that it has come to be spoken of as "the Pennsylvania of the West." In the Baltimore & Ohio common we have the stock of an eastern coal road subject to the emphatic ups and downs of prosperity to which all the coalers are liable, while in Brooklyn Rapid Transit, we have the stock of a road which is purely local in character, which differs from the other three in that its difference is almost exclusively passenger business and which at the present time is influenced by peculiar local conditions relating to the New York city transit problem.

B. R. T. FAVORED.

Of these four stocks I am inclined to look upon the last named, that is, Brooklyn Rapid Transit, as being the most attractive when one considers the combination of investment strength with future speculative possibilities. Brooklyn Rapid Transit is an active stock for which there is always a market; and for that matter, the same might be said of the other three as well. It is a company which in years gone by, drew down upon itself a great deal of criticism, much of which, it must be confessed, was wholly merited, on account of lax methods of management, niggardly operating methods and a seeming indifference to the welfare of the public. In those bygone days Brooklyn Rapid Transit was facetiously referred to as "Brady's rattletrap," but of late years, in the face of evidences of marked physical and financial improvement, this derisive appellation has been almost forgotten, although it is always difficult for a railroad, particularly a passenger road, to live down a bad name. In many ways, Brooklyn Rapid Transit might be compared to Erie, which had a similar fight upon its hands, but which is now winning its way back into public esteem after having been for many years the butt of jokes and of deserved criticism.

A SUBSTANTIAL YEAR.

In the matter of investment yield, Brooklyn Rapid Transit is especially attractive. If the reader will turn to our page of "Best Purchases on the Railroad List", he will find Brooklyn Rapid Transit snugly ensconced in third place in the matter of investment yield preceded only by Clover Leaf preferred and Detroit United. At 83, the price at which Brooklyn Rapid Transit is now quoted, the stock nets over 6 per cent, paying as it does 5 per cent per annum. Detroit United and Chesapeake & Ohio common are the only 5 per cent railroad stocks which are selling anywhere near as low. Norfolk & Western common and New York Central are selling about 25 points higher, although they pay the same rate of dividend, and Buffalo, Rochester & Pittsburgh, common, another 5 per cent stock, is cuoted some 32 points above Brooklyn Rapid Transit at its present level.

A comparison of the relative positions of these 5 per cent issues might not unnaturally lead to the suspicion that there is something radically wrong with Brooklyn Rapid Transit. There are several reasons why the stock does not enjoy a stronger investment position at the present time. One of these reasons I have already referred to, being the company's past history of a not altogether enviable character. Again, the stock has no dividend record extending over many years, having paid its first quarterly dividend of 1 per cent a little more than two years ago, or, to be more exact, on April 1, 1909. Another factor to be considered is that many investors are afraid to touch the stocks of transit companies in New York, on account of the black eye such issues have received as a natural result of some of the rankest manipulation of assets and properties ever seen in the history of finance, manipulation which has resulted in the placing of the local traction lines in the hands of receivers. Of course, these regrettable developments have not concerned the Brooklyn Rapid Transit directly, but they have left a very disagreeable odor in the nostrils of investors, and the innocent have been compelled to suffer with the guilty.

AWARDING NEW LINES.

Within the next few years, the Brooklyn Rapid Transit Company will have outgrown its name, for the municipal authorities of the greater city are now engaged in awarding the contracts for new Rapid Transit lines in the various boroughs. It is not yet definitely known just what part the Brooklyn company is to play in these awards, but it is evident that it is to be one of marked prominence. Just what these awards will mean to a well-managed company may be readily seen from a perusal of the record of the Interborough Rapid Transit Company, which operates the present subway system in New York City. In the year ended June 30, 1910, this company earned nearly 17½ per cent on its stock, as compared with over 13 per cent in 1909, and over 10½ per cent in 1908. It is to be expected that a new record will be established when the report for the fiscal year just ended is made public. These earnings have been made from a subway in which there are many defects of design, a depressing absence of ventilation, which means a material loss of earnings in warm weather, and innumerable defects in operation. The Interborough Company appears to have operated its system with a surprising lack of consideration for the travelling public, and practically all its attempts to improve its service have been the result of energetic and persistent prodding by the disgruntled citizens through the Public Service Commission.

A B. R. T. RECORD.

As an indication of what the Brooklyn Rapid Transit Company is doing, attention may be called to the fact that during the first four days of July, the various lines, surface and elevated, carried 8,041,000 passengers, which is more than the population of London and nearly twice that of Greater New York. During these four days, the trolley cars comprising the Brooklyn Rapid Transit system travelled 1,460,-

Smith & Wesson Established in 1856

TRADE MARK

Don't be at a Disadvantage
at a Critical Time

Show a Smith & Wesson

SMITH & WESSON
Manufacturers of Superior Revolvers
49 Stockbridge Street, Springfield, Mass.
17 Market Street, San Francisco, Cal.

.38 Double Action Five Shot
Perfected *to the unexpected visitor.*

Every Banker should read "The Revolver" Send for it today

000 miles. These millions of passengers were carried with only two serious accidents, and an astonishingly small total of minor disasters.

Some critic who may chance to have the last annual report of the Brooklyn Rapid Transit Company at hand, may be tempted to call my attention to the fact that for the twelve months ended June 30, 1910, the company earned 5.72 per cent on its capital stock, as compared with 4.16 per cent in 1909; 4.09 per cent in 1908, and 4.54 per cent in 1907. Such a critic might not without reason come to the conclusion that the stock was not earning a very substantial margin over the present 5 per cent dividend requirements. My answer to such an argument as this is that the business of a road of this kind is not to be compared with that of an ordinary steam railroad, such as, for instance, the Atchison, which is very largely dependent upon crop conditions, or the Baltimore & Ohio, which measures its prosperity to a great extent by prevailing conditions in the coal fields. The Brooklyn Rapid Transit Company's business is essentially passenger business. It carries these passengers in good times and in bad, and the greatest variations shown in its earnings from year to year are seen in the steady gain which comes with the remarkable growth in the section of the greater city served by these lines. This territory is growing, and growing rapidly, and no limit to its growth is yet in sight. There seems to be little probability of any change in the present 5 per cent dividend rate in the near future, but the operation of new rapid transit lines by the company under management similar to that which it has received for years past can mean, it seems to me, only one thing, and that is a remarkable increase in earning power, with every probability of a corresponding expansion in dividend returns. If a man who buys Brooklyn Rapid Transit to-day is willing to wait, I believe he will not only continue to receive a very substantial return on his original investment, but will have a large speculative profit to his credit within the next few years.

Southern Railway, I believe, is a railroad stock, which for a preferred issue, contains speculative possibilities much above the average. At the present quoted price of 71, the issue nets only about 2.80 per cent, but no one in touch with present conditions believes that the directors will put the holders of these shares off with a mere 2 per cent annual disbursement. Since October, 1907, when the arrival of that long-to-be-remembered panic led the Southern Railway directors to suspend dividends on the preferred shares, the road has improved its position to a truly remarkable extent. As I have said, no section of the country is giving evidence of prosperity greater or more substantial than that seen in the South. The government estimate last month placed the present prospect of the cotton crop as the

LARGEST ON RECORD.

The consumption of cotton has been increasing more rapidly than the supply, and the natural result has been an advance in cotton prices. In its ownership of lands, producing the greater part of the world's supply of cotton, the southern portion of the United States possesses the greatest and most profitable natural monopoly on the face of the globe, and there is nothing ridiculous in the assumption that within the next decade the southern states will show a greater growth of prosperity than those of any other section. The Southern Railway is profiting by this growing prosperity, and there is no reason why it should not continue to do so. It should not be long before the company's preferred stock is receiving its full 5 per cent rate once more, and selling around par, that is, about 30 points above its present level.

While giving Southern Railway preferred and Brooklyn Rapid Transit the preference, I am by no means blind to the fact that both Baltimore & Ohio common and Atchison offer attractive opportunities. These two issues yield in the neighborhood of 5½ per cent, which is about one-half of 1 per cent better than the average yield of dividend-paying railroad stocks to-day. Baltimore & Ohio, to be sure, will not earn a very substantial margin over its 6 per cent dividend requirements for the fiscal year just ended, and there has been some little apprehension regarding a possible cut in the dividend rate. President Willard some months ago stated that there were 12,000 stockholders of the Baltimore & Ohio in Germany alone who were induced to buy this stock on the distinct representation that the 6 per cent dividend would be maintained, and he stated that he felt a moral responsibility not to dissapoint them.

Atchison earned 10 or 11 per cent on its stock in the last fiscal year, and it is evident that the present 6 per cent rate is in no danger as long as present conditions prevail. The stock at the present time is about 15 points under the highest mark touched in 1909, so that it may be acquired to-day with a reasonable certainty of a fair advance in quotations.

P. DE MEDICI.

REAL ESTATE INQUIRY.

Laurelton, L. I.

4743. (Ashtabula, O.) Will you kindly give me a report as to the present market value and probable future value of lots 21 and 22 in Block 46, at Laurelton, on Long Island. They are in Borough of Queens, Ward 4, Tax Block 4931, map volume 5.

Ans.: Lots similar to those mentioned in your inquiry, and in the same part of Laurelton, have been sold recently at about $850 each, but it would hardly be safe to expect that you could sell at this figure at short notice. From $800 to $850 seems to be a fair valuation for these lots. As far as future value is concerned, it may be said that present and contemplated improvements in transit facilities should combine with the remarkable growth of the greater city in increasing the value of this property in the years to come. Up to the present time, there has been no active building operation in this immediate neighborhood, although some 29 houses have been erected in other parts of the development, but work is to be begun on the first house on Hamilton street, upon which these lots abut.

MERKEL, TEX.—The Southern National Bank has been organized by J. E. Faucett, C. B. Bryant, W. T. Sears, J. Sears and M. Armstrong. The institution is capitalized at $50,000.

ELECTRA, TEX.—The First National Bank of Electra, capitalized at $25,000, has been organized by J. W. Stringer, G. B. Arkell, J. H. Marriott, R. E. Huff and W. W. Brown

Digitized by Google

FINANCIAL INQUIRIES.

Pana Gas & Electric Co.—Charleston Illuminating Co.—Bennington Electric Co.

21249. (Hartford, Conn.) I should like to secure such information as may be possible concerning the Pana Gas & Electric Company, the Charleston Illuminating Company and the Bennington Electric Company bonds yielding 5 per cent and 4½ per cent respectively, due 1935.

Ans.: The bonds of these companies are not listed and there is no widespread market for them. The companies are subsidiaries of the National Light, Heat & Power Company of which A. H. Bickmore & Company, 30 Pine street, New York City are transfer agents. We would suggest that you communicate with this house as you would probably be able to secure a market for the bonds through them more readily than in any other way.

The Pana Gas & Electric Company has outstanding $141,500 of the first mortgage 6s due 1935, callable after June 15, 1915 at 105 and interest, and guaranteed principal and interest by the National Light, Heat, & Power Company. These bonds are secured on the entire plant and equipment, but it might be difficult to secure a bid for them in view of the fact that the company is, and has been for several years, earning a deficit. This deficit, however, is growing smaller year by year, amounting to $1,063 in 1910, as against $1,493 in 1909, and $3,677 in 1908.

The Charleston Illuminating Company showed a surplus over interest charges last year of $1,262, as compared with $4,840 in 1909 and $4,693 in 1908.

The Company does the entire electric light and steam heating business of Charleston, Ill., serving a population of about 9,000. The funded debt consists of $36,000 first consolidated 6s, $127,000 consolidated 5s and $52,500 refunding and improvement 4½s. We presume that the bonds which your client holds are the 30-year 4½s, due 1935. You would probably be able to secure a bid for these bonds at about 85.

The Bennington Electric Company is operated as a division of the Twin State Gas & Electric Company, another subsidiary of the National Light, Heat & Power Company. Gross earnings in 1910 approximated $45,000, and net earnings $21,000, leaving a balance of about $13,000 above interest charges. There are outstanding $98,500 refunding and improvement 30-year 4½s, due 1935, guaranteed principal and interest by the National Light, Heat & Power Company and secured on the entire plant and equipment. As this is an underlying issue you would probably secure a bid of about 90 on these bonds. The mortgage of the company covers the electric light and power plant located at Bennington, Vt., and all the distributing system for the city of Bennington and two adjoining villages.

Molyneux Pritting Press and Mailing Machine Co.

21239. (Buffalo, N. Y.) Kindly give me your opinion regarding the Molyneux Printing Press and Mailing Machine Company as a paying investment.

Ans.: We have received discouraging reports regarding the ability of this company to successfully complete a practical machine. Although the company is selling stock at $8 to $9 per share, it is offered elsewhere at $4 per share. There is no market for the stock quoted and those brokers who are offering it at $4 can get no bids. In view of these facts the stock can hardly be termed a "paying investment."

GREELEY, COLO.—The City National Bank has been chartered with capital of $100,000. Daniel A. Camfield, president; James E. Neill, vice-president; Geo. D. Statler, cashier; A. S. Rogers, assistant cashier.

Kidder, Peabody & Co.
115 Devonshire St.
Boston
56 Wall Street
New York
INVESTMENT SECURITIES
FOREIGN EXCHANGE
LETTERS OF CREDIT
Agents and Attorneys for
Baring Brothers & Co., Ltd.
LONDON

Hodenpyl, Hardy & Co.
BANKERS
7 Wall Street, New York
6% PREFERRED STOCKS A SPECIALTY

DOMINION BOND COMPANY
LIMITED
MONTREAL TORONTO OTTAWA
LONDON, ENGLAND
Dealers in HIGH-GRADE CANADIAN BONDS
List on Application

Assets Realization Company
Capital $10,000,000
Purchases Estates in Liquidation at any point in the United States
NEW YORK PHILADELPHIA CHICAGO

YIELDING OVER 14%
The common stock of a prominent industrial company in which we have traded a great deal, is offered at a price which yields the above return. Descriptive circular on application
Please ask for circular 1-28
E. BUNGE & CO. 20 BROAD STREET, NEW YORK
Cable Address, "Emestus, New York" Long Distance 'Phone 4735-4736 Rector

Baker, Ayling & Co.
50 Congress street, Boston
INVESTMENT BONDS
Philadelphia Office, Land Title Building

Geo. D. Cook & Co.
BANKERS
71 BROADWAY, NEW YORK
We make a Specialty of
Mexican Government and State Bonds

McCoy & Company
Municipal and Corporation Bonds
181 LA SALLE STREET
CHICAGO

Boody, McLellan & Co.
111 BROADWAY, NEW YORK
MEMBERS OF NEW YORK STOCK EXCHANGE
Orders Executed for Investment or on Margin

We Have For Sale
Bank Stocks—Paying Dividends of 6%, 8%, 10%, 20%.
WM. D. PERKINS & CO., Bankers
No. 211 Cherry St., Seattle, Wash.
Established 1893
Oldest Bond House in Washington.

BODELL & CO.
PROVIDENCE, RHODE ISLAND
Boston Office, 35 Congress St.
Bonds and Preferred Stocks of Proven Value

5% BONDS
Guaranteed by
National Light Heat and Power Co.
A. H. BICKMORE & CO.,
30 PINE ST., NEW YORK

6% Timber Bonds
Carrying With Them An Exceptionally Attractive Feature.
American Finance & Securities Co.
5 Nassau Street New York

H. C. Gibbs & Co.
Gas and Electric Light Bonds
To yield 5% to 5 1-2%
60 State Street BOSTON

CIRCULAR ON MISCELLANEOUS UNLISTED MILL AND MANUFACTURING SECURITIES
SENT UPON REQUEST
HORNBLOWER & WEEKS
60 CONGRESS ST., BOSTON

Digitized by Google

A Bolt On Pittsburgh Terminal Plan

The Holders of Several Million Dollars of Wabash-Pittsburgh Terminal First Fours Strenuously Object to the Unofficially Announced Details of the Reorganization Plan, Which Gives Them Less Than 60 Cents on the Dollar—A Large Bondholder Says That Holders of the First Mortgage Are to Be Given 50 Per Cent of What They Are Entitled to, Everyone Else Is To Be Wiped Out, and the Underwriting Syndicate Is to Get All the Balance—Interesting Possibilities of an Entirely New Alignment of First Mortgage Bondholders Under the Slogan "Par and Interest in Cash or First Mortgage Bonds or Else the Property."

The bolt of Wabash-Pittsburgh Terminal bondholders against the latest reorganization plan, which has been formulated for their benefit, was by all odds the most interesting development of the week in Wall street.

It will be recalled that the first committee for the protection of bondholders' interests, known as the Wallace committee, did not move fast enough, so another committee was organized, known as the Chaplin committee. At the present time, bondholders seem to have about equally divided their allegiance between the first and second committees. After patient waiting, the bondholders were recently informed unofficially as to the terms of reorganization, which would be recommended by the second committee, and it now appears that these terms are so unsatisfactory that a large and influential number of these bondholders will object so strenuously that the plan will probably have to be abandoned.

One of the large bondholders, George L. Hoxie, an electrical engineer, of New York City, who is said to also represent a considerable amount of foreign holdings, says that the proposed plan of reorganization in final analysis means about this: That the first mortgage bondholders will get about 50 per cent of what they are entitled to, that the holders of the second mortgage bonds of the Wabash-Pittsburgh Terminal Company and the minority stockholders of the Wheeling & Lake Erie

GET PRACTICALLY NOTHING,

and that the proposed underwriting syndicate which is to furnish the new capital, and guarantee the payment of the assessments on the various securities will acquire the balance, including, of course, control of the property. In explanation of this theory, Mr. Hoxie says that the assessment on the junior securities has been made so heavy, and the inducements for paying it so unattractive, that the holders are likely to abandon hope, sell their securities for anything they can get, and as a result, the underwriting syndicate will secure the reorganized property at a ridiculously low price.

It developed this week, however, that the holders of several million dollars' worth of the first mortgage Wabash-Pittsburgh Terminal bonds had not only become thoroughly disgusted with the present situation, but had also determined to ascertain if it was not possible for them to secure one of three things, which seem to be strictly in accord with the equities of the case. Their contention is that they have a first mortgage which is amply secured on a valuable property, and they, therefore, want par and interest in cash or the property subject to existing and underlying liens. Although their bonds are selling under 50, and are in default, they are entitled to recover 114 per cent of their face value if the company has property worth that amount. If there is to be a reorganization, they say that they should receive

PAR AND ACCRUED INTEREST

in new first mortgage 4 per cent bonds, and if they can get the face of their claim, neither in cash nor the equivalent in first mortgage bonds, they say that they should have the property, and in this event they declare there is no question about their ability to get much more than par and interest.

One of the large bondholders put the case to me this way: "If I hold a first mortgage on a piece of real estate, and the interest is not paid, I do not have to consult the holders of second, third or fourth mortgage or judgment creditors, nor do I call into consultation a group of bankers for their advice as to how much I shall give to the holders of some of these mortgages or claims, which come after mine. I simply go ahead and either get my money or the property, and I cannot understand why this is not possible with a railroad mortgage, the same as with a real estate mortgage, and in this case I am going to find out what this reason is, if any."

The plan of reorganization of the Wabash-Pittsburgh Terminal Company, as unofficially announced, was as follows: The holders of the first mortgage 4 per cent bonds of the Wabash-Pittsburgh Terminal Company were to receive 10 per cent in new first mortgage 4 per cent bonds; 50 per cent in adjustment 5 per cent bonds; 40 per cent in preferred stock and 20 per cent in common stock. The holders of the second mortgage terminal bonds were required to pay an assessment of 25 per cent, for which they would receive 15 per cent in adjustment 5 per cent bonds, 15 per cent in preferred stock, and 10 per cent in common stock. All classes of the Wheeling & Lake Erie stock were

TO BE ASSESSED 25 PER CENT

and after paying this assessment, the holders of the first preferred would receive 15 per cent in adjustment fives; 15 per cent in preferred stock and 100 per cent in common; the second preferred shareholders would receive 15 per cent in adjustment 5 per cent bonds; 15 per cent in preferred

DENVER Bonds Stocks

Denver Union Water — Denver Gas & Electric
Denver Tramway — Cities Service
Denver & Northwestern — Northern Colorado Power
Nevada-California Power

We buy and sell the bonds and stocks of all the above companies.

Nathan Cregg & Company
Century Bldg., Denver.

The Desirability of Public Utility Securities

has been established by their record for stability and uninterrupted high income. These elements are conspicuous in the securities of this class which we offer because we ourselves are largely interested in and control and operate the properties upon which they are based.

Write for Circular

Meikleham & Dinsmore
ENGINEERS AND BANKERS
25 BROAD STREET, New York City — 60 State Street, Boston

High Grade Investment Securities

Lists on request

GILBERT H. CARR
50 Congress St., Boston

INVESTMENTS
Bonds and Stocks
WM. F. CROSBY,
Tel. 4090. 311 Main St.
WORCESTER, MASS.

Digitized by Google

stock and 70 per cent in common, and the common shareholders would receive 15 per cent in adjustment fives, 15 per cent in preferred, and 60 per cent in common.

As to what this plan means to the various security holders, the most significant information is the schedule of prices of new securities at which it is reported the underwriting syndicate has agreed to take them. This schedule is as follows:

Security.	Underwriters price.
First mortgage 4 per cent bonds	80
Adjustment 5 per cent bonds	60
Preferred stock	37
Common stock	16

Assuming that the new securities will be worth what the underwriters are willing to pay for them, the following table of values can be worked out which can be very interestingly compared with the present market prices of the various securities:

WABASH-PITTSBURGH FIRST FOURS WILL RECEIVE

10% in first 4% bonds @ 80	8
50% in adjustment 5% bonds @ 60	30
40% in preferred @ 37	14.8
20% in common @ 16	3.2
Total	56.

The first mortgage 4 per cent bonds are now selling under 50, but the underwriters are apparently willing to assume the risk of taking them over at 56.

WABASH-PITTSBURGH TERMINAL SECOND MORTGAGE INCOME 4% BONDS WILL RECEIVE

15% in adjustment 5% bonds @ 60	9
15% in preferred at 37	5.55
70% in common at 16	11.20
Total	25.75

Stated in other terms, the second mortgage bondholders will pay $25 in cash assessment, and receive in return securities which the underwriters regard as worth $25.75. The seconds are now selling around 3½, or $35 for each $1,000 bond. As the underwriters construe the outstanding $1,000 bonds as worth only 75 cents each, a slump in their market price can be safely presumed on if the present plan goes through.

WHEELING & LAKE ERIE FIRST PREFERRED STOCK WILL RECEIVE

15% in adjustment 5% bonds @ 60	9
15% in preferred stock @ 37	5.55
100% in common stock @ 16	16
Total	30.55

Wheeling & Lake Erie first preferred is therefore regarded by the underwriting syndicate as worth about 5½, while it is selling in the market at the present time at around 10.

WHEELING & LAKE ERIE SECOND PREFERRED STOCK WILL RECEIVE

15% in adjustment 5% bonds @ 60	9
15% in preferred stock @ 37	5.55
70% in common stock @ 16	11.20
Total	25.75

The holder of the second preferred stock, after paying an assessment of $25, will have securities worth $25.75, so that the present quotation of 4 for this stock would seem to be out of line, as it should be about three-quarters of 1 per cent, and it also should be noted that Wheeling & Lake Erie second preferred, for some reason, is given exactly the same value as the second mortgage 4 per cent income bonds of the terminal company.

WHEELING & LAKE ERIE COMMON WILL RECEIVE

15% in adjustment 5% bonds @ 60	9
15% in preferred stock @ 37	5.55
60% in common stock @ 16	9.60
Total	24.15

Wheeling & Lake Erie common stockholders, therefore, seem to have been accorded

RELATIVELY THE WORST DOSE,

as upon the payment of a $25 assessment they will receive securities regarded by the underwriters as worth only $24.15. Notwithstanding this fact, however, Wheeling & Lake Erie common is quoted around 3½.

The situation with reference to Wheeling & Erie stock is as follows:

	Authorized.	Issued.	Owned by Wabash-Pittsburgh Terminal Co.	Minority Outstanding.
Common	$20,000,000	$20,000,000	$11,870,000	$8,130,000
1st preferred	5,000,000	4,986,900	847,000	4,139,400
2d preferred	12,000,000	11,993,500	6,423,800	5,569,700
	$37,000,000	$36,980,400	$19,141,300	$17,839,100

That investors are considerably disturbed by the present situation is indicated by the many letters we have received on the subject, three of which are as follows:

Falmouth, Mass., July 8, 1911.

ED. UNITED STATES INVESTOR:

Referring to the proposed reorganization of the Pittsburgh-Terminal properties, and as a stockholder of the Wheeling & Lake Erie, I wish to ask why the Terminal Company should not pay the assessment, in cash, upon its holdings of Wheeling & Lake Erie stock and receive the same treatment the other holders of stock are expected to? If the Terminal does not pay the assessment is not the stock forfeited to the underwriters? I have been interested in your articles, but with the feeling that the stockholders of the Wheeling road are the greatest sufferers in any plan which has been proposed and all to the benefit of the Terminal Company. The receivership of the Wheeling was never justified. It looks as though its securities were being sacrificed for "a hope and a promise," which, in a road to be capitalized at $200,000 per mile, will never be realized. H. H. S.

New York, July 9, 1911.

ED. UNITED STATES INVESTOR:

Having read the article in the UNITED STATES INVESTOR, of July 8, I take the liberty of writing to you to compliment you, as I fully agree with you regarding the Wabash-Pittsburgh 1st 4s. I am the holder of same to the extent of $30,000. My past experience with the Cincinnati, Hamilton & Dayton notes a few years ago is very similar to this committee arrangement, and I do not propose, if I can help it, to get caught this time. No doubt you are acquainted with the details of the Cincinnati, Hamilton & Dayton deal. The question now is, could I withdraw from the committee arrangement, as mine is only certificates of the Columbia and Central committee? I would be pleased to be informed on the subject. J. B.

THE FIRST NATIONAL BANK.
Carbondale, Pa., July 8, 1911.

ED. UNITED STATES INVESTOR:

We have read with interest the article dated July 6 on Wabash-Pittsburgh first mortgage bonds, and shall be glad to hear from you in a general way what you propose to do in opposition to the plan proposed by the Wabash-Pittsburgh-Wheeling & Lake Erie crowd

We own a few of these bonds ourselves and some of our friends are also interested.

Awaiting your kind reply, we remain,
Yours very truly,
R. A. JADWIN, Cashier.

A representative of the Chaplin committee told me this week that although no official announcement of the details of the plan they would recommend had been announced, the statements heretofore made public were substantially correct, and that when the terms were finally made public, they would be substantially the same as had been published. He further said that while the result was

NOT AS SATISFACTORY

as they had hoped for, they had done the best they could, in that they had secured everything possible from the Wabash in the way of a compromise settlement, and were simply forced to depend on the interest secured in the property for the balance of the account. He contended that in order to secure anything more, protracted litigation would be necessary, and that the Wabash Railroad itself was not substantial enough a property to justify any such course. In other words, he was afraid that if a very large verdict was secured against the Wabash at considerable expense and loss of considerable time, that it might be impossible to collect it.

It is, of course, a well-known fact that the Chaplin committee does not appear at the present time as courageous as it was when this interesting fight began. I was told for example by one of the members of the committee that he went into the game with first mortgage 4 per cent bonds and was going to come out on exactly the same terms. In other words, he purposed to secure new first mortgage 4 per cent bonds on the reorganized and consolidated property to the extent of par and interest on his holdings. I quoted this statement in previous articles in the UNITED STATES INVESTOR, but the last time I talked with my friend on the committee he told me my memory was at fault and that he never made any such statement.

The most important fact of the situation is that the Wabash-Pittsburgh Terminal

PROPERTY IS TO-DAY WORTH

on any basis of calculation at least the par value of its outstanding first mortgage bonds and further there is probably not one but a half a dozen different interests who would be willing to pay that amount for it if it was in position to be delivered. With this fact in mind it is not strange that the bolders of first mortgage bonds find considerable difficulty in making up their minds to accept a settlement of 50 or 60 cents on the dollar when the property on which they have a first lien is worth enough to give them par and interest.

The list of bondholders includes over 100 banks, trust companies and insurance companies whose holdings aggregate well up towards $10,000,000, which were purchased when the bonds were first brought out at prices ranging from 85 to 95. Some of

(Contiued on page 1215.)

Digitized by Google

Municipal Bond Sales

MUNICIPALITY.	Date of sale.	Classification of bonds.	Amount.	Rate of interest. Per cent.	Maturity.	Sales price	Purchaser.	Income basis.
Malden, Mass	July 7	Town	$42,000	4	*13 1-6	104.21	Geo. A. Fernald & Co., Boston	3.593
Urbana, Ohio	June 2	Water	117,000	4	*24	101.38	Weil, Roth & Co., Cincinnati	3.614
Westfield, Mass.	June 28	Highway	8,000	4	*1-4	101.62	Hayden, Stone & Co., Boston	3.625
No. Attleboro, Mass	June 26	Sewer	5,000	4	*7-14	101.01	N. W. Harris & Co., Boston	3.70
United States	June 30	Port of Cebu, P.I.	125,000	4	*10-20	102.05	Wm. A. Read & Co., New York	3.756
Dedham, Mass.	June 2	Street, extra	1,000	4	**1-4	100.571	[illegible] & Co., Boston	3.855
Dedham, Mass.	June 29	Street	1,000	4	1-4	[illegible]	[illegible] & Co., Boston	3.855
Dedham, Mass.	June 29	Sewer, extra	[illegible]	4	**1-4	[illegible]	[illegible] & Co., Boston	3.855
Dedham, Mass.	June 29	Park	1,000	4	1-14	101.571	Adams & Co., Boston	3.855
Morwood, S. C.	July 1	Theatre, hosp.	7,000	4	*20	101.01	[illegible] & Co., Boston	3.857
Morwood, S. C.	July 1	Theatre, hosp.	10,000	4	1-20	100.52	[illegible] & Sons	3.860
Morwood, State	July 1	Theatre, hosp.	7,000	4	1-20	100.71	[illegible] & Sons	3.864
Ross County, Ohio	June 30	Bridge	4,000	4	*7 1-2	101.45	Central Nat. Bank, Chillicothe	3.952
Morwood, State	July 1	Theatre, hosp.	5,000	4	1-20	100.71	Stacy, Braun & Co., Toledo	3.954
Floral, Ohio	July	Sewer, hosp.	1,000	4	1-14	100.0437	Seasongood & Mayer, Cincinnati	3.959
Greene County, N. Y.	July	Highway	[illegible]	4	*6½	par	Adams & Hinckley, Toledo	4
Newport, N. Y.	July 1	Water works	[illegible]	4	**[illegible]	par	Albert G. Hopkins et al, Trs. S. Berne	4
Ludowici, Ohio	June 26	Street	12,000	4	1-20	101.069	Central Trust Co., Cincinnati	4
Ludowici, Ohio	June	Street	6,000	4	**[illegible]	101.069	First National Bank, Ludowici	4.06
Syracuse, N. Y.	June 27	Local imp.	150,000	4½	**1-10	101.75	Ludowici Savings Bank, Ludowici	4.06
Kearney, Neb., Sch. Dist. No. 7	July	Building	20,000	5	1-20	100.85	Adams & Hinckley, New York	4.06
New Britain, Conn.	July	Sewer	10,000	4	1-20	100.85	Hayden, Stone & Co., Boston	4.062
Troy, N. Y.	July 10	Sewer	10,000	4	1-20	100.85	Farson, Leach & Co., New York	4.062
Syracuse, N. Y.	June 27	Local imp.	150,000	4½	**1-10	101.75	Spencer Trask & Co., New York	4.07
Union City Township, Ohio	June 12	Road	4,000	4½	**1-10	102.42	Continental & Commercial Nat. Bank, Chicago	4.10
Troy, N. Y.	June 30	Sewer, hosp.	10,000	4	1-20	100.85	Second National Bank, Cleveland	4.11
Putnam County, N. Y.	June 30	Court House	20,000	4½	**1-20	101.75	Continental & Commercial Nat. Bank, Chicago	4.118
Nottingham, Ohio	July 1	Special assess.	12,000	5½	*5	100.42	Geo. Eustis, New York	4.129
Woonsocket, R. I.	June 29	Funding	50,000	4	1911	100.069	Seasongood & Mayer, Cincinnati	4.164
Woonsocket, R. I.	June 29	Funding	200,000	4 1-2	1911	100.069	N. W. Harris & Co., Merrill, Oldham, & Co., Boston	4.185
North Tarrytown, N. Y.	June 26	Street imp.	7,000	4½	*10½	100.82	N. W. Harris & Co., Merrill, Oldham, & Co., Boston	4.185
Tarrytown, N. Y.	June 28	Water	20,000	4½	**1-10	100.51	Dominick, Dominick & Co., New York	4.203
Troy, N. Y.	June 30	Viaduct	25,000	4½	**1-10	101.42	Harrison & Prescott, New York	4.208
Springfield, Ill.	July 1	Levy & park	4,000	4	**1-20	98.15	E. H. Rollins & Sons, New York	4.208
Springfield, Ohio	June 27	Paving	25,000	4½	**1-10	100.65	N. W. Halsey & Co., Chicago	4.22
Springfield Tp., O., Sch. Dist.	June 1	Building	2,000	5	**1-10	100.40	Weil, Roth & Co., Cincinnati	4.246
Orrville, Ohio	June 30	Street imp.	1,000	5½	*5½	100.92	Farmers' Bank, East Akron	4.267
Orrville, Ohio	June 30	Street imp.	1,000	5½	4½	100.92	Ozena National Bank, Wooster	4.293
Orrville, Ohio	June 30	Street imp.	1,000	5½	4½	100.92	Ozena National Bank, Wooster	4.293
Orrville, Ohio	June 30	Street imp.	10,000	5½	*5½	100.92	Ozena National Bank, Wooster	4.293
Orrville, Ohio	June 30	Street imp.	20,000	5½	*5½	100.92	Ozena National Bank, Wooster	4.293
Orrville, Ohio	June 30	Street imp.	11,000	5½	4½	100.92	Ozena National Bank, Wooster	4.293
Norwalk Township, Ohio	July 1	Highway imp.	5,000	5	*3½	101.00	M. S. Toof, Somerset	4.31
Urichsville, Ohio	June 28	Refunding	8,000	5	1906	100.20	Weil, Roth & Co., Cincinnati	4.336
Plymouth, Pa.	June 29	Improvement	18,000	4½	*1 1-2	101.70	Plymouth Nat. Bank, Plymouth	4.344
Corning, Ohio	June 30	Town Hall	5,000	4½	**1-10	100.62	New First Nat. Bank, Columbus	4.371
Jerome Tp., O., Sch. Dist.	July 1	Building	4,000	5	**1-5	102.70	Lewis-Love Weaver, Dublin	4.382
Pasadena, Cal.	June 6	C. H. & F. Ap.	25,000	4½	**1-40	101.87	Pasadena Sav. & Tr. Co., Pasadena	4.40
Pasadena, Cal.	June 5	C. H. & F. Ap.	18,000	4½	**1-40	101.84	Pasadena Sav. & Tr. Co., Pasadena	4.40
Jefferson County, Iowa	June 20	Hospital	27,000	4½	*3½	100.324	Iowa State Sav. Bank, Fairfield	4.443
Whitesboro, N. Y.	June 27	Street imp.	7,000	4½	**1-12	100.30	Iowa W. S. Coll. Peag, Kempsie	4.478
Charles City, Ia., Sch. Dist.	July 8	Building	75,000	4½	1921	100.30	Security Investment Co., Des Moines	4.487
Regina, Saskatchewan	May 18	Various	221,500	4½	1911	par	Nay & James, Regina	4.49
Bexar County, Tex.	June 26	Refunding	200,000	4½	1-10-40	par	A. B. Leach & Co., N. W. Halsey & Co., H. H. Rollins & Sons	4.50
Pierce Co., Wash., S. D. No. 10	June 15	Building	200,000	6½	11-20	par	State	4.50
Hamburg, N. Y., Sch. D. No. 8	June 26	Building	3,000	6	**1-10	100.12	John J. Hart, Albany	4.575
Hawthorne, N. J., Sch. Dist.	June 29	Building	30,000	5	*3½	100.78	Commercial & Savings Bank, Perry City	4.602
Duncannon, Pa.	July 1	Sewer	30,000		*5 1-2	103.193	Harris, Forbes & Co., New York	4.613
Regina, Saskatchewan	May 18	Street railway	100,000		20	101.33	Canada Securities Co., Toronto	4.646
Stanislaus Co., Cal., Sch. Dist.	June 13	Building	12,000	5	**5 20	102.500	Wm. P. Adams & Co., Los Angeles	4.751
Troy, N. Y.	June 20	Assessment	25,041	5	*3½	100.23	R. M. Grant & Co., New York	4.771
Tarkio, Mo., Sch. Dist.	May 15	Building	9,000	5	**11-20	101.75	Mark & Hays Invest Co., St. Louis	4.795
Kansas City, Kansas	June 28	Park	25,000	5	1-10-30	101.05	Wm. A. Read & Co., New York	4.86
Sully County, S. D.	June 27	Court House	30,000	5	*10-20	101.05	W. J. Hayes & Sons, Cleveland	4.872
Greenwood Co., S. C., S. D. No. 18	June 30	Building	5,000	5	1911	par	Southern Trust Co., Spartanburg	4.959
Custer County, S. D.	July 1	Refunding	11,000	5	1921	par	Custer National Bank, Custer	5
Kitsap Co., Wash., S. D. No. 15	July 1	Building	8,000	5	5-20	par	[illegible]	5
Whitesboro, N. Y.	June 27	Street imp.	1,000	5	**1-5	par	[illegible]	5
Yakima Co., Wash., S. D. No. 2	June 21	Building	5,000	5	1-10	par	[illegible]	5
Yakima Co., Wash., S. D. No. 16	June 24	Building	5,000	5½	1-10	par	[illegible]	5
Inyo Co., Cal., Sch. Dist.	June 19	Building	2,500	6	**	par	[illegible]	5
Portland, Ore.	June 26	Local imp.	7,000	6	10	102.81	[illegible]	3.50
Portland, Ore.	June 26	Local imp.	7,000	6	10	102.81	U. S. Savings Bank, Los Angeles	3.525
Portland, Ore.	June 26	Local imp.	7,000	6	10	102.81	Merchants National Bank	3.625
Portland, Ore.	June 26	Local imp.	37,000	6	10	102.81	Second National Bank	3.654
Wells, Nev., Sch. Dist.	June 17	Building	17,000	6	5-20	par	Second National Bank	3.767
St. Matthews, S. C.	June 21	Public bldg.	25,000	6	5-20	101.15	Ainslie & Co., Oregon	3.767
Choteau Co., Mont., S. D. No. 33	June 22	Building	1,000	6	1-5	par	[illegible]	5.777
Hood River Ore., Irr. Dist.	July 3	Construction	70,000	6	*10-1	par	M. Morris & Bro., Charleston	5.91
St. Johns, Ore.	June 1	Improvement	20,000	6	1-10	par	Idaho Co. Bank, Chester, Mont.	6
Bethlehem, Pa. Sch. Dist.	June 26	Building	32,000	4	10-1	[illegible]	Morris Bros., Portland	6
Catawba County, N. C.	July	Courts	50,000	4½	1911	[illegible]	First National Bank, St. Johns	6
Chino, Cal.	July 1	Water works	40,000	6	[illegible]	101.25	[illegible]	[illegible]
Cass Center, Neb.	July 3	Water	5,000	6	10-20	[illegible]	Continental & Commercial Nat. Bank, Chicago	[illegible]
Holland Patent, N. Y.	June 24	Village	1,000	5½	*10½	[illegible]	[illegible]	[illegible]
Juniata, Pa.	July 1	Water imp.	10,000	5	*10 1-2	[illegible]	Wm. P. Harris & Co., Los Angeles	[illegible]
Kenmore, N. Y.	June 26	Sewer	6,000	5½	1-15	[illegible]	[illegible]	[illegible]
Melrose, Mass.	July 5	Loan	30,000	3.50	5	[illegible]	[illegible]	[illegible]
Palo Alto, Cal.	July 1	Municipal	45,000	5	1-10	102.22	[illegible]	[illegible]
Richardson County, Neb.	July 3	Drainage Dist.	100,000	6	[illegible]	[illegible]	[illegible]	[illegible]
Rochester, N. Y.	July 5	Sanitarium dist.	100,000	4	[illegible]	[illegible]	[illegible]	[illegible]
Rochester, N. Y.	July 5	Park	100,000	4	[illegible]	[illegible]	Guaranty Trust Co., New York	[illegible]
Rochester, N. Y.	July 5	Local imp.	100,000	4	[illegible]	[illegible]	[illegible]	[illegible]
Salem, Mass.	June 26	Loan	100,000	4	[illegible]	[illegible]	[illegible]	[illegible]
Sterling, Ill.	June 23	Paving	4,000	5	**5-10	[illegible]	[illegible]	[illegible]
Tiffin, Ohio	July 1	Various imp.	3,500	5	[illegible]	[illegible]	[illegible]	[illegible]
Toledo, Oregon	May 10	Water system	20,000	6	[illegible]	[illegible]	[illegible]	[illegible]
West Allis, Wis.	June 27	Water	5,000	[illegible]	[illegible]	100.50	[illegible]	[illegible]
Youngwood, Pa.	June 22	Imp. acc. 1911	3,000	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

*Year average. **Year serial. †Year optional.

Digitized by Google

A BOLT ON PITTS. TERM. PLAN.

(Continued from page 1213.)

these institutions have, of course, charged off the loss, but many of them have not, and it hardly need be stated that banking institutions do not enjoy the writing off of 50 per cent losses on supposedly gilt-edged first mortgage bond investments. It would not be strange, therefore, if, when the

BATTLE CRY IS SOUNDED

of "par and interest for our bonds or the "property", that there would be an uprising, and a vigilance committee, as distinguished from reorganization and protective committees, of such calibre that all parties at interest will take notice.

It will be recalled that in another Gould property, the International & Great Northern, the second mortgage bondholders got together on exactly the same lines and issued their ultimatum, which was that they would either have par and interest for their claims or the property. The Gould crowd wiggled and wabbled for a long time, but as soon as they ascertained that the holders of the second mortgage bonds meant what they said, a reorganization plan was formulated, by which these holders received par and interest in cash.

Many competent railroad authorities agree that the Wabash-Pittsburgh Terminal, when merged with its controlled properties and operated efficiently can easily earn $5,000,000 a year, which would be ample to pay interest on all bonds which need to be issued including provision for the amount necessary for new capital and to pay in addition dividends on a reasonable issue of stock. Why, then, the holders of the first mortgage bonds on such a property should be called upon to make any such sacrifice as now seems to be on the programme is a problem which I cannot figure out. P. DE MEDICI.

MUNICIPAL SHORT TERM LOANS.

MELROSE, MASS.—F. S. Moseley & Company, of Boston, were the successful bidders for the 5½ months' temporary loan to the amount of $30,000 at 3.42 per cent discount and a premium of 50 cents.

ROCHESTER, N. Y.—The Guaranty Trust Company, of New York, was the successful bidder for the following 8 months notes, aggregating $334,500 at 3.60 per cent interest: Sewage disposal, $100,000; local improvement, $160,000, and park, $74,500. Other bidders were: Bond & Goodwin, New York, (premium, $27), 3.65 per cent; Goldman, Sachs & Company, New York (premium, $15), 3.85 per cent, and A. G. Moore, Rochester, $100,000 at 4 per cent.

SALEM, MASS.—Blake Bros. & Company, of Boston, were the successful bidders for the eight months' temporary loan to the amount of $100,000 at 3.89 per cent discount. Other bidder was Curtis & Sanger, Boston, 3.96 per cent.

DOWAGIAC, MICH.—The Dowagiac National Bank has been organized with a capital of $50,000. Charles Heddon, J. H. Phillips, F. Briggs, M. O. Briggs and W. F. Judd are interested.

Bond Certification

Modern conditions make the registration and certification of municipal and corporate obligations desirable and convenient. We have a department maintained exclusively for this purpose.

First National Bank of Boston
70 Federal Street

The Concho Valley Loan and Trust Co.

of

San Angelo, Texas.

Capital stock $200,000.00. Organized and operating under the Texas Banking Laws, offer to investors some high grade paper, netting from 6 to 7%. Secured by first Mortgage on improved farm and ranch lands. Our paper carries our endorsement and guarantee of payment of principal and interest. Write for information.

T. C. WYNN, Pres.
C. C. KIRKPATRICK, Sec. & Treas.

AMERICAN LIGHT & TRACTION COMPANY.

40 Wall Street, New York City.
July 11, 1911.

The Board of Directors this day declared from the net earnings of the Company the regular quarterly dividend of ONE AND ONE-HALF (1½%) PER CENT on the PREFERRED stock of this Company, payable August 1, 1911, to Stockholders of record of Preferred stock at the close of business, July 17, 1911.

The Board also declared from the undivided profits of the Company a quarterly dividend of TWO AND ONE-HALF (2½%) PER CENT on the COMMON stock of the Company, payable August 1, 1911, to Stockholders of record of Common stock at the close of business July 17, 1911.

The Board also declared from the undivided profits of the Company a dividend of TWO AND ONE-HALF (2½) SHARES OF COMMON stock on every One Hundred (100) shares of Common stock outstanding, payable on August 1, 1911, to Stockholders of record of Common stock at the close of business, July 17, 1911.

The Transfer Books for both Preferred and Common stock will close July 17, 1911, at 3 o'clock P. M., and will reopen August 1, 1911, at 10 o'clock A. M.

C. N. JELLIFFE, Secretary.

THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY.

New York, July 5, 1911.

The Board of Directors has declared a dividend (being dividend No. 25) on the COMMON STOCK of this Company of ONE DOLLAR AND FIFTY CENTS ($1.50) per share, payable Sept. 1, 1911, out of surplus net income, to holders of said COMMON Stock registered on the books of the Company at the close of business on July 28, 1911.

Dividend cheques will be mailed to holders of COMMON Stock who file suitable orders therefor at this office.

C. K. COOPER, Assistant Treasurer.
5 Nassau Street, New York City.

THE DEVELOPMENT AND FUNDING CO.

The Board of Directors of The Development & Funding Company has declared a dividend at the rate of 2½% semi-annually, for dividend periods 1 to 17 inclusive, on the outstanding Preferred Stock of the Company, payable on and after August 1st, 1911, to the stockholders of record at the close of business, July 11th, 1911.

H. W. HOOKER, Secretary.
New York, July 6th, 1911.

American Telephone & Telegraph Co.

A dividend of Two Dollars per share will be paid on Saturday, July 15, 1911, to stockholders of record at the close of business on Friday, June 30, 1911.

WM. R. DRIVER, Treasurer.

Have You $100, $1,000 or $10,000 To Invest?

For twenty-nine years we have been investment advisors to thousands of people—some with $100, some with $100,000 to invest—and during all this time not one of our clients has ever lost a dollar of principal or interest.

The Straus Building

Home of S. W. Straus & Co.

First mortgage bonds on improved, income-producing real estate in selected sections of Chicago offer the maximum of safety, because back of them is the ultimate security of every investment—the land itself.

The security in every case is at least double the amount of the mortgage and the property must be producing an annual income several times the amount of the interest and all other fixed charges.

These bonds are in denominations of $100, $500 and $1,000 and yield 5½ and 6 per cent. It is and has been our custom to repurchase them at any time on request, less a handling cost of 1 per cent.

Write to-day for Special Circular 100.

S. W. STRAUS & CO.
Mortgage and Bond Bankers
Established 1882
Straus Bldg. CHICAGO

UNITED STATES WORSTED COMPANY

100 Fifth Avenue, New York.

A quarterly dividend of 1¾% on the Preferred Stock has been declared by the Board of directors, payable July 15th, 1911, to Stockholders of record July 1, 1911. Books close July 1st, 1911, and reopen July 15, 1911.

P. ROBERT G. GJOSTROM, Treasurer.

WESTINGHOUSE Electric & Manufacturing Company.

165 Broadway, New York, N. Y., July 1st, 1911.

The stock transfer books will, for the purposes of the annual stockholders' meeting, to be held on July 26, 1911, be closed on July 15, 1911, at 12:00 o'clock noon, and opened on the 27th day of July, 1911, at 10:00 o'clock A. M.

JAMES C. BENNETT, Secretary.

THE KANSAS CITY, MEXICO & ORIENT RAILWAY CO.

Kansas City, Mo., July 1st, 1911.

Coupons of the First Mortgage Bonds of the Kansas City, Mexico & Orient Railway Company, due August 1, 1911, will be paid at the American Exchange National Bank, 128 Broadway, N. Y.

WM. LEE KARNES, Treasurer.

AMERICAN GLUE COMPANY.

A semi-annual dividend of four dollars per share will be paid August 1st, 1911, to Preferred Stockholders of record July 11th, 1911.

The preferred and common stock transfer books will close at end of business July 10th, 1911, and will reopen August 3rd, 1911.

JESSE P. LYMAN, Treasurer.

Northwest Investments

Municipal, Railroad, Public Utility Securities and Farm Mortgages, to yield from 5½% to 7½%

Detailed Circular U.S. on Request

Adrian G. Hanauer

Specialist in High-Grade Northwest Securities
Second Floor, Old Nat'l Bank Bldg
SPOKANE, WASHINGTON
References: Any Bank in Spokane

Digitized by Google

United States Investor

Published Every Saturday Morning by

FRANK P. BENNETT & CO., Inc.

SUBSCRIPTION RATES

$5.00 per annum in United States and Mexico; $6.50 per annum in Canada.

$7.00 per annum in England, the Continent, Australia and Countries in the Postal Union.

$10.00 per annum for Investor and Inactive and Unlisted Securities Supplement, including privilege of inserting quotations in the Supplement.

ADVERTISING RATES

20 cents per agate line. $2.80 per inch each insertion. $30 per inch three months. $100 per inch one year. There will be no deviation from these rates under any circumstances and all of our advertisers may depend upon being treated alike.

PUBLICATION OFFICE,

530 Atlantic Avenue, Boston.

NEW YORK OFFICE,

1 Rector Street, New York.

JOSEPH L. BARKER, Manager.

Washington Office, 208 Corcoran Building; Philadelphia Office, 308 Chestnut Street.

COPYRIGHT 1910, BY FRANK P. BENNETT & CO., INC.

Entered at the Post Office at Boston, Mass., as second class matter.

Conditions now seem decidedly to favor the conclusion of the session of Congress very early in August preceded by a favorable vote on the reciprocity bill late in July. This is the inference necessarily to be drawn from the votes in the Senate during the past week upon various amendments to the bill that have been proposed. These having been voted down by an overwhelming majority, it would appear that the same treatment will be accorded to every other amendment that may be proposed for a ballot. There seems to be no doubt that President Taft will be able to go before the country with at least one positive accomplishment in tariff reform to his credit, through having forced the acceptance of the reciprocity arrangement.

Decided strength in the stock market since the Fourth of July holidays were over, seems to be warranting the opinions concerning the favorable future of prices that have been expressed for some time past. In spite of slight shrinkages based on news concerning drought and excessive heat in various parts of the country, the market has persisted in regarding the crop reports issued by the Weather Bureau as generally favorable. The cotton reports of the government have also pointed to an unexpectedly good output of that staple this year. The few sensational shrinkages and advances have been obviously due to conditions quite apart from the market, as a whole. Strength in steel stocks and a few other leaders and the ease with which funds can be obtained from banks on good collateral tend to confirm the expectation of a strong market.

Despatches received by Comptroller Murray of the Currency Bureau confirm the hopeful expectations entertained concerning the meetings of national bank examiners at various points throughout the country. It had been thought that these meetings would prove considerably more successful than those of last year, owing to the greater experience acquired by the men in charge of the meetings. This appears to have been the case, the papers being considered decidedly better than those read a year ago, while much more active interest has been exhibited by the men themselves. Mr. Murray's plan of district organizations of bank examiners and interchange of ideas between the various men in the several districts appears to have become so fully rooted that it will not be possible to overthrow it at the end of his term of office as some have predicted would be done. It seems likely that the district associations will even assume larger functions than those now allotted to them.

THE DIFFICULT BOND PROBLEM.

It is a striking fact that in all the current discussions about the revisions of the banking system, nothing has yet been definitely suggested with reference to a change in the treatment of outstanding 2 per cent government bonds in the event that some central organization of credit like that proposed in the Aldrich plan shall be undertaken. The original Aldrich proposition, as printed by the National Monetary Commission, contained a plan for transferring the 2 per cent bonds at par from the banks to the proposed Central Reserve Association, but that was not all. There was also included a general statement that in case the United States government should even undertake the policy of selling its bonds at a higher rate of interest, the banks or the Reserve Association should be allowed to refund the old bonds into new ones bearing a higher rate of interest. The exchange of the old bonds at par was not satisfactory to the present holders, who paid 2½ per cent or more above par for their bonds, and at the Atlantic City conference, in February last, the redemption of the bonds by the Reserve Association at 102½ was demanded. Nothing, however, was even then agreed on and, according to the authoritative statements concerning the plans of the National Citizens' League, that organization has not devised anything new on this particular point. In fact, reports concerning some of the literature it has prepared show that it still retains the old Aldrich provision that in case a higher rate of interest shall be established, the banks or the Reserve Association may have the privilege of exchange. This has now been rendered obsolete by the passage of the Panama bond legislation just before the closing of the short session of Congress, so that the meaning of the National Citizens' League's demand is at least questionable. The problem has thus been evaded or neglected, and no distinct proposition about it has been developed.

It ought to be clear that nothing whatever can be done toward getting a satisfactory solution of the banking question, until this bond question is dealt with satisfactorily to all. The banks are straightforward enough in their attitude. They do not see why they should be practically compelled by law to surrender their bonds at par when the securities still have many years to run, being practically penalized if they do not do so by the fact that the value of the bonds would surely deteriorate as soon as they were stripped of the circulation privilege. On the other hand, it would be a questionable policy to throw these bonds into the hands of the National Reserve Association to the extent of several hundred millions, to be carried on the books of that institution at par, notwithstanding that their market value without the circulation privilege which would belong solely to the reserve association, would be probably 15 or 20 points lower than face value. The real obstacle to a proper settlement of this issue is found simply in the unwillingness of all currency reformers to contemplate a situation calling for actual redemption or refunding of these bonds by the government. Yet that is precisely the only way out of the present condition that will prove at all satisfactory. The government sold these bonds in the first place on an artificial basis because they were granted the circulation privilege. If it takes away that privilege, surely it ought to place buyers in as good a position as they were before the bonds were originally floated; it ought to offer them something in the way of return that would be commensurate with the expenditure they have made. Some persons who are interested in securing the passage of a banking bill, speak as if they could devise a plan that would practically attain the necessary result without arousing antagonism. There is

Digitized by Google

no probability that they can do anything of the sort. The banking question will be far too thoroughly canvassed before anything is done to render any such concealment possible. The bond difficulty ought to be faced frankly and squarely as a fundamental problem in banking legislation.

A TRUST INQUIRY.

A few days ago Senator Newlands introduced in the United States Senate a bill providing for a new plan for the control of large corporations. This bill called for the registration with the Federal government of all concerns doing an interstate business, and receiving a gross annual income of $5,000,000, or more. The corporations were to be thoroughly investigated before being granted the privilege of registration, and when thus investigated and approved, might be allowed to use the words "U. S. Registered" after their titles. The government might on its own initiative and without preliminary proceedings at any time, revoke such registration. In extreme cases, it might also institute action designed to debar offending corporations from further participation in interstate trade.

Now it is proposed to have this bill taken up by the Senate Committee on Interstate Commerce, and hearings held to ascertain the feeling of the business public with respect to it. The committee would go to New York, Boston, Chicago and other places, and would hold conferences with well-known bankers, financiers, and large manufacturers. Its object would be to ascertain whether there is a general feeling that some anti-trust action should be had, and if such feeling existed whether the Newlands Bill would be acceptable, or if not, what could be substituted for it. It is extremely problematical whether the Newlands bill in any such form as that it now possesses could be favorably considered, or would receive the assent of the business community. Some provisions of the bill seem too mild, others too revolutionary. Probably the real essence of it is found in the proposition to register the corporations after they have been thoroughly examined by government officers and found to be honestly organized and otherwise in harmony with the law. Whether this would result in holding out a sufficient inducement to concerns, coupled as it would be with the possibility of revocation of the registration, is doubtful. The use of the power to debar the corporations from interstate trade, if they did not comply with the requirements of law, is a power that has never been passed upon by the courts, and that probably could not be effectually applied until it had been thoroughly threshed out before the appropriate tribunals. But the very uncertainty about the Newlands Bill makes it the more desirable to have a careful study of this and other propositions made as soon as possible. The Newlands plan is a departure from anything that has been tried—but everything thus far tried has been given up in despair. It is clear that the Sherman law is not, and probably never can be made, a satisfactory piece of legislation. There remains the constant doubt about the policy of the administration under it, and something is evidently needed to eke it out, and render it workable. Apparently there is no prospect of getting a greater degree of peace in the business world until something has been done.

While the Newlands proposition needs study, and while a general inquiry is thus worth while, a great deal of the possibilities of the investigation will depend on the way in which the work is carried on. If the committee allows itself to drift into a political or partisan attitude, it will do more harm than good. The only reason for allowing the inquiry to take place is the possibility that it may be conducted in a non-partisan way, and with a sincere desire to get information.

REAL ESTATE VALUES.

Census returns from the western and middle western states—and quite generally from all over the country—fully bear out the reports that have gained such wide currency concerning the tremendous advance in land values throughout the United States. There has been a certain disposition to speak of this condition as if it were confined to the West, or were most conspicuous there, while some have been inclined to talk of it as a "farm land boom". Doubtless, the condition has been more marked in the West than elsewhere, and more extreme in farm values than in others, but it is nevertheless general and not local. It is a phase of the industrial and investment situation in the United States to-day, and as such it is but one part of a very large problem.

The striking thing about this advance in values is seen in the fact that population has decidedly continued its tendency toward urban concentration. This would have tended to raise city real estate, but should have depressed farm lands. The high price of food stuffs has, however, maintained the income-yielding power of the land under cultivation, and the demand has been steady, if not excessive, owing to the bad distribution of population between country and city. Yet it would be strange under such conditions that so much country real estate should have been sustained at its present price were it not for the strong tendency within the past few years to invest savings in lands. This tendency has been partly the outcome of distrust of corporation and industrial securities, in part a consequence of the belief that farming must be enormously profitable at the prevailing high prices for produce, and in part the result of other factors. The general advance in city real estate is explainable by natural causes, being primarily due to the growth of the cities, and the consequent increase in demand for available sites. Thus, the advance in real estate cannot be explained by any single fact or condition. It is complex, and depends upon many different factors.

What is of chief interest to the investor just now is probably the question whether he can expect a maintenance of present values, and an advance to higher levels. No one can predict the future with certainty, but the indications now available seem to point away from a continuation of this general increase. The increasingly high price of food products means larger importations from abroad, and with the tariff on Canadian products off, it can be better met. Chances strongly favor a return to industrial investments, as the present movement for greater publicity and honesty in corporation management gains ground. Unless there is a much greater proportionate growth of the rural population, it is hard to see how lands in many parts of the country can be kept up to their present price, much less advance still further. All this, of course, does not imply that there will not be material advances in various parts of the country, owing to local conditions, or that the best lands constantly under cultivation will not increase, owing to more intense demand for food products. It is, however, a general observation concerning the application of capital in the acquirement of land to-day. Decidedly the statistical and other data at hand indicate that level of values in real estate the country over is too high.

NEW ALBANY, IND.—The German-American Bank is organizing with $100,000 capital. S. J. Elsby, of English, Ind., is interested.

Digitized by Google

Car & Foundry Common Attracts Notice

Not A Bargain So Far As Present Investment Return Goes, But Attractive Because of Future Probabilities—A Favorable Report, And Its Strongest Points—Earnings Larger Than Predicted, Despite A Poor Equipment Market—Company Strengthens Its Already Firm Position As To Working Capital—The Outlook For Larger Dividend Returns—A Remarkable Record of Conservatism And Efficiency.

In a market which is practically at a standstill, in a year which, to state the case mildly, has been by no means remarkable for its evidences of general industrial prosperity and at a time when the equipment business is one of the quietest spots in the whole industrial situation, it is remarkable that the shares of an equipment company should be pointed out by financial critics possessed of powers of discrimination above the ordinary as being one of the most promising issues to be found in the industrial list to-day. I refer to the common shares of the American Car & Foundry Company, quoted around 56, paying 2 per cent per annum and netting, therefore, a trifle over 3½ per cent. With industrial common stock possessed of unquestioned merit selling at prices which give a net yield of from 5 per cent, as in the case of American Smelting common to 9 per cent and more, as in the case of American Cotton Oil common, it is evident that a 3½ per cent return on the investment is not calculated to arouse any marked display of enthusiasm on the part of individual investors or to result in any mad rush on the part of hungry bargain seekers requiring

A GREATER RETURN

on their money than they could find in the bond list, or even among the standard rails.

For that reason, I ought, perhaps, to modify my reference to the seeming attractivneess of this issue by saying that its strong points are found rather in its future speculative possibilities and in the probability of a substantially larger investment return. I do not look upon Car & Foundry common as a short pull proposition, although it should share in any upward movement which the stock market, as a whole, may show in the course of the next few months. But if the reader is willing to accept a limited return on his investment for the present, and to wait a year or two for more substantial results, I have no doubt but that those results will be such as to make him forget the immediate pecuniary loss involved in selecting a stock which at present returns less than practically any industrial dividend-payer on the list, unless we choose to include Amalgamated Copper in this category.

A FAVORABLE REPORT.

The company recently submitted its annual report covering the fiscal year which came to a close on April 30, which to the face of conditions by no means satisfactory, must be encouraging to the holders of the shares. To tell the truth, the earnings actually shown in the report were considerably better than previous unofficial estimates had indicated, for it was believed that the company would be doing all that could be expected of it, if it earned 6 per cent on the common, and few thought that the preceding year's showing, itself a matter for favorable comment in view of conditions then prevailing, would be improved upon.

The income account presented as a part of this report is as follows, compared with the results of the three previous fiscal periods:

	1911.	1910.	1909.	1908.
Net earnings	$6,240,324	$6,725,698	$3,741,975	$10,615,574
Renewals	2,046,756	1,635,620	846,144	2,400,956
Balance available for dividends	4,220,789	4,488,478	2,895,831	8,214,618
Preferred dividends	2,100,000	2,100,000	2,100,000	2,100,000
Balance	2,120,789	1,980,478	795,831	614,618
Common dividend	600,000	600,000	600,000	1,050,000
Surplus	1,520,789	1,380,478	195,831	5,464,618
Maintenance and improvement	750,000	.....	.....	1,650,000
Reserve common dividend	.....	.....	.....	600,000
Surplus	781,789	1,380,478	195,831	2,814,618
Previous surplus	23,952,556	22,563,078	22,367,247	19,552,630
Profit and loss surplus	24,737,345	23,952,556	22,563,078	22,367,247

The balance available for the payment of dividends on the common stock is equal to 7.01 per cent on the $30,000,000 of the junior issue authorized and outstanding. In 1910 the company earned 6.63 per cent on the same stock, as compared with 2.65 per cent in 1909, when the worst effects of the 1907 panic and ensuing business stagnation were experienced. The fiscal year ended April 30, 1908, was the banner year of the company's history, and the report which was issued describing the operations of that profitable period showed earnings of 22.87 per cent available to cover the 3 per cent which was actually returned to the shareholders in that year.

EARLY PROMISES NOT SUSTAINED

The fiscal year 1909-1910 ended with a fair number of orders on the company's books. During the earlier portion of the fiscal year just closed there were evidences of an increased demand for new equipment, reflected by the addition of a substantial number of orders to those already on our books.

By reasons not difficult of understanding by those who have noted the trend of events in matters relating to the administration and control of industrial and corporate enterprises generally, and particularly those relating to railroads, the renewal of purchasing activity indicated at the beginning was not sustained throughout the remainder of the year. As a result, the railroads' demands for new equipment were in the aggregate much less for the fiscal year 1910-1911 than for the year 1909-1910. Because of this, orders have been taken on an even more strongly competitive basis than heretofore, and consequently, on a lessened profit margin.

Despite these adverse conditions, there was an increase in earnings for the year, as compared with the previous year, and an addition to the company's working capital of over $500,000.

Such a performance as the above, in

STRONG POINTS NOTED.

President Eaton states that this gratifying result flows directly from the policy set forth in prior reports and steadily adhered to, namely:

1. Continued strengthening of the working capital—enabling the management to take instant advantage of favorable market conditions in purchase of materials.

2. Maintenance of various plants in a high state of efficiency—resulting in an ability to respond quickly and satisfactorily to any demand for the products, and

3. Perfecting of the system of shop practice—leading to an increase in efficiency of production with a reduction of manufacturing costs.

During the past year an additional shop at St. Charles has been finished and the all-steel passenger car plant at St. Charles, Mo., is now practically complete. For this work, and for additions to the plants at Berwick, Pa., Detroit, Chicago and Milton, Pa., there was expended, of the reserve for construction of and additions to steel car

Before All Else

there is found in every Union Mutual Policy the first and strongest Purpose of Life Insurance.

Protection

Clear, Faithful Reasonable Contracts
Ask for Particulars.

Union Mutual Life Insurance Co.
Portland, Maine

Fred E. Richards, President.

JANUARY 1, 1911
Insurance in force more than $140,000,000
ASSETS - $36,327,078.68
LIABILITIES 33,371,841.25
SURPLUS - $ 2,955,237.70
1910 MOST PROSPEROUS IN HISTORY OF THE COMPANY

HARTFORD LIFE INSURANCE CO.

Chartered 1866 Hartford, Conn.
OFFERS SPLENDID OPPORTUNITIES UNDER DIRECT CONTRACTS.
All Forms of Policies.

THE BOSTON MUTUAL LIFE INSURANCE COMPANY
141 MILK STREET, BOSTON, MASS.

HERBERT O. EDGERTON, Pres. FRANK H. VIELE, Sec'y and Treas.
A corporation operating under the stringent Insurance Law of Massachusetts.
desirable forms of up-to-date policy contracts issued.
weekly premium policies in full immediate benefit.
CORRESPONDENCE SOLICITED.

Digitized by Google

plants, the sum of $434,225. Owing to the depletion of this reserve caused by such expenditure, $250,000 of the net earnings have been appropriated to it—making its total, to be carried forward to the new year, $1,277,795, as against $1,462,020 at the beginning of the last fiscal year.

Inability, because of the prevailing demand, or lack of demand for equipment to operate the plants at full capacity, is not an unmitigated evil, disappointing though such a condition may be to the holders of the shares. The company last year expended from the reserve for general overhauling the sum of $349,561, and in the words of President Eaton: "Business conditions obtaining at the close of the fiscal year, and likely to continue for at least some little time to come, will make possible a more thorough overhauling of the various plants than could be done were they operating to capacity. For these purposes there has been appropriated to it the sum of $750,000, making its amount, to be carried over into the new year, $1,028,605—a total less than was in this reserve for the year ended April 30, 1909. The remainder of the net earnings ($534,788) has been added to working capital, giving you in this account $18,304,812."

STRONG IN WORKING CAPITAL.

The extent of the company's working capital is one of its strongest points, a proof of far-sighted, conservative management, and a protection to the shareholders. The balance sheet for the year covered by the report shows current assets and current liabilities as follows:

CURRENT ASSETS.

Stocks and bonds of other companies	$1,098,785	
Materials on hand	9,108,577	
Accounts and notes receivable	9,122,033	
Cash	6,485,429	
Bank certificates of deposit	1,000,000	
Total current assets		$26,809,823

CURRENT LIABILITIES.

Vouchers and payrolls	$3,922,611	
Insurance reserve	1,000,000	
Improvement and maintenance reserve	1,028,606	
Reserve for street car plant	1,277,795	
Dividends payable	675,000	
Reserved for common dividends	600,000	
Total current liabilities		8,505,012
Excess of net current assets		$18,304,811

As President Eaton says, too much stress cannot be laid upon the necessity of having an adequate working capital. In times past the company has felt its lack and its possession is the best assurance of the success and prosperity of the company in the future.

DIVIDEND PROSPECTS.

Now that it has been built up to such ample proportions, it seems reasonable to expect that, with an improvement in the equipment demand, such as may reasonably be looked for ere long after three years of economy by the railroads, the question of a more liberal return to the shareholders will receive the attention of the directors. Since it was organized in 1899, the company has shown average earnings of 9.47 per cent on the common, while in the same 12-year period the average annual dividend return on that issue has been 1.67 per cent, including three years, 1899, 1905 and 1906, when no payment was made. In only one year was 4 per cent paid, the next largest return having been given in 1907 and 1908, the two years of record-breaking prosperity in the equipment business, when the management gave proof of its conservatism by paying 3 per cent per annum on par while the surplus earnings of both years exceeded 20 per cent.

A REMARKABLE RECORD.

Here we have a company which in 12 years has increased its working capital from $5,000,000 to $18,000,000, and out of total earnings of $78,223,713 has allotted $14,065,699 for replacements, $6,914,864 for new construction, $25,470,375 for preferred dividends, $7,045,430 for common dividends, and shows an accumulated profit and loss surplus account of $24,737,345. Here, assuredly, are evidences of substantial value back of the common stock which as recently as last year sold 16 points above its present level.

P. DE MEDICI.

FINANCIAL INQUIRY.

Amalgamated Asbestos Corporation, Ltd.

21289. (New York.) Would you kindly favor us with what information you have on the Amalgamated Asbestos Corporation, Ltd., and as to the value of their first mortgage sinking 5 per cent bonds.

Ans.: Early in the current year brokers in this country and in Canada were offering the first 5 per cent bonds of this company, due 1939, at around 90. Within the last few months, however, there has been a substantial decrease in market value, and in the UNITED STATES INVESTOR's "Inactive and Unlisted Security Supplement," brokers have been offering to sell these bonds at 57½ and to buy them at 50 flat. The reason for this decrease is found in the report submitted by President McDougall at the annual meeting held last month, showing for the seven months ended December 31, 1910, net earnings of $195,424, while bond interest paid and accrued amounted to $221,825 and the preferred dividend paid July, 1910, to $32,812, leaving a deficit of $59,213. The accumulated surplus on December 31, last, was $34,019. The company's products have been affected by the depression in the building trade, and as a result, its mills, mines and quarries were closed on November 15, last. The company has been taking steps to reimburse its treasury by the sale of bonds, thereby giving it the same working capital as at the commencement of operations. Steps are also being taken to effect economies in producing and administration costs.

THOMPSON, MONT.—Work has started on a two-story brick building, 30 by 40 feet, to be owned and occupied by the First State Bank, of Thompson, Mont. The vault will be 9 by 12 feet, and fire and burglar proof. The lobby floor, W. A. Barto, president says, is to be mosaic inlaid tiling and the fixtures will be of the latest pattern.

Digitized by Google

Ray Consolidated Copper

Now Operating Three Units of Its Concentrator and Treating About 3,000 Tons of Ore a Day—Costs Reduced to 8½ Cents Per Pound—One and One-Half Miles of Underground Work Per Month.

It is commonly felt by shrewd observers of the situation that there are a large number of bargains among the copper shares. The copper shares have been quiet for almost two years now, and although the present time finds a good many of them selling at their high point for 1911, yet the rise does not appear to be consequential, if, as it is now thought, the improved copper metal situation continues. This is an electrical age, and although the public has been inclined for the last two years to take almost everything concerned with copper as a bearish indication, yet the fact remains that the statistical position of the metal is stronger to-day than it has been for some time, and it is generally expected that the next copper producers' statements will show considerable of a decrease in the surplus copper of the country.

In looking over the list of coppers, however, I find few issues which show

ANY BETTER POSSIBILITIES

than does the stock of the Ray Consolidated Copper Company. This stock, although the company is a non-dividend payer, is a stock which is sure to share in any rise which may occur, and which in the course of several years is going to duplicate the record of Utah Consolidated and of Nevada Consolidated, the two leading exponents of the low-grade porphyry copper propositions. In previous issues we have already discussed Ray Consolidated quite extensively, and the present, it seems to us, affords a time when the outlook of this big porphyry property is of interest to all copper share holders.

The property of the Ray Consolidated Copper Company in the first place consists of about 2,400 acres, and with the taking over of the Gila property, the company now has

DEVELOPED ORE RESERVES

of over 75,000,000 tons, averaging 2.17 per cent copper, reserves which next to the Utah Copper Company are the largest known body of commercial copper ore on this continent. The existence of this ore has been proven by a great amount of churn drilling, and a number of miles of underground work

It was a stupendous job which the management and those who financed the proposition incurred when they began work on the Ray Consolidated. The way in which the work has been conducted to date and the success of at least part of the management with other like propositions, for D. C. Jackling, who is general manager and vice-president of the Ray Consolidated, is responsible for the successful development and operation of the Utah copper mine, and the way in which work is rapidly going on now shows that eventually the Ray Consolidated Copper Company is going to work out one of the greatest copper enterprises of the age. At the present time, the management is mainly concerned in rapidly pushing forward the underground work and in the construction of the smelter and its mill. During the present year, three units of the proposed eight unit concentrator have been completed and are in operation. The first unit went into operation on March 15, the second on May 3, and the third on June 1. Although originally these units were planned to treat 800 tons of ore a day, the first two early reached a capacity of a thousand tons, and the last unit is now treating a thousand tons, so that at the present time the company is

TREATING 3,000 TONS

of ore per day in its concentrator.

The company is now pushing through its underground work, including stopes, extension of mining levels and drifts at the rate of over 1½ miles per month. It is expected now that each month will show a new unit completed, so that by September there will be five or six units in operation. This will be as much as the management deem necessary to operate at present, as it will be sufficient to handle the ore which shall have been opened up by that time. The concentrator is working in fine shape and requires very little adjustment, and at the present time, it is estimated that the concentrates which it is producing will yield close to 2,000,000 pounds of copper for the past month.

The work at the smelter is going on smoothly, and it is expected that it will be completed by the latter end of the year. Until that time, the company will continue to have its concentrates reduced in the smelters of the American Smelting & Refining Company. With the operation of the three units of the new concentrator, a recovery of materially better than 70 per cent has been made. With only three units in operation, it would not be advisable for the company to treat its own concentrates. It probably would not be economical to do this until the company had reached an operating capacity of at least 5,000 tons a day in its mill.

The present record, however, is hardly a true criterion of what can be done under full capacity, for it is practically certain that by the time it is necessary to blow in the smelter the concentrator will be treating considerably more than 1,000 tons per unit a day, and, of course, each additional increase which can be made without any added expense will mean

INCREASED DIVIDENDS

finally to the holders of the shares of the Ray Consolidated Copper Company. In fact, an increase of 100 tons a day in the concentrator when completed would mean an increase of 8,000,000 pounds of copper per year, and with each of the eight units treating 1,000 tons per day, this would mean a production of about 90,000,000 pounds of copper a year.

The management themselves, however, are content to estimate the production with the present concentrator at 80,000,000 pounds, which is probably a conservative estimate. Ray Consolidated is now an assured proposition. The results from the units that have been operating warrant the expectation that the management will produce copper at better than the estimate of 9 cents per pound. With the cost at this figure and producing 80,000,000 pounds of copper per year on a 12-cent market, Ray Consolidated Copper will be able to earn $1.78 per share; at 12½ cents, it will be able to earn $2.07 per share, and at 13 cents per pound it will be able to earn $2.37 per share. This latter figure would mean, of course, the return of over 12 per cent on the money invested at the present price of the shares.

The Ray Consolidated Copper Company, however, has a property that will never stop at a production of 80,000,000 pounds of copper per year, and in a few years we look to see them producing better than

100,000,000 POUNDS

of copper. This would mean, figuring the copper to cost 8½ cents and selling at 12 cents, $2.50 per share, and at 13 cents, a profit of about $3.33 per share. Under these conditions, therefore, the outlook of the company certainly looks good, and eventually the Ray Consolidated will prove to be the success which the Utah Consolidated Company has become, and those who purchased the stock around the present figure seem certain to be able to sell it in the course of a year or two at considerably enhanced value. The company has a capital of 1,350,000 shares, of which 150,000 have been reserved for the conversion of the bonds which were recently issued by the company, and although at first glance its capital may seem very large, yet when the stupendous proportions of the property and the big possibilities which the company has are considered, we do not believe that the capital will work to its disadvantage in any way whatsoever, and the character of the management, and as previously stated, the success which they have shown in like enterprises, speaks well for the success of Ray Consolidated, the outlook for which at the present time is very bright.

P. De Medici.

BANK ITEMS.

DAVENPORT, IA.—The Union Savings Bank is planning an increase of capital from $100,000 to $150,000.

KANSAS CITY, MO.—The Commonwealth National Bank, of Kansas City, has been organized with a capital of $250,000. G. M. Smith is president; J. E. Hutt, vice-president; L. C Smith, cashier, and E. J. Short, assistant cashier.

KENNEBEC, S. D.—The Security State Bank, capitalized at $25,000, has been converted into the First National Bank of Kennebec.

LIBERTY, N. Y.—The National Bank of Liberty has been chartered with a capital of $50,000. E. W. Grant is president; B. F. Green, vice-president; F. E. Bridges, cashier, and Albert Van Dyke, assistant cashier.

TEXAS CITY, TEX.—The Texas City National Bank has been chartered with a $100,000 capital. H. B. Moore is president J. H. Sieber and I. H. Kempner, vice-presidents; D. D. Gustavus, cashier, J. E. Sieber, assistant cashier.

Digitized by Google

Financial Summary of the Week

Allegheny Steel Co.—At the special meeting of the stockholders of the Allegheny Steel Company, the proposition to increase the capital stock of the company from $3,000,000 to $3,500,000 was approved. The new stock is not to be issued immediately.

American Car & Foundry Co.—President F. H. Eaton, of the American Car and Foundry Company, in his report to shareholders said that during the early portion of the fiscal year, there were evidences of an increased demand for new equipment, but the promise of the earlier months was not fulfilled. The railroads' demands for new equipment were in the aggregate much less than in 1910. Because of this, orders were taken on an even more strongly competitive basis than heretofore, and consequently on a lessened profit margin. The company begins the fiscal year 1911-1912 with fewer cars on its books than it had at the beginning of the year 1910-1911.

American Power & Light Co.—The directors of the American Power and Light Company, which is controlled by the Electric Bond and Share Company and affiliated interests have authorized an issue of $2,200,000 ten year 6 per cent gold notes. The notes will be dated August 1, 1911. Holders of record, as of July 24, of preferred stock and voting trust certificates for common stock will be allowed to subscribe at par to the extent of 25 per cent of their holdings. The gross earnings of the properties controlled as of May 31, 1911, for the twelve months ended May 31, 1911, aggregated $3,052,686, and the net balance, after taxes, interest charges and dividends on securities other than those owned by the American Power and Light Company, aggregated $803,443. Both the Pacific Power and Light Company and the Kansas Gas and Electric Company, together with the Portland Gas and Coke Company, are controlled by the American Power and Light Company through ownership of common stock.

American Shipbuilding Co.—It seems to be probable that no dividend will be paid on the common stock of the American Shipbuilding Company in the current fiscal year. The amount earned on the junior issue in the year ended June 30, last, is said to have been insufficient for disbursements this year. The by-laws do not permit payments to be made out of working capital, which is now about $6,500,000.

American Steel Foundries Co.—This company has passed the regular quarterly dividend of 1¾ per cent on its stock, which was started in May, 1910. A statement was issued, which said: "The railroad companies have purchased very little equipment, with the result that, after filling contracts on hand at the first of the year, the company has been obliged to curtail operations largely, and consequently, the dividends must be discontinued until conditions improve." The company is operating at forty per cent of capacity.

American Thread Co.—This company reports as follows for the fiscal year ended March 31, 1911: Gross profits, $1,933,619; general reserve fund, $300,000; bond interest, $240,000; depreciation, $629,100; total deductions, $1,069,100; surplus, $864,519; preferred div dends, $244,524; common dividends, $540,000; surplus, $79,995; total surplus, $828,805. The balance of $619,995 available for common dividends is equal to 11.5 per cent earned on the $5,400,000 common stock, as compared with 21.3 per cent earned on the same stock last year.

American Wringer Co.—The American Wringer Company has declared a quarterly dividend of 1½ per cent on its common stock, payable July 15, thus increasing the regular rate from 4 to 6 per cent annually. The company has also declared the usual quarterly dividend of 1¾ per cent on its preferred stock. The company has outstanding $900,000 common stock and last March an extra dividend of 2 per cent was paid on it, making, with the regular 4 per cent, a total of 6 per cent for the year 1910. The present action establishes the stock on a regular 1½ per cent quarterly basis.

Atlantic Coast Line R. R. Co.—Earnings for the eleven months indicate that the Coast Line will earn about 13 per cent on its capital stock this year. Its equity in Louisville & Nashville's undivided earnings would add about 3.25 per cent to this amount.

Atlantic Fruit & S. S. Co.—Articles have been filed in Delaware incorporating the Atlantic Fruit & Steamship Company with authorized capital stock at $12,000,000, a consolidation of the Atlantic Fruit Company, Central American Growers & Transportation Company, Tanamo Agricola of Cuba, Cayo Acosta of Cuba, J. Simon & Co. of Sama, Cuba; Simon Fruit Co., Donald Steamship Company and the Cuba Fruit Company. The new combine, which will be an important competitor of the United Fruit Company has also a $5,000,000 issue of 6 per cent 20-year first mortgage bonds and a like amount of stock will be reserved for conversion of the bonds. Only half the $5,000,000 will be sold at present.

Brooklyn Rapid Transit Co.—It has been a long time since a rumor of an increase in the Brooklyn Rapid Transit dividend has made any headway. Stockholders seem to have reconciled themselves to the fact that the company is now paying out all that it can afford to for the present. In the fiscal year which ended with June 30, last, gross earnings are understood to have increased by $970,000, while the increased efficiency under which the system is now being operated enabled the management to carry part of this gain forward to net earnings. In spite of this, it is not expected that the annual report will show more than 6 per cent for the stock, or a margin of one per cent at best over the dividend requirements. Last year, the system earned 5.7 per cent.

Chesapeake & Ohio Ry. Co.—May results did not materially alter the estimate made about a month ago, that Chesapeake & Ohio would earn its 5 per cent dividend on the $62,798,300 stock with a little less than one-half of one per cent to spare. In June, the company received the $160,000 dividend from the Kanawha & Michigan, which added to "other income" of course, helped to offset the increase in fixed charges.

Chicago & Alton R. R.—Wall street has taken it for granted that there will be no dividend on Chicago and Alton prior lien stock. There was a meeting of the executive committee on Tuesday, last, but no announcement was made regarding the usual semi-annual dividend of 3 per cent generally paid around July 15, and this is considered equivalent to passing it. One of the directors intimated that the matter would be allowed to go by default. The stock is cumulative.

Chicago Elevated Rys.—$30,000,000 5 per cent 3-year gold notes dated July 1 have been offered at 98½ to yield 5½ per cent. Henry A. Blair, chairman of the board of directors, states that the Chicago Elevated Railways control all the elevated systems in Chicago, owning and operating approximately 175 miles of single track. Through the ownership of 210 acres of real estate, the various lines operate to a great extent on private right of way. The notes are secured by all these properties, subject to $32,346,750 prior liens. They are a collateral first mortgage on the Northwestern Elevated, but do not include the Union loop. The earnings of the companies are ample to meet fixed charges, including these notes, while economies to be effected by unification of management, rerouting of trains and more favorable power contracts are estimated at over $1,000,000 per annum.

Copper Producers' Association.—This company has reported this week that in June production was 124,554,232 pounds. There was a material increase in the daily production, but stocks on hand July 1 are only 157,434,164 pounds, a decrease of 8,561,768 compared with the previous month. Exports for the month were larger by 9,481,962 pounds than in the previous month, and domestic deliveries were smaller by 2,888,402 pounds.

Federal Heater Co.—An offering of $1,500,000 of 7 per cent cumulative preferred stock of the Federal Heater Company is being made at par by bankers. With each purchase a bonus of 10 per cent is given in the company's common stock. The Federal company is a consolidation of seven concerns which produce warm-air furnaces, hot-water and steam boilers for heating purposes, tank heaters, piping, casings, grates and registers. The preferred stock is preferred as to assets and dividends. The company has no bonds outstanding, and no debt. The stock will be listed on the Chicago exchange.

General Motors Export Co.—Articles have been filed at Lansing, Mich., incorporating the General Motors Export Company with headquarters at New York, to take charge of the foreign business of General Motors Co. Thomas Neal has been made president, Gleason Murphy, first vice-president, and C. B. Bennett, vice-president and general manager. A comprehensive sales organization will be effected to handle the business throughout the world, with the exception of this country, Canada and Mexico. Agencies will immediately be established in England and on the Continent as well as in the Latin-American countries.

Houston Oil Co.—The directors of the Houston Oil Company, of Texas, have approved a tentative plan of readjustment of the company' finances. It is proposed that the Houston Oil Company should create the following new timber certificates, to be similar in form and legal status, but junior to the now outstanding timber certificates: Not to exceed $4,749,960 6 per cent timber certificates, redeemable at any interest date by lot at par and accrued interest after three months' notice, to be divided as follows: Working capital certificates, $548,700; operating deficit certificates, $879,000; current dividend certificates to be issued semi-annually from August 1, 1911, to August 1, 1916, to represent such preferred dividends as may be declared dur-

MONATON

REALTY INVESTING

CORPORATION

Pays

6% COMPOUND INTEREST

On Money Invested in

Its Accumulative Certificates
Running terms of 10, 15 or 20 yr.

Payments may be made annually, semi-annually, quarterly or monthly.

SECURITY

OWNERSHIP OF NEW YORK INCOME PROPERTY

Affording

Immediate returns on investments and Opportunity for increase of valuation.

For illustrated Booklet, inquire:

Publicity Department

Times Building

Broadway & 42nd Street,
New York City

CONSIDERING SECURITY

high grade industrial bonds pay the *highest income* and offer the best chance for rising profits. Send for circular "M".

BEARDSLEY AND COMPANY

Henry Shadd Beardsley, President

Pullman Building. Madison Square New York

American Industrials Co.

Broad Exchange Building, New York.

INVESTMENT SECURITIES.

6% Twenty Year First Mortgage Gold Bonds.
7% Preferred Stocks.
8% Preferred Stocks.

LUDLOW PATTON & CO.

Established 1848

INVESTMENT SECURITIES.

111 Broadway, New York
53 State Street, Boston.

Offer and recommend a 6% Gold Bond with a 50% bonus of common stock, which may shortly be taken by our regular subscribers. Quick application necessary. Send for particulars.

Utah Copper Stocks

Write for my weekly Market Letter.

WM. H. TIBBALS,
Salt Lake City, Utah.

Digitized by Google

ing that period, $2,647,260; interest certificates to an amount sufficient to meet net interest on account dividend certificates and interest certificates themselves, $640,000. The plan also provides for an issue of $3,387,762 non-interest bearing timber certificates to represent the dividends accrued on the outstanding preferred stock at August 1, being about 38 per cent on the par of such preferred stock.

Interborough Rapid Transit Co.—This company's gross earnings in May were $51,075 larger than in the same month last year. Operating expenses increased $161,398, so that net showed a shrinkage of $110,323. After allowing for taxes, charges and dividends, there was surplus left of $221,654, a decrease of $142,194 for the eleven months ended May 31. Net earnings show a shrinkage of $513,156 compared with the same period last year.

Louisville & Nashville R. R. Co.—Louisville reports a loss in gross of $256,305 for May as compared with the same month last year. Operating expenses were $150,929 smaller, so that net showed a shrinkage of $105,376. An increase in taxes of $41,445 reduced the operating income. For the eleven months ended May 31, operating income shows a decrease of $2,373,874.

Maine Central R. R.—Directors of Maine Central have voted to offer the recently authorized $5,000,000 stock to stockholders, on basis of one share at par for each share now held. Installments will be payable $25 October 2, 1911, $25 January 1, 1912, and $50 March 1, 1912. It is proposed to reduce the dividend from 5 per cent to 6 pe: cent, to be paid on both old and new stock, commencing with the present fiscal year. Last public sale of Maine Central stock was at $200. Of the $4,976,300 par outstanding, Boston & Maine owns $2,616,000.

McKinley-Darragh-Savage Mines Co.—Accompanying the checks for the July dividend on stock of the McKinley-Darragh Savage Mines Company, stockholders have received the following financial statement of the company as of June 15, last: Cash on hand, $383,024; ore at smelter, etc., estimated at $115,600; ore at mines ready for shipment, $38,500; total, $537,124. Silver produced since January 1 amounted to 1,160,000 ounces. The company has no debts except current accounts. On December 31, 1910, the company reported cash on hand, $583,934; ore at smelter, $266,522 and ore at mines ready for shipment $19,200, making a total of $869,656.

National City Company.—The National City Company of New York has been incorporated at Albany, with a capital of $10,000,000. The directors are James Stillman, Samuel McIlvoberts, James W. Sterlin, Stephen S. Palmer and Frank S. Vanderlip.

Norfolk & Western Ry.—Norfolk & Western reports a decrease in gross of $101,443 and a decrease in operating expenses of $45,547. Net showed a shrinkage of $55,896. For the eleven months ended May 31, net earnings fell off $1,226,362. There have been $8,284,000 convertible 4s of the Norfolk & Western Railroad converted into stock up to June 30. The conversions have been heavier recently, about $2,000,000, having been converted in June. Up to date, about 30 per cent of the whole issue, $25,569,000, has been converted.

Osceola Consolidated Mining Co.—This company has declared a semi-annual dividend of $3.50 a share, which compared with $4 a share declared six months and a year ago.

Raven Copper Co.—At a meeting of the directors of the Raven Copper Company, it was voted that an assessment of 25 cents per share be levied upon the outstanding capital stock, to be paid as follows: 15 cents per share on or before August 1, 1911, and the balance on or before February 1, 1912. The transfer books will be closed on July 15, and will remain closed through August 7, after which no stock will be transferred upon which the 15-cent assessment, due August 1, has not been paid.

St. Louis & San Francisco R. R. Co.—Frisco had a good May, gaining $131,000 gross and $117,000 net. It will end its fiscal year with approximately $60,000,000 gross for all lines including the Texas, New Orleans and Mexico, and with an increase over 1909-10, of between 5 and 6 per cent. Mr. Yoakum has estimated that this annual percentage of increase can be maintained for the next five years. Compared with the Rock Island, the Frisco has had double the former's percentage of gross gain and has taken out of its maintenance account about one-fifth that subtracted by the Rock Island. The operating ratio for ten months was 69 per cent against 72 on the Rock Island, with transportation cost 36½ per cent and 38¾ per cent on the Rock Island.

Sealshipt Oyster System.—An issue of $2,500,000 three-year 6 per cent convertible bonds of the Sealshipt Oyster System of New York, maturing July 1, 1914, has been purchased by Boston bankers, who are offering the unsold portion at 97½ and interest, at which price the yield to the investor is 6 per cent.

Seaboard Air Line Ry.—The final week of the fiscal year gave the Seaboard Air Line a gross increase of $59,759, or 14½ per cent. For the year, the gain has been $1,657,175, or 8½ per cent. The total for the year of approximately $22,000,000 is equal to $7,500 gross per mile.

Sears, Roebuck & Co.—Gross sales of Sears, Roebuck & Co., for the first six months of the year, show an increase of approximately 6 per cent over the first half of 1910.

Southern Cotton Oil Co.—The report of the Southern Cotton Oil Company, a subsidiary of the Virginia-Carolina Chemical Company, was published this week. It shows a net loss for the year of $626,395 after a charge to operating expenses of $634,176 for repairs and improvements. This compares with a surplus of $1,450,006 in 1910.

Union Oil Co.—Bankers are offering at 91¼ and interest, yielding about 5¾ per cent, the unsold balance of an issue of $5,000,000 first lien 5 per cent 20-year sinking fund bonds of the Union Oil Company of California, being part of a total authorized issue of $20,000,000, the remaining $15,000,000 being reserved for future requirements. For the past twelve years, the company has paid consecutive monthly dividends on the stock, the present rate being 60 cents a share, or 7.2 per cent per annum.

U. S. Steel Corporation.—This company reports a volume of unfilled orders on hand at the end of June 246,871 tons greater than at the end of the previous month. The total is given as 3,361,068 tons.

Virginia-Carolina Chemical Co.—The annual report of the Virginia-Carolina Chemical Company, for the year ending May 31, shows net earnings of $3,488,830, compared with $5,336,669 in 1910. The payment of bond and other interest totalling $1,179,059, an increase of $199,011, left a surplus of $2,309,771, compared with the previous year's showing of $4,356,621. The total surplus was $12,189,621. The same preferred dividends totalling $1,440,000 were paid as in previous years, and a disbursement of $1,399,220 on the common stock. This left a profit and loss surplus at the close of the year of $9,350,401. The directors on Tuesday voted to reduce the annual dividend rate from 6 to 3 per cent.

MINING INQUIRIES.

Jamaica Cons. Copper.

21228. (Kingston, Mass.) Will you kindly state what you know about the Jamaica Consolidated Copper Company?

Ans.: The Jamaica Consolidated Copper Company was organized four years ago, and has a capital stock of six million dollars, par value one dollar. Its stock is fully paid and non-assessable, and of the total issue, three million shares are reserved for treasury purposes. The company now owns 2,276¾ acres in the Clarendon Hill section of Jamaica, where they claim to have very valuable deposits of copper; they likewise own their property in fee and the titles are registered by the Jamaica government. From samples of ore which have been assayed by several engineers, it has been found that the ore runs from 10 to 20 per cent. About 7,000 feet of development work has thus far been done, and several business men of Boston, who have seen the property, state that there is an immense amount of ore upon the dumps. Of course, as to the value of the stock, ultimately or of the mine itself, it is difficult to tell at this time.

The management tell us, however, that they have about 150 men at work at the present time, and that they are pushing along the veins in anticipation of the time when they can begin real production. Labor is very cheap in Jamaica, in fact, can be secured for from 36 to 40 cents per day, and this combined with the natural lay of the land ought to make it a comparatively easy matter for the management to operate the mine at a very low cost. W. F. Baker, the vice-president and general manager of the company, has been connected with mining for many years, and naturally knows considerable about the industry. There are several other men connected with the company who bear a high reputation in Boston, and these men evidently believe that the property has a future. There is no question about the quantity of ore at the property, and we should believe, therefore, that the company has possibilities which may become attractive.

Boston Occidental Mining Co.

21219. (Chicago, Ill.) Kindly give us some information regarding the Boston Occidental Mining Company, located in American City, Gilpin county, Colo. Is the plant in operation at present? Is there any market for the stock; if so, do you know what it is quoted at? What is the financial standing of the company? What are the prospects of the company, or any other news you may have on the property?

Ans.: The plant of this company has not been in operation for some years past, and we are informed that the financial standing of the company is in a very bad condition, and prospects are beyond remedy or recovery. Our correspondent states that the management did not have any previous practical experience, and while they may have used the best of their judgment in conducting the affairs of the company, they were decidedly wrong. They seemed to have been much enthused over a process of treating ores, the Wynn process, which they introduced at their mines with considerable expense, but this process is said to be a pronounced disappointment.

Gold & Iron Fields Extracting Co.

21193. (New York.) Kindly let us have any information which you can secure regarding the stocks of the Gold & Iron Fields Extracting Company, incorporated 1901, under the laws of the state of South Dakota.

Ans.: The records of the secretary of state of South Dakota, show that this company filed its articles of incorporation in that office June 7, 1901, the names and addresses of the incorporators being given as follows: Robert Julius Hamer, New York city; Ernest Witte, New York city; Oscar Nelson, Pierre, S. D. We have been unable to find any trace of the company or its incorporators in New York city, from the data given up to the present time, and there is nothing to show that the company is or has been active, or that the shares have actual negotiable value.

BANK ITEMS.

ABILENE, KAN.—The Central State Bank is organized here with $25,000 capital. E. P. Steri is interested.

BLACKSHEAR, GA.—The capital stock of the Citizens' Bank has been increased from $25,000 to $50,000.

WATERFORD, PA.—The Ensworth National Bank has been chartered with F. W. Ensworth as president; R. I. Woodruff, vice-president, and A. C. Ensworth, cashier. The bank has a $25,000 capital.

Digitized by Google

The Best Purchases on the Industrial List

As Indicated by the Two Standards of Comparison: of Present Investment Yield on Basis of Current Dividends and Prevailing Market Price, and on Basis of Present Earnings on Prevailing Market Values

The average net yield of the 50 industrial stocks quoted in the following table was 6.12 per cent on July 11, as compared with 6.22 per cent on June 3, 6.30 per cent on January 3, and 5.76 per cent on January 2, 1910.

Two important changes will be found this week in our industrial stock table. The first of these is occasioned by the removal of American Steel Foundries shares from the list of dividend-paying stocks, and the substitution of American Writing Paper preferred. It will be seen that American Cotton Oil common now gives the largest net yield of any stock on the last. The Virginia-Carolina Chemical Company has within the last few days submitted its annual report for the year ended May 31, 1911. This report shows net earnings after deducting $1,285,147 for repairs and maintenance, to the amount of $3,488,830. Interest and discount deductions amounted to $601,559, while the payment of interest on the first mortgage bonds necessitated a disbursement of $577,500, making a total deduction of $1,179,059, and leaving for dividends on the stock $2,309,770. The preferred stock dividends amounted to $1,440,000, leaving a balance of $869,770, available for dividends on the common shares. This balance is equal to 3.11 per cent on the $27,894,400 common stock outstanding.

In the face of these earnings, which compare with over 10 per cent shown on the stock in 1910, it is not at all surprising that the directors of the company decided on Tuesday to reduce the dividend rate on the common shares from 5 per cent to 3 per cent per annum. The policy of the board since dividends were resumed in 1909, has been to gauge the dividend payments by the earnings of the previous year, and therefore, in the face of the results shown in the annual report, 3 per cent was as much as could be allotted for the holders of the junior stock issue in persuance of this plan. The 3 per cent will be distributed in two disbursements of 1½ per cent each, one payable August 15, next, and the other on February 15, 1912. No statement accompanied the announcement of the reduction, although it was stated on behalf of the board, that the directors had decided to pay only what had been earned.

So far as the passing of the dividend on American Steel Foundry stock is concerned, it has been evident for some time past that some such step was imperative, if the company wished to avoid digging into its surplus earnings to make up the 5 per cent which was being paid. For the eight months ended March 31, last the company submitted a report which showed a surplus over interest, sinking fund, depreciation and other allowances, of $166,854. These figures indicated earnings of .97 per cent on the capital stock in the eight months' period, or at the rate of 1.45 per cent per annum, as compared with 6 per cent earned on the stock in the fiscal year ended July 31, last.

STOCKS SHOWING BEST INVESTMENT YIELD.

Present rank.	Stock.	Present dividend.	Price.	Yield on present price.
1	Am. Cotton Oil, com.	5%	54	9.26
2	U. S. Cast Iron Pipe, pref.	5%	56	8.93
3	United Dry Goods, com.	8%	106	7.83
4	U. S. Rubber, 2d pref.	6%	77	7.79
5	American Woolen, pref.	7%	92	7.57
6	Republic I. & S., pref.	7%	94	7.45
7	Central Leather, pref.	7%	100	7.00
8	Pressed Steel Car, pref.	7%	100	7.00
9	Ry. Steel Spring, pref.	7%	101	6.93
10	Union Bag & Paper, pref.	4%	59	6.78
11	Crex Carpet	5%	75	6.66
12	Inter. Steam Pump, pref.	6%	90	6.66
13	Am. Writing Paper, pref.	2%	30	6.66
14	People's Gas	7%	106	6.60
15	Am. Smelt. & Refg., pref.	7%	106	6.60
16	U. S. Realty & Imp.	5%	76	6.58
17	Laclede Gas	7%	108	6.48
18	National Lead, pref.	7%	108	6.48
19	Va.-Carolina Chem., pref.	8%	125	6.40
20	American Tobacco, pref.	6%	94	6.38
21	Am. Locomotive, pref.	7%	110	6.36
22	U. S. Steel, com.	5%	79	6.33
23	Am. Beet Sugar, pref.	6%	98	6.12
24	Corn Products Refg., pref.	5%	82	6.10
25	Am. Car & Foundry, pref.	7%	117	5.98
26	U. S Steel, pref.	7%	118	5.93
27	American Sugar, pref.	7%	119	5.88
28	Westinghouse, 1st pref.	7%	119	5.88
29	Pacific Coast, com.	6%	102	5.88
30	Am. Ag. Chem., pref.	6%	102	5.88
31	American Can, pref.	5%	85	5.88
32	American Sugar, com.	7%	120	5.83
33	American Tel. & Tel.	8%	138	5.80
34	Distillers Sec. Corp.	2%	35	5.71
35	Mackay Companies, com.	5%	89	5.62
36	Inter. Harvester, pref.	7%	125	5.60
37	Va-Carolina Chem., com.	3%	56	5.36
38	National Lead, com.	3%	56	5.36
39	National Biscuit, com.	7%	134	5.22
40	Am. Malt Corp., pref.	2%	40	5.00
41	Sears, Roebuck, com.	7%	140	5.00
42	Am. Smelt. & Refg., com.	4%	80	5.00
43	General Electric	8%	163	4.91
44	Consolidated Gas	6%	146	4.11
45	Inter. Harvester, com.	5%	122	4.10
46	Underwood Typewriter	4%	98	4.08
47	Inter. Paper, pref.	2%	49	4.08
48	Am. Car & Foundry, com.	2%	57	3.51
49	Amalgamated Copper	2%	70	2.85
50				

STOCKS SHOWING BEST EARNINGS.

Present rank.	Stock.	Price.	Earning on present price.
1	Inter. Merc. Marine, pref.	17	53.35
2	Bethlehem Steel, pref.	62	21.65
3	Am. Beet Sugar, com.	52	21.06
4	American Linseed, pref.	31	18.90
5	Am. Ag. Chem., com.	57	18.30
6	Westinghouse, com.	76	17.20
7	Ry. Steel Spring, com.	38	16.65
8	Pressed Steel Car, com.	36	15.40
9	United Fruit	193	13.90
10	Crex Carpet	75	13.50
11	American Woolen, com.	32	12.65
12	Am. Cotton Oil, com.	54	11.50
13	U. S. Realty & Imp.	76	12.30
14	Inter. Harvester, com.	122	12.30
15	Am. Car & Foundry, com.	57	12.30
16	Colo. Fuel & Iron, com.	34	11.55
17	Allis-Chalmers, pref.	28	11.05
18	Sears, Roebuck, com.	140	10.95
19	Am. Ice Sec. Co.	24	10.50
20	United Dry Goods, com.	106	10.35
21	General Electric	163	10.20
22	Republic I. & S., com.	30	9.65
23	Union Bag & Paper, pref.	59	9.40
24	Nat. Enam. & Stmpg., com.	18	9.40
25	Inter. Paper, pref.	49	9.25
26	Corn Products Refg., pref.	82	8.60
27	People's Gas	106	8.50
28	American Can, pref.	55	8.05
29	Am. Smelt. & Refg., com.	80	7.75
30	National Lead, com.	56	7.70
31	National Biscuit, com.	134	7.35
32	American Tel. & Tel.	138	7.30
33	U. S. Cast Iron Pipe, pref.	56	6.95
34	Utah Copper	50	6.90
35	Distillers Sec. Corp.	35	6.85
36	U. S. Steel, com.	79	6.35
37	Western Union	80	6.25
38	N. Y. Air Brake	75	5.95
39	American Sugar, com.	120	5.90
40	Mackay Companies, com.	89	5.80
41	Amalgamated Copper	70	5.60
42	Va.-Carolina Chem., com.	56	5.55
43	Tennesse Copper	42	5.30
44	U. S. Rubber, com.	42	5.25
45	Consolidated Gas	146	5.10
46	Inter. Steam Pump, com.	42	5.05
47	Central Leather, pref.	100	4.50
48	Sloss-Sheffield, com.	49	4.15
49	Am. Steel Foundries	37	3.60
50	American Locomotive, com.	41	3.25

Digitized by Google

The Best Purchases on the Railroad List

As Indicated by the Two Standards of Comparison: of Present Investment Yield on Basis of Current Dividends and Prevailing Market Price, and on Basis of Present Earnings on Prevailing Market Values.

The average net yield of the 50 railroad stocks quoted in the following table was 5.02 per cent on July 12, as compared with 5.05 per cent on July 5, 5.34 per cent on January 4, and with 4.71 per cent on January 2, 1910.

Apprehension regarding the outlook for the crops has kept the railroad shares moving in a decidedly irregular manner during the past week, a condition of affairs which is likely to be maintained for some few weeks to come. Private crop reports conflict to a marked degree with those issued by the government, and for that reason, Wall street does not know just what to expect, although it must be confessed there is a tendency in some quarters to take a somewhat pessimistic view of the outlook. The passing of the dividend on Denver & Rio Grande preferred some weeks ago and the more recent chopping off of payment on Alton preferred, are incidents which have left a somewhat unpleasant impression behind them, an impression which is simply strengthened by a realization of the facts that Clover Leaf preferred seems to be in line for similar pruning treatment. That the Chicago & Alton directors are inclined to follow a conservative course, and to enforce drastic economies, is indicated by the fact that the executive committee at its meeting this week took no action on the prior lien stock dividend. Wall street is taking it for granted, inasmuch as the semi-annual dividend of 2 per cent on this stock is ordinarily payable July 15, that the failure of the directors to act on the matter is tantamount to a passing of the dividend. Indeed, it has been semi-officially intimated that the matter would be permitted to go by default. There is outstanding only $879,300 of the prior lien stock, the 4 per cent dividends on which would amount to only $35,172 per annum. It would therefore require but little more than $17,000 to meet the semi-annual dividend, which ordinarily would be paid at the close of the current week.

It was not generally expected, despite the passing of the preferred dividend, that the directors would see fit to pursue a similar course, with respect to the disbursement on the prior lien stock, in view of the relative small amount of money involved in the semi-annual payment, and in view of the fact that as the issue is cumulative, the dividends will have to be made up at some future date. Very little of this stock has ever been traded in in the open market, and for that reason, the action, or rather lack of action of the directors with respect to dividend payments, has created no particular excitement in the financial world. President Shonts, in announcing the suspension of the preferred dividend, intimated that an early resumption of payments would be in order. He stated that the company had decided to omit the dividend, "for this period and probably for another" in order to provide the means of increasing facilities to meet the business, and place the road on a firm foundation", so that dividends can be paid regularly and permanently".

STOCKS SHOWING BEST INVESTMENT YIELD

Present rank.	Stock.	Present dividend.	Price.	Yield on present price.
1	Toledo, St. L. & W., pref...	4%	48	8.33
2	Detroit United	5%	72	7.70
3	Chesapeake & Ohio, com.....	5%	82	6 10
4	M., K. & T., pref.....	4%	66	6.06
5	B. R. T.	5%	84	5.95
6	St. L. & San F., 1st pref....	4%	68	5.88
7	K. C. Southern, pref.....	4%	68	5 88
8	Lehigh Valley	10%	175	5.71
9	St. Louis S. W., pref.....	4%	70	5.71
10	N. Y., N. H. & H.....	8%	140	5.71
11	Twin City R. T., com.....	6%	107	5 60
12	St. Paul, com.	7%	126	5.55
13	Baltimore & Ohio, com.....	6%	109	5.50
14	Colo. & Southern, 2d pref...	4%	75	5.33
15	K. C., F. S. & M., pref.....	4%	75	5.33
16	Union Pacific, com.	10%	188	5.32
17	C., C., C. & St. L., pref.....	5%	94	5.32
18	Atchison, com.	6%	113	5.31
19	Northern Pacific	7%	132	5.30
20	Delaware & Hudson	9%	170	5.29
21	P., C., C. & St. L., com.....	5%	98	5.10
22	Great Northern, pref.....	7%	135	5.10
23	M., St. P. & S. S. M., com..	7%	140	5.00
24	N. Y., C. & St. L., com....	3%	69	5.00
25	Southern Pacific, com.....	6%	122	4.92
26	Illinois Central	7%	143	4.91
27	C., St. P., M. & O., com ...	7%	143	4.90
28	Colo. & Southern, 1st pref...	4%	82	4 88
29	Western Maryland, pref.....	4%	82	4.88
30	Atchison, pref.	5%	103	4 85
31	Pennsylvania	6%	124	4.84
32	Chicago & N. W., com	7%	147	4.77
33	Atlantic Coast Line	6%	130	4.61
34	Norfolk & Western, com.....	5%	109	4.59
35	N. Y. Central	5%	109	4.59
36	St. Paul, pref.	7%	153	4 57
37	Louisville & Nashville	7%	154	4 54
38	M., St. P. & S. S. M., pref..	7%	155	.52
39	Baltimore & Ohio, pref.....	4%	90	4 44
40	N. Y., O. & W.	2%	45	4 44
41	Norfolk & Western, pref.....	4%	91	4.40
42	Toledo, St. L. & W., com.....	5%	115	4 35
43	Union Pacific, pref.....	4%	94	4.26
44	Central of N. J.	12%	285	4.21
45	Canadian Pacific	10%	241	4.15
46	Reading, com.	6%	169	3.75
47	Boston & Maine	4%	107	3.74
48	D., L. & W.	20%	548	3.77
49	Colo. & Southern, com	2%	56	3.57
50	Southern Railway, pref	2%	73	2.74

STOCKS SHOWING BEST EARNINGS

Present rank	Stock.	Price.	Earning on present price.
1	M., K. & T., pref.....	66	24.40
2	St. L. & San F., 2d pref.....	54	23.05
3	Erie, 1st pref.	59	19.40
4	Detroit United	72	16.05
5	Hocking Valley, com.	128	14.90
6	Southern Railway, pref.	73	14 20
7	K. C. Southern, pref.....	68	13.85
8	Buffalo, R. & P., com.....	115	12.00
9	K. C. Southern, com.....	25	10.85
10	P., C., C. & St. L., com.....	98	10 55
11	Colo. & Southern, com.	55	10.05
12	C., St. P., M. & O., com.....	143	10.05
13	Atlantic Coast Line	130	9.60
14	Southern Pacific, com.....	122	9 35
15	Atchison, com.	113	9.20
16	Union Pacific, com.....	188	9.10
17	St. Louis, S. W., pref.....	70	8.65
18	Norfolk & Western, com.....	109	9.00
19	Louisville & Nashville	154	8.45
20	Twin City R. T., com.....	107	7.95
21	Central of N. J.	285	7.85
22	Baltimore & Ohio, com.....	109	7.10
23	C., C., C. & St. L., com.....	60	7.00
24	Erie, com.	37	7.00
25	D. & R. G., pref.....	58	6 90
26	Delaware & Hudson	170	6.85
27	B. R. T.	84	6.80
28	M., K. & T., com.....	37	6.70
29	N. Y., N. H. & H	140	6.70
30	D., L. & W.	548	6.50
31	Illinois Central	142	6.30
32	Canadian Pacific	241	6.30
33	Chicago & N. W., com.....	147	6 20
34	Lehigh Valley	175	6.10
35	Northern Pacific	132	6.00
36	M., St. P. & S. S. M., com.....	140	5.80
37	Chesapeake & Ohio, com.	82	5.65
38	Great Northern, pref.....	135	6.65
39	Pennsylvania	124	5.45
40	St. Paul, com.	126	5.35
41	N. Y. Central	109	4.80
42	Toledo, St. L. & W., pref.....	48	4.75
43	Chicago & Alton, pref.....	54	4.70
44	Reading, com.	169	4.65
45	Chicago Gt. Western, pref.....	44	4.20
46	N. Y., O. & W.	45	4.15
47	Western Maryland, pref.....	82	4.05
48	Wabash, pref.	35	2 40
49	Boston & Maine	107	2.20
50	Missouri Pacific	48	2.20

Digitized by Google

Textile Manufacturing Shares

In such weather as Boston and New England has been having the last week or two, it is hardly to be expected that investors would be in any hurry to make their selections and find a place for their idle money. This is probably one reason why the mill share market is in such a very quiet state, for, add this fact to all the other depressing influences which have been at work for the past six months or so, and it is no wonder that we now have the market in a state of lethargy. For instance, at the auctions in Boston this week, the only textile shares which changed hands were five shares of the Androscoggin Mill stock, which were transferred at $180 per share, or a decline of 5 points below the last previous public sale.

As a matter of fact, however, the dullness apparent in the mill share market is but a reflection of the mid-summer dullness of Wall street and the larger stock markets. At the auctions, there were several bids for stocks from four to five points below the prices at which the same stock sold a few weeks ago, but these prices were unsatisfactory to the holder, an indication that sellers are now stronger in their ideas of value than they were a few weeks ago. Then, too, private brokers who make a business of dealing in high-grade mill shares tell us that they have had numerous bids for high-class stocks at a few points below the asking prices, from which it is apparent that were holders of these stocks willing to accept lower prices than are prevailing to-day, we would undoubtedly have a fairly good market.

The attention of our readers is again called to

THE NUMEROUS BARGAINS

which are now offered at this end of the market. It is, however, true that in some individual cases we are bound to have further declines, but it is seldom that an investor, unless he is on the inside, can figure on getting securities at their "cellar" prices. The way the thing generally works out, is that an investor holds back, watches the stock decline, thinking to get in at a low mark, when suddenly some one shows some interest in the shares which he may have in mind, and before he gets the opportunity to invest, they have gone up five or ten points, or even more, in price. Thus in endeavoring to make a few points he has lost more. It is, therefore, a pretty good plan for one who has idle money to invest and can afford to hold on, to buy mill shares at the present time, for cotton mill stocks are almost always sure of coming back. During the panic of 1907, stocks were way down. By the end of 1909, however, many of them had touched the highest points in their histories. Examples of cotton manufacturing companies, which have shown a strong "come back" after a period of money stringency and hard times, are the Parker and Hargraves mills of Fall River, the Salmon Falls Manufacturing Company, the Hamilton Woolen Company and a number of others.

A glance at the stock lists sent out each week by one of Fall River's leading mill share brokers, indicates how dead the mill share market is in that city. For instance, the list for this week shows not a single sale of stock, while that for last week showed only the transfer of some of the stock of the Shove mills at $95. Moreover, there are quite wide differences between the bid and asking prices of the same stock, the difference running anywhere from 4½ points in the case of the Flint mills to 15 points in the case of the Richard Borden Manufacturing Company. The fact that two shares of the Troy Cotton & Woolen Manufacturing Company have been offered for about three weeks now at $1,500, and have not found any bidder at that figure, is indicative of the attitude of Fall River investors, for ordinarily, such a gilt-edged stock as the Troy cotton and woolen would be snatched up quickly at this figure. The stock very seldom comes on the market anyway, and the

RECORD OF AVERAGE DIVIDENDS

of 17.4 per cent for the last ten years, together with one bond dividend in 1909 of 100 per cent, brings the average dividend really up to 27 per cent; certainly $1,500 per share ought not to be an excessively high figure for so gilt-edged a stock. There are only 600 shares of the stock, and a stock like this investors do not purchase for the return in a single year, but upon the average of a run of years, so that taking the average of 17.4 per cent upon the selling price of $1,500, the average net return in a period of years would be 5.8 per cent—a tolerably good yield for such a high-grade security. During the week of July 4, there was a general heavy curtailment in Fall River. Reports state that the general disposition is to increase the amount of curtailment rather than reduce it. Buyers do not appear to be showing a great deal of interest in the goods market; manufacturers do not want to sell at the present prices nor do they want to make goods on the costs existing to-day.

SHARP MILLS.

The latest new mill at New Bedford to get started is the Sharp Manufacturing Company. The big 2,500-horse power engine was started for the first time in view of a party made up of representatives from well-known textile concerns. Of course, the start was more or less of a preliminary function, although most of the machinery was set up in the mill before the engine was started and it is expected that within three or four weeks machinery will be running with about four hundred hands, and the number of

Preferred Shares of High Standard

McCrum-Howell Company
Brunswick, Balke, Collender
American Piano Company
Barnhart Bros. & Spindler

To yield nearly 7%

The above offerings have no bonded indebtedness.

Special circulars on request

George H. Burr & Co.

BANKERS

35 Wall Street, N. Y.

Chicago, Boston, St. Louis, Phila., San Francisco, Kansas City

FOR JULY FUNDS

TAX EXEMPT

TO YIELD OVER

5½%

Free from tax in Massachusetts. Write for Circular giving full details of the shares of one of the **Strong Lighting Companies of Massachusetts** serving a **Total Population of Over 207,231.**

C. D. PARKER & CO., Bankers
78 Devonshire St., Boston

CITY OF BOSTON REALTY TRUST.

A semi-annual dividend of 2½% has been declared payable July 1st, 1911, to Preferred Shareholders of record at the close of business on June 30th, 1911.

B. R. BECKWITH, Secretary.

$100 AND $200, 7%, TEN-YEAR REAL ESTATE GOLD BONDS

Principal and Interest guaranteed by the UNITED STATES AND MEXICAN TRUST COMPANY, with resources of $2,500,000. Interest payable at the AMERICAN EXCHANGE NATIONAL BANK, New York City, January 1st and July 1st. Retired by drawing from sinking fund at 102. COMMERCE TRUST COMPANY, Kansas City, Missouri, trustee under mortgage. Value of the real estate more than twice the entire issue of bonds. Total of issue, $300,000. Price, Par and Accrued Interest. Subscriptions received by

UNITED STATES AND MEXICAN TRUST COMPANY

at any of its offices:

United States and Mexican Trust Building, Kansas City, Mo.; United States and Mexican Trust Building, City of Mexico; Pinners Hall, 8 and 9 Austin Friars, London, E. C., England; Sophiaplein No. 2, Amsterdam, Holland; Singer Building, New York City (Represented by the Metropolis Finance Company)

Digitized by Google

those employed will be greatly increased as more machinery is set up, until the mill works up to its full capacity of between six hundred and seven hundred hands. The present mill will be started with between 50,000 and 60,000 spindles, but the plant is so constructed that there is room for more machinery, which will probably be installed as soon as practicable, and it will enable the spindleage to be run up to around 90,000 spindles.

The Sharp mill is a well constructed, thoroughly modern plant, and is in the hands of an expert management. Arthur R. Sharp, the treasurer and stockholder, is a man who is nothing, if not practical, and one who is bound to get good results from the operation of the plant. The Sharp has a capital of $1,200,000 common stock and $300,000 six per cent preferred, dividends upon which accrue from April 1, 1911. Figuring the plant at 80,000 spindles, the capitalization per spindle would be $18.75, which is very reasonable for a new and modern up-to-date fine yarn mill. The preferred stock is now quoted at $100 asked, nothing bid, while the common is 95 asked, with nothing bid. Where the new New Bedford mills have not been over capitalized and where they have been operated with due consideration for the stockholders, their stock has always increased materially in price, and there is no question but that if the purchaser of the preferred or common stock of the Sharp Manufacturing Company can wait several years, his stock will greatly appreciate.

THE JACKSON-NASHUA MERGER.

In the hearing which was held before Judge Plummer at the Hillsboro County, Superior Court, at which the dissenting stockholders of the Jackson Company were present and about which we have already devoted some little space, the court finds that the price that was to be paid to the stockholders of the Jackson Company in case the supposed merger went through is adequate and the proposition in the plan to exchange one share of Jackson for 1⅛ shares of Nashua is fair and equitable. The court finds also that the officers and the directors of the Jackson and Nashua Company, the committees of both companies and trustees and attorneys who are engaged in promoting the consolidation have acted in good faith and for the best interest of both companies, according to their best judgment. The court finds also that the terms of the consolidation are fair and equitable. It questions whether the plaintiff's bill should be dismissed, and the injunction which has been enforced, dissolved or made permanent. The injunction is transferred without ruling, but during the pendency of this case before the Supreme Court, it shall continue in force. This is all that the court could do and undoubtedly the fall will see the whole matter settled as it should have been long ago, as in our opinion, there is little, if any, cause, for complaint by the stockholders of the Jackson Company.

YORK MANUFACTURING CO.

The annual statement of the York Manufacturing Company as filed with the secretary of the state of Massachusetts dated April 30, 1911, shows total assets of $3,385,183, as compared with $3,129,861 last year, or an increase of $255,322. This increase, however, is found mostly in the material and stock in process, which has grown from $642,760 in 1910, to $1,062,538 in the statement for the present year, or an increase of $420,078. Current assets consisting of material, stock in process, etc., and cash and

BOSTON STOCKS AND BONDS

For the Week Ending Thursday Evening, July 13, 1911.

Names.	RANGE FOR WEEK		Last Sale	Sales for Week	RANGE FOR YEAR OF 1911.						RANGE FROM JAN., 1879, TO JAN., 1911.			
					Lowest			Highest			Lowest		Highest	
Railroads.	Low	High												
Boston & Albany	...	...	222	25	219	May	15	236	Feb	15	129	1891	*280	1899
Boston Elevated	129½	129½	129½	175	127	May	5	129¾	Feb	1	53⅜	1898	130	1901
Boston & Maine	101¾	101⅞	101¼	100	101	May	10	122⅜	Feb	15	108⅜	1879	220	1837
do. pref.	...	...	153	.....	150	Jan	17	154	June	5	134⅜	1891	190	1902
Cent. Verm't 4s	90½	90½	90½	5,000	87½	Jan	25	92	Mar	22	75	1904	95½	1899
C. B. & Q. Jt. 4s	95⅛	95⅝	95¼	71,000	95½	Jan	5	98¼	June	2	82½	1907	102	1905
Chic. June. R...	...	...	115½	.....	.....			.....			50	1880	142	1904
do. 5s	...	...	101¼	.....	.....			.....			89¾	1891	116	1899
Fitchburg pref..	125	125½	125	61	125	July	13	130	Jan	9	63½	1889	143	1906
K. C., Ft. S. & M. 6s	116½	116½	116½	1,000	115	Mar	22	116¾	Jan	6	56	1895	126	1901
K. C. M. & B. new 4s	...	...	92	.....	91½	Jan	19	93½	Jan	3	125⅝	1894	102	1895
do. inc. 5s	...	...	88	.....	88	Apr	6	90	Mar	14	5	1895	104	1909
N. Y., N. H. & H.	139½	140½	139½	1,535	129¾	June	28	151⅝	Feb	22	127	1907	270	1899
Old Colony	187	187	187	25	183	Mar	15	189	June	14	95	1879	221	1891
Rutland pref.	39	39¼	39	11	32	Jan	26	43	Feb	21	6¼	1879	125¼	1902
West End	87	89	89	111	87	July	11	96	Feb	6	43	1894	102	1905
do. pref.	102½	103	102½	181	101	Mar	3	105	June	22	73	1888	118¾	1901
Miscellaneous.														
Am. Agri. Chem.	56½	58	58	25	46¾	Jan	6	60½	May	18	9	1903	50¾	1909
do. pref.	103	104	103½	61	99	Jan	6	106¾	Mar	1	66½	1903	105	1910
Am. Pneu. Ser.	4⅝	4⅝	4⅝	50	4½	Apr	25	6¾	Jan	31	2	1903	29	1906
do. pref.	15	16	15	15	14	Apr	21	19¾	Jan	31	9½	1908	46	1906
Am. Tel & Tel.	138	139	138½	2,164	†128	July	6	153¾	June	8	88	1907	186	1901
do. 4s	91¾	92	91⅞	29,000	89½	Mar	22	92	May	23	71	1907	101½	1901
do. cons. 4s	...	...	110½	.....	108⅝	Jan	13	111⅝	June	19	80⅞	1908	107⅝	1909
Am. Woolen	...	...	31	.....	31	June	26	36¼	Mar	20	7⅝	1903	43	1906
do. pref.	90⅝	92	91⅝	75	85¼	Apr	1	96½	June	15	66	1903	110¾	1906
B. & Wor. Elec.	12	13	13	10	6	Feb	15	13	July	13	3	1910	39½	1906
do. pref.	...	...	58	.....	38¼	Jan	27	58	July	1	25	1910	80	1906
Cumberl'd Tele.	157⅜	158	158	16	146	Jan	19	158	June	2	93½	1907	152½	1910
Dom. Ir. & St'l.	...	...	63⅜	.....	.....			.....			6¾	1899	79¾	1902
Dom. Coal 6s	...	...	97½	.....	.....			.....			90	1908	101½	1905
E Boston Land.	10¼	10⅝	10¼	205	7¼	Jan	18	12	May	1	2¾	1893	18¾	1899
Edis. Elec. Ill.	...	...	282	.....	281	July	5	292½	Feb	3	10	1893	310	1906
Gen'l Elec. Co.	161	163⅜	162½	235	146¼	Mar	3	167⅜	May	29	28½	1896	268½	1901
Mass. Elec.	22½	23¼	23¼	2,83	18	Apr	24	24	June	8	6½	1907	46¾	1902
Mass. pref.	90	95	94⅜	472	88¾	Jan	9	95	July	11	37	1907	89	1902
Mass. Gas	93¾	94⅝	94½	1,669	87¾	Jan	3	94⅝	July	12	30	1903	91¼	1910
do. pref.	96¼	96½	96¼	164	91¾	Apr	13	98	June	5	74½	1903	97	1910
Mergenthaler	225	225	225	101	211	Jan	3	225	July	6	118⅝	1897	238	1910
N. E. Cot. Y'n.	...	...	112⅜	.....	110	Apr	22	119	Mar	14	40	15	125	1909
do. pref.	110½	111	111	12	106	Jan	3	116¼	Mar	15	24¾	1903	118	1909
do. 5s	102½	102⅝	102½	3,000	100¼	Jan	13	103	June	20	93	1908	105¾	1901
N. E. Telephone	144	146½	145	64	137	Jan	17	150½	June	10	78¾	1879	270	1906
Pullman Car	162	162½	162	165	158½	Mar	10	163	Jan	30	5¾	1901	23¼	1895
Reece Eut. H.	14	14	14	11	12	Jan	5	16¾	May	22	7½	1884	163	1901
Torr'g'n Co. Cl. A	31¾	32	32	130	30	Apr	24	36	Jan	7	13	1906	57	1910
do. pref.	30	30	30	82	27	Mar	31	30	June	29	20	1907	35	1909
U'ted Fruit Co.	180½	180½	180½	418	180	Mar	24	197	June	12	72	1901	200	1910
U'ted Fruit 4½s	...	...	97	.....	96¾	Apr	17	97¼	Jan	6	86	1910	97¼	1910
Un. Shoe Mac'y.	51	52	51¼	830	50	June	21	58¾	Feb	18	*28	1900	95½	1905
do. pref.	29	29	29	440	27¾	June	2	29½	Mar	7	22	1900	39½	1905
West. Tel. & T.	20	20½	20½	145	17¾	Apr	18	23¼	Feb	6	4	1908	33½	1900
do. pref.	...	...	96	.....	89	Jan	23	97¾	June	7	50	1907	106¾	1902
do. 5s	99½	99¾	99½	11,000	90¾	Jan	3	100	June	9	74	1907	106¾	1902
Mining.														
Adventure	6	6 7-16	6¼	290	4½	Apr	24	7½	May	18	†.62½	1907	33	1901
Allouez	...	...	32½	.....	30	May	19	...	Jan	5	8¢	1894	74¼	1907
Amalgamated	69½	70	69	2,249	59¾	Apr	18	71½	June	26	33⅜	1903	139⅛	1899
Am. Zinc	27¾	29	28	3,15	23	Apr	25	30¾	June	14	5	1901	67	1906
Arizona Com.	15¾	16¼	16¼	415	11¾	Apr	24	15⅜	June	14	7¾	1907	51¾	1900
Bos. & Corbin	...	...	14	.....	10¾	Apr	24	15½	June	6	6	1907	35	1901
Butte Bal'kl'n	...	...	4¾	.....	4½	Jan	31	6¾	Jan	4	4¼	1910	18¾	1910
Butte Coalition	18½	19¼	19½	607	16⅜	Apr	24	20½	May	24	10	1907	42	1904
Calumet & Ariz.	57⅜	59	58½	1,110	46	Jan	13	83	June	14	44⅜	1910	198	1907
Calum. & Hecla.	470	470	470	10	450	May	13	545	Jan	4	134	1894	1000	1907
Centennial	...	...	13	.....	11½	May	17	18	Jan	3	10c	1896	61	1899
Copper Range	60	61¼	60¼	266	58¾	Apr	24	69¾	Feb	2	37	1903	105	1907
Daly-West	...	...	6	.....	3	Feb	15	6½	June	21	3½	1910	56	1902
East Butte	13⅜	14¼	13⅜	1,91	10¾	Apr	27	14⅜	June	26	3½	1908	18½	1907
Elm River	.12	.13	.12	27	.10	May	6	30	Jan	6	.06	1910	7	1901
Franklin	12½	12¾	12½	150	7	Feb	3	14	June	14	4	1879	30	1890
Giroux	6¼	6¾	6 7-16	1,30	5¾	Mar	10	8¼	Feb	6	2¾	1907	13¾	1901
Granby	38	40	39¾	111	30	Apr	12	43½	June	21	20	1910	151	1907
Greene Cananea	6¾	7¾	6¾	1,23	6 5-16	Feb	9	8	June	26	5	1907	18	1907
Hancock, Con.	28	29	28¾	1,18	17¾	Apr	24	30¼	June	19	1¾	1907	36	1911
Helvetia	1¼	1¼	1¼	15	.99	Apr	26	2	Mar	4	1¾	1910	28	1899
Isl'd C'k Coal**	30½	39	39	71	22¾	May	9	40¾	June	2	30¾	1910	23¾	1910
do. pref.**	88	88½	88½	1,00	57	Mar	29	91	June	13	54½	1910	90¼	1910
Isle Royale	17¾	18	18	55	12	Apr	22	19¼	June	12	5¾	1903	75	1899
Kerr Lake	5	5⅝	5 9-16	791	4 15-16	June	28	7¾	Jan	23	6	1909	35	1907
Keweenaw	2¾	3	3	50	1¾	May	10	3¾	June	14	1¾	1905	.75	1900
La Salle	3½	3¾	3¼	145	3¼	June	6	6	Jan	3	3	1908	23¼	1905
Lake Copper	37	38	37½	181	26¼	Apr	26	40	June	13	4	1907	94½	1910
Mass. Cons.	8¾	8¾	8¾	12	5	May	27	10	June	19	2¾	1908	57¾	1901
Miami	20¾	20¾	20¾	20	18¾	Apr	21	22¾	June	21	4¾	1908	29	1910
Michigan	2¼	2¼	2¼	5	1¾	Apr	25	4¾	May	6	3	1900	24¼	1907
Mohawk	49	51	49	25	36	Apr	24	53	June	15	11½	1903	97	1907
Nev. Cons.	19	19¾	19	624	17¾	Apr	24	21¾	June	15	6¼	1907	30	1900
New Arcadian	3½	3¾	3¾	115	2¼	Mar	9	4¾	May	17	81	1906	195½	1899
Nipissing	9⅞	10⅛	10	490	9¾	July	13	11¼	Feb	17	5	1908	33⅜	1906
North Butte	32½	33¼	32½	1,61	23¾	Apr	24	56	June	13	18½	1910	130	1907
North Lake	8	8¾	8	25	7	Apr	18	9¾	June	3	4½	1909	11¾	1900
Old Dominion	47½	47¾	47¾	150	36	Apr	22	49	June	19	9¼	1904	65¾	1906
Osceola	160½	163	160½	27	96	Apr	24	124	Jan	4	7¼	1885	181	1907
Parrot	...	...	12¾	.....	11	May	2	13¼	May	22	9¾	1907	72½	1899
Quincy	73¼	74	73¼	50	65	Jan	30	76	June	28	10	1879	190	1899
Ray Consol'ted	17¾	17¾	17½	725	15¼	Apr		18¾	Jan		7¼	1903	27½	1900
Santa Fe	1½	1½	1¼	10	.75	Apr	26	1¾	June	13	1	1903	22	1899
Shannon	11	11¼	11	11	9¾	May	16	12¾	Feb	6	3½	1904	24¾	1907
Superior Copper	42½	42¾	42¾	30	30	Apr	24	34¼	June	14	7	1907	68¼	1910
Sup. & Boston	5¼	6¼	6¼	850	2 15-16	Apr	7	8¼	June	15	1¾	1908	1¾	1908
Tamarack	...	...	55	.....	54	Apr	21	52	Jan	3	45	1910	363	1901
Tennessee	...	...	42	.....	36	Feb	1	47½	June	12	9¾	1908	55¼	1907
Trinity	4	4¼	4¼	175	3¼	Apr	25	5	June	20	3¾	1904	42¾	1907
U. S. Smelting	38	39	39½	25	32	Apr	5	40¼	June	14	24¾	1907	70	1907
do. pref.	47¾	49	48	1,00	45½	May	10	49½	June	28	27¾	1907	84¼	1900
Utah Cons.	16	17¾	16	75	9¼	Jan	20	21	June	26	12¾	1910	*79	1907
Utah Apex	2¾	3⅛	3	22	2¼	Apr	28	3¼	June	15	1¼	1907	10¾	1905
Victoria	1¾	2	1¾	105	1¼	May	2	2½	Feb	7	1	1900	12	1901
Winona	8	8¼	8	6	6	May	6	9½	Feb	6	1	1902	32	1899
Wolverine	...	...	115	.....	107	Apr	26	122	Feb	10	75c	1893	200	1907

* Ex-dividend. † Assessment paid. ‡ Rights off. ‖ Auction. § Old securities. • Old stock.
•• Temporary certificates.

Digitized by Google

debts receivable, are equivalent to $1,610,183, while current liabilities consisting only of accounts payable amount to $1,140,000, so that net quick assets are equal to $470,183, as compared with $433,585 last year, thereby showing an increase of $36,598. Accounts payable have grown from $890,000 last year to $1,140,000. The heavy increase shown in the item against material and stock in process may be accounted for in two ways, either that on April 30, 1911, this mill had a lot of cotton on hand, or else its supplies of finished goods were very heavy. It is quite probable, however, that both cases apply in part, for, of course, at the time this statement was made out, we were about four months away from the cotton crop. It is reasonably certain that the York had a pretty good quota of both goods and cotton on hand. The York Manufacturing Company operates about 2,300 looms and some 50,000 ring spindles, and has paid dividends at the rate of 6 per cent per annum continuously since 1902, previous to which time it had always given stockholders good returns. The company manufacturers ginghams, denims, dress goods, etc., which are sold through Smith, Hogg & Company.

LAWRENCE DYE WORKS.

The Lawrence Dye Works, which recently decreased its capital from $500,000 to $250,000, has again increased it to $500,000 by an issue of $250,000 7 per cent cumulative preferred stock This stock is now being offered investors at $105 per share, at which price it nets 6.67 per cent. These shares appear to be rather an attractive purchase, offering as they do an investment in a property, which since 1884 has been very successful; in fact, during the period from 1884 to 1900, when the plant was operated as a co-partnership, it is said that over 100 per cent was paid from the profits and since that time, the average dividends paid have been approximately 19.2 per cent upon the present outstanding common shares. The plant of the Lawrence Dye Works Company is situated in Lawrence, Mass., and it consists of six buildings having a combined floor space of over five acres. Machinery and equipment is of the best. The company also owns a perpetual water privilege which gives it all the water it requires at a cost of only $100 a year. It dyes and finishes worsted and cotton goods, woolen wear goods, etc. The management is high class, the work is done entirely upon a commission basis, and it is said that the company is now earning over four times dividends upon its preferred shares. The surplus of $597,610 shown by the company is over two and a half times the preferred share issue, while the stock is non-taxable in Massachusetts, New Hampshire, Vermont, New York, Rhode Island and Connecticut. P. R. G. Sjostrom is treasurer of the company, which has a dyeing capacity of 10,000 pounds daily, and a finishing capacity of 15,000 yards daily.

AMERICAN THREAD COMPANY.

In the report issued by the American Thread Company as of March 31, 1911, the big falling off in the earnings of the company is the most noticeable feature, for while the company last year showed a balance of $1,151,446 or 21.3 per cent earned on the $5,400,000 of common stock the last statement which was issued shows a balance of only $619,995, which is equal to only 11.5 per cent earned on the common. The company shows current assets, consisting of merchandise, cash and debts receivable, sundry investments, and advance payments of $7,763,556, as against $8,876,328 last year, while the current liabilities for the present year consist of $7,154,929, as compared with $8,285,650 a year ago. Net quick, therefore, are equal to $608,521, or an increase of $21,823 over a year ago.

SOUTHERN MILL DIVIDENDS.

Among the dividends declared by southern mills recently, are 5 per cent semi-annual by the Newbury Cotton Mill of Newbury, S. C.; 3 per cent semi-annual by the Mollohon Manufacturing Company of the same place, and 3½ per cent semi-annual by the Glen Lowry Manufacturing Company, of Whitmire, $300,000; also the Woodside cotton mill, which shows its usual semi-annual 3½ per cent; 5 per cent by the Pelzer mill; semi-annual 3½ per cent by the American Spinning Company; 3 per cent by the Brandon Mills, 3½ per cent by the Mills Manufacturing Company, 4 per cent by F. W. Poe Manufacturing Company; 3 per cent by the Carolina Mills and an initial dividend of 3 per cent on the $400,000 capital of the Union Bleaching & Finishing Company, all of Greenville, S. C. It is interesting to note also that the Parker Cotton Mills Company, the merger which was recently culminated, of which Lewis E. Parker, is president, has paid a straight quarterly dividend of 1¾ per cent upon the guaranteed stock and a quarterly of 1½ per cent on the preferred stock, the aggregate dividends amounting to $102,000. The Easley Cotton Mill paid a semi-annual dividend of 5 per cent, while the Piedmont Manufacturing Company has paid a quarterly dividend of 2 per cent.

C. E. Denison & Company, of Boston and Cleveland, dealers in investment bonds, are offering for July investment a choice list of municipal and other bonds of a kind and price to suit the most exacting investor.

PHILADELPHIA STOCKS

For the Week Ending Wednesday Evening, July 12, 1911.

Names.	RANGE FOR WEEK Low	High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911. Lowest			Highest			RANGE FROM JAN., 1879, TO JAN., 1911. Lowest		Highest	
Amer. Cement..	...	...	13	.....	13	May	29	17½	Jan	4	8¼	1905	46	1909
Amer. Railways	43⅜	44	44	143	43	Jan	10	45½	Jan	23	21½	1900	56¾	1902
Bell Telephone..	...	...	116½	.....	.....			.....			45	1907	134⅜	1899
Cambria Steel...	44¾	45	45	700	43¾	Jan	4	48⅜	Feb	13	13½	1900	49¾	1900
do. Iron	44	44	44	242	44	July	11	46	Mar	27	42	1907	128	1882
Elec. Co. of Am.	12¾	12¾	12¾	50	11½	Jan	4	12¾	Jan	14	5⅝	1902	25	1899
Elec. Storage....	54	54¾	54¾	1,240	48½	Jan	3	56¼	June	15	15	1894	194	1899
Gen'l Asphalt...	30½	32	31	690	30½	July	10	34¾	Jan	10	3	1907	34¾	1910
do. pref.	72	73¾	73¾	42	72	Mar	10	82¾	Jan	20	11	1905	84¼	1910
Hunt. & B. T....	...	...	5	.....	5	June	12	8	June	19	7	1910	42	1888
do. pref.	...	...	14	.....	14	July	3	27	Feb	1	7⅞	1880	60¾	1902
Lake Sup. Corp.	25½	26½	26½	278	25	July	5	31⅜	Feb	4	⅛	1908	33⅛	1909
Lehigh Valley...	87 1-16	87½	87 3-16	139	84½	Apr	24	90½	Feb	3	17½	1897	121¼	1910
Lehigh Navig'n.	88	89¼	88	1,911	85¼	May	15	69½	June	19	36	1898	131¼	1904
Marsden	...	...	1⅝	.....	.....			.....			⅝	1907	25⅜	1899
Penn. Steel.....	...	...	60	.....	.....			.....			5	1894	300	1881
do. pref.	106½	106½	106½	5	104½	May	4	108¾	Apr	12	10	1897	117¼	1909
Phila. Co.....	...	...	56	.....	50¾	Jan	4	59¾	June	5	23¾	1907	65¼	1905
do. pref.	42½	44	42½	603	42	Feb	20	45	Feb	8	34	1909	52	1906
Phil. Elec.....	17⅝	18	18	16,985	16	Mar	9	18	July	12	3	1900	164⅜	1910
Phil. Rap. Trans.	19½	21	20¾	3,39	18¾	Apr	18	21¼	Jan	20	12	1907	87¾	1909
Phil. Traction...	85	86⅜	86½	231	83¼	May	1	87¼	June	15	5	1895	102¼	1905
Tonopah Min'g..	5⅜	5 12-16	5⅝	535	5⅜	June	1	8¾	Jan	17	3 3-16	1907	21¼	1906
United Gas Imp.	87	87¼	87¼	2,191	85¾	Jan	3	89¾	Jan	9	50	1893	178	1899
Union Traction..	49¾	50¾	50¼	7,539	43	Jan	4	61	June	8	8¾	1897	65¼	1906
Warwick Steel..	...	...	10	.....	9¾	Jan	19	11¼	Feb	28	2½	1903	18	1890
W'stm'l'd Co'l.	79	79	79	5	79	July	7	91¼	Mar	20	45½	1879	114	1905

* Ex-dividend. † Trust certificates. ** Temporary certificates.

CHICAGO STOCKS

For the Week Ending Wednesday Evening, July 12, 1911.

Names.	RANGE FOR WEEK Low	High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911. Lowest			Highest			RANGE FROM JAN., 1879, TO JAN., 1911. Lowest		Highest	
Am. Can.....	10½	11⅝	11⅝	1,400	8¾	Jan	27	12¼	May	22	2⅝	1908	31¼	1901
do. pref.	84⅜	86⅞	86⅞	1,625	76¾	Jan	7	88⅜	May	23	23¾	1902	86	1909
Am. Radiator...	...	...	265	.....	265	Jan	9	265	Feb	18	30	1900	260¼	1910
do. pref.	...	...	128	.....	126¼	Mar	9	130	Jan	23	98	1899	136	1901
Am. Shipbldg...	57	62	57½	692	63½	July	5	79	Feb	6	19	1904	84½	1910
do. pref.	...	...	112½	.....	116¾	Jan	16	113	May	18	83	1904	113	1910
Chic. City Ry....	...	...	190	.....	185	Mar	22	190	Apr	28	140	1906	176	1902
Chic. Pneu. T'l.	51½	51⅝	51¾	170	41	Jan	12	55½	Feb	22	18	1904	107½	1902
Chic. Subway...	2¾	3¼	3¾	965	3¾	July	12	6	Mar	1	2¼	1910	87¾	1905
Chic. Telephone.	...	...	124½	.....	118	Jan	25	124¼	May	17	96	1907	286	1901
C'm'n'w'th Edis.	132½	137	136	2,652	113	Jan	26	137	July	10	77	1907	126	1910
Diamond Match.	103	105½	105	471	99	Jan	16	105½	July	11	82¾	1910	163	1887
Kan. City Light.	...	...	17	.....	17	May	27	25	May	23	20	1910	68¼	1906
do. pref.	...	...	41	.....	40¾	June	17	72¼	Feb	25	68	1908	93¼	1906
Met. El	...	...	27	.....	19½	Feb	1	28⅝	June	28	12	1899	42	1902
do. pref.	***74⅞	74⅞	74⅞	200	64	Mar	16	***74⅞	July	10	32	1909	93¼	1901
Nat. Carbon.....	...	...	120	.....	114	May	4	120	June	3	15	1889	146	1910
do. pref.	116	118	118	110	116	July	8	120	Apr	12	72	1900	124	1909
No. West. El....	...	...	29¼	.....	28½	Apr	27	25½	June	30	13¾	1908	65	1901
do. pref.	...	...	68½	.....	60	Mar	1	67	Mar	30	44	1904	97	1901
Quaker Oats....	...	...	193	.....	165	Mar	17	193	June	29	35½	1904	188	1910
do. pref.	106½	106½	106½	10	102½	Feb	8	106½	July	6	73	1903	109½	1905
So Side E.....	...	...	80	.....	68	Feb	16	80	June	30	40¼	1897	139	1901
Streets' Car.....	8½	8¾	8½	45	8	May	31	12¾	Feb	24	10⅞	1910	54¼	1909
do. pref.	...	...	42	.....	40	June	2	50	Mar	18	40	1910	111¼	1904
Swift & Co.....	102	102¼	102½	215	100¼	Mar	13	104	June	8	75½	1907	177¼	1902
Un. Box Board..	2½	2¾	2¾	750	2½	July	11	7	Jan	5	½	1908	17½	1907
do. pref.	...	...	7¾	.....	.....			.....			1¾	1909	71	1902
Western Stone..	...	...	19½	.....	19½	May	27	34¾	Jan	24	14	1908	50	1906

* Ex-dividend. † New. *** Receipts. ‡ Assessment paid.

FINANCIAL INQUIRIES.

Great Southern Coal & Iron Co.

21260. (Feeding Hills, Mass.) Please report on the Great Southern Coal & Iron Company.

Ans.: This company was organized about eight years ago with a capitalization of $2,000,000 preferred and $3,000,000 common stock. Three or four years ago, an issue of $750,000 five-year six per cent debenture bonds was authorized and a part of this issue was sold. The leading spirit in this company has been John L. Douglas, of New York City, who has held the office of president and who owns nearly all of the common stock. The company's property comprised 120 acres in the lead and zinc districts of Missouri and about 25,000 acres of mineral lands, the greater part of which are located in southwestern Virginia. At the present time, however, the company's activities are practically limited to the operations of a subsidiary, the Passaic River Building & Realty Company, which is engaged in exporting real estate near Dunellen and Newark, N. J. The company hopes to increase its operations in this direction to such effect that it will be possible to pay dividends on the preferred stock of the parent company. This issue in the earlier history of the company paid one per cent per annum on par from profits derived from the operation of the mineral property. At the present time, the company is not actively pushing its Missouri properties, or those in the South, the latter being at the present time, rather inaccessible, although it is said, that plans are being made to construct a branch line connecting with the Norfolk & Western. The company has always been hampered by a lack of working capital, a difficulty which has not yet been overcome.

Pacific Telephone & Telegraph Co.

21262. (New Milford, Conn.) I should like any information which you can give me regarding Pacific Telephone & Telegraph, common stock, relative to the possibility of a dividend being declared on that issue. I have been informed through a reliable banking house that the stock bought at the present market price (49) should show some ten points advance in price, because of the company's large earnings and the prospects of an initial dividend.

Ans.: We believe that the common stock of this company is in line for dividends at no distant date, and that it possesses attractive possibilities in a speculative way. For the year ended December 31, 1910, the company showed a balance after preferred dividends of $119,205 equivalent to .66 per cent on the outstanding common stock, as compared with 4.24 per cent in 1909, 3.81 per cent in 1908 and 1.75 per cent in 1907. This showing on the face of it would hardly appeal to one as being particularly impressive, but the statement of earnings which have been made public by the company do not begin to convey an accurate idea of the earning power of this important subsidiary of the American Telephone & Telegraph Company. The balance of net earnings, applicable to the common stock has been heavily reduced by unusually large appropriations for maintenance. For instance, in the last annual report, the company included in its operating expenses $2,604,500 for depreciation of plant, and $600,000 for reserve for maintenance. If these items are disregarded in figuring the percentage earned on the stock the indicated earnings on the latter would amount to 15.13 per cent. On December 31, last, the re-

NEW YORK STOCKS AND BONDS

For the Week Ending Thursday Evening, July 13, 1911.

Names.	RANGE FOR WEEK Low	RANGE FOR WEEK High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911. Lowest		RANGE FOR YEAR OF 1911. Highest		RANGE FROM JAN., 1878, TO JAN., 1879, TO Lowest	RANGE FROM JAN., 1878, TO JAN., 1879, TO Highest
Atch. & T. R.R.	111⅜	113½	113	39,700	109⅜	Jan 3	116⅝	June 5	$ 1-16 1894	152½ 1890
Atch. & Top. pf.	102⅜	103	103	600	100⅜	Jan 3	105½	June 12	14 1896	107⅛ 1901
Atch. & Top 4s.	96⅞	99	99	110,000	93	Mar 22	99⅝	Jan 4	61 1894	105⅞ 1900
do. adj. 4s....	91½	91⅝	91⅝	35,000	90⅜	Mar 29	92½	Jan 26	28 1896	99¼ 1905
At'tic C'st Line.	125	132½	132½	3,800	117	Jan 3	132½	July 13	44 1907	170 1905
B. & O. Gold 4s.	98⅛	98½	98½	46,000	96	June 6	99⅛	Feb 21	23 1907	106¾ 1899
B.& O.S. W.3½s.	90⅜	91	90⅞	15,000	90⅜	Feb 28	93	Mar 11	80 1907	96 1899
Balti. & Ohio...	108	109⅝	109¼	3,900	102	Feb 24	109½	Jan 31	9 1897	125¾ 1906
do. pref.	...	...	90	.....	88	Apr 20	91	Jan 4	67½ 1899	100 1905
Brooklyn R. T..	80⅝	84⅝	83¾	66,210	74⅝	Jan 3	84⅜	July 12	18 1896	137 1899
B.R.T.conv't 4s	86	88½	87¼	843	82⅜	Apr 18	88⅜	Jan 26	56 1907	102½ 1906
Canadian Pac...	237⅝	242⅜	241½	1,011	196⅝	Jan 3	243½	June 24	33 1895	202⅝ 1910
Canada South...	...	...	68	.....	62	Mar 3	68	May 12	22 1896	97 1902
Can.ofGa.Con.5s.	...	...	103⅞	.....	107⅛	Jan 18	109	May 15	85 1907	120½ 1901
do. 1st inc....	96	96	96	5,000	96	July 5	114½	Apr 18	30 1890	102 1910
do. 2d inc....	96	96	96	1,000	86	Mar 1	105¾	Apr 5	9 1890	101 1914
do. 2d inc....	...	...	96	.....	86	Feb 24	102	Apr 4	4 1898	100 1910
Central N. J....	...	...	285	.....	270	Mar 11	285	June 3	31 1895	312 1910
Cent'l Pac. 3½s.	91¼	91¾	91¼	6,000	91¼	July 10	92	Mar 8	75 1907	91 1910
Ches.O. gen.4½s.	101	101½	101	35,000	100¼	Apr 12	102	May 15	61 1893	111 1908
Chesapeake & O.	81⅛	82⅜	81⅝	7,800	77	Apr 24	86⅝	Feb 10	1 1883	133⅞ 1887
Chic. & Alton...	...	...	80	.....	25	Apr 24	31¼	May 23	8¼ 1907	74⅝ 1909
do. pref.	...	...	52	.....	52	Mar 17	58	Jan 27	47 1908	85¼ 1899
Chic. Gr't West.	21⅜	23	22	4,200	20⅜	Apr 18	25¼	June 6	3⅝ 1897	27⅜ 1908
do. pref. A....	44½	44⅝	44⅝	400	42	Apr 26	49¼	Feb 6	15½ 1908	80¼ 1901
Chic. M. & St. P.	125⅝	127½	126¼	17,120	117¼	Apr 18	133¼	Feb 7	24⅝ 1879	129⅝ 1899
do. pref.	152⅝	153⅝	153⅝	262	147	Jan 3	155½	June 15	74⅛ 1879	218 1899
Chic. & N. W....	140½	148	147⅞	1,155	142⅛	Jan 18	150½	June 12	49⅝ 1879	171½ 1902
do. pref.	...	...	201	.....	201	June 2	201	June 2	138 1893	174½ 1901
Chi.,St.P. & Om.	...	...	144	.....	130⅝	Apr 20	144	June 12	13½ 1895	225 1905
do. pref.	...	...	155	.....	152	Feb 18	152	Feb 18	66 1895	230 1905
Chi. Ter. Trans.	...	...	152	.....	.....	.....	.....	.....	1¾ 1908	31 1901
do. pref.	...	...	165	.....	.....	.....	.....	.....	8¾ 1908	57½ 1901
Chic. Un. Trac..	...	...	2½	.....	2	May 11	5	June 2	¾ 1908	22 1902
do. pref.	...	...	5½	.....	5¼	May 3	7¼	Feb 6	3 1903	60 1902
C.,C.,C. & St. L.	...	...	60	.....	56½	Apr 25	64	Jan 16	19¼ 1896	111 1905
do. pref.	94¼	94¼	94¼	100	90½	June 16	98	Feb 1	62 1897	124¼ 1902
Colo. & South'n.	56	56	56	200	51¼	Apr 18	60	Jan 18	4⅜ 1889	63¼ 1892
Col. & So. 1st pf.	81½	84⅜	81½	830	74¼	Mar 27	84⅜	July 10	35 1899	86 1909
do. 2d pref....	...	...	75	.....	73½	Apr 13	75	June 7	12¾ 1899	84¼ 1909
Del. & Hudson..	...	...	171⅞	.....	164¾	Jan 3	175⅞	June 8	23 1879	240⅜ 1895
Del., L'ck & W.	586	648	648	500	510	Feb 17	560	June 5	48 1879	680 1900
Den. & Rio G'de	33½	36⅝	28½	900	27⅛	June 22	35	Feb 21	4⅝ 1885	$36¼ 1880
do. pref.	57⅞	68	57⅞	300	55¼	June 22	74	Feb 21	24 1894	103¼ 1901
Dul.,So.Sh.& Atl	...	...	14	.....	11	Jan 6	15½	May 1	2½ 1895	24 1902
do. pref.	26	26	26	30	22	Jan 6	28¾	Apr 4	5 1898	46¾ 1905
Erie 1st gen. 4s.	79	79½	79⅝	110	73⅛	Jan 3	79⅜	July 3	55 1908	96 1905
Erie	36⅝	37½	36⅝	25,050	27¼	Jan 11	38¼	June 30	3⅜ 1894	52⅜ 1891
Erie 1st pref....	59	59⅝	59	12,410	45⅜	Jan 12	61⅛	July 1	15 1893	95 1891
Erie 2d pref.....	47⅛	48	47⅞	1,600	35	Jan 13	48½	July 3	13 1896	78⅜ 1905
Ev's'le & T. H.	...	...	55½	.....	60	Feb 1	85¼	June 10	20 1897	152 1892
do. pref.	...	...	85	.....	85	June 5	85	June 5	72 1904	104⅜ 1902
Gr'ne'l& W.deb.B.	14	14	14	1,000	13¼	June 16	15¾	Jan 23	3½ 1899	27½ 1902
Gt. Northern pf.	134½	137⅜	134⅝	17,130	122	Feb 24	140	June 8	44½ 1880	348 1900
Hock'g Valley**.	...	...	128⅜	.....	128	May 24	134	Apr 29	22 1899	140 1910
do. pref.	...	...	125	.....	.....	.....	.....	.....	53½ 1889	101¾ 1910
Illinois Central..	142	144⅜	144	1,910	138	Jan 3	144⅜	July 12	79¾ 1879	184½ 1900
Inter-Met (w.i.).	17½	18⅝	18⅜	4,200	17¼	June 30	20⅜	Feb 15	4⅞ 1907	55⅞ 1906
do. pf. (w. i.)	49⅜	52½	51⅝	11,220	47⅜	Apr 22	55⅜	Feb 10	14 1907	87⅜ 1906
Iowa Central....	18½	18⅝	18⅜	300	15	May 12	19¼	Feb 8	2 1888	51⅜ 1902
do. pref.	...	...	36¼	.....	28	Apr 27	36⅝	June 27	12 1898	92⅜ 1908
Kan. City & So.	34½	36	36	1,800	33	Jan 3	35¾	June 15	7 1900	50¾ 1909
do. pref.	68	69⅝	68¼	300	64¾	Jan 3	70	May 26	27½ 1900	75½ 1909
K.C.,Ft.S.&M.pf	...	...	76	.....	75	Apr 1	78	May 3	58 1908	88 1902
L'ke E. & West.	...	...	15	.....	14⅝	May 19	16¼	Feb 1	1⅝ 1885	76¼ 1901
do. pref.	33	33⅜	33	400	33	July 13	40	Jan 17	34 1908	88 1902
Louis. & Nashv.	151	155⅝	154⅜	9,300	142⅜	Jan 25	159¼	July 12	22 1885	162¼ 1910
Manh'ttan Elev.	...	...	135	.....	134	Mar 28	141	Jan 6	64½ 1884	175 1905
Metrop. St. Ry..	...	...	15	.....	.....	.....	.....	.....	15 1900	132 1900
Mex. Central....	...	...	23½	.....	.....	.....	.....	.....	4 1886	33 1892
do. 1st 4s.....	...	...	80⅝	.....	.....	.....	.....	.....	32 1896	98¼ 1910
do. 1st inc....	...	...	31	.....	.....	.....	.....	.....	8 1897	46 1896
do 2d inc.....	...	...	24	.....	.....	.....	.....	.....	4 1894	265¼ 1909
Minn. & St. L....	31½	32	31½	1,000	21½	Apr 26	32	July 10	8¼ 1895	115 1912
do. pref.	...	...	45½	.....	35	Mar 13	46	May 22	7⅝ 1899	127⅝ 1902
M.S.P. & S.S.M.	140	142½	141¾	3,600	132¼	Jan 4	152¾	Mar 30	6 1897	164 1906
do. pref.	...	...	156½	.....	147⅝	Jan 6	156½	June 28	10 1897	193⅜ 1906
M.K. & T 1st 4s	97⅜	97½	97½	20	96⅝	Apr 22	98	Jan 21	50 1893	104½ 1905
do. 2d 4s.....	84⅜	84⅞	84¼	22,460	83¼	Jan 5	86⅛	Feb 17	27 1893	92¾ 1904
M..K.&T of T.5s.	105⅝	105⅞	105⅝	2,000	101½	Jan 6	105⅞	July 10	72 1896	111½ 1909
Mo., K. & Tex..	30⅝	32⅜	31	1,000	31	Apr 24	38⅛	June 14	5⅜ 1879	54 1891
do. pref.	67	67	67	50	63½	Jan 18	69	June 12	12⅜ 1880	78⅝ 1909
Missouri Pacific.	48⅝	49⅝	49	8,500	45⅜	Apr 18	53	Feb 15	10 1892	125¾ 1902
N. Y. Central...	108⅜	109⅛	108⅞	1,700	105⅝	Apr 24	115½	Feb 3	31⅝ 1885	174⅛ 1901
N.Y.,C. & St. L.	..	..	58⅜	.....	57¼	Apr 17	65	Jan 20	9 1896	73⅞ 1905
do. 1st pref....	...	...	101⅝	.....	101½	Feb 21	101⅝	Mar 20	4 1885	124½ 1902
do. 2d pref....	...	...	85	.....	83	Apr 12	90	Jan 20	18 1892	100 1902
N.Y., Ont. & W	45½	45⅞	45¾	2,700	40¼	Apr 20	46½	June 27	6⅜ 1885	64 1905
No.& W Con. 4s.	97⅜	98	98	15,000	97⅜	July 3	99½	Feb 3	74 1895	106 1905
Norfolk & West.	109	109½	109	1,740	100¾	Jan 3	110¾	June 26	¾ 1896	108⅜ 1910
do. pref.	...	...	109⅝	.....	86⅝	Apr 28	91	May 22	4¼ 1896	98 1902
N. Pac. prior 4s.	99½	99⅝	99⅜	40,400	99¼	July 7	100⅝	Feb 6	90½ 1908	100 1899
do. gen. 3s....	71	71⅝	71⅝	2,400	70¼	Mar 23	71½	June 21	57 1898	79 1905
North'n Pacific.	131⅜	133⅛	131⅜	19,700	116	Jan 12	137⅞	June 8	11 1887	1000 1901
Pacific Coast....	...	...	102	.....	100	Jan 11	102	Jan 10	34 1898	142 1906
do. 1st pref...	...	...	105	.....	.....	.....	.....	.....	65 1907	105 1910
do. 2d pref....	...	...	101	.....	101	Jan 11	101	Jan 11	50½ 1893	135 1906
Penn R. R.....	124½	125⅝	124⅝	30,900	120¼	May 15	130¼	Feb 1	97½ 1896	170 1912
Peoria & East'n.	...	...	20	.....	.....	.....	.....	.....	2 1896	50 1901
P.,C.,C. & St. L.	96	98⅛	98⅛	1,000	93¼	May 13	100	Jan 17	10½ 1894	106½ 1902
do. pref.	...	...	111	.....	111	May 20	112	Feb 17	40 1893	128 1902
Reading gen. 4s.	96⅛	96⅜	96⅛	136,000	96⅜	Mar 15	98⅜	July 11	77 1895	104¼ 1905
Reading	156⅞	160⅝	160⅝	99,600	149¼	Apr 24	161⅞	June 3	4⅜ 1896	173⅜ 1909
do 1st pref...	91	91	91	200	88	Mar 1	91	July 8	36 1895	97 1905
do 2d pref....	96⅞	96⅞	96⅛	100	94	Apr 24	101	May 2	17⅜ 1896	117½ 1909
R'k Island, new.	31⅝	32½	32	11,470	27⅜	Apr 24	34⅜	June 14	11⅜ 1907	81 1909
do. pref.	55	55	55	300	51⅜	Apr 22	58⅝	June 14	26½ 1907	94⅜ 1909
St.L.&S.F.rfg.4s	81⅛	81⅜	81⅜	31,000	80⅜	Jan 3	83	May 4	66½ 1907	98⅛ 1901
St L.&S F.1st pf.	...	...	63	.....	61	Apr 24	68⅜	June 3	9⅜ 1879	120 1887
St. L.&S F.2d pf.	44	45	45	500	38	Apr 21	47½	June 3	4½ 1879	84½ 1887
St.L.&SW.1stg4s	92⅛	92⅛	92⅛	3,000	89⅞	Jan 24	92⅜	July 5	50 1893	110½ 1905
do. 2d gen. 4s.	...	...	82⅛	.....	72	Jan 9	82⅜	June 29	12 1893	90¼ 1905

NEW YORK STOCKS AND BONDS

For the Week Ending Thursday Evening, July 13, 1911.

Names.	RANGE FOR WEEK Low	RANGE FOR WEEK High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911. Lowest		RANGE FOR YEAR OF 1911. Highest		RANGE FROM JAN., 1879, TO JAN., 1911. Lowest		RANGE FROM JAN., 1879, TO JAN., 1911. Highest	
St. L. Southw...					34	Jan 17	36	Feb 4	1	1883	38½	1901
do pref.	70	70	70	100	69¾	Jan 3	72	June 27	21¾	1900	80	1902
St'd A. Ladd'a.	70¾	80½	80½	172,000	75	Mar 15	80½	July 11	69¾	1910	77¾	1910
San. Ant. & A. P.	87½	87½	87½	28,000	85¾	Apr 8	88	May 16	46	1896	92½	1905
So. Pac. rfd. ctf.	95	95¼	95¼	201,000	94½	Jan 3	96	May 8	84¼	1908	98½	1905
South'n Pacific.	129⅝	129⅝	129⅝	21,200	123¾	Apr 24	129¾	June 26	12	1858	139¾	1909
do pref.									94¾	1909	137	1909
Southern	38½	38¼	38¼	68,600	25¾	Mar 4	43¾	June 12	13	1894	3263	1852
do. pref.	73¼	74¼	73½	2,100	61¾	Jan 11	73½	July 12	612	1894	103	1906
Texas & Pacific.	25	25⅝	25⅝	2,500	25¼	Apr 24	30½	June 9	4⅝	1893	73⅝	1881
Third Avenue...	104½	104⅝	114⅝	1,100	85	Mar 2	95	Mar 2	54½	1900	242	1859
Tol Rys. & Light			7		6¾	Mar 27	9½	Jan 17	5½	1910	98	1902
Tol., St. L. & W	22	22¼	22¼	1,900	19	May 9	24¾	Feb 8	10⅜	1901	64⅞	1909
do. pref.	47½	49	48	2,900	46	July 1	53¾	Feb 8	22⅜	1908	74½	1909
Twin City R. T.	107	107½	107½	1,700	101	Jan 21	111	Feb 3	94⅜	1897	129	1902
U. Pow. & Ltd.	104½	104⅝	104⅝	178,400	101¼	Feb 24	109¾	June 27	78¼	1907	124⅝	1909
Union Pacific....	169⅝	170⅝	170⅝	93,700	169⅜	Jan 3	180¾	June 28	3	1896	204⅜	1910
do pref.	90½	91	90⅞	1,100	91	Mar 22	95⅜	May 17	47	1898	118¼	1909
Wabash 1st &c.	108	108	108	6,100	100	June	110	Mar 20	83	1890	121	1907
do deb. B's.			101						19	1890	101	1906
Wabash	16	15¼	16	400	15½	May 19	18⅝	Feb 22	2	1885	60	1881
do pref.	32	32⅝	32⅝	700	32¾	Jun 17	40⅜	Feb 22	9	1894	96¼	1881
Wheel. & L. E.	2⅞	4⅛	4⅛	700	1	June 29	6¼	Feb 3	½	1897	63⅜	1887
do 1st pref...			14		10	July 5	17⅜	Feb 3	2⅜	1897	80¾	1892
do 2d pref....	4⅜	4⅜	4⅜	100	4	July 5	8	Feb 22	4	1910	43⅜	1902
Wis. Central....			60		57	Jan 3	72½	May 1	4c	1893	64	1910
do. pref.			88½				8	Feb 22	5⅝	1899	91⅝	1900
do. 1st &c.....	92½	92⅝	92¼	17,000	92¼	Mar 27	93⅜	July 3	127	1896	99½	1891
Miscel. St'ks.												
Adams Express.			200		225	Jan 20	247	June 13	97¼	1898	315	1907
Allis Chalmers..	8½	8½	8½	100	7¾	May 16	9⅝	May 31	4	1907	57⅝	1906
do. pref.			29½		25	Apr 21	34	Feb 3	14	1908	87½	1900
Amal Cop.....	68⅝	70⅛	69	38,200	59¾	Apr 18	71¾	June 19	33½	1909	130	1901
Am Car & F'd.	56¼	56¾	56¾	2,500	50¼	Apr 24	67¾	Feb 9	10⅝	1898	76¼	1909
do pref.	117	117⅜	117⅜	700	114¾	Mar 13	120	May 23	51	1899	124⅝	1905
Amer. Cot. Oil..	34⅝	35¼	34⅝	4,200	29¾	May 22	42⅜	Feb 23	8	1896	78¼	1909
do pref.			98		100	June 27	106½	Mar 21	27¼	1890	107⅝	1909
Amer Express..			250		228	Jan 20	245	Mar 27	100	1882	301	1910
Am. H. & L....	5	5	5	500	3¾	Jan 25	5	July 7	2¾	1908	37⅝	1889
do. pref.	14⅜	14⅝	14⅝	100	20	Jan 10	24¾	June 14	10	1907	83½	1909
Am. Ice Sec.....	25⅜	25⅝	25	20,100	17⅜	Jan 19	27⅞	July 12	5¼	1907	96	1907
Am. Linseed Co.			11½		10¼	Apr 21	18¾	Feb 17	5	1903	50⅜	1901
do. pref.	32¼	33½	31½	200	30	Apr 22	34	Feb 14	18½	1907	66	1901
American Loco..			40⅝		35⅜	Apr 25	43⅜	May 22	11½	1903	78¼	1906
do. pref.			120		104	Apr 22	110⅜	Mar 1	67½	1903	122½	1906
Amer Malt Co..	3½	4⅜	4⅜	100	3⅜	Feb 17	5⅜	July 11	2½	1907	99¾	1899
do. pref.	40½	43⅜	41¾	500	31½	Mar 8	42¾	July 11	14¼	1903	89	1900
Am. Smtl. & Ref	70¾	70⅝	70¾	10,500	71¾	Apr 24	83⅜	June 15	30	1899	174	1906
do. pref.			106½		106¾	Mar 10	108⅝	June 15	77½	1899	137	1908
Am St'l F'dry..	20	19	19⅝	300	20	July 7	52¾	Feb 9	2¾	1904	66¾	1909
do. pref.			102½						30	1907	70	1902
Am. Sugar Ref.	130¾	130⅞	130⅝	100	113	Jan 6	131⅜	June 14	065	1889	182	1889
do. pref.			114⅝		111	Jan 5	119⅝	Feb 14	66½	1893	143	1905
Am. Tob. pref..	94½	96	96	1,900	93½	Jan 4	100	May 23	60	1907	151¾	1902
Anaconda	39½	40⅛	39¾	500	38¾	Apr 24	41⅞	June 20	11.25	1907	302¾	1907
Br'k Un'n Gas..	141	141	143	100	135	Jan 3	145½	June 8	80	1907	253	1902
Central Leather.	30⅝	30⅝	30⅝	900	26¾	Apr 24	33⅜	Feb 2	11¾	1907	51⅜	1909
do pref.	100⅜	100⅝	100⅝	700	98¾	Apr 29	105	Feb 10	68	1907	111	1909
Colo. Ind. Co....	73½	73½	73½	5,400	73½	May 31	79¼	Feb 22	35	1907	88½	1906
Colo. F'l & Ir'n.	34⅝	34⅝	34⅝	500	28¾	Apr 24	36⅜	Feb 8	14	1907	138¼	1901
do. pref.			110		110	July 6	110½	Jan 9	30	1907	142½	1901
C. & H. V. Co'l'ds	15	15	15	200	4	Feb 9	4	Feb 9	⅝	1896	92½	1910
Consolid'd Gas.	145	146⅜	146⅜	2,70	135¾	Jan 3	148½	June 6	67	1897	241⅝	1907
Con. Tobacco &c.	85½	86¼	86¼	7,600	81¼	Jan 11	89¼	June 19	61¼	1900	85¾	1904
Corn Prod'ts R.	14⅝	14⅝	14⅝	200	12½	Apr 24	16⅜	May 17	8	1907	28	1906
do. pref.	87½	87½	87½	200	74½	Jan 10	85	May 29	46	1907	93½	1909
Dist. Secur.....	39½	39½	39½	600	32¾	Jan 11	38¾	June 6	19¼	1904	78	1907
Fed. M. & Smlt.			18		17¾	Jan 25	26	Feb 18	4⅜	1904	199	1906
do pref.			65⅞		49¾	Jan 7	66¼	May 19	47	1907	112⅝	1906
Goldfield Con....	5⅞	5⅞	5⅝	1,100	5½	July 10	7⅞	Jan 3	3⅜	1907	10	1910
Internat. Paper.	11⅞	12⅝	12⅝	3,10	9¼	Apr 27	13⅝	Feb 3	7¼	1907	68½	1899
do. pref.	60½	60⅝	60⅝	1,72	44⅜	May 18	64⅝	Jan 21	47	1909	96	1906
Inter. Power....			50						23	1908	199	1902
Inter Stm. Pump	51	51½	51	400	38¼	Apr 27	44	Feb 10	7⅜	1907	60	1906
do. pref.	80	80½	80	400	84½	Jan 26	90⅞	June 12	50	1907	95	1907
Nation'l Biscuit.			141		117¼	Jan 3	141	Apr 4	23	1900	120	19 6
do. pref.	127¾	127¾	127¾	90	124	Jan 3	130	Feb 7	79½	1900	130	1900
Nat En & St'p.	18	19	18¾	1,100	16⅜	May 26	20¾	July 5	6½	1907	94	1903
do. pref.	90½	90	90½	1,100	85	Jan 4	97	June 28	70	1909	99¾	1906
Nat. Lead.....	54¾	55¾	54⅞	900	50¾	Apr 27	59¾	Mar 15	21015	1902	95¾	1901
do pref.			105¾		105¼	Mar 24	109½	May 22	48	1902	115	1899
N.Y. Air Brake.			77		68	Apr 27	86	June 19	14	1899	268⅜	1905
North Amer. Co.			44		44	Jan 19	70½	May 22	3⅜	1902	114	1907
Pacific Mail.....	23¾	23¾	23¾	100	23¼	Apr 21	29½	Feb 3	5	1900	75	1899
P'ple's G. L. & C.	104½	104⅝	104⅝	100	100	Apr	109	Jan 19	20	1907	158¼	1899
Pressed St'l Car	47	47⅜	47⅜	200	39½	Jan 3	47⅜	June 27	15⅜	1907	45½	1907
do. pref.			92		92¾	Jan	102½	June 12	52¾	1907	97⅝	1899
Ry. Stl. Spring	56	56¼	56¼	200	51	Jan 31	58	June 14	15⅜	1907	61	1907
do pref.	100½	100½	100½	100	99	Jan 3	102¾	May 24	67	1907	108	1899
Repub I. & St'l	29¾	30⅛	29¾	1,100	29¼	May	37¼	Feb 6	7	1907	46	1907
do pref.	94¾	94¾	94¾	100	92¼	Apr	96¾	Mar 14	70¾	1907	111½	1899
Sloss Sh. S. & I			56		56	Jan	67	Feb 6	17½	1907	104⅝	1907
do pref.			112		112	Jan	116	Feb 15	59½	1907	120	1907
Tenn. Coal Tr			97		97	Mar	97	Jan 31	7	1907	97	1907
Un. Bag & Pap	7	7⅛	7	100	6¾	Apr 27	9	Jan 31	3¾	1907	15	1907
do pref.	21	21	21	100	16¾	Apr 27	24	Jan 3	8¾	1907	46	1907
U.S. Cast I.P. & F			32		32	Jan	35	Jan 24	6	1907	36	1907
do pref.	97½	97½	97½	100	97	Jan	100	Jan 24	72	1907	97½	1907
U. S. Express			107		107	Jan	114	Feb 7	50	1907	150	1907
U.S. Ind. Alco. & Imp	37	38	37⅝	1,100	37¼	Jan 3	43	Jan 25	30	1907	43	1907
U. S. Rubber....	1	1	1	100	1	Jan	1	Jan			1	1907
U. S. Rubber 1st pf	115				109	Jan					115	1907
U. S. Steel.....					39¾	Jan	43⅛	Feb 6	9	1901	50	1901
do pref.	120	120	120	200	116¾	Jan	120	Feb 6	89¾	1901	120	1907
do 2d	106¾	106¾	106¾	100	103¾	Jan	107	Jan 31	82	1901	107	1907
Utah Copper			49	100	48¾	Jan	55	Jan 31	17	1907	55	1907
Va.-Car. Chem.			30		30	Jan	34	Jan 31	17	1907	34	1907
do pref.			100		100	Jan	100	Jan	75	1907	100	1907
West. Un. Tel.	61	61	61	100	59¾	Mar 1	64¾	May 15	35	1907	80½	1907
West. Mfg. Co..	61½	61½	61½	100	61½	Jan 31	65	Jan 3	30½	1907	65	1907
do pref.	120	120	120	100	120	Jan 31	127	Jan 3	85	1907	130	1907

* Ex-dividend. ** New. ¹ Assessment paid. ² Ex-rights. ³ Ex-div. and rights. ⁴ Ex-stock div. ⁵ Bonds called. $ Old securities. † Certificates. x Ex-interest. ‡ Ex-stock div. ‖ Ex-rights. ¶ Ex-div. and rights.

placement reserve fund aggregated $1,-100,000. The understanding is that the management desires to increase this fund to about 10 per cent of the valuation of its plant or approximately $5,000,000. It is believed that an average of over $200,000 per month is now being diverted to this fund in which case the desired total must have been reached by this time. It seems quite possible, therefore, that early consideration will be given to the matter of dividends on the common stock.

ATTRACTIVE 7% INDUSTRIAL.

An industrial of high class is the 7 per cent first preferred stock of the Barnhart Brothers & Spindler Co., unconditionally guaranteed by the American Type Founders Company. Net profits of the past ten years, available for dividends, have averaged over five times the 7 per cent dividend of this stock. It is contracted and guaranteed that the net quick assets shall at all times amount to at least 100 per cent of the outstanding first preferred stock. No dividends shall be paid on the common stock at any time until there has been accumulated a surplus of $300,000. There is no bonded indebtedness. Geo. H. Burr & Company, bankers, 35 Wall street, New York, have prepared a special circular on this industrial, which they will be pleased to mail upon application.

For July funds the well-known banking house of C. D. Parker & Company, 78 Devonshire street, Boston, are offering the 7 per cent shares of the Massachusetts Lighting Companies to net 5.50 per cent. This is exclusive of valuable subscription right given annually. The record of these companies shows how attractive these shares are for investment. In 1905 the Massachusetts Lighting Companies earned 4.88 per cent and paid 4 per cent. In 1906, 5.42 per cent and 4¾ per cent paid. In 1907, 1908, 1909 and 1910, the respective earnings were 7.40 per cent, 8.68 per cent, 9.71 per cent and 11.12 per cent, and there was paid on the shares 5 per cent, 6 per cent, 6½ per cent and 7¼ per cent, respectively, while the estimated earnings for 1911 are about 11.25 per cent, of which 7¾ per cent will have been paid. In March, 1910, subscription rights netted one-half per cent and in March, 1911, three-fourths of one per cent. Over 1,000 trustees and investors in Massachusetts have invested in these shares.

WALLACE, IDAHO.—The Wallace National Bank, taken over recently by Harry Day and his associates in Wallace and Spokane, reports a gain of $117,115.27 in deposits and $153,189.41 in four days.

EAST BUTTE

We are issuing a Special Letter on the stock. Send a copy of it, mailed free upon application.

"Coppers" and Curb Stocks Bought and Sold for Cash or Carried on Margin

H. A. BROWN & CO.

Members Boston Curb Exchange

60 State St., Boston — 74 Broadway, New York

Thirteen Cent Copper Near

The June Report of the Copper Producers' Association A Significant Argument For Higher Prices—Stocks on Hand Decrease Over Eight Million Pounds—Decrease in Domestic Deliveries Partly Accounted For By Shorter Working Month—Market Dull But Firm Around 12¾ Cents For Electrolytic—Additional Buying Looked For—A Feeling of Cheer and Confidence Among Big Producers.

Copper producers and sellers and the holders of the shares of copper mining companies who have been looking forward to the publication of the June report of the Copper Producers' Association as a potent argument for the support of present prices and a probable advance to new and higher levels, find much to please them in the figures actually presented this week. A drop of 8,561,768 pounds is shown from the stocks on hand a month previous. For the month, the production of the metal was 2,408,512 pounds less than the production recorded for the month of May. The most disappointing feature of the report, and one which has been made much of by those who are still bearish on the market, is the decrease of 2,888,402 pounds in domestic deliveries. This falling off of deliveries to home consumers is largely due to the fact that June contained one less working day than did the month of May. Exports showed an increase of 9,481,962 pounds over the exports for the month immediately preceding. The June returns, as compared with those for May and those for June, 1910, are as follows, the figures given representing pounds:

	June, '11.	May, '11.	June, '10.
Production	121,554,232	126,962,744	127,218,183
prev. stock.....	165,995,932	165,555,908	160,425,973
Total	290,550,164	292,518,452	287,645,161
Dom. del.....	61,655,561	64,543,963	53,963,196
Exports	71,460,519	61,978,557	65,895,948
Total deliv....	133,116,080	126,522,520	119,259,144
Stocks rem....	157,434,164	165,995,932	168,386,017

The production, it will be seen, is less than that for May, but, nevertheless, is still running at a high level, having been exceeded but five times in the past year, and being within 6,000,000 pounds of the

HIGHEST OUTPUT RECORDED

within the year, while it exceeds the low figure by approximately 15,000,000 pounds. Exports are the heaviest noted since December, 1910, when 88,104,075 pounds of the metal were sent abroad to meet the requirements of foreign consumption. Domestic deliveries were about at the average for the year. The total consumption, according to these figures, is the largest for the current calendar year, but, on the other hand, was exceeded four times in the last six months of 1910. The consumption figures are in the neighborhood of 40,000,000 pounds in excess of those for January and February of this year, and about 6,000,000 pounds below the largest total they have reached at any time since June, 1910.

MARKET DULL BUT FIRM.

While it is true that considerable talk has been heard concerning the reactionary tendency of the metal market since the 12¾-cent mark was touched careful investigation fails to show any very substantial sales of metal under that price. The market, as a whole, has been far from active, but this is largely due to the fact that sellers have not cared to make concessions sweeping enough to satisfy the requirement of prospective purchasers. The result has been the same hand-to-mouth method of buying which has been in vogue for many months, with only occasional brief interruptions. Both buyers and sellers have been waiting for the June report of the Copper Producers' Association as a guide to further transactions, and as that report, presented above, is generally bullish in tone, it is not at all easy to see wherein consumers of the metal find justification for a belief in any further reaction of importance in the prices quoted for electrolytic copper.

FURTHER ACTIVITY EXPECTED.

It is more than likely that an improvement in the receipts of buying orders will be seen in the near future as a direct result of the copper producers' favorable statement, and furthermore, it is probable that domestic users of the metal will play a part of some importance in this purchasing movement. There seems to be no visible let-up in the melting of the red metal in Europe, a proceeding which has resulted in a practically uninterrupted shrinkage in the visible supplies covering a period extending over nearly 18 months. The fortnightly statistics issued on July 1 showed a reduction of 500,000 pounds, and while this was the smallest decrease reported for some time, it nevertheless brought the total supplies down to the lowest point reached in a period of nearly two years. There is nothing to indicate that the end of this inroad upon European stocks of the metal is in sight, and that, too, despite the maintenance of heavy shipments from this side.

The largest copper interests at the present time are showing

A CHEERFUL FEELING,

and as justification for the latter, they point not only to the strengthening tendency of metal prices and the improved statistical position of the market as reflected in the producers' statement, but they also call attention to the change for the better in the steel industry, an improvement which it is only natural to suppose is the forerunner of a general recovery in business conditions. Such a recovery, it is easily seen, would make its presence felt in the copper market, and would simplify the problem which confronts those producers who are finding a dangerously narrow margin between producing cost and selling prices.

The movement of copper shares during the week under review has been of no great importance or significance. The recent reduction in the Osceola dividend from $4 to $3.50 created no great amount of excitement, as the company's earnings had pointed to the probability of some such step for some time past. Had the decrease been announced on a declining market, the effect would probably have been greater, but as it was, the reduction was looked upon as a proceeding which had already been discounted to a considerable extent. It was offset, as a matter of fact by evidences of favorable physical results obtained in the case of the

FOR

Oil and Gas Land Leases

WRITE

C. W. DEMING & D. C. ACOSTA, Inc.
Tulsa, Okla.

FOR HIGH GRADE OIL STOCKS

WRITE

EQUITY BOND & SECURITY CO.
37 WALL STREET, NEW YORK CITY

PORCUPINE

Get in RIGHT or keep out. THE BOSTON DEVELOPMENT COMPANY, LIMITED, is operating along the right lines. Large acreage; conservative capitalization. For prospectus, engineer's reports, etc., address
A. S. FULLER & COMPANY
CANADIAN INVESTMENTS,
407-8-9 Old South Building, Boston, Mass.

SIX NUMBERS FREE

Financial Converse (published every two months) answers more questions on mines than any periodical published. S. F. Campbell, of Chicago, says: "This paper is worth more than any other mining publication in the United States." Cut this out and send for six copies free covering the next year.
FINANCIAL CONVERSE
339 Monadnock Block, Chicago, Ill.

Almoloya Mining Co.

60 Wall St., NEW YORK

EMNAHA GOLD MINING COMPANY

Incorporated under the laws of the State of Idaho. Capitalization, $500,000, divided into 500,000 shares. Par value $1.00 per share. Of which 300,000 shares have been placed in the treasury, for the development of the property.

The Company owns and controls nine claims on Battle Creek, Imnaha, Willowa Co., Ore., on which there are three well defined parallel veins, carrying very rich gold quartz. A limited amount of the shares of the stock have been sold.

For full particulars, address

79 Mill [illegible]t, Room 602

JOHN SENNETT, Treasurer
Boston, Mass.

Digitized by Google

Calumet & Hecla. For the time being, Amalgamated shares are showing no pronounced activity, the Standard Oil crowd being evidently disinclined to manipulate this stock. Possibly they are waiting to see how the forthcoming reorganization of the Standard Oil Company will be received by the Washington authorities before taking

AN ACTIVE PART

in the booming of copper and copper shares. That reorganization, it should be remembered, is expected to give an inkling of the course to be followed in connection with the still slumbering merger of copper producers. Thirteen-cent copper, at all events, appears to be a probability of the comparatively near future, and 13-cent metal, while it is by no means a bonanza, means much to those producers to whom a maintenance of the 12-cent market meant disaster, or at least a time of poverty and trouble. The steady gain of consumption upon production is but one of the encouraging features, albeit the most encouraging factor, and it will be indeed surprising if consumers do not in the near future show a greater inclination to stock up and thus avoid the necessity of buying on an increasingly buoyant market.

P. DE MEDICI.

BANK EXAMINERS' MEETING.

The meeting of bank examiners included in District No. 3 was held July 11 at the office of the chairman, Frank L. Norris, in the Post Office Building, Philadelphia. Comptroller Murray delivered an address, and addresses were also made by the following: Albert A. Taber, examiner, Pennsylvania; Hugh H. Wilson, Elliott Horrace Biddle, Thomas S. Chambers, New Jersey; Charles H. Maull, commissioner, Delaware; J. D. Downes, commissioner; John C. Motter, deputy commissioner, and Examiner George W. Page, Maryland, and C. C. Barksdale, chief examiner; Charles S. Hunter, examiner; and S. L. Harris, examiner, Virginia.

The Clearing House Association of Philadelphia was represented by William M. Hardt, Clearing House examiner. There were also present the following national bank examiners: Charles E. Van Brocklin, District of Northeastern Pennsylvania; Charles H. Chapman, District of Southeastern Pennsylvania; Owen T. Reeves, city of Washington, D. C.; Samuel M. Hann, city of Baltimore, Md.; J. B. Stringfellow, District of Virginia; H. G. Murray, District of Southern Pennsylvania and Delaware; Frank L. Norris, city of Philadelphia.

Papers read were: "Maryland Savings Banks," John C. Motter, deputy commission, Maryland; "Some Observations of a New Man in a New Field," Charles S. Hunter, examiner State of Virginia; "The Value of Clearing House Examinations in Establishing the Solvency of Banks," William M. Hardt, Clearing House examiner, Philadelphia; "The Salient Features of the Aldrich Plan from the Examiner's Viewpoint," Charles H. Chapman, national bank examiner; "Are the Demands of the Present Comptroller Upon His Examiners Unreasonable?" Owen T. Reeves, national bank examiner; "Doubtful and Ultra Vires Assets and Practical Eliminating Methods," Samuel M. Hann, national bank examiner; "The Value of Co-operation Between National and State Examiners, from the Examiner's Standpoint," Frank L. Norris, national bank examiner.

WINDSOR TRUST COMPANY, N. Y.

New Officers Under the Reorganization.

Clark Williams, former New York state comptroller and state superintendent of banking, has accepted the presidency of the Windsor Trust Company, of New York City and assumes that office July 17.

On Tuesday of this week, announcement was made of the new directorate of the company, which is a part of the general reorganization. The directorate has been increased to thirty members, of whom twenty-two have now been elected. Among these are: Stephen N. Bond, of Bond & Goodwin; Vernon C. Brown, of Vernon C. Brown & Company; Alonzo Burbank, president of the International Paper Company; Emory W. Clark, vice-president of the First National Bank of Detroit; Alfred W. Hudson, Arthur Turnbull, of Post & Flagg; Clark Williams, William Lowell Putnam, Henry T. Oxnard, of the American Beet Sugar Company; Cornelius Vanderbilt, Edgarton L. Winthrop, Jr., Robert H. McCurdy, of McCurdy, Henderson & Company; Jordan J. Rollins, of Rollins & Rollins, August Belmont, Jr.; Frank O. Briggs, treasurer of the Roebling Construction Company; James Gayley and August Heckscher, of the New Jersey Zinc Company.

TRANSPORTING SILVER FREE.

The Spokane Clearing House Association has sent messages to United States Senators Jones and Poindexter and Congressman LaFollette of Washington, urging them to work for a government appropriation to pay the expense of transporting silver coin from the mint to the banks. In the movement of the western crops, particularly in the harvesting season, a great quantity of silver is in demand. The heavy crop this year will greatly reduce the present supply. The banks are beginning to feel the drain of paying an express charge on the silver coin, and have ceased to ship in large quantities.

NEW ENGLAND TRUST CO.

At a recent meeting of the directors of the New England Trust Co., of Boston, Mass., George Wigglesworth was elected vice-president, and Theophilus Parsons and Franklin W. Hobbs were added to the directorate. Mr. Wigglesworth is a prominent attorney and is a director in a large number of textile manufacturing concerns, banks and a trustee of a number of charitable institutions. He is president and a director of the Chicopee Manufacturing Company and of the Lyman mills, as well as a director in the Amoskeag, Boston and Dwight manufacturing companies and other institutions, while Mr. Hobbs is treasurer of the Arlington mills, is a member of the executive committee of the Home Market Club and the National Association of Wool Manufacturers, and is president of the National Association of Cotton Manufacturers.

BANK ITEMS.

BAY SHORE, N. Y.—The First National Bank of Bay Shore has been chartered with a capital of $50,000. William H. Robbins is president; George S. King, vice-president, and Olin S. Brewster, cashier.

CANANDAIGUA, N. Y.—The County National Bank has been chartered with a capital of $100,000. Edward G. Hayes is president; Alexander Davidson, vice-president; Peter P. Turner, cashier, and W. S. Sleght, assistant cashier.

CHEROKEE, OKLA.—The Security State Bank has been chartered with a capital of $25,000. James D. Wyman and J. B. Cartright, of Orchiltree, Texas, and others are interested.

CHECETAH, OKLA.—The Commercial Bank of Checetah, capitalized at $50,000, has been converted into the Commercial National Bank of Checetah.

CHICAGO, ILL.—The Fraternity Bank & Trust Company has filed articles of organization with a capital of $1,000,000 by W. H. Edison and C. F. Hatfield, of this city.

CHICAGO, Ill.—The West Town State Bank is organizing with $200,000 capital. Nicholas R. Jones, Samson Gusdorf and Carroll Carruthers are interested.

COLUMBUS JUNCTION, IOWA.—The Louisa County State Bank has filed articles of organization with a capital of $30,000.

EKALAKA, MONT.—The Ekalaka Commercial State Bank and the Ekalaka Bank will consolidate with a combined capital of $30,000.

ESCONDIDO, CAL.—The First National Bank has increased its capital from $25,000 to $50,000. The last statement shows the deposits to be over the $200,000 mark.

EUGENE, ORE.—The Eugene Bank of Commerce is organizing here with $50,000 capital. Capt. Max S. Kibbe, of Astoria; E. B. Carhart, of Salt Lake, and H. B. Currie, of Portland, are interested.

PLACENTIA, CAL.—The Placentia National Bank has been organized with a capital of $50,000. A. S. Bradford, C. C. Chapman, W. Crowther, A. Pieretti and C. E. Lammo are interested.

GANADO, TEX.—The First National Bank of Ganado has been organized with a capital of $25,000. J. E. Harmon, E. H. Koch, C. W. McCollister, A. Casper and G. T. Everett are interested.

MERKEL, TEX.—The Southern National Bank has been chartered with a capital of $50,000. John Sears is president, C. L. Barker and T. J. Coggin, vice-presidents, and J. E. Faucett, cashier.

MONTEREY, CAL.—The Monterey Savings Bank has been chartered with a capital of $25,000, with T. J. Field, Charles B. Henry, Charles H. Few, H. N. Gragg, James Martin, Carane Martin and M. Ortins interested.

MATTOON, ILL.—The National Bank of Mattoon has been chartered with a capital of $150,000. Lewis L. Lehman is president; G. C. Richmond, H. P. McNard and W. H. Ownby, vice-presidents; Fred Grant, cashier; C. H. Hoots, J. Stanley Weis and H. C. Harmany, assistant cashiers.

Digitized by Google

The BEST Investment is LOANS UPON FARMS combining

1. A liberal rate of interest.
2. Ample security.
3. Increasing security from the fact that the supply of agricultural land is not equal to the demand.

For 35 years we have sold such loans and no buyer has waited a day for payment of principal or interest.

THE MIDDLESEX BANKING COMPANY,
MIDDLETOWN, CONNECTICUT

ASSETS OVER - - - - - $6,000,000

Local Brokers

Treasury stock of the **United Motors Company** is sold to automobile owners exclusively and carries with it the privilege of buying Sterling Tires at jobbers' prices—a saving of 30% to 35%. Thus the stockholder may receive from 25% to 200% per year in direct profit on his investment in the 7% Cumulative Participating Preferred stock.

We would be pleased to hear from local brokers in New England, New York, New Jersey, Pennsylvania and Ohio.

Fidelity Bond & Mortgage Company
2 West 33rd Street, New York

6% NEW YORK CENTRAL REALTY BOND

A Good Investment

To investigate is the six per cent Realty Bond of the New York Central Realty Company issued in denominations of $1,000, $500, and $100.

It offers a high grade of security, a liberal cash availability and an interest earning of 6%.

WRITE for booklet illustrating the methods of the Company, describing its bonds, their redemptive privileges and advantages over other Realty securities. Everybody knows us.

New York Central Realty Co.

Suite 1190, 1328 Broadway, Cor. 34th St., New York City
CAPITAL AND SURPLUS, $1,464,586.34

6 PER CENT INTEREST PAID

By Coupon on Bonds Secured by Well Selected New York Real Estate.

"We Deal in No Other Securities"

THE DEBENTURE CORPORATION OF NEW YORK
334 Fifth Avenue New York City

Corporation Organizers

Delaware charters are inexpensive and perpetual, and permit stockholders and directors to hold meetings anywhere. The law is more stable, and grants greater powers than other states. $1,142,434,493 of capital organized in Delaware during 1910—double that of New Jersey or elsewhere. In selecting an agent to organize and represent your company, get the best—it will be cheaper and safer in the end, and will add prestige to your enterprise. Lawyers' and brokers' business a specialty. Corporation Law and forms sent on request.

MERRICK SECURITY & TRUST CO.
Wilmington, Del.

YOUR MONEY

Is worth much more than double the rate you are now getting for it. Its safety will be beyond question—the best security in the world—

New York City Real Estate

Send for full particulars of our

PROFIT SHARING COUPON GOLD BONDS

which, with interest payments and PROFIT SHARING additions, have averaged over 17 per cent per annum for the past nine years. These Bonds are issued in denominations of from $5 to $1,000 and upwards, complete with interest coupons.

INTER BOROUGH REALTY COMPANY
(ASSETS OVER $1,100,000.00)
10 WALL STREET, NEW YORK CITY

FUNDING COMPANY OF AMERICA
40 Exchange Place, New York

Investment Department offers securities of high-grade financial enterprise paying regular and attractive dividends, and growing rapidly—an exceptional opportunity; also railroads, public service and industrial bonds yielding from 4% to 6%. Write for particulars.

OFFICERS AND DIRECTORS
Edward Staats Luther, President
Charles W. Abrams, Treasurer John W. Harding, Secretary
Howard S. Kennedy, Vice-President Chest, Peabody & Co., Troy, N. Y.

A. H. Phelps, President First National Bank, New Berlin, N. Y.
James D. Abrams, President Hudson Yacht & Boat Co., Nyack, N. Y.

CAPITAL WANTED

Investors or operators interested in 35,000 acres Southern Illinois high grade steam, gas and domestic coal, can join conservative and reliable owners in organization of going mine. Three trunk lines cross property and furnish unexcelled transportation. Fifty miles from St. Louis and Two Hundred miles to Chicago. Panama Canal and Mississippi River will bring Central America to our door via cheap freight rates. This property is estimated to contain more than 350,000,000 tons of coal, and is worthy the consideration of those seeking safe and sound investments with large returns.

Address
"Owner"
Care United States Investor,
Boston, Mass.

OUR NEW INVESTMENT PROPOSITION

is as

Sound and secure as a good bank and pays large dividends.

First class representatives wanted; must be men of good standing in their community

SECURED INVESTMENT TRUST
92 STATE STREET, BOSTON

WANTED

Citizens Gas & Elec., Loraine & E. 5s
Des Moines Water Company 4s
York Haven Water & Power 5s
Appleton Water Co. 5s
Bodwell Water Power 5% Receipts
St. Joseph Water Company 5s

H. C. SPILLER & CO.
Specialists in Inactive Bonds
27 STATE STREET BOSTON

6% BONDS

For Investing July Dividends

These two forms of 6% Gold Bonds of the American Real Estate Company—

6% Coupon Bonds

For those who wish to invest $100 or more.

6% Accumulative Bonds

For those who wish to save $25 or more a year.

—offer to careful investors a time-tried and conservative plan to increase their income or to place their savings where they will secure the greatest safety, pay the highest interest return consistent therewith, and be convertible into cash.

A-R-E Six's are safe, because they are backed by assets of $23,000,000 and capital and surplus of $2,000,000. They have paid 6% for 23 years, returning to investors more than $7,000,000 in principal and interest.

Booklet describing Bonds and properties on which they are based, map of New York City showing location, and financial statement sent on request.

AMERICAN REAL ESTATE COMPANY
Capital and Surplus, $2,011,247.80
Founded 1888 Assets $23,029,889.67
527 Fifth Avenue, New York

BENNETT'S INFORMATION AGENCY

INVESTMENT DEPARTMENT

The wisest men in the United States are those who never make a new investment which they consider good, and never get rid of an old investment which they consider bad, until they have made an investigation of the merits of the investment through BENNETT'S INFORMATION AGENCY.

CONGRESSIONAL INFORMATION

We attend to business at the Treasury Department as well as before Congress, the Courts, and all departments of the United States government, through our Washington office, 208 Corcoran Building, and through our staff of Washington correspondents. If you desire any information from Washington, or any business transacted at the National Capital, we shall be pleased to perform the desired service for our subscribers.

PROBATE DEPARTMENT

Information respecting probate matters, in any town or city of the United States, is furnished to our subscribers gratuitously if the inquiry is answered through the columns of the INVESTOR, or for $2.00 if the reply is by private letter.

LEGAL DEPARTMENT

Questions answered by prominent attorneys upon any desired subject for $2.00 each.

MERCANTILE DEPARTMENT

A report regarding the standing and reliability of any firm or individual in the United States furnished for $2.00. Our information goes into the character and individuality of members of a firm and its methods of doing business.

MISCELLANEOUS QUESTIONS

Inquiries of any sort answered for $2.00 each. Send for descriptive pamphlet of the agency.

REAL ESTATE DEPARTMENT

A report upon any piece of property in the United States furnished for $2.00

Conducted by

Frank P. Bennett & Co., Inc.

530 Atlantic Ave., BOSTON.
308 Chestnut St., PHILADELPHIA.
2 Rector St., NEW YORK.

Digitized by Google

GEN LIBRARY,
UNIV. OF MICH.
JUL 24 1911

United States Investor

Volume XXII. BOSTON, NEW YORK AND WASHINGTON, JULY 22, 1911 Number 29

Fulsome Reviewers

Professor Sprague has recently assailed the scheme for taxation of note issues contained in the Aldrich plan with his usual skill and force. Drawing upon an acquaintance with the academic side, at least, of all of the banking systems of the world, he has shown that no useful purpose will be served by this graduated tax. With Professor Sprague's contention we are not disposed to take issue. So long as the central bank has to maintain rigidly a minimum cash reserve, the danger from too liberal issues of notes is made of small moment. The need of a graduated tax, such as has proven to be so useful a feature of the banking system of Germany, comes only when there is less strictness in the cash reserve requirement. What we do take issue with is some of the statements of the fulsome reviewers of Professor Sprague's article. Some of them have gone so far as to assert that with this absurd tax cut out, the Aldrich plan can be surely counted upon to provide a currency elastic in the highest degree and nicely adjusted at all times to the current requirements of trade. Unfortunately, such absurd language is not confined alone to the utterances of the less responsible writers. There are good banking journals which are equally unstinted in their approbation of the suggestion of the National Monetary Commission. Whether because they have discovered a very large number of bankers committed to that plan, or because they honestly have reasoned themselves into real fondness for it, an alternative much more to their credit, they appear to believe that it is a complete scheme which Mr. Aldrich and his associates have worked out, when in reality every really competent student of banking knows it is a mere skeleton, some of the bones of which are not even yet properly articulated. How the skeleton is to be clothed with flesh and blood is yet to be considered, discussed and reasoned out.

Provisions for Contraction

After stating very accurately the object of currency reform, namely, to provide a currency which shall expand and shall contract as business needs may require, one of these writers who really ought to know how inaccurate the following sentence is, writes: "Why, therefore, when the very object of currency reform had apparently been gained, should this result be sacrificed by the imposition of a needless grade tax on note issues?" We have confidence enough in his intelligence to feel certain that a moment or two of real concentrated thought will convince him how gravely in error he is. Where, in the Aldrich plan, does he find adequate machinery for bringing about that contraction of the central bank's issues which he himself frankly admits must be accomplished just as certainly as that on other occasions an expansion of the currency must be had? Like so many other and less well informed students of the plan he has been so dazzled by the elaborate arrangements which have been made in this plan for the needed expansions of the currency that he hasn't pondered sufficiently over the insufficiencies of the contraction features. His eye has been filled with visions of the one hundred million dollars which is to be issued at three per cent tax and the next one hundred million dollars which is to be issued at a tax of four per cent and the following hundred millions that are to be issued at taxes of five and six per cent that there has not been room left in his vision for careful scanning of the reverse side of the picture. We Americans have been so often made to suffer by the inability of our currency to expand when needed that very many among us have a notion that expansibility is about the only quality a currency needs. The evils of a currency which will not contract we have suffered from, too, of course, but it takes a better trained eye to distinguish that cause when it is doing its vicious work. The general public never knows when the woes from which it is suffering are caused by too redundant a currency. And it isn't surprising that amid all the popular desire for an expansible currency, even the writer of the sentence quoted above should have been less keen on the scent for weaknesses of the Aldrich plan on the contraction side.

Inadequate Influences

Now what forces does the Aldrich plan set in motion to bring about contraction of the currency when contraction is needed? It must be remembered that just because some provision of the plan will lead the banks of the country in good and prompt time to desire to extinguish their indebtedness to the central bank or reserve association, it does not follow that that same influence will drive in the reserve association's notes for redemption. Very true it is that the indebtedness of these banks to the central bank will have arisen by an issue of the central bank's notes to these other banks in connection with the rediscount of paper for them. The notes will, however, be promptly paid out over its counter by the bank which receives them and will go in all directions over its part of the country. How, then, will the notes be brought back to the central bank? Only as the other banks of the country co-operate with it in forcing their retirement. In Canada, on the other hand, co-operation is made unnecessary by the presence of competition. The notes of one bank come very shortly into the possession of its rivals. In the desire of these rivals to make room for their own notes, they present the notes issued by the other institutions to them for redemption. Thus, every day each bank is called upon to redeem a substantial volume of its notes, and any slackening of general business naturally forces more and more notes in for redemption. The rival banks have the keener incentive, of course, in such times to convert into cash the obligations of their competitors.

Across the water, such banks as the Imperial Bank of Germany and the Bank of France obtain that close touch with their respective issues which is requisite for quick redemption by their very numerous chains of branches the country over. So, both abroad and in Canada, contraction occurs because the actual notes themselves are coming steadily into the issuing bank's own grasp. How will the central organization of the Aldrich Plan get its notes within its grasp? Its fifteen branches, if well located will be of material assistance to it, but what are fifteen branches in a land so large as ours? Both the Imperial Bank and the Bank of France have the aid of many times fifteen branches, and so do the banks of Canada. Very likely, it will be claimed that the local associations for which the Aldrich Plan makes provision will prove valuable assistants. It ought to be possible for the management of the central bank to have these

local associations entertain very kindly regards toward it. These associations, it will be remembered, are to be made up of those banks which subscribe for shares of the capital stock of the Reserve Association and are to be composed in each instance of not less than ten banks with a combined capital and surplus of not less than five million dollars. If it shall happen, therefore, that there is very general subscription for the capital stock of the Reserve Association by the banks of the country, there will be no corner of this land where there will not be a local association affiliated with the central bank. Upon this condition, we take it, the authors and advocates of the central bank rely as a means for forcing contraction of the currency when contraction may be needed. But is this reliance based upon adequate ground?

The Local Associations

Suppose, for example, there shall not be a generous subscription by banks all over the country for the central bank's capital stock. There are parts of the country where need of the good offices of the central bank are not likely to be invoked frequently if at all. What are the chances that in those parts the banks will wish to buy some of the stock of the central bank? Take the banks of New England, outside of Boston, and a few of the manufacturing centres. They are conservative, most of them, to a pronounced degree. They have little need for a bank of rediscount. If they buy stock in the central bank or association in its early stages, their principal motive for so doing must be the hope of profit upon the investment, because need for its facilities will not appeal to them as a reason for subscribing to its stock. But as an investment, the stock is an unknown quantity. Will these banks, therefore, not withhold their support of the central institution for a long time to come? If there shall be similar disinclination to subscribe in other parts, will there not be great portions of country absolutely without local associations?

Incentive May Be Other Way

Whether there be generous subscription to the capital stock or not, a strong incentive to push in the notes of the central bank for redemption and thus to aid contraction when it is needed may not be present. So long as it can readily pay out the central bank's note over the counter to the public, why should any bank take any interest in forcing those notes in for redemption? In fact, unless it is very near some branch of the central bank, its advantage will be in making no attempt to redeem. It will have to lose interest on such money as it is sending for redemption while it is in transit, whereas, if it uses the money at its paying teller's window, it loses no interest in transit. Only when there is a crowding of the central bank's notes in its vaults sufficient to make it worry about its reserve, will the individual bank have any desire to work for redemption. Such crowding into the reserve will hardly occur until the central bank's issues shall have commenced to replace in circulation a very substantial volume of the present greenbacks and gold and silver certificates. So, unless local associations shall be educated to a desire to promote redemption, the reliance of the advocates of the Aldrich plan upon its efficacy to bring about contraction when it is needed, may be found to be misplaced. Apprehension that their reserve may become diluted unlawfully with bank notes is about the only other force upon which the advocates of the plan can rely. Strangely enough, some of the advocates of the Adrich plan would take away even that aid to contraction.

Notes In Bank Reserves

The Currency Commission of the American Bankers' Association deliberately suggest that the notes of the National Reserve Association shall be counted as part of the legal reserve of any national bank. We appreciate perfectly the theory which underlies this proposition. There is no particular difference in theory between a deposit obligation of the National Reserve Association and a note obligation. Each is secured by the general assets of the central bank. If anything, the notes of the central bank are better secured than its deposits, since the notes of the National Reserve Association are to constitute a first lien upon all its assets. If, therefore, a national bank is to have the privilege of counting in its reserve the deposit balance it has in a national reserve association, why may it not with equal propriety and with equal advantage to its customers and the public generally, count the notes of the National Reserve Association as reserve also?

The objection to this line of argument, in our mind, is not to its theory, but to its effect in practice. If a national bank may count in its reserve the notes of the National Reserve Association, it will never aid in pressing them home for redemption, except such portion of them as become mutilated or badly soiled. Hence, we will have the notes of the National Reserve Association back of which stand 33 1-3 per cent of cash serving as reserve for four, five or six times their own volume of deposit liability; that is, against the deposit liabilities thus created there will be an actual cash reserve of only about one-twelfth of their volume. Moreover, if permitted to lie in the vaults of national banks as reserve, the notes of the National Reserve Association become a permanent intsead of an elastic element in the currency, and that is not what has been sought in the creation of the central banking organization.

Limits to Contraction

There is one very good feature about the Aldrich plan in its relation to plans for contraction of currency, and that is that it does not aim to continue that foolish restriction upon contraction which the law governing our present national banks contains. Not more than nine million dollars of national bank notes can be retired now in a single month. By enacting this law Congress indicated its ignorance of good banking practices of other lands, or its purpose deliberately to make bank notes a rigid inelastic and practically permanent feature of our currency.

Perhaps both of these charges may fairly be brought against Congress. Few of its members, it may fairly be alleged, really do know much about banking abroad, or for that matter, about the underlying principles of banking as applied in America. Therefore, they do not realize how great a hamper upon contraction of the currency the nine million-dollar limit is, or rather would be, if any real interest in contraction of the present bank notes could be instilled into the minds of our bankers. For that matter, what is the use of trying to instill such notions into our bankers' heads if all of the time there stands this prohibitory law which restricts contraction of the currency in any one month to nine million dollars, when the best interests of the country would sometimes call for ten times nine million dollars?

But probably the real reason why Congress has held this prohibition on the statute books is the dread it has had of the effect upon the market for government bonds of absolutely free contraction. Let there be adequate contraction any year and there would be released from our national banks for them to throw upon the market so substantial a quantity of government

Digitized by Google

THE NATIONAL CITY BANK OF CHICAGO

CAPITAL :: :: $2,000,000.00
SURPLUS & PROFITS 500,000.00
DEPOSITS :: :: $29,259,966.56

United States Depository — *Accounts of Banks and Bankers solicited. Correspondence invited.* — Organized 1907

bonds as would break the market badly for them and perhaps hurt the credit of the United States. Thus, has consideration for the government bond market caused Congress to inflict upon the people of the country a currency so rigid as not to have its counterpart in any other nation of the globe. The loss this rigidity of our currency has caused our people is too huge to estimate. The severe punishment inflicted upon our people by the panic of 1907 was only a fraction of it. If the people of the country could only be made to understand how many wrongs done them are to be attributed fairly to the failure of Congress to reform our currency and make it as sensible as the currency of other nations their anger would be terrible to behold. Certainly, they could not be lulled into that state of smug complacency into which spell binders of the political parties have hypnotized them by the argument that this country saves millions annually in interest on its bonds by creating an artificial market for them in the national banks. The people would set over against this saving the far larger loss which the bond security feature of our currency has caused by giving that currency so rigid a volume.

An Appreciative Letter

The interest of some of the more intelligent merchants of our country in the present currency discussion is one of the most hopeful signs we know that some real progress will soon be made by Congress in the direction of currency reform, and that this progress may not be impeded by partisan disagreements. When merchants get together to aid a movement, they do not allow their political party affiliation to have any influence in their councils. They do not lay down their private business cares for the nonce and burden themselves with those labors which public spirited interest in currency or other affairs impose upon them except when they feel that a crisis has come far too important to be marred by any form of partisan rancor. Our bankers' associations ought most certainly to begin actively enlisting the aid of our biggest business men in discussions of the Aldrich plan, and in organization for its popularization. Last week, we discussed with much appreciation the splendid work the Philadelphia Chamber of Commerce has been doing along this line. Its committee chosen for the purpose has prepared and published a most painstaking analysis of the Aldrich plan, and has been sagacious enough to make its criticisms constructive instead of merely destructive. Where it saw aught to condemn, it made counter suggestions for tangible improvement. The following letter from one of the members of that committee of the Philadelphia Chamber of Commerce, relative to the discussion which we gave this excellent report, is the more appreciated because it indicates the genuine determination of this committee to give all the real help it can to the task of improving the Aldrich plan, a work in which this paper purposes to continue to engage.

Philadelphia, July 17, 1911.

ED. UNITED STATES INVESTOR:

Acknowledging receipt of your favor of the 15th instant, together with copy of the UNITED STATES INVESTOR, permit me to compliment you upon the intelligent manner in which you have treated this subject; as I personally believe that the only way in which a perfectly satisfactory monetary bill will be formulated, will be for representative men and commercial and banking organizations to carefully dissect every feature of the proposed bill.

I would be very glad to have you mail a marked copy of the UNITED STATES INVESTOR to each member of our board, a list of which I enclose, also a marked copy to each of the Philadelphia newspapers. If you will kindly send me a bill for the same, I will remit.

Again thanking you for your intelligent interest in this matter, I am

Very truly yours,

FINLEY ACKER.

Clearing House Examinations

It is a matter of sincere regret to many of the bankers of Boston that that city should have been so dilatory in the matter of instituting clearing-house bank examinations. There can be no question that it will presently come into line for that great reform. Even though that reform did not appeal to the banks of the clearing house themselves, they are now face to face with the desire openly expressed by the Comptroller of the Currency, that the banks of all the reserve cities shall come in under this plan. He goes so far as to declare that there is no other force in this country for safe and conservative banking equal to a well-organized clearing house having its own bank examiner. He ranks it even ahead of the examinations made by his own appointees. Therein he shows

Franklin National Bank

PHILADELPHIA

Capital $1,000,000.00
Surplus and Undivided Profits 2,730,181.17

INCORPORATED 1900.

OFFICERS:

J. R. McALLISTER, President.
J. A. HARRIS, JR., Vice-President.
E. P. PASSMORE, Cashier. L. H. SHRIGLEY, Assistant Cashier.
J. W. HARDT, Assistant Cashier.
Foreign Exchange Department.
WILLIAM WRIGHT, Manager.

The Fourth National Bank

OF THE CITY OF NEW YORK

OFFICERS

JAMES G. CANNON, President
SAMUEL S. CAMPBELL, V. Pres.
CHARLES H. PATTERSON, V. Pres.
DANIEL J. ROGERS, Cashier.
E. W. DAVENPORT, Asst. Cashier.
CHARLES E. MEEK, Asst. Cashier.

DIRECTORS:

James G. Cannon	L. F. Loree
Cornelius N. Bliss	Eugene Delano
Robert W. Smart	M. Orme Wilson
William S. Opdyke	Elbridge G. Snow
T. Frank Manville	Welding Ring
Thos. H. McKittrick	Morton F. Plant
Mortimer L. Schiff	Samuel S. Campbell

CAPITAL AND SURPLUS - $10,000,000

Portland National Bank

PORTLAND, MAINE

Union Mutual Life Insurance Co. Bldg.

Accounts received on the most liberal terms consistent with sound banking.
Collections receive prompt attention.

WM. W. MASON .....President
EDWARD W. COX .....Vice-President
CHAS. G. ALLEN .....Cashier
EDWARD L. PIPER .....Asst. Cashier

Directors:

Fred E. Richards, Charles G. Allen,
Henry B. Cleaves, George F. West,
William W. Mason, George Westcott Beyer,
Lyman M. Cousens, Roswell C. Bradford,
Edward W. Cox.

OLDEST BANK IN AMERICA
Chartered by Congress, 1781.

The Bank of North America

(NATIONAL BANK)
PHILADELPHIA, PA.

Capital .....$ 1,000,000.00
Surplus 2,250,000.00
Undivided Profits 424,000.00
Deposits 15,269,000.00

HARRY G. MICHENER.....President
SAMUEL D. JORDAN.....Cashier
WILLIAM J. MURPHY.....Asst. Cashier
RICHARD S. McKINLEY.....Asst. Cashier
Accounts Solicited
Correspondence Invited

Digitized by Google

NATIONAL BANK 3rd OF ST. LOUIS

CAPITAL $2,000,000
SURPLUS $2,000,000
DEPOSITS $35,000,000

NATIONAL BANK 3rd OF ST. LOUIS

himself to be no such bureaucrat as the atmosphere of Washington so frequently succeeds in making our government officials. He doesn't cherish any notion that all that is good is of his own creation.

Murray Advocates Them

He expresses much pleasure that Louisville, Kentucky banks have already appointed a clearing house examiner at his request, and he may reasonably be pardoned for some feeling of satisfaction that it was the national bank examiner for that district whom the clearing house association engaged for the work. He has a right to feel glad that the bankers of Louisville approved of the man whom he had on his staff, for thereby they expressed approval tacitly of Mr. Murray himself. Mr. Murray also recounts the number of reserve cities which have already adopted the plan, and their number is pretty good support of his assertion that every one of the objections which has been urged against clearing house examiners has fallen to the ground as the result of actual experience. Do you wonder he says that no real argument from any angle can be made against the wisdom and efficiency of such a plan of supervision?

Dilatory Boston

Why, then, does Boston tarry? The banks of all three of the central reserve cities have already adopted the plan. So, too, have the banks of such centres as Philadelphia, San Francisco, Milwaukee, Kansas City and Minneapolis. Even Oklahoma City and St Joseph are also in this cohort of progressive cities. Is there some good reason not apparent on the surface, why the Boston clearing house should not follow suit, or is it waiting in its timidity on the brink for the banks of some such metropolis as Painted Post or South Bend to take the plunge?

COLLEGE HILL, OHIO.—The College Hill Commerce & Savings Bank Company has been organized with $25,000 capital. D. E. Flannigan, Robert Hankins and A. H. Davis are interested.

CORNWALL, N. Y.—The Cornwall National Bank has been organized with a capital of $25,000. John S. Holloran, Frank C. Wessells, E. L. Sylcox, Charles E. Miller, Herman C. Woodworth and others, are promoters.

THE
OLD NATIONAL BANK
OF SPOKANE
OFFERS ITS CORRESPONDENTS
Better Banking Service
The Largest Number of direct connections of any bank in the Inland Empire.
Send us your Washington, Oregon, Idaho and Montana Items.

Ladd & Tilton Bank
PORLAND, OREGON.
Established 1859.
Capital $1,000,000.
Surplus & Undivided Profits $700,000.
OFFICERS
W. M. LADD, President
EDWARD COOKINGHAM, Vice Pres.
W. H. DUNCKLEY, Cashier
ROBERT S. HOWARD, Asst. Cashier
J. W. LADD, Asst. Cashier
WALTER M. COOK, Asst. Cashier
DIRECTORS:
EDWARD COOKINGHAM J. WESLEY LADD
WILLIAM M. LADD S. B. LINTHICUM
HENRY L. CORBETT FREDERIC B. PRATT
CHARLES E. LADD THEODORE B. WILCOX

RUEL W. POOR, President
JAMES McCUTCHEON, Vice-President ARTHUR W. SNOW, Cashier
W. L. DOUGLASS, Second Vice-President RALPH T. THORN, Asst. Cashier
The Garfield National Bank
OF NEW YORK CITY
Capital and Surplus - - - $2,000,000
Offers to Banks, Bankers, Corporations and Firms the services of a thoroughly equipped and conservatively managed bank.
YOUR BUSINESS SOLICITED

The MECHANICS and METALS NATIONAL BANK
OF THE CITY OF NEW YORK
OFFICERS
GATES W. McGARRAH, President WALTER F. ALBERTSEN, Vice-Pres.
ALEXANDER E. ORR, Vice-Pres. JOSEPH S. HOUSE, Cash.
NICHOLAS F. PALMER, Vice-Pres. ROBERT U. GRAFF, Ass't Cash.
FREDERIC W. ALLEN, Vice-Pres. JOHN ROBINSON, Ass't Cash.
FRANK O. ROE, Vice-Pres. CHARLES E. MILLER, Ass't Cash.
Capital, Surplus and Undivided Profits, $14,000,000

The Commercial National Bank OF WASHINGTON D. C.
Capital $500,000 Surplus and Undivided Profits $296,000
ASHTON G. CLAPHAM, President
ELDRIDGE E. JORDAN, First Vice-pres. N. H. SHEA, Second Vice-pres
T. K. SANDS, Third Vice-president
JOHN POOLE, Cashier HERBERT V. HUNT, Asst. Cashier.

HUNGARIAN AMERICAN BANK
Fifth Avenue and Twenty-first Street
NEW YORK
The bank offers to bankers, corporations, merchants and others the fullest possible service in all departments of modern banking.
Foreign Exchange in all its branches a specialty

CITIZE[illegible] NATIONAL BANK BALTIMORE, MD.
CAP[illegible],000 SURPLUS, $2,000,000

Digitized by Google

ANGLO & LONDON PARIS NATIONAL BANK
SAN FRANCISCO
Capital, Surplus and Profits, $5,700,000.00 Deposits, $23,600,000.00 Cash and Sight Exchange, $10,300,000.00
Issues Travelers' Letters of Credit, available in all parts of the world; buys and sells Foreign Exchange, and issues Drafts and Cable Transfers
ACCOUNTS OF BANKS, BANKERS, CORPORATIONS, FIRMS AND INDIVIDUALS INVITED

This Week and Next

Signs of Growing Speculative Interest. But No Sustained Movement Either Way—Crop Outlook Better, the Market Waits on the New York Transit Settlement—A Prospect of Early Bull Initiative—The Hand of Morgan in the Subway Mix-Up, and the Significance of Bull Tips on Steel Shares—Reading Advances in the Face of New Federal Prosecution—Drawing the Claws of the Commodities Clause Cat—A New High Record for Canadian Pacific—Sticking a Pin in the Over-Inflated Underwood Typewriter Boom—The Westinghouse Incident and Its Probable Outcome.

Speculative interest has broadened to some extent this week, but it is not to be inferred from that fact that the market is at all active, for it is not, unfortunately for the peace of mind of exchange members, who are fortunate indeed in these quiet days, if their income equals or approximates their outgo. Whatever improvement there has been is simply one of comparison, for certainly it would be difficult to conceive of anything more inert and insipid than the movement seen last week. At times within the last few days the movement has shown signs of a material broadening out, but on each such occasion there has been a discouraging relapse back to the same condition of near-stagnation. The comparatively limited range of market movements means, of course, that neither buying pressure or selling pressure is sufficiently strong these days to enforce a sustained movement one way or the other. Those who bought stocks and bonds at lower levels are not disposed to add to their holdings at the moment, yet, having held on through months of waiting for the coming of the long-talked-of bull market, they are not to be frightened out just now by the rabid ravings of crop-killers or their other bear allies.

BEAR INITIATIVE PREDOMINANT.

For some weeks past the bears have played the leading part in stock market affairs, for even the recoveries in prices have resulted very largely from their covering operations. Aside from the efforts of pool leaders directed towards specialties, the bulls have been content to "play possum", refusing to attempt to coerce public sentiment at a time when the latter is inclined to be shy, at best. Now that the worst of the crop scare seems to have passed over our heads, events are likely to shape themselves in such fashion that August will be a month of rising prices, as it has often been in the past. Personally, I do not believe that the stock list to-day, considering it as a whole, is at a bargain-counter level, but for all of that I believe that the next movement of importance will be an upward movement of no mean proportions, and, of course, I believe that there are a goodly number of individual bargains to be found, among both industrial and railroad issues.

The approaching settlement of the rapid transit question in New York City, as far as the apportionment of new subway routes is concerned, ought to be a tonic for the market as a whole, and more particularly for the Brooklyn Rapid Transit and the United States Steel Corporation. The former appears to be in line for

THE LION'S SHARE

of the feast, and the Steel trust is more than likely to be a favored guest. In fact, there have been signs of United Steel influence, which, to go still further back, means Morgan influence, in both the Brooklyn Rapid Transit and Interborough offers, and for that reason, more than one shrewd observer of the protracted negotiations has been consistently bullish on Steel shares, more so than on the shares of either of the competing transit systems, believing that whoever might chance to lose, the "corner house" at Wall and Broad streets was bound to win, and in winning, to bring a large amount of new business to the Steel Corporation for structural material and, later on, for the large amount of equipment which the new subways will

THE
Chatham and Phenix National Bank
NEW YORK
Capital and Surplus
$3,000,000
All business under direct supervision of the officers.
LOUIS G. KAUFMAN, President.
GEO. M. HARD, Chairman of the Board.
F. J. HEANEY, Vice-President.
W. H. STRAWN, Vice-President.
A. M. BULL, Vice-President.
BERT L. HASKINS, Cashier.
H. L. CADMUS, Assistant Cashier.
N. P. GATLING, Assistant Cashier.
W. B. BOICE, Assistant Cashier.
H. C. HOOLEY, Assistant Cashier.
Your Account Solicited.

Cleveland National Bank
CLEVELAND, OHIO
Can handle your Ohio business to your advantage and satisfaction.
WE INVITE CORRESPONDENCE

The National Park Bank
OF NEW YORK
Organized 1856.
Capital $5,000,000.00
Surplus and profits 12,941,415.18
Deposits, June 7, 1911.....108,964,675.64

METACOMET NATIONAL BANK
OF FALL RIVER, MASS.
Capital, $750,000 Surplus and Undivided Profits, $333,000
SIMEON B. CHASE, President
MILTON REED, Vice-President CHARLES B. COOK, Cashier
Special attention given to the handling and collecting of cotton drafts, sent direct from the South

FIDELITY TRUST CO. TACOMA, WASHINGTON
CAPITAL AND SURPLUS, $900,000
General Banking
Oldest Trust Company in the State of Washington.

THE DEXTER HORTON NATIONAL BANK of Seattle
maintains a department organized for the especial care of the accounts of banks and bankers. Our officers will be pleased to correspond with bankers contemplating the establishment of relations in the Pacific Northwest.
CAPITAL & SURPLUS $1,440,000

Digitized by Google

IF YOU HAVE NO CORRESPONDENT
IN CINCINNATI
WE WILL WELCOME THE OPPORTUNITY OF PROVING TO YOU THE BENEFITS WHICH WILL ACCRUE FROM FORMING A CONNECTION WITH US.
RESOURCES
TWENTY-FIVE MILLION DOLLARS
And every facility for the satisfactory handling of Bank Accounts.
THE FIFTH-THIRD NATL BANK CINTI O

need. This is one reason, and a good one, why the Street is consistently bullish on Steel common in the face of the anxiety of Washington politicians to "get something" on Judge Gary and his associates.

READING AFFAIRS.

Possibly it is due to the general improvement in sentiment noticed this week, thanks to the arrival of welcome rains in the West, that Wall Street has shown a stubborn disinclination to worry over the announcement of a new suit against the Reading under the commodities clause of the Hepburn Act. The best proof of this attitude of unconcern was shown in the fact that Reading common not only declined to yield ground on the receipt of the news, but actually gained over a point and a half within the next few hours. The natural inference is, of course, that the commodities clause, for so long a time a skeleton in the closet of a more or less happy family of coal roads, has lost most of its terrors. For the past three years, various suits have been brought against the Reading, as well as against other owners or carriers of anthracite, and certainly there has been nothing in subsequent developments to drive the holders of the shares of these roads to their cyclone cellars at the announcement of additional litigation. The only real defeat which has been administered to any of these roads during the course of this

GOVERNMENT PROSECUTION

was in the case of the Lackawanna, and in that instance, the stockholders found no sting in defeat since the result meant to them little more discouraging than the cutting of a very ripe melon.

For years past there has been active discussion of the probability of a liberal bonus to Reading holders based upon the segregation of the company's coal assets. Judging from what has already taken place, the worst that could happen in connection with the present prosecution would be the hastening of a step which is sure to be taken by the directors sooner or later. Indeed, Wall Street is almost convinced that within the next year or so the Reading shareholders will be benefited either by a bonus resulting from the segregation of the coal properties, or by an increase in the common dividend rate.

The Canadian Pacific boom still refuses to collapse, and the stock this week has advanced beyond 246, a new high record. Of course, this issue cannot keep on advancing forever, but for some months past, it has moved so steadily and so irresistibly that interested observers are wondering just where the end of the movement will come.

DIVIDEND PROSPECTS.

Just now, a possible increase in the dividend rate is being suggested as an explanation for the long-continued advance, yet the suggestion is not very well received in well-posted circles. It is deemed more likely that in the place of such an increase in the rate, an increase which would come from expanding profits in the real estate department, the shareholders are likely to receive a valuable bonus in the form of shares of a separate company which may be organized to look after the sale of the lands which the company still has on hand. One cannot help contrasting Canadian Pacific, which at 245 is about 60 points above the quotations prevailing a year ago, with Union Pacific and Lehigh Valley, two other 10 per cent issues, the first of which is selling under 190, and the other at about 175. The wide margin is due, of course, to the valuable land holdings of the Canadian road and the businesslike manner in which they have been administered for the benefit of the shareholders.

UNDERWOOD TYPEWRITER.

There is one boom, however, which is showing unmistakable evidences of collapse, and that is the boom in Underwood Typewriter, which a short time ago carried that issue up to 111, as compared with a low price for the present year of 63. The present price shows a decline of about 14 points from

Chase National Bank
NEW YORK
Capital ..... $ 5,000,000
Surplus and Profits (earned) ... 8,382,871
Deposits 116,846,760
A. BARTON HEPBURN, Chairman of the Board
ALBERT H. WIGGIN, President
SAMUEL H. MILLER, Vice-President
HENRY M. CONKEY, Cashier
CHARLES C. SLADE, Ass't Cashier
EDWIN A. LEE, Ass't Cashier
WILLIAM E. PURDY, Ass't Cashier
ALFRED C. ANDREWS, Ass't Cashier
DIRECTORS
Henry W. Cannon
James J. Hill — George F. Baker
Grant B. Schley — Albert H. Wiggin
A. Barton Hepburn — George F. Baker, Jr.
John I. Waterbury — Francis L. Hine
FOREIGN EXCHANGE DEPARTMENT

Central National Bank
of DENVER, COLO.
Capital - - - - - $ 200,000
Surplus and Undiv. Profits - - - 40,000
Deposits - - - 2,250,000
B. F. SALZER, President
W. M. MARSHALL, Vice-President
J. B. LAZEAR, 2d Vice-President
W. H. TRASK, Cashier
D. H. STALEY, Asst. Cashier
AUG. SCHMIDT, 2d Asst. Cashier
Prompt and Careful Attention to all Business sent us

The Officers and Directors of the
Windsor Trust Company
announce that Clark Williams, formerly Superintendent of Banks and late Comptroller of the State of New York, assumed the Presidency of the Company on July 17, 1911.
Alfred W. Hudson, formerly a Special Deputy Superintendent of Banks of New York, has become a Vice-President.
The capital of the Company is $1,000,000 and $1,000,000 is being contributed to its surplus fund.
The Windsor Trust Company proposes to do a general trust and deposit business on lines of conservatism, with courteous regard for the interest and convenience of its patrons.
Its downtown office is located at 65 Cedar Street, and its uptown office at Forty-seventh Street and Fifth Avenue.
The affairs of the Company will be governed by the following Board of Directors.
DIRECTORS
AUGUST BELMONT, JR. August Belmont & Co.
FRANK O. BRIGGS Treasurer Roebling Construction Co.
STEPHEN N. BOND Bond & Goodwin
VERNON C. BROWN Vernon C. Brown & Co.
ALONZO BURBANK President International Paper Co.
JAMES A. BURDEN President Burden Iron Works
EMORY W. CLARK Vice-Pres. First National Bank, Detroit
FREDERICK L. ELDRIDGE Vice-President of the Company
JAMES GAYLEY New York
AUGUST HECKSCHER New Jersey Zinc Company
ALFRED W. HUDSON Vice-President of the Company
CHARLES MAC VEAGH Stetson, Jennings & Russell
ROBERT H. McCURDY McCurdy, Henderson & Co.
A. GORDON NORRIE New York
HENRY T. OXNARD American Beet Sugar Company
WILLIAM LOWELL PUTNAM Waltham Watch Co., Walter Baker Co.
JORDAN J. ROLLINS Rollins & Rollins
JOHN H. STORER Treasurer Wood-Harmon Trusts
ARTHUR TURNBULL Post & Flagg
CORNELIUS VANDERBILT New York
CHARLES D. WETMORE Warren & Wetmore
EGERTON L. WINTHROP, JR. Winthrop & Stimson
CLARK WILLIAMS President of the Company

Digitized by Google

the crest of the upward movement, which was, of course, facilitated by manipulation. More than one of the company's stockholders has disapproved of this manipulation, and has expressed this disapproval in emphatic terms. As a matter of fact, there have been rumors to the effect that the management of the company has received a vigorous protest from some of these shareholders which has facilitated the reaction and has made things undoubtedly uncomfortable for the bull pool. Then, too, there is reason to believe that some one outside of the ring unloaded before the pool members were ready to do so, and thereby spoiled a very neat little game. If the meteoric advance in the price of the stock and the subsequently almost equally meteoric decline have served no other purpose, they have at least called the attention of the investment public to the issue in a manner which is likely to result in the buying of the stock, when the latter has reached a reasonable level for a 4 per cent issue. The fact that the stock was boosted with such apparent ease to a point where it yielded but little more than 3½ per cent is likely to impress those who see an opportunity to get aboard at a materially lower level.

THE WESTINGHOUSE FIGHT.

A renewal of the dissensions noted for some time past in the Westinghouse company is attracting widespread attention. The effort of George Westinghouse to regain some of his lost prestige is a movement, the success of which is very largely dependent upon the attitude taken by the company's bankers who furnished the sinews of war after the 1907 panic. If these bankers continue to stand by Chairman Mather, the protesting element is likely to have a stubborn fight on its hands. It is suggested that the agitation for dividends on the stock has been largely promoted by Pittsburgh bankers who paid par for the stock originally, and are carrying it at that figure on their books to-day, despite the protest of the state bank examiners. Of course, the payment of dividends on the stock would help a great deal in making up the 25-point discrepancy which exists between the par value of the shares and their present selling price. THE FORECASTER.

AUDUBON NATIONAL TO LIQUIDATE

It is announced that the Audubon National Bank of New York City will go into voluntary liquidation with the approval of the banking department, represented by National Bank Examiner Charles A. Hanna. The Audubon National Bank is a small institution, located at Broadway and 145th street. It was organized in 1909, with a capital of $200,000. At the last official report, June 7, it had $364,500 loans and discounts, and $419,600 deposits.

BLAKELY, GA.—The Farmers State Bank has been organized with $50,000 capital. The incorporators are: J. S. Mims, E. L. Fryer, J. H. Haas, J. B. Tarver, C. R. Naramon, R. R. McLendon, J. W. Vinson, W. R. Stewart, J. T. Freeman and D. F. Fuller, the latter of Cedar Springs.

N. Y. City Subway Muddle

Brooklyn Rapid Transit Company Now Looks Like the Winner in the Much Involved Situation—The Boom in Interborough Metropolitan Securities on the Expectation of a 9 Per Cent Guarantee of Old Capitalization, and New Money Has Collapsed—The Interborough's $35,000,000 of Stock on Which a 9 Per Cent Guarantee Was Asked, Really Represents at the Present Time No Investment in the Existing Subway—Brooklyn Rapid Transit Stock and Bonds Look Attractive on Their Own Merits, Aside From Possibilities of Subway Profits Which Now Seem to Be Assured

The most absorbing topic of conversation in Wall street this week, as well as the one which was most influential in making prices and stimulating activity on the stock exchange was the much-involved and more muddled subway situation in New York City.

The big city of New York is now able to borrow $200,000,000 or more for the purpose of furnishing much needed transportation facilities, and for some months past, there has been a very lively contest between the Interborough-Metroplitan Company and the Brooklyn Rapid Transit Company as to which one would secure the most of the city's money, and the best terms in the building and operation of the new subways.

Summarizing the developments of the week, it appears at this writing that the Brooklyn Rapid Transit has won out, and is likely to secure a very substantial amount, or all of the new subway lines to be built by capital furnished by the city. The Board of Estimate, in any event, decided on Thursday of this week by a vote of eleven to five that all of the routes heretofore outlined should be given to the Brooklyn Rapid Transit Company on the terms announced.

THE BROOKLYN COMPANY

only wanted to secure an entrance into Manhattan, which, of course, means the island representing New York City proper, and entered into the bidding contest solely for this purpose.

The Interborough Company, however, representing equities in the surface, subway and elevated lines in New York City, resented this intrusion, and in effect, said that if the Brooklyn Company was permitted to invade its rich field, it would accept nothing but a prohibitive proposition in the line of the extension of its present service in the building, and operation of new subways.

To describe the situation more clearly, the Interborough Company, which logically should extend its system, put up a bluff that unless it was given a contract whereby the market value on its $150,000,000 of wind capitalization could be maintained and increased, it would do nothing, and this bluff was called by the managers of the Brooklyn Rapid Transit Company, who said that all they wanted was an entrance into New York City, but aside from that, if the Interborough resented their intrusion so strongly as to inconvenience the city authorities in their progressive programme of better transportation facilities, they would be willing to take not only the lines they desired, but also those which had been offered to the Interborough Company, on what the city authorities regard as a fair basis.

The situation is

STILL MUCH INVOLVED,

but at this writing, if I were the holder of Interborough Metropolitan preferred or common stock, I should sell it, and if I were the holder of Brooklyn Rapid Transit, I should be inclined to increase my holdings.

There is outstanding only $45,000,000 of Brooklyn Rapid Transit stock, on which 5 per cent dividends are being paid, and earnings for the current fiscal year are likely to be above 7 per cent. The Interborough Metropolitan Company, however, is in an entirely different position, as it is simply a largely overcapitalized holding corporation based on the ownership of equities in properties, a considerable proportion of which are now under the administration of receivers. The company has outstanding $93,000,000 of common stock, and $45,000,000 of preferred stock, and its unencumbered assets comprise solely stock of the bankrupt surface lines in New York City, represented by the Metropolitan Street Railroad Company.

The company's only real asset is its equity in the stock of the actual subway company, the Interborough Rapid Transit. Most all of this company's stock has been acquired by the Interborough Metropolitan, and has been deposited as collateral to secure an issue of 4½ per cent bonds on a basis of $200 for each share. In other words, whatever the stock of the real subway company over and above the 4½ per cent

MORTGAGE OF $200 PER SHARE

may be worth, or may earn, will revert to the Interborough Metropolitan Company. The Interborough Rapid Transit Company has been earning around 18 per cent, and declaring 9 per cent in dividends, which has enabled the holding corporation to collect exactly the amount necessary to pay the interest on its purchase money collateral bonds.

The Interborough Rapid Transit Company has also leased the elevated lines on a basis of a guaranteed dividend of 7 per cent per annum on the amount of Manhattan Elevated Railway stock outstanding. A small profit has accrued to the guaranteeing company on this lease, but not enough to enable the guaranteeing company to turn over any profit to the holding company, the Interborough Metropolitan.

Aside from these equities in the subway and the elevated lines, the only assets of the Interborough Metropolitan Company are the stocks of the bankrupt Metropolitan Street Rail-

PITTSBURGH, PA., July 18, 1911.

To the Stockholders of the

Westinghouse Electric & Manufacturing Co.

In view of the circular, dated July 15, 1911, issued by Mr. Charles J. Canda, who was a member of the Stockholders Committee of 1908, I now feel called upon to state to the stockholders that in my opinion it is advisable that the following steps should be taken in order to protect their interests and to secure an early resumption of the payment of dividends on the common stock, viz.:

1. The four directors to be elected at the annual meeting on the 26th instant should be independent nominees and representatives of the stockholders, who will feel that they have no interests to serve or consider, directly or indirectly, except those of the company and its stockholders, and who can devote the necessary time to its affairs.

2. The two vacancies practically existing at the present time by reason of the resignation of Mr. Richard Delafield and the illness and incapacity of Mr. Charles A. Moore, should be filled at the annual meeting and not reserved for subsequent action by the board. As there are sixteen directors, the election at the present time of six directors to represent the stockholders should ensure a change of policy and management.

3. An independent Stockholders Committee should be appointed at the annual meeting, with powers and instructions fully to investigate the management of the company and its finances since the reorganization in 1908, to ascertain whether the large cash working capital then principally supplied by the stockholders has been fully conserved, to examine the officers and records and books of account of the company, and to report promptly the result of such investigation at an adjourned meeting of the stockholders. I believe that such an investigation, if thorough and impartial, would be of great aid to the stockholders in determining their future action, and would tend to prevent waste of corporate assets and expensive litigation. I have repeatedly but unsuccessfully urged the directors to have such an investigation made.

4. The Board of Directors should be readjusted so as to be more representative of the stockholders' interests. The by-laws should be amended at this annual meeting in order to dispense with the present Proxy Committee, which does not represent the stockholders, but was organized in the interest of creditors. The provision for such a committee, I am advised, is not authorized by the laws of Pennsylvania. The provision for the classification of directors should also be amended at this annual meeting so that the stockholders may elect a majority of the board at any annual election. As the by-laws now stand, it may take three years for the stockholders to elect a majority of the board to represent them and manage the company in their interest. While the representation on the board may be accorded to present creditors whenever deemed necessary, the whole control and management should not be left with the representatives of past creditors and kept indefinitely in their hands. With the exception of myself and a few other members of the board, the directors hold comparatively little stock and were all originally nominated by and to represent creditors.

I am profoundly convinced that the recent policy and management of the company have been ill-advised and detrimental, that the rights and just expectations of the stockholders have been disregarded, and that a change of policy and management is imperative. As I am the largest individual stockholder, and most largely and vitally interested as a stockholder than any other individual or group of individuals, it is not only my interest, but I believe, my duty to urge the stockholders, whether of preferred or common stock, to send their proxies, as requested in Mr. Canda's circular, to the end that their interests may be adequately protected and safeguarded.

The remedy is with the stockholders, and it is for them to decide whether they will make the necessary changes. All proxies are revocable, and the latest in date will control.

New York, July 20, 1911.

Referring to the circular dated Pittsburgh, July 15th, 1911, and issued in answer to the above, by Mr. Joseph W. Marsh and other members of the Merchandise Creditors Committee of 1908, I now call attention to the following facts:

On the reorganization in 1908, the Company received, principally contributed by stockholders	$17,775,975
The surplus profits of the business for the year ending March 31, 1910, were	3,[illegible]64
The surplus profits for the year ending March 31, 1911, were	4,881,105
Making a total of	$25,[illegible],744

added to the cash resources taken over from the Receiver.

In the meantime, the funded debt of the Company has been reduced by $3,625,064.

This week the Company actually has on deposit in various banks the sum of over $6,750,000, of which $3,[illegible]000 is deposited in banks and trust companies in the City of New York. Five per cent on the common stock would require about $[illegible], that is, about five per cent of the cash on deposit, and future payments of one per cent quarterly can be made out of current earnings, as pointed out in Mr. Canda's circular of July 15, 1911.

It must be remembered that the Merchandise Creditors Committee invited stockholders and creditors to make cash contributions and to subscribe for new stock at par in a circular dated April 6, 1908, in which, among other things, it was stated as follows:

> "If this plan meets—as it is confidently expected it will—with the general approval of the creditors, the Company will be practically freed from floating debt and provision will have been made for all cash requirements for a period of five years, with every reasonable prospect of the payment of dividends, at the rate of six per cent per annum, upon the assenting stock. . . . . A careful estimate shows that under reasonably favorable conditions the Company should, during the next five years, earn sufficient to pay all its fixed charges, seven per cent (7%) per annum on its preferred stock, six per cent (6%) per annum on its entire issue of assenting stock (amounting to about $34,000,000 when this plan is effective), and create an annual surplus of at least $1,000,000. From figures submitted by the accountants, this estimate would seem to be conservative."

The reasonable prospects then contemplated and the conservative estimates then made have been fully realized; yet no dividends whatever upon the assenting (common) stock have been declared. At two separate meetings of the Board of Directors, I moved that a dividend of one per cent quarterly on the common stock should be declared because (1) it had been more than earned, (2) ample funds were on hand to pay it, and (3) the good faith and business honor of the Company had been pledged as part of the plan of reorganization to pay such dividends if and when earned.

The above circular of the Merchandise Creditors Committee was issued with full knowledge of the condition of the Company in 1908 and of its past record. Otherwise, these gentlemen would not, of course, have ventured to urge and recommend stockholders and creditors to invest in new stock at par. Instead of paying dividends on the common stock, however, the policy has been to write down assets and to rob the funds in new extensions and new ventures. Some of such ventures I believe to be unwise, if not improvident. As I wrote the directors on June 9th, "I have made every possible effort to have the Company begin the payment of dividends on its assenting stock. It must be perfectly obvious that dividends will be long deferred if the Company is to continue to invest its cash resources and surplus earnings in such a manner as to leave nothing available for dividends on its assenting stock." Notwithstanding the drastic writing down of over $11,000,000 for alleged depreciation in the last two years, the book or asset value of the stock still remains fully 115 per cent.

It is proper that I should state that I never voted for the amendment of the by-laws as they now stand, and that at the time they were accepted I believed that I would not be "bound by them." I am, therefore, at perfect liberty to challenge the propriety and wisdom of continuing any longer the classification of directors and the Proxy Committee, particularly in view of the refusal of the directors, notwithstanding ample earnings and ample funds on hand, to pay reasonable dividends on the common stock of the Company as promised at the time of the reorganization.

GEO. WESTINGHOUSE

---

way, the Metropolitan Securities Company, and other securities of surface railroads, which are in the same insolvent condition.

Anyone, therefore, who buys Interborough Metropolitan preferred at above 50, or does not sell when he has a chance at these figures, has a sublime amount of courage and hope which I find difficulty in accounting for. Interborough Metropolitan common, too, of which there is outstanding no less than $93,262,192, is selling in the market at this writing at around 18, and this is so far removed from the possibility of either dividends or any substantial value, that it would not be proper for me to adequately express my opinion in these columns.

The Interborough Metropolitan Company, it should be borne in mind, represents a final operation in

HIGH FINANCE BUNCO,

whereby the thoroughly exploited surface lines in New York City were consolidated with the subway and elevated lines on any terms quickly available which would enable the promoters to unload all their tag ends, and round up in a grand finish their steal of a matter of $100,000,000 from a credulous investing public.

The present managers of the Interborough Metropolitan are at least deserving of credit for having put up a good fight to secure what they were not entitled to. As a matter of fact, they came very nearly getting a guarantee from the City of New York of 9 per cent on their old capitalization, as well as all the new money they would furnish, and they were apparently so sure that they would succeed that they made one of the conditions the requirement that although the city was to furnish as much money as they were, their lien for 9 per cent per annum on both their old and new

(Continued on page 1269.)

Digitized by Google

A New Reorganization Theory

An Influential Number of Bondholders in the Case of Two Properties Where the Margin of Property Value Is Ample Have Decided to Collect Par and Interest For Their Bonds, or Else Take the Property—The Third Avenue and Wabash-Pittsburgh Terminal Bondholders May Establish a Precedent in Reorganization Custom—In Each Case, the Property on Which They Have a Lien Appears to Be Worth More Than the Face of Their Claim, So They Have Been Inclined to Resent the Suggested Plans of Making Concessions to Junior Security Holders and Other Interests.

If I mistake not, a new concept as to the ethics and limitations of rorganizations is now germinating in the financial world. In more concrete terms, I believe that there is likely to be a much better prospect in the future for the holders of first mortgage bonds of any property which goes into the hands of a receiver in the event that these holders are assertive enough to demand par and interest for their bonds or else title to and possession of the mortgaged property.

Legally, such bondholders have always been entitled to one of these results, but actually they have never secured them because the argument has always been very plausibly presented that concessions should be made various interests, that junior securities should be taken care of for some other reason, that the proper amount of inducement had to be made to secure an underwriting from bankers who would furnish the new capital necessary, and in general, bondholders have always been made to understand and believe that it was necessary to harmonize all interests, and that the terms offered them in each particular case were absolutely necessary to accomplish this.

There are now two cases pending in which the possibilities of a bondholder

EXACTING THE LITERAL TERMS

of his obligation may be soon placed in evidence, and if so, every first mortgage bondholder, as well as every other bondholder for that matter, may be accorded better treatment in the future and the programme of reorganization committees from that time on may have to be materially amended with this idea in view.

These two cases are the Wabash-Pittsburgh Terminal first mortgage 4 per cent bonds and the Third Avenue first consolidated, or in effect, general mortgage 4 per cent bonds. In the case of the Third Avenue, the first mortgage of only $5,000,000 is so small in reference to the $37,560,000 of first consolidated fours outstanding that the same principle is involved. A very substantial number of both Wabash-Pittsburgh Terminal first fours and Third Avenue first consolidated fours have recently given tangible evidence of the fact that they are determined to fully assert their rights in the belief that the property on which they have a mortgage is worth much more than the amount of their lien, and they, therefore, propose to collect either the face value of their claim or secure the property which has been pledged for its payment.

This general idea was elaborated very aptly the other day by one of the large holders of Wabash-Pittsburgh Terminal first mortgage bonds who incidentally

REPRESENTS OVER $2,000,000

of these securities, who said, "When I have a mortgage on a piece of real estate, I only have to be concerned about the value of the property and the underlying liens which come ahead of my claim. I am not concerned about subsequent liens, nor do I have to be concerned about what they may want or may think should be done. If I am positive that the property is worth enough to take care of my claim, all I need to do is to pursue the ordinary course of law for the collection of my debt, in which due notice is given to all owners of junior liens as well as the owner of the equity. If none of these people appear at the time of sale, I naturally acquire the property by default, and am then at liberty to sell it and get back my money and as much more as possible. This is a just and fair legal procedure which has been established from time immemorial to protect the lender of money or mortgage, and I cannot understand why it should not apply in full force and effect to the largest railroad or corporation mortgage the same as to the smallest real estate mortgage. Everyone knows that the property under the lien of the first mortgage bonds of the Wabash-Pittsburgh Terminal Company is worth much more than the total amount of the first mortgage bonds outstanding, and the accrued interest on them. Why, then, we should not stand up and demand par and accrued interest on our bonds, or else take the property and then get more, which would be the inevitable result, I cannot understand".

In the case of the Wabash-Terminal, however, the bonds are scattered all over

THIS COUNTRY AND EUROPE,

and I have been informed that there are over 1,000 holders of them. A complete and accurate list of these holders is, of course, in the possession of no one and impossible to obtain, since coupon bonds shift around almost as rapidly as five dollar bills, and the records of every broker, banker and bank would have to be called into requisition in order to comprehensively trace their ownership. Concerted action, therefore, on the part of all these bondholders is very difficult, because of the impossibility of anyone securing all of the names and addresses of the holders.

The Wabash-Pittsburgh Terminal bondholders have been aligned in two classes, one in what is known as the Wallace reorganization committee and the other in the Chaplin committee. The necessity of one reorganization committee is bad enough, but when two of them are involved and the allegiance of bondholders almost equally divided between them, the situation in this case, in any event, seems to become immeasurably worse.

One of the principal assets of the Terminal Company is its claim against the Gould syndicate and the Wabash Railroad growing out of the general programme of wrecking and repudiation which was pursued. Both of the reorganization committees, it is now currently reported, have been inclined to conciliate and compromise, and if newspaper reports may be believed, the

CLOSING OF THE BARGAIN

was evidenced by turning over memberships on the board of directors of the controlled Wheeling & Lake Erie road in equal portions to four members to the Wallace committee and to four members to the Chaplin committee. In addition, it has been announced that the Gould syndicate and the Wabash Railroad were to turn over in final settlement a few of the many millions they justly owe.

It has been said to the innocent and deluded purchasers of Wabash-Pittsburgh Terminal bonds that if the claims of the company were pushed to the bitter end, many years of expensive litigation would be necessary, and further, that to collect from the Wabash Railroad involved the necessity of that company getting back the coal company securities grabbed from the terminal company's treasury and hypothecated to secure an outstanding issue of the Wabash company's notes. It has been reported that the Wabash has been endeavoring to sell a new issue of notes, with other collateral, in order to get these securities back for the purpose of settlement.

George Gould and his coterie of wreckers apparently said in effect, you must let me and my friends out or I will not allow the Wabash Railroad Company to do anything, and hence the compromise.

Commenting on this situation, one of the large holders of Wabash-Pittsburgh Terminal bonds said to me one day this week, "Why should we not take our property and develop it without concession to anyone or consultation with any set of advisers who want to tell us how much we should give up. The property can take care of itself, and after we get it, I see no reason why we cannot

PROSECUTE OUR CLAIMS

against the Gould crowd as well as the Wabash railroad. If we bid in the property at foreclosure sale, we will simply have to pay off the receiver's certificates and other court costs and then furnish the new money which may be necessary for the rehabilitation and improvement of the road. There can be no question about anyone's ability to sell enough first mortgage bonds on this property for the purpose and besides authorize a sufficient amount of additional first mortgage bonds to retire all underlying liens. Then we first mortgage bondholders, to the extent of $30,000,000, can take for our interest an equal amount of second mortgage income bonds, as well as say $30,000,000 in stock. We can then

Digitized by Google

develop the property until such time as our bonds are marketable at a fair price, sell them and get all our money back and still have 100 per cent of our investment in stock representing control of the property as clear profit in the form of compensation for our trying experience. If anyone does not like this programme, or if some of the Junior security holders feel that they are being hurt, let them buy some of the first mortgage bonds at the low prices now prevailing and participate fully in our plan".

In the case of the Third Avenue Railroad Company, the possible eventualities are somewhat the same. One striking similarity between the two properties is that both are now operated in three different sections by

THREE DIFFERENT RECEIVERS,

and in both cases they are being as well managed as is possible under the circumstances, and the bondholders of both properties are beginning to very seriously consider the advantages of doing some reorganizing on their own account in accordance with the well-known principle of real estate mortgage law.

The first mortgage on the Third Avenue Railroad Company property amounts to only $5,000,000, and interest on this mortgage has been kept up during the receivership. The outstanding $37,560,000 of first consolidated 4 per cent bonds have been in default since the receivership. There has been a bondholders' protective committee as well as a stockholders' committee, and a very large number of reorganization plans have been formulated. The bondholders' committee finally agreed on a plan which it was thought would satisfy the majority of parties at interest, but this was vetoed by the Public Service Commission of the state of New York on the ground that it involved the issuance of an amount of new securities in excess of the actual value of the property. This case was taken to court, and on the first appeal the bondholders' committee was successful. The Public Service Commissioners, however, promptly took an appeal to the court of last resort, so that it will probably be a considerable length of time before final decision is rendered.

In the meantime, the receiver is managing the property in a more efficient manner than it has ever been in its past history, enlarging it and using its increased earnings to pay off money borrowed on receiver's certificates. In this situation it could hardly be regarded as strange that some of the bondholders should

HAVE BECOME IMPATIENT

and begun agitating the question as to why they could not take possession of the property and be getting some income from it, besides being in position to sell it out if a favorable opportunity presented itself.

Robert A. Cheesebrough, a manufacturer and large real estate owner of New York City, reported to be worth around $5,000,000, happened to acquire a few hundred thousand dollars of the Third Avenue bonds and is now conducting a campaign looking toward the acquisition of the property by the consolidated bondholders, subject to existing liens. He says that he simply wants his share of the Third Avenue property in definite form, and without having it under the administration of a receiver, a reorganization committee, the Public Service Commission or anyone else. As to what kind of securities or the amount of them which may be issued for the consolidated bonds he says that he has no preference, provided he gets his pro rata share and they represent the equity which his bonds call for. He has stated that if the Public Service Commissioners think that the $37,500,000 of bonds represent an over-capitalization he had just as soon exchange his bonds for 50 or 25 per cent in stock of a new company representing the same equity as the outstanding bonds.

As to the amount of new capital which the reorganized company may need for the retiring receiver's certificates and other purposes, he says that he is willing

TO PERSONALLY UNDERWRITE

an issue of bonds on a 5 per cent basis which will be ample.

What Mr. Cheesebrough has said he was willing to do alone with reference to the Third Avenue property a considerable number of the financial institutions and large investors I believe would also be willing to do in the case of the Wabash-Pittsburgh Terminal. Investors, therefore, should carefully follow the progress of events in the case of both the Third Avenue and Wabash-Pittsburgh Terminal properties, as it is quite possible that there may be established a new principle in the final enforcement of the rights of a bondholder which can hardly fail to make all bondholders feel more comfortable, and particularly those who may now be threatened with the excruciating twists and turns of the ordinary reorganization.

The defaulted Third Avenue fours are selling at 68, and the defaulted Wabash-Pittsburgh Terminal fours are selling at 48. I believe that both of these bonds are good and will sell at higher prices, although my preference in the matter of purchase would be for the lower-priced bond. But whether investors buy any of these bonds or not, they should follow the course of future events in the case of both issues, because such attention is likely to result in a considerable amount of instructive as well as interesting information to all bond buyers.

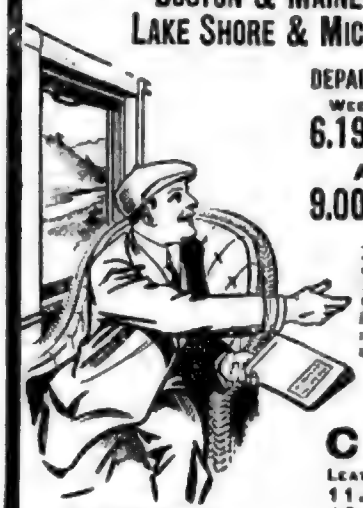
P. De Medici.

CHICAGO, ILL.—The Acme State Bank has incorporated with $200,000 capital. I. E. Decker and J. J. Barrett are the incorporators.

HIGHLAND PARK, MICH.—The Highland Park State Bank has increased its capital stock from $40,000 to $100,000.

KANSAS CITY, MO.—Lewis Creek is soliciting signatures for the organization of a trust company with $150,000 capital. Dr. J. S. Kline and former State Senator W. J. Buchan are associated with Mr. Creek.

NEW THROUGH TRAIN SERVICE
BETWEEN
BOSTON
AND
CHICAGO
VIA THE
BOSTON & MAINE — NEW YORK CENTRAL
LAKE SHORE & MICHIGAN SOUTHERN RAILWAY



DEPARTS FROM NORTH STATION
WEEKDAYS 6.19 P.M. SUNDAYS 4.00 P.M.
ARRIVE CHICAGO
9.00 P.M. 9.00 P.M.

Equipped with modern high-class Pullman Cars, electric lighted, and perfect Dining Car service en route—combining elegance, comfort, safety and dependable service such as people of good taste demand

OTHER FAST TRAINS
TO
CHICAGO

LEAVE — DAILY —	ARRIVE
11.30 A.M.	9.25 P.M.
12.30 P.M.	4.55 P.M.
4.00 P.M.	9.20 P.M.

TOURIST CARS WEEKDAYS

BOSTON AND MAINE RAILROAD

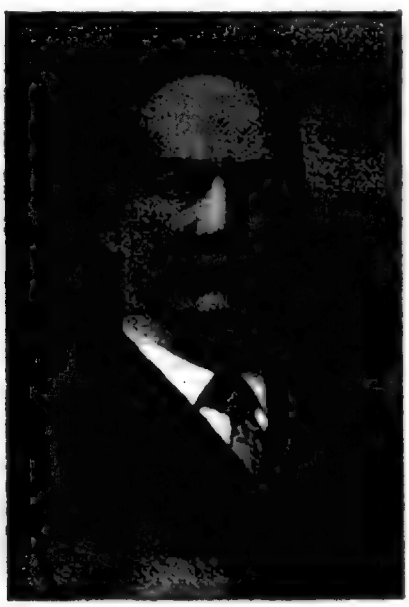
For Tickets, and Sleeping Car Space, apply to City Ticket Office, cor. Washington & Court Sts., or North Station, Boston. C. M. BURT, G.P.A.

FIRST NATIONAL OF DENVER.

Purchase of Control by Boston Syndicate Indicates the Permanence of Mr. Moffat's Work in Its Upbuilding.

The recent sale of control of the First National Bank of Denver, Colo., could not fail to be of interest to everyone at all concerned with the world of finance. When David H. Moffat died, it was not particularly surprising that sooner or later the great bank he had established should be sold by his heirs. He had been a man of such diversified interests and had acquired such an immense number of kinds of property that some desire among those upon whom the great responsibilities came to diminish their number was natural. What was striking about the whole occurrence was that that the new interests in the bank should have come from such a distance and from Boston, at that.

Investment in a western bank is a rather unusual undertak-



DAVID H. MOFFAT.

ing for Boston capital. That it has taken over control of the Moffat bank can be attributed to no other cause than that in that institution certain sagacious Boston business men saw a wonderfully well-organized bank, enjoying splendid connections and capable of continuing to be one of the giant banks of the country even in an age when to be a giant bank an institution must be growing rapidly all of the time.

The story of the beginnings and development of such a bank cannot help being of general interest. Especially is this true when interwoven with that record is the

RECORD OF A MAN

who came to the city at a time when it was still a small town, helped it wonderfully to grow and grew up with it, and finally came to be recognized the country over as a great figure in finance and business, whose powers reached far beyond the limits of his city and state.

It is an interesting fact that, although the bigger portion of his fortune came from his outside enterprises rather than from his bank, his

ABILITY AS A BANKER

and the skill with which he conducted the institution during various panics which dragged down so many other banks were on every hand conceded to be exceptional. This was not strange. He had had at least one hand in the banking business most of the time

Kidder, Peabody & Co.
115 Devonshire St.
Boston
56 Wall Street
New York
INVESTMENT SECURITIES
FOREIGN EXCHANGE
LETTERS OF CREDIT
Agents and Attorneys for
Baring Brothers & Co., Ltd.
LONDON

Hodenpyl, Hardy & Co.
BANKERS
7 Wall Street, New York
6% PREFERRED STOCKS A SPECIALTY

DOMINION BOND COMPANY
LIMITED
MONTREAL TORONTO OTTAWA
LONDON, ENGLAND
Dealers in HIGH-GRADE CANADIAN BONDS
List on Application

Assets Realization Company
Capital $10,000,000
Purchases Estates in Liquidation at any point in the United States
NEW YORK PHILADELPHIA CHICAGO

YIELDING OVER 14%
The common stock of a prominent industrial company in which we have traded a great deal, is offered at a price which yields the above return. Descriptive circular on application
Please ask for circular I-28
E. BUNGE & CO. 20 BROAD STREET, NEW YORK
Cable Address, "Ernestus, New York" Long Distance 'Phone 4735-4736 Rector

Baker, Ayling & Co.
50 Congress street, Boston
INVESTMENT BONDS
Philadelphia Office, Land Title Building

Geo. D. Cook & Co.
BANKERS
71 BROADWAY, NEW YORK
We make a Specialty of
Mexican Government and State Bonds

McCoy & Company
Municipal and Corporation Bonds
181 LA SALLE STREET
CHICAGO

Boody, McLellan & Co.
111 BROADWAY, NEW YORK
MEMBERS OF NEW YORK STOCK EXCHANGE
Orders Executed for Investment or on Margin

We Have For Sale
Seattle Local Improvement 5 year 7% Bonds.
WM. D. PERKINS & CO., Bankers
No. 211 Cherry St., Seattle, Wash.
Established 1893
Oldest Bond House In Washington.

BODELL & CO.
PROVIDENCE, RHODE ISLAND
Boston Office, 88 Congress St.
Bonds and Preferred Stocks of Proven Value

5% BONDS
Guaranteed by
National Light Heat and Power Co.
A. H. BICKMORE & CO.,
30 PINE ST., NEW YORK

6% Timber Bonds
Carrying With Them An Exceptionally Attractive Feature
American Finance & Securities Co.
5 Nassau Street New York

H. C. Gibbs & Co.
Gas and Electric Light Bonds
To yield 5% to 5 1-2%
60 State Street BOSTON

CIRCULAR ON MISCELLANEOUS UNLISTED MILL AND MANUFACTURING SECURITIES
SENT UPON REQUEST
HORNBLOWER & WEEKS
40 CONGRESS ST., BOSTON

Digitized by Google

since in his twelfth year he had induced one of the banks at New York City to hire him as a messenger. In those days, the lot of the messenger afforded large opportunities for acquiring knowledge of the art of banking, and the prospect of ultimately becoming the head of the institution seemed not then so unpromising as it looks to be for many now.

In a few years David Moffat was quite competent to accept the post of teller in a small bank in Des Moines, Ia., which a brother who had prospered there was able to obtain for him, and before he had become fairly established there, the good impression he made and the knowledge he had acquired in New York caused him to be made cashier of a new bank in Omaha, Neb., at the tender age of seventeen. There he won a distinct reputation as a skilful even if juvenile banker, and his ultimate rise in Omaha affairs to a position as eminent as that which he later won in Denver must certainly have occurred, if the tales he was hearing every day of the great land at the base of the Rockies had not been so enticing. The temptation to go West proved too strong for him and westward he went, taking with him in a caravan of six mule teams a stock of provisions and a full outfit for a stationery store.

THAT STATIONERY STORE

was to prove the cornerstone of the Moffat fortune.

Denver had then a population of 2,000, but these 2,000 were all of them energetic and ambitious, and they could support stores of a character which would have been all too ambitious for the average present-day community of that size, especially if the store had the leading newspapers and other latest information from the outside world. Mr. Moffat's acquaintance came to include everybody in Denver, and he quickly attracted attention for his knowledge of finance and his tremendous energy. A modest fortune was his within a very few years, and when two years after its establishment in 1865, the people who had established the First National Bank of Denver found themselves too little skilled in banking to conduct their bank properly, they turned instinctively to this prosperous young business man whom they knew to have the very knowledge which they themselves so sadly lacked. He was made cashier and the real head of the bank.

From this time on, his progress toward unquestioned preeminence in Colorado business affairs was practically unimpeded. His bank grew just as fast as the remarkable growth of Denver gave it opportunity. During his forty-four years of control it has four different times had to seek new quarters, because its old ones were

COMPLETELY OUTGROWN.

The home it now inhabits is not only a landmark in Denver, but a monument to the man who made the bank what it is and who, sadly enough, never lived to see the bank ensconced in its new home, its removal there having occurred while he was on the trip to New York on which he died.

It was in 1880 that Mr. Moffat became president of his bank and thus became titular as well as practical head of finance in his part of the country. Perhaps Mr. Moffat never showed his capabilities more convincingly than in 1893, when a disastrous financial panic extending across the continent fell upon Denver with great force. So many institutions were going down everywhere that even upon the First National Bank a run was inevitable. The horde of depositors who beset the bank took away money as fast as tellers could pass it over. Meantime country banks who kept their reserves with the First National Bank found need for all they had with it and more, too. To make matters worse, many business men came at the same time in need of loans to carry them through the period of stress. So from all sides the pressure was terrific, but through it all Mr. Moffat sat at his desk, indicating in no way that he was disturbed and

LENDING AID

with means and counsel in all directions.

Business men whom his bank felt it ought not to carry were loaned money from Mr. Moffat's personal account. Country banks were carried along by him when their reserve accounts at his bank were exhausted, and presently, shamefaced depositors who had withdrawn their sums from his charge during the height of the panic, brought them back with every evidence of conviction that they had been playing the part of folly. From that day, his command of an extensive following of men of affairs, as well as of small depositors which could not be won away from him by fair means or foul was assured.

Of recent years, since his great railroad building enterprise begun, he had given but little time to the details of management of his bank. Fred G. Moffat, his nephew, and Thomas Keely, the vice-president of the bank, had attended to its day-to-day affairs. In fact, it was part of his policy to have each of his various business undertakings well systematized and then to put it in the hands of lieutenants selected by him for daily supervision. Thus, it happens that the institution most closely allied with his name continues to have the commanding influence that he won for it, and in Mr. Keely, its vice-president, there is personal assurance that the bank will diminish none in its usefulness to the community.

The same is also true with regard to the officers. Every one of them has been in the employ of the bank since boyhood. Mr. C. S. Haughwout, the new cashier, has been an assistant cashier and director for the last eight years, his connection with the bank dating back for at least a score of years. The retention by the new management of these officers and of the entire force which Mr. Moffat gathered about him will be looked upon with favor by the clients of the bank.

Knauth, Nachod & Kühne

15 William St., NEW YORK — Leipzig, GERMANY

BANKERS

Members New York Stock Exchange

High Grade Investment Bonds

Drafts on all parts of the world.

Letters of Credit and Travelers' Checks

Interest on Deposit Account

I. M. TAYLOR & CO.

8 Congress St., Boston
115 Broadway, New York

Members of New York, Boston and Chicago Stock Exchanges

This week's Market Letter summarizes the situation and is especially devoted to

American Car & Foundry Co.

Sent Upon Request

Chinese Gov't 5s

I offer bonds of a number of issues in denominations of One Hundred Dollars, including receipts of the new CHINESE GOV'T 5s. Write for prices and particulars.

GILBERT H. CARR

80 Congress St., Boston

INVESTMENTS

Bonds and Stocks

WM. F. CROSBY,

Tel. 4090. 311 Main St.

WORCESTER, MASS.

Digitized by Google

$3,000,000

Seven Per Cent. Cumulative Preferred Participating Stock

Federal Biscuit Company

Organized for the Purpose of Merging
More than 70 Leading Independent Baking Plants in 30 Different States
Giving Economic Distribution over an Enormous, well Populated Territory

The combined companies produce biscuits, crackers and bread, great food staples.

The Company will be the largest and best equipped producer of bread and biscuits in the world when the consolidation is completed.

CAPITALIZATION

7% Cumulative Preferred Participating (par value $100) $12,000,000
Common Stock (par value $100) 18,000,000

Only $3,000,000 7% Cumulative preferred Participating Stock offered for public subscription. Such part of the balance as required will be issued for the plants.

When the merger is completed, the stock offered to the public and that issued for plants is estimated at $25,000,000.

Conservative estimates show combined assets are $25,000,000, the combined sales for 1910 were $27,650,000, the actual net profit for 1910 was $1,300,000, fifty per cent more than sufficient to pay the dividends on the Preferred Stock, leaving a margin of $5,000,000 unissued.

It is estimated that a saving of $2,900,000 per year will be effected by operating these plants as a unit. This alone is sufficient to pay 7% in dividends upon the total capitalization and still leave 2% upon the total for a surplus fund. This large saving is to be made in the following way:

1. LOWERING THE COST OF MATERIAL BY PURCHASING IN ENORMOUS QUANTITIES.
2. CUTTING THE COST OF DISTRIBUTION.
3. UTILIZING ONE CORPS OF SALESMEN AND DELIVERY WAGONS IN EACH DISTRICT.
4. ELIMINATING DUPLICATE WAREHOUSES.
5. CO-ORDINATION OF FACTORY MANAGEMENT.

It has been estimated by experienced biscuit manufacturers that specialization in production in the different plants, aided by judicious advertising and aggressive business management, will increase the total business at least 25%. This will mean $7,000,000 more gross business or $1,000,000 additional estimated net additional profits.

The figures given above showing earnings and savings with increased business clearly illustrate the earning possibilities of the stock of this Company.

The lumping of the advertising appropriations of all the plants—into one large fund for the benefit of the whole—alone will constitute a great saving and multiply the sales of every factory. Economy of management and concentration of efforts will enable the Federal Biscuit Co. to give the public more and better baked products for the price.

The patent of the Reynolds "Aertite" Box is controlled by the Federal Biscuit Co., assuring products reaching consumers in perfect condition, free from contamination, dust or moisture.

The baking industries of the country have for ten years shown constantly increasing output and stability of volume unaffected by general conditions to a far greater extent than other industries. Bread is the great food staple, eaten at all seasons, and the demand for crackers has increased 20% per capita in the past six years.

No bonds or mortgages can be issued without the consent of two-thirds of all the stock.

The officers of the Federal Biscuit Company are experienced wholesale bakers and individual operators of successful plants; they operate a purchasing agency for wholesale bakers which has paid handsome dividends to its stockholders. Associated with them are broad-gauged business men, bankers, etc. They are nationally known as successful executives.

STOCK SUBSCRIPTION BOOKS NOW OPEN

The 7% Cumulative Preferred Participating Stock, preferred as to dividends and assets, is now offered at par $100 per share, and with every two shares of Preferred Stock purchased one share of Common Stock is given as a bonus. This bonus offer may be withdrawn at any time and the price of the Preferred Stock advanced without notice.

Application will be made to the N. Y. Stock Exchange for listing the stock of this Company.

Transfer Agents: Title Guarantee and Trust Company, 176 Broadway, New York City.

Registrar: Columbia Trust Company, 135 Broadway, New York City.

For further particulars address:

FEDERAL BISCUIT COMPANY

100 Hudson St., New York City

Digitized by Google

Municipal Bond Sales

MUNICIPALITY.	Date of sale.	Classification of bonds	Amount	Rate of interest. Per cent.	Maturity	Sales price	Purchaser.	Income basis.
Cambridge, Mass	July 14	City	$[illegible]	3½	*25	100.20	Merrill, Oldham & Co., Boston	3.484
Lexington, Mass	July 12	Town	10,000	4	**1-10	101.41	Adams & Co., Boston	3.714
Quincy, Mass	July 7	Street imp	[illegible]	4	*30y	100.68	[illegible] & Sumner, Boston	3.774
Utica, N. Y	July 6	Fire Station	60,000	4½	**1-10	106.379	R. L. Day & Co., New York	3.833
Cincinnati, Ohio	July 1	Hosp. & p't h'e	25,000	4	1926	102.27	Provident Savings Bank & Trust Co., Breed & Harrison, Cincinnati	3.890
Ervin, N. Y., Sch. Dist. No. 1	July 7	Building	1,000	4	**1-14	100.041	W. Wellington & Co., Corning	3.992
East Providence, R. I	July 6	Funding	[illegible]	4	1911	par	N. W. Harris & Co., Boston	4
Harrison Township, Ohio	July 12	Road	2,000	4	*2½	par	First National Bank, Conneaut	4
Licking County, Ohio	July [illegible]	State road	[illegible]	4	*[illegible]	par	Breed & Harrison, Cincinnati	4
Licking County, Ohio	June 27	Road	13,000	4	*[illegible]	par	Breed & Harrison, Cincinnati	4
Licking County, Ohio	June 27	Road (N. & L.)	[illegible]	4	*[illegible]	par	Breed & Harrison, Cincinnati	4
Licking County, Ohio	June 27	Road	12,000	4	*[illegible]	par	Breed & Harrison, Cincinnati	4
Licking County, Ohio	June 27	Road (N. & C.)	[illegible]	4	*[illegible]	par	Breed & Harrison, Cincinnati	4
Licking County, Ohio	June 27	Road	15,000	4	*[illegible]	par	Breed & Harrison, Cincinnati	4
Shrewsbury, Pa	July 10	Wat. w'ks imp	12,000	4		par	Shrewsbury Savings Institution	4
Louisville, Ky	July 10	Refunding	250,000	4½	1921	99.896	New Public Service Bond Co., Louisville	4.033
Upper Sandusky, Ohio	July [illegible]	Sewer	12,000	[illegible]	[illegible]	par	First National Bank, Upper Sandusky	4.074
West Lawton County, N. Y	July 11	Bridge	20,000	4½	*[illegible]	102.082	[illegible] & Co., New York	4.096
West Lafayette, Ohio	July 5	Storm sewer	20,000	4½	*[illegible]	102.85	W. Lafayette Bk. Co., W. Lafayette	4.096
Lovell, Ohio	July 7	Fire dept	25,000	4½	*[illegible]	102.07	[illegible] Sec. & Trust Co., Dayton	4.079
Antelope County, Ohio	July 12	Bridge	24,000	[illegible]	[illegible]	101.25	First Nat. Bank, St. Marys, O.	4.08
Hartford Conn. Sch. Dist	July 13	Bonding	300,000	4	[illegible]	[illegible]	[illegible] Inv. Co., Hartford	4.08
Utica, N. Y	July 6	Culvert	3,000	4½	**1-17	102	Public Deposit Bank	4.096
Dorrin, Ohio	July 11	Paving	20,000	[illegible]	*[illegible]	100.37	New First Nat. Bank, Columbus	4.12
Shelby, Ohio	July 10	Hose Wagon	6,000	[illegible]	*[illegible]	100.87	[illegible] S. B. & T. Co., Cincinnati	4.123
Southington, Conn	July 8	Water	225,000	4½	1941	105.067	[illegible] & Bird, Hartford	4.149
Kalamazoo Mich., Sch. D. No. 1	July 5	Building	50,000	5½	*[illegible]	104.32	Home T. & S. Bank, Chicago	4.172
Oneida, Ohio	July 11	St. Assess	4,500	[illegible]	*[illegible]	101.12	[illegible] S. B. & T. Co., Cincinnati	4.179
Upham, Ohio	July 11	St. assess	3,000	[illegible]	*[illegible]	101.41	[illegible] S. B. & T. Co., Cincinnati	4.179
Whittemore, Iowa	July 10	Water	20,000	6%	*[illegible]	102.60	Geo. M. Bechtel & Co., Davenport	4.179
Eastchester, N. Y., S. D. No. 3	July 6	Building	37,000	4½	**5-31	101.001	[illegible] Hughes & Co., New York	4.217
Oyster Bay, N. Y. Sch. D. No. 5	July 5	Building	5,000	4½	*15	101.824	[illegible] Curtiss & Co., New York	4.236
Onondaga County, N. Y	July 10	Road	45,000	4½	*5	101.3	Adams & Co., New York	4.25
Oakley, Ohio	June 3	Street assess.	6,127	[illegible]	**1-10	103.29	[illegible] S. B. & T. Co., Cincinnati	4.274
Alexandria, Neb. Sch. Dist	May 29	Building	12,000	6	15-19	[illegible]	State	4.278
Port Huron, Mich	July 11	Refunding	25,000	4½	1921	101.60	Police Nat. Exch. Bank, Port Huron	4.312
Asbury Park, N. Y	June 10	Improvement	25,000	4½	1951	102.75	[illegible] & Co., New York	4.337
Archbold, Ohio	July 1	Town Hall	7,000	4½	**5-7	100.628	State & Bank, Toledo	4.362
Mt. Pleasant, N. Y. S. D. No. 1	June 5	Building	10,000	[illegible]	*[illegible]	100.40	Douglas, Prince & Co., New York	4.392
Brunswick Township, Ohio	July 10	Road imp	6,000	5	*6	107.75	New First Nat. Bank, Columbus	4.396
Salamanca, N. Y	July 10	Aerial Truck	4,500	4½	**1-8	[illegible]	J. F. Hurt, Miami	4.481
New Hanover County, N. C	July 3	Road & bridge	50,000	4½	1929	[illegible]	Wilmington S. & T. Co., Wilmington	4.495
East Providence, R. I	July 5	School	50,000	4½	1951	par	N. W. Harris & Co., Boston	4.50
Santa Clara County, Cal	July 3	Refunding	400,000	4	**1-30	100.06	J. H. Adams & Co., Los Angeles	4.565
Greeley, Colo	June 15	Street imp	1,750	[illegible]	**1-10	101.651	First Nat. Bank, Norwood	4.656
Dallas County, Ala	July 3	Road	150,000	[illegible]	1941	par	City Nat. Bank, Selma	4.673
Oakley, Ohio	June 15	Street imp	1,518	[illegible]	**1-10	101.50	Seasongood & Mayer, Cincinnati	4.685
Wills County, Texas	[illegible]	Bridge	18,000	[illegible]	[illegible]	102.18	A. B. Leach & Co., Chicago	4.726
Townsend, Mont	July 1	Water Supply	25,000	5	[illegible]	[illegible]	[illegible] & Co., Chicago	4.739
Napa County, Cal	July 10	Building	30,000	5	*[illegible]	102.28	First National Bank, Napa Savings Bank, Napa	4.879
North Star, Ohio, Sch. Dist	July 3	[illegible]	6,000	[illegible]	*[illegible]	[illegible]	New First Nat. Bank, Columbus	4.992
Alcorn County, Miss	July 5	Road	10,000	[illegible]	1951	[illegible]	[illegible] & Co., Chicago	4.993
Cuyahoga Co	July 3	Water & light	200,000	5	1951	101	W. Lee Hurst & Scott, Sparta	4.994
Butte Co., Cal., Sch. Dist	July 5	Building	5,000	5	1921	100.30	J. H. Adams & Co., Los Angeles	4.974
Orange Co., Cal., Dep't S. D	July 6	Building	15,000	[illegible]	*[illegible]	[illegible]	[illegible] National Bank	4.989
Chatham, Va	July 9	School	[illegible]	[illegible]	1911	par	J. D. Bell, Danville	[illegible]
Elmwood, Kan., Sch. Dist	July 1	Building	[illegible]	[illegible]	*[illegible]	par	State [illegible] Fund	[illegible]
Deer River Tp., Minn	May 27	Road	[illegible]	[illegible]	[illegible]	par	First [illegible] State Bank, Bark River	[illegible]
Pinckney County, Wash	June 28	Building	30,000	[illegible]	10-30	par	State	[illegible]
Pinckney County, Wash	June 7	Building	12,000	[illegible]	[illegible]	par	State	[illegible]
Pinckney County, Wash	June 7	Building	[illegible]	[illegible]	[illegible]	par	State	[illegible]
King Co., Wash., S. D. No. 70	July 8	Building	[illegible]	[illegible]	[illegible]	par	State	[illegible]
Merced County, Cal	July 3	Building	[illegible]	[illegible]	**[illegible]	par	[illegible]	[illegible]
Merced, Irwin Sch. Dist	June 29	Building	[illegible]	[illegible]	[illegible]	par	[illegible]	[illegible]
Yakima County, Wash	July 8	Building	[illegible]	[illegible]	[illegible]	par	State	[illegible]
Sinclair, Manitoba	June 6	Town	25,000	[illegible]	*[illegible]	96.21	[illegible]	5.221
Nixon Town Co	July 11	Building	25,000	[illegible]	1951	[illegible]	[illegible]	10
Humboldt County, Nevada	July 3	High School	50,000	[illegible]	*[illegible]	[illegible]	State [illegible] & Co., San Francisco	5.302
Merced County, Cal	July 2	[illegible]	[illegible]	[illegible]	**[illegible]	[illegible]	[illegible] & Co., Los Angeles	5.677
Kittitas, Wash	June 27	Municipal	10,000	[illegible]	*[illegible]	[illegible]	[illegible] & Co., Seattle	5.765
South Strafford, Minn	July [illegible]	Water imp	[illegible]	[illegible]	**[illegible]	[illegible]	First Nat. Bank, Brainerd	5.769
Stanislaus County, Cal	[illegible]	Building	[illegible]	6	**[illegible]	[illegible]	J. H. Adams & Co., Los Angeles	5.927
San Joaquin County, Cal	July 3	Building	[illegible]	[illegible]	**[illegible]	[illegible]	J. H. Adams & Co., Los Angeles	5.967
Bayonet Co. Dist. S. D. No. 74	July 3	Building	[illegible]	[illegible]	[illegible]	par	State [illegible] & Commerce	6
Meridosia Drainage Dist. No. III	July 11	Drainage	21,000	6	**[illegible]	par	[illegible] & Co., Chicago	[illegible]
Salmon City, Idaho	July 8	Water & sewer	20,000	[illegible]	[illegible]	par	First National Bank, Denver	6
Aitken Co., Minn., S. D. No. 18	July 10	Building	[illegible]	[illegible]	1931	[illegible]	[illegible]	[illegible]
Atlanta, Texas	July [illegible]	Water works	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] Bond Co., Omaha	[illegible]
Cape May County, N. J	July [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Gladstone, Neb. S. D. No. [illegible]	July [illegible]	Building	[illegible]	[illegible]	[illegible]	[illegible]	State	[illegible]
Chattanooga, Tenn	July 11	Paving	[illegible]	6%	1931	[illegible]	[illegible] & Lemon, Cincinnati	[illegible]
Fayetteville, Texas	July [illegible]	Improvement	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Lumberton, N. J. Sch. Dist	July 28	Building	[illegible]	4½	**[illegible]	[illegible]	[illegible]	[illegible]
Keystone, Neb	July 15	Water mains	[illegible]	[illegible]	[illegible]	[illegible]	State	[illegible]
McKenzie, Tenn	June 20	W. w., e. l. & i.	6,000	6	[illegible]	102.083	New First Nat. Bank, Columbus	[illegible]
Milford Twp. Sch. Dist	July 10	Building	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
New York, N. Y	July 12	Water	[illegible]	3	[illegible]	[illegible]	[illegible]	[illegible]
New York, N. Y	July 12	Corporate stock	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
New York, N. Y	July 12	Special	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
New York, N. Y	July 12	Current exp.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
New York, N. Y	July 12	General fund	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
New York, N. Y	July 12	Various	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Paris Township, Ill	July 12	Road	[illegible]	[illegible]	**[illegible]	[illegible]	[illegible]	[illegible]
Bennington Drain Dist., Wis	July 12	Drainage	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Bexar County, Texas	July [illegible]	Building	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
St. Paul, Minn	June 15	Corporate	1,250,000	[illegible]	1912	[illegible]	[illegible]	[illegible]
St. Vincent, Minn	June 10	Imp. & eq. imp	[illegible]	[illegible]	[illegible]	[illegible]	State	[illegible]
Stonewall County, Texas	July 1	Court House	50,000	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Taylor, Texas	July 8	Sch. b. & c'rt h.	50,000	5	1951	[illegible]	[illegible]	[illegible]

*Year average. **Year serial. † Year optional.

Digitized by Google

MUNICIPAL SHORT TERM LOANS.

MEDFORD, MASS.—The treasurer has awarded a temporary loan of $50,000, maturing April 3, 1912, to Estabrook & Company, at 3.58 per cent discount, plus 50 cents premium. Other bidders were: Blake Bros. & Company, 3.58 per cent discount; Old Colony Trust Company, 3.59 per cent discount; Bond & Goodwin, 3.61 per cent discount; Loring, Tolman & Tupper, 3.625 per cent discount, and Curtis & Sanger, 3.65 per cent discount, plus 75 cents premium.

SOMERVILLE, MASS.—The treasurer has awarded a temporary loan of $100,000 maturing April 3, 1912, to Blake Bros. & Company, at 3.53 per cent discount, plus $1.35 premium. Other bidders were: Estabrook & Company, 3.56 per cent discount, plus $1 premium; F. S. Moseley & Company, 3.57 per cent discount, plus $1.65 premium; R. L. Day & Company, 3.60 per cent discount; Curtis & Sanger, 3.65 per cent discount, plus 75 cents premium.

ROCHESTER, N. Y.—Bond & Goodwin of New York were the successful bidders for the following 8-months' notes, at 3.75 per cent interest, and premium of $11. Water, $125,000; water, $200,000. Another bidder was Goldman, Sachs & Company, New York, $125,000 at 3.85 per cent, premium $6.50.

WINTHROP, MASS.—The first Ward National Bank of East Boston has been awarded an 8½ months' loan to the amount of $20,000 at 3.60 per cent discount and $1 premium. Notes mature April 3, 1912.

ST. PAUL, MINN.—This city sold on June 16, an issue of 4 per cent, J. & D., one-year certificates to the amount of $1,996,000.

BANK ITEMS.

CHINOOK, MONT.—The Farmer's National Bank has been chartered with a capital of $25,000. P. H. O'Malley is president, Paul McCann, vice-president, and J. T. Morehead, cashier.

FREDERICK, OKLA.—The National Bank of Commerce has been organized with a capital of $50,000. C. W. Howard, J. G. Eberle, W. S. Peter, Ira J. Holleman and Fred J. Priestley are interested.

LEWISTON, IDAHO.—Idaho Trust Company, at Lewiston, has sold its stock to the Lewiston National Bank and a consolidation will follow. F. W. Kettenbach, president and E. C. Smith, secretary, retire.

MILWAUKEE, WIS.—The Wisconsin State Bank has incorporated with $75,000 capital. Christian Claus, W. F. Planoss and H. S. Piggins are interested.

MONTGOMERY, ALA.—The Montgomery Savings Bank has been organized with $75,000 capital. H. Martin, L. W. Martin, S. L. Harold, J. T. Letcher and Leon McCord are interested.

SEATTLE, WASH.—Martin McLean, national bank examiner for Washington and Oregon, has been moved from Davenport to Seattle to secure a more central location.

SOLDIER, IDAHO.—The First National Bank of Soldier, capitalized at $25,000, has been organized by J. H. McCann, D. L. Perkins, H. D. Curtis and Frank Hauseman.

WALLACE, IDAHO.—W. O. Pierce, receiver of the State Bank of Commerce at Wallace, which closed its doors on May 12, announces that depositors will realize the first dividends within two weeks. The first payment will be about 10 per cent. He said, also, that the bank will pay dollar for dollar. Meanwhile, the Spokane stockholders have asked for a statement of accounts and the condition of the bank before submitting to an assessment of 100 per cent on their stock. They are not opposed to the levy, as they are satisfied that the 100 per cent assessment is required to pay the legitimate claims. Eighty shares of stock is held here by David T. Ham, and the Greenough Investment Company. The principal delay in paying is caused by the Lane Lumber Company, which owes $200,000. Laurence Connelly, receiver, has not made his report to the court. Creditors in Spokane have instituted an action in bankruptcy against the company in the hope of hastening the settlement.

WEISER, IDAHO.—Governor Hawley, of Idaho, has appointed J. Wesley Barton, assistant cashier of the First National Bank at Weiser, to the position of state bank examiner.

Messrs. Geo. D. Cook & Company, of 71 Broadway, New York City, have opened a western office which is located at 226 South La Salle street, Chicago, which office is under the management of James Denson Cook.

FOR JULY FUNDS

TAX EXEMPT

TO YIELD OVER

5½%

Free from tax in Massachusetts. Write for Circular giving full details of the shares of one of the **Strong Lighting Companies of Massachusetts** serving a **Total Population of Over 207,231.**

C. D. PARKER & CO., Bankers
78 Devonshire St., Boston

DENVER Bonds Stocks

Denver Union Water — Denver Gas & Electric
Denver Tramway — Cities Service
Denver & Northwestern — Northern Colorado Power
Nevada-California Power

We buy and sell the bonds and stocks of all the above companies.

Nathan Cregg & Company
Century Bldg., Denver.

Raven Copper Company

An assessment of twenty-five cents a share has been called on the stock of the above named company, payable at the International Trust Co., 45 Milk Street, Boston,—15c, to be paid on or before August 1, 1911, and the balance of 10c, to be paid on or before February 1, 1912.

Certificates of stock must be presented for endorsement at time of payment.

R. A. GRIFFING, Treasurer.

Bond Certification

Modern conditions make the registration and certification of municipal and corporate obligations desirable and convenient. We have a department maintained exclusively for this purpose.

First National Bank of Boston
70 Federal Street

THE CONCHO VALLEY LOAN AND TRUST CO.
OF
SAN ANGELO, TEXAS.

Capital stock $200,000.00. Organized and operating under the Texas Banking Laws, offer to investors some high grade paper, netting from 6 to 7%. Secured by first Mortgage on improved farm and ranch lands. Our paper carries our endorsement and guarantee of payment of principal and interest. Write for information.

T. C. WYNN, Pres. C. C. KIRKPATRICK, Sec. & Treas.

THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY.

New York, July 5, 1911.

The Board of Directors has declared a dividend (being dividend No. 23) on the COMMON STOCK of this Company of ONE DOLLAR AND FIFTY CENTS ($1.50) per share, payable Sept. 1, 1911, out of surplus net income, to holders of said COMMON Stock registered on the books of the Company at the close of business on July 28, 1911.

Dividend cheques will be mailed to holders of COMMON Stock who file suitable orders therefor at this office.

C. K. COOPER, Assistant Treasurer.
5 Nassau Street, New York City.

THE KANSAS CITY, MEXICO & ORIENT RAILWAY CO.

Kansas City, Mo., July 1st, 1911.

Coupons of the First Mortgage Bonds of the Kansas City, Mexico & Orient Railway Company, due August 1, 1911, will be paid at the American Exchange National Bank, 128 Broadway, N. Y.

WM. LEE KARNES, Treasurer.

OFFICE OF
THE CONSOLIDATION COAL COMPANY

Baltimore, Md., July 11th, 1911.

The Board of Directors has declared the regular quarterly dividend of one and one-half per cent (1½%) on its Capital Stock, payable July 31st, 1911, to the Stockholders of record at the close of business, July 22nd, 1911, and also declared a quarterly dividend of one and one-half per cent (1½%) on the subscription receipts for Stock carrying dividends declared after January 31st, 1911, payable July 31st, 1911, to the holders of record at the close of business July 22nd, 1911.

Transfer books will remain open. Dividend checks will be mailed.

T. K. STUART, Assistant Treasurer.

Northwest Investments

Municipal, Railroad, Public Utility Securities and Farm Mortgages, to yield from 5½% to 7½%

Detailed Circular U.S. on Request

Adrian G. Hanauer

Specialist in High-Grade Northwest Securities
Second Floor, Old Nat'l Bank Bldg.
SPOKANE, WASHINGTON

References: Any Bank in Spokane

United States Investor

Published Every Saturday Morning by

FRANK P. BENNETT & CO., Inc.

SUBSCRIPTION RATES

$5.00 per annum in United States and Mexico; $6.50 per annum in Canada.

$7.00 per annum in England, the Continent, Australia and Countries in the Postal Union.

$10.00 per annum for Investor and Inactive and Unlisted Securities Supplement, including privilege of inserting quotations in the Supplement.

ADVERTISING RATES

20 cents per agate line. $2.80 per inch each insertion. $30 per inch three months. $100 per inch one year. There will be no deviation from these rates under any circumstances and all of our advertisers may depend upon being treated alike.

PUBLICATION OFFICE,

530 Atlantic Avenue, Boston.

NEW YORK OFFICE,

2 Rector Street, New York.

JOSEPH L. BARKER, Manager.

Washington Office, 208 Corcoran Building; Philadelphia Office, 308 Chestnut Street.

COPYRIGHT 1910, BY FRANK P. BENNETT & CO., INC.

Entered at the Post Office at Boston, Mass., as second class matter.

The Currency Bureau has taken a decidedly interesting step in informing bank examiners that they will be held personally responsible for the solvency and good condition of banks in those cases where they report in favor of authorizing an increase in capitalization after the question of such increase has been referred to them for answer. It is understood that this grows out of the failure of some examiners to make a careful report on banks to which they have been assigned in instances where the increase of capitalization was involved and where, after a favorable report had been made, the bank quite promptly failed. The new order places a very heavy burden of responsibility upon the examiners, since mistakes on their part, in view of these instructions of the comptroller, would necessarily result in the forfeiture of their positions. The order is, however, calculated to emphasize the necessity of greater care in a special class of important examinations.

An interesting incident in connection with the final closing of the bids for Panama bonds at the Treasury Department is seen in the so-called "reallotment" of some of the securities. This reallotment was rendered necessary by reason of the fact that some of the bidders for small amounts who were not required to transmit a check with their offers failed to take up the bonds which were awarded to them. Under ordinary circumstances, the procedure would have been to deduct from the checks deposited with the Treasury an amount equal to the sum lost by the department in consequence of the necessity of selling the bonds to the next lowest bidder. As this is impossible, owing to the fact that no checks were required with the small bids, the Treasury must itself bear the loss. The total of reallotted bonds is, however, only a small percentage of the issue.

CLEARING-HOUSE EXAMINERS.

Comptroller of the Currency Murray has taken a step expected for some time past in asking the various clearing houses of the country to provide for clearing-house examiners whose duties shall be essentially similar to those of the examiners in cities which now have officials of that character attached to their clearing houses. He has received favorable replies from many bankers, although in not a few instances the statement is made that it will not be possible to do anything for some time to come. Occasionally, a slight amount of opposition is exhibited, but in the main the responses have been favorable and the chief question is how to make the good will thus indicated effectual in producing results.

One factor which undoubtedly militates against the appointment of the clearing-house examiner in some of the smaller cities is the expense attached to the plan. Comptroller Murray recognizes this, and since his new scheme was announced, he has unofficially expressed a willingness to cut off one of the regular national bank examinations each year, and perhaps ultimately to relieve national banks in reserve cities of the federal examinations entirely. This will be a considerable saving to many of the banks. It will, however, do more. A good many bankers have objected to the plan on the ground that the numerous examinations to which they are subjected by federal and state authorities make it undesirable to add more. By eliminating one or more examinations annually, Comptroller Murray practically does away with that objection. He practically leaves it in the hands of the banks to carry on their own examinations in their own way and at their own expense, so long as they are willing to do so. This puts into effect the idea of mutual control in banking to a greater extent than has thus far been attempted. The results of the experiment would be watched with great interest not only because of their own importance, but because of the bearing they have upon the possibility of plans for larger mutual oversight by the banks such as those which are set forth in the Aldrich proposal.

In order to have this experiment succeed, the bankers must take Comptroller Murray at his word and must co-operate actively along the lines that he suggests. He has made it a condition of the elimination of certain examinations that they shall be replaced by reports on the part of the clearing-house examiner, and that this examiner shall stand ready at any time to share his information with national and state examiners if need be. On no other basis could the comptroller make the concession which has been suggested, as otherwise he would have no substitute for his own system of examinations. Some bankers seem to object to this kind of co-operation. They assert that the effect of it will be to make information concerning bank conditions common property in the community, with the resulting harm that will flow from it. This is merely a question of getting examiners of the proper type, binding them by suitable contract provisions, and eliminating and penalizing them in case they prove treacherous and dishonest. Mr. Murray has already pointed the way to the proper course of action in this regard by his regulations concerning national bank examiners. State bank examiners are growing more and more responsible, and there is no reason why the new clearing-house examiners should not be chosen under conditions that will place them absolutely above suspicion.

MR. BRYAN'S BANKING PLAN.

Recognizing the manifest interest of the community in the currency situation, William J. Bryan and other Democrats are apparently feeling that it is incumbent upon their party to recommend some plan for banking reform. With that in mind, Mr. Bryan has drafted a banking proposition which he outlines in the last issue of the "Commoner". The plan has not been formulated for introduction into Congress as yet, but there are responsible statements that it soon will be. Should that be done, the issue between it and the Aldrich plan will become marked, and will have to be fought out on its merits. This is the contingency that many earnest students of banking have feared for a good while past. They

Digitized by Google

have dreaded a situation in which a conflict would arise between the Democratic leaders and those of the Republican party, since they have recognized that such a conflict could hardly help being injurious to the movement itself.

The essence of Mr. Bryan's plan is found in a government issue of notes. Copying the Aldrich plan to a certain extent, Mr. Bryan would have the banks organized in state associations. The notes issued by the government would then be loaned to these associations as they might be needed, and would by them be reloaned to their own members under such conditions as were deemed best. The result would be to place the whole responsibility for issuing the notes upon the Federal government. Coupled with this proposal would be a plan for the mutual insurance of bank deposits and other features of the same sort. The scheme is so crude in its present form that many of the essential details are not even provided for, but the central thought is sufficiently evident. This is the issue of bank notes, or what are given that name, by the government, instead of by the banks themselves. That that is the genuine "Democratic" idea on the subject is fully attested by the fact that Mr. Bryan is in harmony with the views of Senator J. W. Bailey who, when the Aldrich-Vreeland bill was under consideration, urged the issue of $500,000,000 of government notes instead of permitting these notes to be taken out by the banks. This will evidently be the line along which Democrats will work in such propositions for "reform" as may be brought forward.

Here is a hazardous scheme which deserves the most serious consideration in order that the country may be saved from the danger implied in it. If the question of banking legislation were not now prominently before the country, or if the Democrats were out of power, Mr. Bryan's vagaries might be allowed to pass unnoticed, as has been the case so often in the past. Neither of these things is true. On the contrary, the business world feels an urgent necessity for banking legislation and desires to have prompt action taken. The Democrats are in control of one house of Congress and may at any time control a majority in the other through negotiations with those in the Republican party who are antagonistic to the leading spirits of that organization. If a banking bill should be earnestly pressed next winter, and if Democrats should adhere to Mr. Bryan's views, the result might be a supposed necessity of modifying the legislation in such a way as to concede something to the dictator of the Democratic party. This should be constantly held in mind throughout the banking controversy which is now to open. There is no place for even the smallest concessions to Mr. Bryan's ideas.

HOLDING AND INVESTMENT CO'S.

Comparatively little attention has been given to the action of the men who are in control of a large national bank in New York in announcing their intention to organize an investment company. While nothing is expressly said on that subject, the plan clearly is to have this new company under the direct control of the national bank with which it is connected. Apparently, the two would work together in the getting of business, the one handling what the other could not and interchanging their resources as circumstances demanded. A new feature is seen in the statement that the investment company will devote itself largely to buying and controlling the shares of national banks.

This plan is important from a number of standpoints. The most obvious is suggested by its relation to the national banking system. There has been ground for a good while past to fear that not a few national banks were managing to evade the law under which they were living. This has been suggested by the close relationship existing between some of them and certain trust companies, and was recognized by Comptroller Murray not long ago in his order requiring specially careful examination of the condition of banks that were thus associated with trust companies. There is nothing in the national bank act to prohibit this kind of relationship, but the opportunities for using the connection in such a way as to defeat the purposes of the act is self-evident. On the other hand, the new concern, by its large size and prominence, has raised a question that had not previously been thought of. This is the effect of such an organization upon the prospects of banking legislation. Probably the most serious objection thus far made to the Aldrich plan has been the fact that it so clearly paved the way for centralization. The reply has been made that the Aldrich plan did not aim at centralization, and that there would be no way by which the larger banks of the country could succeed in evading the plain requirements of the plan and place themselves in position to exercise a decisive influence in the proposed central institution. Of course, such a claim is greatly discounted by the formation of this investment company which points to a very great concentration of control.

The action of the bankers who have launched the new company again emphasizes the need for many amendments in the national bank act. There have been numerous bills in Congress designed to bestow on the national institutions some of the powers of trust companies, but nothing has come of them. Undoubtedly, the present powers of the national banks are too restricted, and this will be more than ever the case when the note issue is transferred to a central institution. There will then be nothing to differentiate national from state banks except the greater stringency with which their operations are limited. The new company also makes evident that it will be necessary, in such legislation as may be adopted, to alter the method of control so as to avoid the possibility of centralization of power through the ownership of bank stocks. That will probably be the central point of controversy when the subject definitely comes up for action. Perhaps it is as well to have the issue made as sharp as possible in the beginning.

Final agreement by the Senate on a programme of votes for the remainder of the session seems to indicate that Congress will come to a close shortly after August 7. There is no probability that any tariff legislation will be enacted at this session of Congress, except the reciprocity bill in whose behalf President Taft has been so earnest. The resentment of Congress at the necessity of passing this measure is very well illustrated in the negotiations that have been in progress looking to the passage of some tariff bill that would operate to embarrass the President and force an unpopular veto from him. However, it is plain that the reciprocity measure is the only bill that can be expected to go to the statute books this summer, and even that depends upon the action now to be obtained from the Canadian parliament.

BANK ITEMS.

BEAVER DAM, WIS.—The German National Bank has increased its capital to $100,000 with $25,000 surplus.

LA CROSSE, WIS.—The State Bank of La Crosse has absorbed the Citizens State Bank, and its capital has been increased to $100,000.

PALOUSE, WASH.—The Palouse State Bank which was closed in May, 1909, has paid a dividend of 10 per cent through G. C. Jewett, receiver, who estimates that another disbursement of from 10 to 15 per cent is possible, making a total of 50 to 55 per cent.

REDLANDS, CAL.—The Citizens National Bank has increased its capital to $200,000.

TYLER, OKLA.—The State Bank & Trust Company is organized with $100,000 capital. J. T. McCarthy is president; S. D. Reeves, vice-president, and G. C. Ingram, cashier.

Digitized by Google

Competition For United Fruit Co.

The Atlantic Fruit & Steamship Company Is Offering $2,500,000 of 6 Per Cent Bonds and Proposes to Grow and Transport Bananas in Competition With the Big Boston Company—As the Total Bond and Stock Capitalization of the New Company Is Less Than the Surplus of the United Fruit Company, No Serious Results Are Immediately Anticipated—United Fruit Has a Record of Returning Over 50 Per Cent Per Annum to Shareholders For Three Years, While New Company Offers to Investors Only a 6 Per Cent Bond at Par.

The announcement this week that stockholders of the Atlantic Fruit & Steamship Company had ratified the previously arranged terms for the consolidation of several fruit companies, including a steamship company, suggests the possibilities of competition for the big and well-established United Fruit Company which has with considerable justification been called the world's banana trust. The new company starts in with an issue of $7,500,000 in stock and $2,500,000 in bonds, but as its total issued capitalization in both stock and bonds is less than the accumulated surplus of the United Fruit Company, which according to the last statement was $13,787,326, the competition which may result is not likely to be serious enough to alarm the thrifty New Englanders who own the stock of the United Fruit Company.

The new company is offering for subscription its first mortgage 6 per cent sinking fund convertible gold bonds at par and interest. The bonds are convertible into stock of the company at par at any time after two years. This proposition, however, does not look nearly as attractive as the purchase of United Fruit Company stock in the market at prevailing prices. United Fruit is now selling at around 195. Its regular dividend rate is 8 per cent, but shareholders have been accustomed to receive extra dividends very frequently in the form of cash, stock and rights to subscribe for stock at par, so that the stock is generally regarded as

A 15 to 20% DIVIDEND PAYER.

As to how profitable an investment United Fruit stock has been, a calculation was made last year which is quite eloquent. It was assumed that in October, 1907, an investor bought 100 shares of United Fruit at the low price of 101. His profit in the next three years on this investment averaged the startling amount of about 55 per cent per annum. This conclusion was arrived at as follows: After the original purchase of 100 shares, the first extra dividend of 10 shares was received, and then another dividend of 11 shares was distributed, making a total of 121 shares of stock held at the end of the three-year period. The cash dividends the first year were $800, the second year $880, and the third year $968, making a total of $2,648. At the time these figures were made the stock was selling at 200, so that the 121 shares were worth in the market $24,200, and the cash dividends received brought the total up to $26,848 against the original investment of $10,100 for 100 shares at 101. This left a profit in income and appreciation of $16,748 on an investment of $10,100, which, spread over the three-year period, meant approximately a

RETURN OF 55 PER CENT A YEAR.

Naturally, a concern which has a record of such returns as this to investors necessarily invites competition, but it would not seem that the investment offer made by the new Atlantic Steamship Company which proposes to compete, is attractive enough to enlist very much enthusiasm, since they only say to the investor that they will give him a 6 per cent bond at par with no bonus in stock and hold out as the only speculative feature the privilege of converting his bond at par into stock.

I should be inclined to gamble that none of these bonds could be sold where people know about the profits which have been made and distributed by the United Fruit Company. From this statement, it should not be inferred that the bonds of the new fruit company are not a well-secured investment, but when capital is furnished for operations in such a profitable field, more liberal terms should be offered. There is, of course, no question about the great profit-making possibilities of a tropical fruit company when it has its own line of steamships, but there is a large amount of risk in the business, particularly for a new company which enters the field in competition with the United Fruit Company, and the investor, in my opinion, who furnishes the capital for such a speculative enterprise should be offered the prospect of a better return than a straight 6 per cent, because he can secure that rate on lots of well-established public utilities in his own country without invading the tropics.

Down in the tropical country, which includes Central America and the northern part of South America, bananas grow in luxuriance and you can buy a big bunch for 25 or 50 cents. Up here in New York you can ascertain that the same bunch of bananas is wholesaled for $2 and retailed for $4, so that the possibilities of profit in merchandising bananas at first sight

LOOKS VERY ATTRACTIVE.

On further analysis, however, it appears that before you can get in the banana game properly it is necessary to spend a number of million dollars, become well-established in the tropical country, establish an organization at high cost, the expense of all of which results in terrific shrinkages in the big profits which appear on the surface.

The United Fruit Company, as a matter of fact, has played the banana game in about the same way as Mr. Rockefeller has exploited petroleum, and I would about as soon undertake to compete without permission, with Preston of United Fruit as I would with Rockefeller of Standard Oil. Incidentally, it might be of interest to the people who think there is a great opportunity for getting rich in bananas to know that the United Fruit Company has a large number of its banana-carrying boats so well constructed and equipped that enough passengers and freight can be carried to cover the expense of operation, and as a result, its actual cost of transporting bananas from its own plantations in the tropics, as well as those purchased from other countries really costs the company nothing.

The United Fruit Company owns and leases very

NEARLY A MILLION ACRES

of land in the tropics, so that with the actuality of this company being able to lay its product down from its own boats in every Atlantic seaport from New Orleans to Boston without transportation cost, it would hardly be necessary to argue very much on the assumption that no one is likely to get very rich in competing with them.

The new Atlantic Fruit & Steamship Company, nevertheless, has a substantial list of directors as follows: Joseph Di Giorgio, president of the Atlantic Fruit Company; A. W. Farquharson, of Farquharson & Mulholland, Jamaica, B. W. I.; J. S. W. Holton, president of the Sterling Coal Company, Philadelphia, Pa.; Thornton Rollins, president of the Maryland National Bank, Baltimore, Md.; James

Before All Else

there is found in every Union Mutual Policy the first and strongest Purpose of Life Insurance.

Protection

Clear, Faithful Reasonable Contracts. Ask for Particulars.

Union Mutual Life Insurance Co.
Portland, Maine

Fred E. Richards, President.

JANUARY 1, 1911
Insurance in force more than $140,000,000
ASSETS - $36,827,079.93
LIABILITIES 33,871,841.25
SURPLUS - $ 2,955,237.78
1910 MOST PROSPEROUS IN HISTORY OF THE COMPANY

North American Accident Insurance Co.
CHICAGO

Net Surplus & Capital..$ [illegible]
Income 1910..... 1,151,[illegible]
Will aid good men in Establishing Agencies.
Best Policies — Largest Commissions or Profit Sharing Contract.
A. E. Forrest, Vice-Pres. & Sec'y.
Chicago

Digitized by Google

C. Fenhagen, vice-president Maryland National Bank, Baltimore, Md.; John A. Donald, president of the Donald Steamship Company, New York City; A. W. Herzog, of Sternberger, Sinn & Company, New York City; I. H. Lehman, of Leventritt, Cook & Nathan, New York City; Marquis De Maury, of Paris, France; J. Simon, of Baracoa, Cuba; Charles M. Hart, of Hart & Tuckwell, Montreal; Hon. John Pringle, C. M. G., of Jamaica, B. W. I.; I. K. Ward, secretary, The Atlantic Fruit Company, New York City; James A. Fechtig, Jr., The Atlantic Fruit Company, New York City; Henry J. Buck, treasurer, The Atlantic Fruit Company, New York City; Charles Pringle, of Jamaica, B. W. I., and G. W. Farrell, of G. W. Farrell & Company, Montreal.

The prospectus of the company states that the net earnings of the companies to be consolidated in the year 1910 amounted to $294,000, and that in the present year they will approximate $450,000. The United Fruit Company, which buries earnings in property more liberally than any corporation in this country, earned last year over $6,500,000, so that if the new company only hopes to earn this year $450,000, it is not likely to seriously

DISTURB THE SERENITY

of mind of anyone in United Fruit.

On the southwest end of Jamaica, the new company claims to have 26,000 acres of the best banana land in existence. I have been down in the tropics several times and was always told that the most profitable banana land was in the northern part of the republic of Panama and the extreme northern section of South America, both of which districts are now being amply exploited by the United Fruit Company.

One asset which the new company is said to possess is the co-operation of Italian fruit dealers throughout the country, and it is understood that the management proposes to strengthen its position in this respect by handling California fruit, as well as the bananas used by its customers. This alignment of the Italian fruit growers come from the business built up by Joseph Di Giorgio, president of the Atlantic Fruit Company, which has been absorbed by the larger corporation.

If the new company starts in with the consent and co-operation of President Preston, of the United Fruit Company, I have no doubt but that it will succeed in a moderate degree. Without his consent, I do not believe it will do well. It is a well-known fact that he has always been very liberal in his treatment of competitors, and has always apparently desired to have some rivals in business, even to the extent of helping them in times of distress. I have been told about loans made by the United Fruit Company to its competitors, which, if published in full detail, would not be believed, because of the ordinary belief that any

SUCH REAL PHILANTHROPY

does not exist in commercial lines.

As a matter of fact, however, President Preston and his company only want to maintain the amount of business they have, and prefer to have enough competition so that they cannot be accused of being a trust, and that undesirable customers, both in the tropics and in this country, can be taken care of.

The United Fruit Company does not fear any competition, for so many reasons that they could not be discussed in any one article in this paper. One thing, for example, is the immune banana, of which the company is to-day the sole owner. There is a banana bug which very frequently ravages all banana plantations in the tropics. The United Fruit Company spent a large amount of money in an endeavor to find out the way to kill this insect. They ascertained that there was no practical means of accomplishing this, so their next endeavor was to discover a banana plant which the bug would not attack. They were successful in this, and to-day, or rather for more than a year, all of the company's plantations are being replanted with the immune banana, and the United Fruit Company alone knows where that immune banana grows.

In the northern section of the Republic of Panama is what is known as the Bocas division of the United Fruit Company, and an inspection of this division can hardly fail to convince anyone both as to the extent of the United Fruit Company's achievements as well as the difficulty of successfully competing with them. In this division about 5,000 men are employed, and the company has a supply store which makes a profit of about $50,000 a year. It has its own docks and railroad, a hospital and a corps of doctors who take care of all of the employes without cost to them. In this division, the largest and most marketable bananas are produced and at the

WORLD'S LOW RECORD

price of around 15 cents a bunch.

The United Fruit Company bears about the same relation to the world's banana industry as does the Standard Oil Company in its line. If I had been officially advised, therefore, that the relations between the well-established United Fruit Company and the new Atlantic Fruit & Steamship Company were friendly, I should be inclined to say that the 6 per cent bonds were a safe investment at par, but even then, I should not advise their purchase unless the promoters were more liberal and offered a bonus in stock to go with the bonds. P. DE MEDICI.

BANK ITEMS.

PORTLAND, ORE.—The Security Savings & Trust Company has increased its capital to $1,000,000.

READING, CAL.—The Bank of Northern California has been converted into the Northern California National Bank. Capital stock, $88,000.

SAN JACINTO, CAL.—The capital stock of the First Savings Bank of San Jacinto has been increased from $25,000 to $100,000. A. G. Hubbard, of Redlands, is president.

WILLIAMSON, W. VA.—The Mingo County Bank, with a capital of $100,000, has been converted into the National Bank of Commerce.

"In the Heart of Things"

HOTEL

MARTINIQUE

Absolutely Fireproof

B'way, 32d-33d Sts., New York City

ONE BLOCK FROM NEW PENN. R. R. DEPOT

and opposite

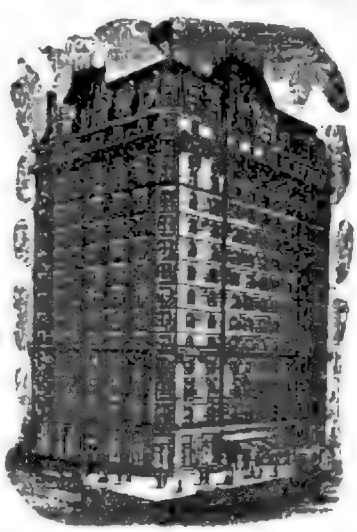
HUDSON TERMINAL

connecting with

Erie Lackawanna Lehigh Valley Pennsylvania Railroads

from which

BAGGAGE TRANSFERRED FREE TO AND FROM HOTEL



In the midst of leading Department Stores and Theatres

600 ROOMS 400 BATHS

Rooms with use of bath, - - $1.50 up

Rooms with private bath, - - $2.50 up

CHAS. L. TAYLOR, Pres. W. S. GILSON, Vice-Pres.

WALTER CHANDLER, Jr., Mgr.

Also Proprietors of St. Denis Hotel

THE ALBANY HOTEL IN THE HEART OF DENVER'S

SOCIAL AND BUSINESS LIFE AND ACTIVITIES.

The Slump In Texas Company

John W. Gates Texas Oil Company, Although Paying 10 Per Cent Dividends, Recently Sold at 109 Against a Price of 144 Last Year—The Company Started Nine Years Ago With $3,000,000 Capital, and Last Year Declared a Stock Dividend of $9,000,000 in 10 Per Cent Stock—Authorized Capital is Now $50,000,000, and $12,000,000 of Bonds Were Recently Sold —Decline in the Stock Accounted For by Mr. Gates' Illness, But a More Probable Reason is That It is Being Peddled Out and Aggressive Competition by the Standard Oil Company May Be Near at Hand.

The slump in Texas Company generally known as the John W. Gates Texas Oil Company, from 144, about the time it was listed last year, to 109, a few days ago, in apparent disregard of its liberal dividend rate of 10 per cent, has created considerable comment. The explanation generally given in Wall street for the fact that the Texas Company stock is selling lower than any other 10 per cent dividend payer, and in fact, as low or lower from the standpoint of yield than any other dividend-paying stock listed on the New York stock exchange, was that on account of Mr. Gates' illness it was feared that in the event of his death his stock might be thrown on the market and a further decline result.

There are a number of conflicting ideas on this point, as is partially indicated by two letters we have recently received from subscribers which are as follows:

Portland, Conn., July 1, 1911.

ED. UNITED STATES INVESTOR:

Can and will you kindly give the reason why the stock of the Texas Company is selling around 122 when it is paying ten per cent dividends? Has it not large assets in the way of steadily producing oil wells, pipe lines, excellent shipping facilities, good tank steamers and is not the management good, etc.? Was not the recent increase in the capital stock good business and the money received from its sale used to benefit the company? And cannot the 10 per cent dividends be earned and paid on its present capital? If so, is not the stock a good investment? F.

Houston, Tex., June 15, 1911.

ED. UNITED STATES INVESTOR:

Soon after the stock of the Texas Company was listed on the New York exchange you had an illuminating article concerning it in the UNITED STATES INVESTOR. Doubtless, you have observed the slump in this stock, from 144, when it was listed, to 115 to-day. The stock of the Producers Oil Company, the producing company allied with the Texas Company and controlled by Gates, was boosted to $206 a share by Gates and his crowd in December 1909—and then the capital of the company was doubled, the new stock (unlisted) is $85 bid, according to local brokers. Most of the employes of the two companies, at the urgent behest of the high-up officers, have bought these stocks, and are paying for them in installments, out of their salaries. Many of them have bought the stocks on margin. Your subscribers in this part of the country would appreciate another article on Gates' Texas oil stocks. I am writing this letter not for publication but to convey a suggestion as to the timeliness of an article along the lines mentioned. At the time Producers stock was boosted to $205 (in order to make the boys bite at the new issue) stock of the Texas Company was put to $215, preparatory to an increase in the capital. The stock was not listed in New York. SUBSCRIBER.

It can hardly fail to be noted from the above communications that the situation of the Texas Company is regarded as much more hopeful up in Connecticut than it is in Texas, while the natural inference would be that the Texans having an opportunity of observing the operations of the company at close range, should be much more appreciative and enthusiastic. Of course, it might be that the oil prophet is without honor in his recently chosen country, but I am inclined to think that the sarcastic letter of our Texas subscriber is entitled to full consideration, even though he gives only one of the reasons, that is, manipulation of the price of stock as a basis for his conclusion.

I think that a much more important reason as to why the stock is now selling so low, and which further should discourage investment purchasers is that the Standard Oil Company, which has literally and actually been held closely at the end of

THE GOVERNMENT LEASH

for some years, is now in process of thorough dissolution, conformation, reorganization, or whatever it may be called, and in the matter of a few months as America's greatest industrial enterprise, it is likely to emerge in the form of six, sixteen or thirty-six differentiated Standard Oil companies, and some lively and aggressive competition will result in consequence.

Our trust busters at Washington have been insisting on competition, and have loudly proclaimed that practically every large and successful corporation has achieved its greatness by restraint of competition, and has hence violated the archaic Sherman law. It has been well known for some years that the Standard Oil Company has been as fair a competitor as any rival manufacturer could ask for, but this has all been for naught. The company has been condemned by our highest judicial tribunal, and must now dissolve and compete with itself as well as everyone else.

Of course, neither the Supreme Court nor the trust busters have outlined a programme of how a large corporation could compete and could not compete at the same time, and in a perfectly satisfactory manner, but my theory is that the Standard Oil people are going to divide their enterprise up into as many parts as may be desirable, and then go after all the business in sight in a way that will leave no doubt in any one's mind as to the genuineness or effectiveness of the competition.

Mr. Gates and his Texas Company have been developing at a rapid rate during the time when the Standard Oil Company

HARDLY DARED TO MAKE

an assertive move. Pipe lines from the oil fields of the South and Southwest have been extended to refineries, thence to tidewater and to distributing points north, east and west. If all the reports which have appeared could be believed, the Gates Company has been taking business away from Standard Oil so rapidly in the past few years that it might almost be expected that the Standard would soon have to retire from the field.

It is well worthy of note, however, that during this rapid trade progress of the Texas Company there has been an equal amount of energetic progress in the distribution of the securities of the company, as well as the continued enlargement of the supply of these securities.

The company was incorporated in 1902 with a capital of $3,000,000, which has been increased from time to time, until now the authorized issue is $50,000,000, of which $27,000,000 is outstanding. In June, 1910, a 50 per cent dividend, amounting to $9,000,000, was declared payable in stock, increasing the amount of stock outstanding from $18,000,000 to $27,000,000. After this liberal stock dividend, in August of the same year $3,000,000 in 6 per cent notes were sold, and in March of this year $12,000,000 more of 6 per cent 20-year convertible notes were sold. At the time of the last sale of notes, the amount authorized was $20,000,000, of which $8,000,000 was reserved to retire previously issued notes and for further purchases and improvement of the property.

It is not strange that there was some criticism when a corporation gave away as a stock dividend $9,000,000 of its shares, carrying a 10 per cent dividend in June and then in August had to borrow $3,000,000 at 6 per cent less an underwriting commission, and three months later

HAD TO BORROW $12,000,000

more. The old-fashioned idea of finance is that you should not be giving away 10 per cent dividend stock, when at the same time it was necessary for you to pay a commission on top of 6 per cent to borrow money. Mr. Gates, however, has always had his own idea of finance.

It is well known that he struck too swift a pace when he was the head of his famous stock exchange firm, with twelve partners in Wall street, and bought control of the Louisville and Nashville in the open market, besides doing numerous other spectacular things to such an extent that the powers that be quietly told him he had better move out of the street, as they did not like it. He thought this was a good joke, and proceeded on his way with renewed and more erratic vigor. But he soon struck snags in increasing multiplicity, and when he soon after announced that he had retired from Wall street forever, everyone was guessing as to how many millions had been taken away from him, and how close he was to being down and out.

The most conservative opinion, however, was that he got away with $2,-

Digitized by Google

000,000 or $3,000,000, and ever since he has been merchandising his many millions of Texas Oil stock it has been suggested that the bushwhacking westerner might have been endeavoring to get back some of those millions which were forcibly collected from him by the powers of Wall street as

AN INFLUENCING PENALTY

to curb his operations, and prevent him from trying to turn everything upside down.

The company's fiscal earnings for the year ending June 30 this year, it is understood, will show that a small margin over the 10 per cent dividend on the $27,000,000 of stock outstanding was earned. In the preceding fiscal year, nearly 15 per cent was earned on the $18,000,000 of stock outstanding, but last year there was not only a considerable increase in the stock upon which dividends had to be paid, but also in the amount of 6 per cent notes outstanding. It has been reported from time to time that the company was negotiating for the purchase of various other oil properties, involving a considerable expenditure, so that rumors of new financing for this purpose have been frequently heard.

If I had any stock of the Texas Company I should sell it and put the money into Standard Oil stock if I had a tendency toward oil securities, and if I did not have any Texas Company stock. I should not buy it, but might be inclined to buy some Standard Oil. The Standard Oil Company for some decades has been making world records in the oil industry, and the fact that the company has not been so progressive recently should not be construed to mean that it will not again be as vigilant as it has ever been in the past, and my theory is that very shortly it will be even more aggressive and successful than it ever has been at any time in its past career, so that the Texas Company and every other independent oil company may well prepare for a lively argument in the future for business. In this contest, I think the Standard Oil Company, with

ITS UNRIVALLED RESOURCES

in money, organization and equipment of every kind, can hardly fail to surpass all its competitors.

Fra Elbertus, the sage of East Aurora, recently had this to say about the Standard Oil Company, and I think he is right:

"I prophesy that the Standard Oil Company will be reorganized on this general plan, not of each company being a complete unit in itself, but each company will represent a certain branch of the industry. Thus, there will be: (1) Standard Producing Company, (2) Standard Transportation Company, (3) Standard Manufacturing Company, and (4) Standard Sales Company. Selling is the most difficult department of any business, and to meet the exactions it is quite likely that the Standard will have several selling companies, each one devoted to a special line of goods. The men who owned the Standard Oil property before the reorganization will own it afterward.

"The plants operated before the reorganization will be operated afterward, and they will be manned practically by the same people. All the work, save bookkeeping alone, will continue untrammeled. The tide of light and lubricant will flow unvexed to the sea." P. DE MEDICI.

FINANCIAL INQUIRY.

Brooklyn Rapid Transit—Colorado & Southern.

21264. (Elmira, N. Y.) What do you think of Brooklyn Rapid Transit and Colorado & Southern as purchases?

Ans.: We believe that both Brooklyn Rapid Transit and Colorado & Southern common in addition to investment features possess speculative possibilities better than the average, and that the acquisition of these stocks to-day, provided the purchaserdoes not demand a quick turn, will prove a profitable transaction. Brooklyn Rapid Transit has been showing record breaking earnings of late, and is thought to be earning in the neighborhood of 7 per cent on its stock. The important part which it is evidently destined to play in development of the rapid transit system in New York should lead to a rapid expansion in earning power before many years have past. This issue at present prices, that is, around 83, nets about 6 per cent, and inasmuch as a 5 per cent rate seems to be reasonably well assured, this large yield should prove attractive.

As far as Colorado & Southern common is concerned, the yield on this issue is not large enough to make the latter appear especially attractive from that point of view alone; however, this issue is likely to receive

A LARGER DIVIDEND

within the next year or two. The company is in a position to pay 4 per cent per annum instead of the 2 per cent rate now being paid and will undoubtedly give the common shareholders the benefit of such an increase at no very far distant date. The fact that the company appears to have earned about 5½ per cent on the common stock in the year just ended, as compared with 7.33 per cent in 1910, 4.90 per cent in 1909, 4.62 per cent in 1908, and 4.55 per cent in 1907, shows that, in recent years, the company could have paid 4 per cent on its stock and still have been able to carry a fair surplus to profit and loss. The property would have done much better last year, had it not been compelled to stand half of the loss on the Colorado Midland and the Trinity & Brazos Valley lines. When these two roads come into their own and prove their ability to earn their own way with something to spare, a development which it is hoped will come in the near future, the parent company will be in a position to at least double the payments on its common stock. The latter at 56 is 13 points under the 1909 high level, and nearly ten points under the highest mark touched last year. Brooklyn Rapid Transit at 83 is more than ten points below the level at which it sold in 1906, and more than 50 points under the high levels to which it was manipulated in 1899, when it sold up to 137.

MONATON

REALTY INVESTING

CORPORATION

Pays

6% COMPOUND INTEREST

On Money Invested in

Its Accumulative Certificates
Running terms of 10, 15 or 20 yr.
Payments may be made annually, semi-annually, quarterly or monthly.

SECURITY

OWNERSHIP OF NEW YORK INCOME PROPERTY

Affording

Immediate returns on investments and Opportunity for increase of valuation.

For illustrated Booklet, inquire:

Publicity Department

Times Building

Broadway & 42nd Street,
New York City

CONSIDERING SECURITY

high grade industrial bonds pay the *highest income* and offer the best chance for rising profits. Send for circular "M".

BEARDSLEY AND COMPANY

Henry Shedd Beardsley, President

Pullman Building, Madison Square New York

American Industrials Co.

Broad Exchange Building, New York.

INVESTMENT SECURITIES.

6% Twenty Year First Mortgage Gold Bonds.
7% Preferred Stocks.
8% Preferred Stocks.

LUDLOW PATTON & CO.

Established 1848

INVESTMENT SECURITIES.

111 Broadway, New York
53 State Street, Boston.

Offer and recommend a 6% Gold Bond with a 50% bonus of **common stock**, which may shortly be taken by our regular subscribers. Quick application necessary. Send for particulars.

JOHN P. DAVIS, President. WM. M. WELLCOME, Vice-President. BYRON H. DAVIS, Sec'y-Treas.

The Davis Wellcome Mortgage Co.

(Incorporated)

TOPEKA, KANSAS.

Gilt-edge first mortgage loans for sale at 5½% and 6% net to the investor. Security well-selected, improved farm lands, in no case to exceed 50% actual value of the farm. Every loan personally examined by one of our inspectors. No better or safer security for money anywhere.

We point with pride to a record of twenty-five years, loaned over $12,000,000, without foreclosing a mortgage or the loss of a dollar in either interest or principal.

Bank References:

BANK OF TOPEKA
CENTRAL NATIONAL BANK, TOPEKA

Correspondence Solicited

Financial Summary of the Week

American Agricultural Chemical Co.—The potash contracts of the American Agricultural Chemical Company and German producers were formally ratified at a meeting of the directors last week. The company will get its potash at about the price paid by it in 1909 or on practically the same basis the low priced contracts were made that caused the dispute. The question of a dividend on the American Agricultural Chemical common stock was not discussed. A director of the American Agricultural Chemical Company states that business is fair for this period of the year, but inclined to be spotty. Spring tonnage was very satisfactory and now the company is in the between seasons period. The last fiscal year ended with June and should show somewhat better than the 10.42 per cent earned on the common in the previous year. The annual meeting will be held September 14, and the report for the year ended June 30, last, will not be made public before the meeting.

American Glue Co.—The report of the American Glue Company for the fiscal year ended May 31, 1911, has been issued and compares as follows:

	1911.	1910.	1909.
Previous surplus....	$863,509	$830,286	$780,361
Net earnings.....	*261,462	295,894	233,568
Total surplus.....	$1,224,971	$1,189,281	$1,064,490
Depreciation	.....	50,000	35,000
Dividends	176,000	175,772	136,193
Surplus	$1,048,971	$963,509	$893,297

* After deduction of $123,000 for preferred stock dividends, the balance, $137,462, is equal to 16.68 per cent earned on $850,000 common stock, compared with 14.75 per cent earned on same stock last year.

American Ice Company.—Indications all point to the American Ice Company having the best year since its organization. In 1909, the company earned $1,000,000 net, or 5 per cent on its $20,000,000 stock. Last year on low priced ice, it earned between $500,000 and $600,000.

American Smelting and Refining Co.—This company has ordered its smelter at Chihuahua closed indefinitely. The large mines of the company at Santa Eulalia will also be shut down.

American Telephone & Telegraph Co.—The American Telephone and Telegraph Company and associated holding and operating companies, not including connecting independent or sub-license companies, report for the five months ended May 31, 1911, with all duplications, including interest dividends, and other payments to the American Telephone and Telegraph Company excluded, compared as follows:

	1911.	1910.
Gross revenue	$72,410,093	$66,551,950
Expt. and taxes ...	28,357,638	24,746,815
Balance	$44,352,455	$42,085,136
Maintenance and depreciation	23,109,264	21,745,550
Net revenue	$21,243,191	$20,339,585
Interest	5,727,507	4,571,732
Net income	$15,515,684	$15,767,853
Dividends paid	10,479,243	10,647,298
Surplus	$5,036,441	$5,120,555

Atchison, Topeka & Santa Fe Ry. Co.—President Ripley says: "Atchison annual report will show between 9½ per cent and 10 per cent on common. Twenty-five per cent of corn in our territory is in critical condition and half of this 25 per cent is already damaged. There have been showers for a week but the ground is so dry it absorbs them very rapidly. If rains come, this damaged corn can be used, but will be low grade.

Baltimore & Ohio R. R. Co.—Baltimore & Ohio has reclared the usual semi-annual dividends of 3 per cent on the common and 2 per cent on the preferred. The following statement was given out: "With payment of the full dividend for the year, the company will have a surplus of approximately $1,126,000, a decrease of $3,644,699. This decrease is accounted for by the increase in rates of pay, which, for the year, aggregated about $2,300,000, and the increase in interest charges incident to the $50,000,000 4½ per cent notes issued for equipment and additions and betterments, work on which is still in progress." The Baltimore & Ohio report for the fiscal year ended June 30 (June being partly estimated) shows total operating revenues of $88,145,003, a decrease of $756,248. Operating expenses increased $1,431,135, so that net operating revenue showed a decrease of $1,708,953. After allowing for taxes, other income and outside operations, there was net corporate income left of $12,602,887, a decrease of $3,644,699.

Canadian Northern Ry.—The Canadian Northern has let contracts for the construction of 132½ miles of line involving the expenditure of about $10,000,000, which will take about two years. The work is said to be the most difficult since the Canadian Pacific built through the Rockies and Selkirks.

Central Arkansas & Eastern R. R. Co.—Bankers are offering at 98 and interest $730,000 Central Arkansas and Eastern Railroad Company first mortgage guaranteed 5 per cent gold bonds dated July 1, 1910, and due July 1, 1940. The bonds are guaranteed as to principal and interest by indorsement by the St. Louis Southwestern Railway Company and are subject to redemption at any time at the option of the company at 105 and interest. A large portion of the bonds have been sold and the remainder are offered to yield an income of 5.12 per cent.

Claflin (H. B.) Co.—H. B. Claflin Company reports for the six months ended June 30, last, net earnings of $207,672, an increase of $1,098. After allowing for dividends on the common and preferred stocks, there was a deficit of $49,326. On June 30, the company had a total surplus of $1,657,198.

Copper Market.—Since the report of the Copper Producers' Association, a slightly better demand for copper has developed. One estimate places the sales during the current week at 15,000,000 pounds. The large selling agencies and producers continue to quote the metal at 12¾ cents a pound, although there have been concessions below that level. The situation is regarded by the trade as sound and healthy.

Denver Gas & Electric Co.—Directors of the Denver Gas and Electric Company the Lacombe Electric Company and the Denver Steam Heating Company, formally voted to merge the three companies into the Denver Gas and Electric Light Company, which was recently incorporated. The new company has authorized the issue of $25,000,000 of 5 per cent bonds, of which $8,000,000 are reserved for refunding obligations of the underlying properties at maturity.

Eastman Kodak Co.—Eastman Kodak Company of New Jersey has declared an extra dividend of 5 per cent on the common stock, payable September 1, to stock of record July 31.

International Harvester Co.—In his quarterly report to shareholders, dated July 15, Cyrus H. McCormick, president of the International Harvester Company, says: "This year's shipments of machines to Europe are the largest since the organization of the company. From present indications, Eastern Europe should have an average crop. The conditions in Western Europe are exceptionally good, while those in Great Britain are poor. Argentina is about through with seeding and reports indicate a somewhat larger acreage than last year. Conditions in the wheat raising section of western Canada are exceptionally good, and with normal conditions from now on until harvest time that country should have a good crop."

Laclede Gas Co.—Some of the leading interests in Laclede Gas, which include President Busch of the Anhauser Busch Company, President Bixby of the American Car & Foundry Company, and President West of the Mississippi Valley Trust Company, three of the most prominent men in financial St. Louis, predict a price of 120 for Laclede Gas stock.

Lackawanna Steel Company.—Net income of the Lackawanna Steel Company for the first half of 1911 was $1,606,000, compared with $3,426,000 in the corresponding six months last year. The company had a surplus left after all charges of $107,000, compared with $1,693,000 last year. Last year, the company showed, after all deductions, a surplus of $2,553,105, equivalent to 7.25 per cent on the outstanding stock. The surplus for the first half of the current year was equal to 0.003 per cent.

Mohawk Mining Co.—This company has declared a dividend of 75 cents a share. This compares with one dollar a share paid semi-annually heretofore.

Reading Co.—An increase in the Reading common dividend is again being discussed in quarters well informed on the company's affairs. The company recently changed its payments from semi-annually to quarterly, and it is now reported that the next quarterly rate will be 2 per cent instead of 1½ per cent.

South Side Elevated R. R. Co. (Chicago)—Directors of the South Side Elevated Railroad Company have declared a cash dividend of $5.90 a share out of the surplus fund as of July 1. The declaration is in accordance with the terms of the sale of the company's stock to the merger syndicate. The special dividend amounts to $603,654 and will apply pro rata on 102,314 shares of the capital stock outstanding. The extra dividend makes the cash price the stockholders will receive for their shares $0 9-10 in the sale to the merger syndicate.

Sears, Roebuck & Co.—The net earnings of Sears, Roebuck & Company for the first 6 months of 1911 are said to have been approximately $3,000,000, which is slightly less than the amount earned in the corresponding period of 1910. However, it is not stated whether or not these figures include the company's income from investments.

Torrington Co.—Even if Torrington does no better this year than it did last year, it will show about 20 per cent earned on its $2,200,000 common stock after the payment of 7 per cent dividends on the $1,000,000 preferred stock. The company's bonded debt consists of but $1,000,000.

U. S. Steel Corporation.—It is understood that since the first of the month the profits available for dividends on the common stock of the United States Steel Corporation have averaged about 9 per cent or 4 per cent in excess of requirements. This result has been attained on low steel prices and operations of about 83 per cent. The Steel corporation over the last few days has gained about 3 per cent in operations, now reporting about 70 per cent of maximum capacity. Orders continue to come in in good volume. The recent rains throughout the South and West are expected to bring in certain orders that have been held up pending a more encouraging crop outlook.

Utah Copper Co.—In the first quarter of 1910, the Utah Copper Company earned but slightly in excess of its dividend, and it has been feared that in order to maintain its $3 per annum, dividend rate at the lower price for copper, it would be forced to increase its production, which it could do very quickly and easily. A three-quarter cent advance in the price of copper, however, will permit the company to maintain its dividends without increasing production, and therefore, the management is likely to be more disposed to help conserve the situation by carrying forward its present curtailment policy.

Western Electric Co.—Sales of the Western Electric Company for June show a decrease of about 4 per cent as compared with June, 1910. This is the second month in the current year that the company has shown a slight falling off as compared with a corresponding month in the preceding year, April, also showing a decrease of 4 per cent as compared with with April, 1910. Western Electric's fiscal year now corresponds with the calendar year, and the first six months shows a gain of about 6 per cent in gross sales over the same period in 1910.

Wisconsin, Minnesota & Pacific R. R.—Bankers are offering to investors at 83 and interest, to yield 5 per cent, $200,000 Wisconsin, Minnesota & Pacific first mortgage gold 4 per cent bonds, due October, 1950, interest payable at J. P. Morgan & Company, the Mercantile Trust Company of New York being trustee. These bonds are secured by a first mortgage on the entire road. The company has a total capital stock of $5,898,400 common shares, all owned by the Chicago Great Western. These bonds have paid their coupons regularly since they were issued in 1900 and have never defaulted. The bonds are listed in London and Amsterdam.

WALLACE, IDAHO.—Paul Leuschel, who was elected recently to the position of cashier of the reorganized Wallace National Bank, has taken up his duties. Mr. Leuschel went from the First Trust Company of Moscow, Idaho, with which he has been connected since its organization. He first associated himself with the bank when it was known as the Spokane and Eastern Trust Company. He continued as the secretary after the change of name in 1906.

Digitized by Google

The Best Purchases on the Industrial List

As Indicated by the Two Standards of Comparison: of Present Investment Yield on Basis of Current Dividends and Prevailing Market Price, and on Basis of Present Earnings on Prevailing Market Values

The average net yield of the 50 industrial stocks quoted in the following table was 5.98 per cent on July 18, as compared with 6.12 per cent on July 11, 6.30 per cent on January 3, and 5.76 per cent on January 2, 1910.

The market for industrial shares, as well as that for railroad stocks, continues to give evidence of a condition of unusual inactivity, but more than one careful observer and student of conditions believes that the tide in market affairs has about reached its turning point, and that within the next few weeks, the upward movement will be resumed, to the accompaniment of a substantial increase in speculative interest.

There are a number of issues in the industrial list which appear to-day, to present speculative possibilities above the average combined with unmistakable evidences of investment value. One of these is Laclede Gas, which is in a strong position regarding present earning power and future speculative possibilities. This issue pays 7 per cent, and at present prices nets about 6¼ per cent on the investment. The company has followed a conservative course during the last eleven or twelve years, increasing the common dividend, as substantial earnings and the growing surplus have warranted. For instance, 3 per cent was paid in 1898 and 1899; 4 per cent per annum from 1900 to 1903, inclusive; 5 per cent per annum from 1904 to 1908, inclusive, and 6 per cent in 1909. The increase in the common rate to 7 per cent was made last year, when the company earned 10.2 per cent on this issue, as compared with 7.20 per cent in 1909, 7.67 in 1908, and 6.53 in 1907. Leading interests who are in close touch with the company's affairs, are making predictions of 120 for Laclede Gas. The position of the company would seem to warrant such an advance in the course of the next bull movement. For the first three months of this year, the company earned 3.2 per cent on its $11,000,000 stock, as against 2.65 per cent for the corresponding period of the preceding year. The company has recently made a voluntary reduction in the price of gas to 80 cents, but it is not anticipated that this will mean any reduction in net income, owing to the company's ability to put through contracts for oil supplies on a more favorable basis.

Another issue which is receiving considerable attention at the hands of discriminating students, is Western Union. There is every reason to believe that the purchase of this stock by a man who is willing to wait a few years for results will prove a decidedly profitable operation, for the methods which have brought American Telephone & Telegraph Company shares into such high esteem are being employed in the management of Western Union. The latter's earning power is practically assured of a substantial increase, and there is reason to believe that within the next three or four years, steps will be taken to increase the present 3 per cent rate by occasional conservative additions, which will ultimately lead to the establishment of an annual rate similar to that now prevailing on American Telephone & Telegraph shares, namely, 8 per cent.

STOCKS SHOWING BEST INVESTMENT YIELD.

Present rank.	Stock.	Present dividend.	Price.	Yield on present price.
1	Am. Cotton Oil, com	5%	56	8.93
2	U. S. Cast Iron Pipe, pref.	5%	56	8.93
3	United Dry Goods, com.	8%	106	7.83
4	U. S. Rubber, 2d pref.	6%	77	7.79
5	American Woolen, pref.	7%	92	7.57
6	Republic I. & S., pref.	7%	94	7.45
7	Central Leather, pref.	7%	100	7.00
8	Ry. Steel Spring, pref.	7%	101	6.93
9	Pressed Steel Car, pref.	7%	102	6.86
10	Union Bag & Paper, pref.	4%	59	6.78
11	Inter. Steam Pump, pref.	6%	89	6.74
12	Crex Carpet	5%	75	6.66
13	Am. Writing Paper, pref.	2%	30	6.66
14	U. S. Realty & Imp.	5%	75	6.66
15	People's Gas	7%	106	6.60
16	Am. Smelt. & Refg., pref.	7%	107	6.54
17	American Tobacco, pref.	6%	95	6.52
18	Laclede Gas	7%	108	6.48
19	National Lead, pref.	7%	108	6.48
20	Am. Locomotive, pref.	7%	108	6.48
21	U. S. Steel, com.	5%	78	6.41
22	Va.-Carolina Chem., pref.	8%	125	6.40
23	Am. Beet Sugar, pref.	6%	98	6.12
24	Corn Products Refg., pref.	5%	82	6.10
25	Am. Car & Foundry, pref.	7%	117	5.98
26	U. S. Steel, pref.	7%	118	5.93
27	American Sugar, pref.	7%	119	5.88
28	Westinghouse, 1st pref.	7%	119	5.88
29	Pacific Coast, com.	6%	102	5.88
30	Am. Ag. Chem., pref.	6%	102	5.88
31	American Sugar, com.	7%	119	5.88
32	American Can, pref.	5%	86	5.81
33	American Tel. & Tel.	8%	138	5.80
34	Mackay Companies, com.	5%	87	5.75
35	Inter. Harvester, pref.	7%	124	5.64
36	Distillers Sec. Corp.	2%	36	5.55
37	National Lead, com.	3%	56	5.36
38	Va.-Carolina Chem., com.	3%	57	5.26
39	National Biscuit, com.	7%	136	5.15
40	Am. Smelt & Refg., com.	4%	79	5.06
41	General Electric	8%	161	4.97
42	Sears, Roebuck, com.	7%	141	4.96
43	Am. Malt Corp., pref.	2%	42	4.76
44	Underwood Typewriter	4%	97	4.12
45	Consolidated Gas	6%	146	4.11
46	Inter. Harvester, com.	5%	122	4.10
47	Inter. Paper, pref.	2%	49	4.08
48	Western Union	3%	81	3.70
49	Am. Car & Foundry, com.	2%	57	3.51
50	Amalgamated Copper	2%	68	2.94

STOCKS SHOWING BEST EARNINGS.

Present rank.	Stock.	Price.	Earning on present price.
1	Inter. Merc. Marine, pref.	17	53.35
2	Bethlehem Steel, pref.	60	22.40
3	Am. Beet Sugar, com.	63	20.65
4	American Linseed, pref.	31	16.90
5	Am. Ag. Chem., com.	59	17.05
6	Westinghouse, com.	76	17.20
7	Ry. Steel Spring, com.	36	16.65
8	Pressed Steel Car, com.	36	15.40
9	United Fruit	197	13.60
10	Crex Carpet	75	13.50
11	American Woolen, com.	32	12.65
12	U. S. Realty & Imp.	75	12.50
13	Inter. Harvester, com.	122	12.30
14	Am. Car & Foundry, com.	57	12.30
15	Am. Cotton Oil, com.	56	12.10
16	Colo. Fuel & Iron, com.	34	11.55
17	Allis-Chalmers, pref.	28	11.05
18	Sears, Roebuck, com.	141	10.90
19	Am. Ice Sec. Co.	24	10.50
20	United Dry Goods, com.	106	10.35
21	General Electric	161	10.35
22	Republic I. & S. com.	20	9.65
23	Union Bag & Paper, pref.	59	9.40
24	Inter. Paper, pref.	49	9.25
25	Corn Products Refg., pref.	82	8.60
26	People's Gas	106	8.50
27	Nat. Enam. & Stmpg., com.	20	8.45
28	American Can, pref.	86	7.95
29	Am. Smelt. & Refg., com.	79	7.85
30	National Lead, com.	56	7.70
31	National Biscuit, com.	136	7.25
32	American Tel. & Tel.	138	7.20
33	Utah Copper	49	7.05
34	U. S. Cast Iron Pipe, pref.	56	6.95
35	Distillers Sec. Corp.	36	6.70
36	U. S. Steel, com.	78	6.45
37	Western Union	81	6.20
38	N. Y. Air Brake	75	5.95
39	American Sugar, com.	119	5.95
40	Mackay Companies, com.	87	5.90
41	Amalgamated Copper	68	5.80
42	Va.-Carolina Chem., com.	57	5.45
43	Tennessee Copper	41	5.45
44	U. S. Rubber, com.	42	5.25
45	Consolidated Gas	146	5.10
46	Inter. Steam Pump, com.	42	5.05
47	Central Leather, pref.	100	4.50
48	Sloss-Sheffield, com.	49	4.15
49	Am. Steel Foundries	38	3.60
50	American Locomotive, com.	40	3.35

Digitized by Google

The Best Purchases on the Railroad List

As Indicated by the Two Standards of Comparison: of Present Investment Yield on Basis of Current Dividends and Prevailing Market Price, and on Basis of Present Earnings on Prevailing Market Values.

The average net yield of the 50 railroad stocks quoted in the following table was 5.01 per cent on July 19, as compared with 5.02 per cent on July 12, 5.34 per cent on January 4, and with 4.71 per cent on January 2, 1910.

Evidences of the breaking of the drought in the western agricultural districts has naturally improved the prospects for the railroads during the coming year by bettering the outlook for the crops themselves. The result is a much better feeling towards the railroad shares generally within the last few days, and in a number of instances prices have shown pronounced buoyancy. Canadian Pacific has advanced this week to a new high record, although this movement, it must be confessed, is not so much due to any improvement in the crop outlook, which was practically ideal in the Dominion, as to talk of a larger disbursement upon the stock. It is true that the company could afford to return to the shareholders a larger distribution on interest from land sales; but on the other hand, it is pointed out that, according to the company's charter, any increase in the common dividend rate above the present 10 per cent mark, must be accompanied by a lowering of freight rates. For that reason, considerable doubt is felt as to the probability of an increase to 12 per cent at the occasion of the directors' meeting next month, in spite of the general belief that there has been a large increase in the amount of lands sold in recent months, these sales moreover having been made at decidedly satisfactory prices, with further increases in these prices contemplated. It has been suggested by others as a probability that instead of an increased dividend on the stock, the present shareholders might be given a bonus in the form of stock in a company, to be organized for the purpose of handling the company's unsold lands. Meanwhile, since the first of July, Canadian Pacific's gross earnings have continued to show a steady increase. The gain for the first and second weeks of July was $316,000, of which $242,000 was reported in the second week of the month.

Well informed shareholders of the Reading Company are showing little evidence of being particularly worried over the outcome of the government suit to compel the segregation of the company's coal and railroad properties. The Lackawanna, some time ago, proved the feasibility of complying with the law by the formation of a coal selling agency, the shares of which went to the stockholders of the railroad company, and seemingly, the worst thing that could happen to the Reading interests in connection with the present suit would be an official ruling compelling them to pursue a somewhat similar course. For several years past, Wall street has heard rumors of the distribution of a bonus among the stockholders as an accompaniment to a segregation of assets. It may be that this proceeding will be hastened by the present government suit. If this step is not taken, it is quite probable that the common shareholders will be benefited by an increase in the dividend rate, giving them a more substantial return upon their investment.

STOCKS SHOWING BEST INVESTMENT YIELD

Present rank.	Stock.	Present dividend.	Price.	Yield on present price.
1	Toledo, St. L. & W., pref...	4%	48	8.33
2	Detroit United	5%	72	7.70
3	Chesapeake & Ohio, com...	5%	82	6.10
4	B. R. T.	5%	83	6.02
5	M., K. & T., pref.....	4%	67	5.97
6	St. L. & San F., 1st pref....	4%	68	5.88
7	K. C. Southern, pref.....	4%	68	5.88
8	Lehigh Valley	10%	175	5.71
9	St. Louis S. W., pref.....	4%	70	5.71
10	N. Y., N. H. & H.	8%	140	5.71
11	St. Paul, Com.....	7%	127	5.51
12	Twin City R. T., com.....	6%	109	5.50
13	Baltimore & Ohio, com.....	6%	109	5.50
14	Colo. & Southern, 2d pref....	4%	75	5.33
15	K. C., F. S. & M., pref.....	4%	75	5.33
16	C., C., C. & St. L., pref.....	5%	94	5.32
17	Atchison, com.	6%	113	5.31
18	Northern Pacific	7%	132	5.30
19	Union Pacific, com.	10%	189	5.29
20	Delaware & Hudson	9%	172	5.23
21	P., C., C. & St. L., com.....	5%	97	5.16
22	Great Northern, pref.....	7%	135	5.10
23	N. Y., C. & St. L., com.....	3%	60	5.00
24	Southern Pacific, com.....	6%	122	4.92
25	M., St. P. & S. S. M., com....	7%	143	4.90
26	Illinois Central	7%	143	4.90
27	C., St. P., M. & O., com.....	7%	143	4.90
28	Colo. & Southern, 1st pref....	4%	82	4.88
29	Western Maryland pref.....	4%	82	4.88
30	Atchison, pref.	5%	103	4.85
31	Pennsylvania	6%	125	4.80
32	Chicago & N. W., com.....	7%	148	4.73
33	Norfolk & Western, com....	5%	109	4.59
34	N. Y. Central	5%	109	4.59
35	Atlantic Coast Line	6%	131	4.58
36	St. Paul, pref.	7%	153	4.57
37	Louisville & Nashville	7%	155	4.52
38	M., St. P. & S. S. M., pref...	7%	155	4.52
39	Baltimore & Ohio, pref.....	4%	90	4.44
40	N. Y., O. & W.	2%	45	4.44
41	Norfolk & Western, pref.....	4%	91	4.40
42	Buffalo, R. & P., com.....	5%	115	5.35
43	Union Pacific, pref.....	4%	94	4.26
44	Central of N. J.	12%	285	4.21
45	Canadian Pacific	10%	245	4.08
46	Reading, com	6%	158	3.80
47	Boston & Maine	4%	107	3.74
48	D., L. & W.	20%	536	3.73
49	Colo. & Southern, com.....	2%	56	3.57
50	Southern Railway, pref.....	2%	73	2.74

STOCKS SHOWING BEST EARNINGS

Present rank	Stock.	Price.	Earning on present price.
1	M., K. & T., pref.....	67	24.05
2	St. L. & San F., 2d pref.....	49	20.70
3	Erie, 1st pref.....	59	19.40
4	Detroit United	72	16.05
5	Hocking Valley, com.....	128	14.90
6	Southern Railway, pref.	71	14.20
7	K. C. Southern, pref.....	68	13.85
8	Buffalo, R. & P., com.....	115	12.00
9	P., C., C. & St. L., com.....	97	10.70
10	K. C. Southern, com.....	36	10.30
11	C., St. P., M. & O., com.....	143	10.05
12	Colo. & Southern, com.....	56	9.99
13	Atlantic Coast Line	131	9.35
14	Southern Pacific, com.....	122	9.35
15	Atchison, com	113	9.20
16	Union Pacific, com	189	9.05
17	Norfolk & Western, com.....	109	9.00
18	St. Louis S. W., pref.....	70	8.65
19	Louisville & Nashville	155	8 40
20	Central of N. J.	285	7 85
21	Twin City R. T., com.	109	7.70
22	Erie, com.	36	7.20
23	Baltimore & Ohio, com.....	109	7.10
24	C., C., C. & St. L., com.....	99	7.00
25	B. R. T.	83	7.00
26	D. & R. G., pref.....	58	6.90
27	Delaware & Hudson	172	6.75
28	M., K. & T., com.....	37	6.70
29	N. Y., N. H. & H.	140	6.70
30	D., L. & W.	536	6.60
31	Illinois Central	143	6.25
32	Canadian Pacific	245	6.20
33	Lehigh Valley	175	6.10
34	Northern Pacific	132	6.00
35	M., St. P. & S. S. M., com.....	143	5.70
36	Chesapeake & Ohio, com.....	82	5.65
37	Great Nothern, pref.....	135	5.65
38	Chicago & N. W., com.....	148	5.60
39	Pennsylvania	125	5.40
40	St. Paul, com.....	127	5.30
41	N. Y. Central	109	4.80
42	Toledo, St. L. & W., pref.....	48	4.75
43	Reading, com.	158	4.75
44	Chicago & Alton, pref.....	52	4.70
45	Chicago, Gt. Western, pref.....	44	4.20
46	N. Y., O. & W.....	45	4.15
47	Western Maryland, pref.....	82	4.05
48	Wabash, pref.	35	2.40
49	Boston & Maine	107	2.20
50	Missouri Pacific	50	0.65

Digitized by Google

Commercial Paper as an Investment

An Interesting Address by Edward D. Page, of New York City, Upon This Class of Bank Assets Viewed From the Merchant's Standpoint.

It must not be presumed that what I am to talk to you about to-day involves to any extent the local paper which bankers are, in a measure, obliged to take from their dealers and about which they know more than any outsider. The question that I have to discuss is that only of paper which the banks buy on the open market, not the paper of their own dealers. In the evolution of the promissory note, from what it was in the early part of this century, a very different line has been followed from that which prevails to-day, and that has been followed in the financial arrangements of Great Britain, and other foreign countries. The foreign promissory note, which is called over there a bill, is an evolution from the bill of exchange, the foreign bill of exchange, based upon a credit extended in a single transaction, drawn by one firm upon another, or upon bankers selected by the other firm and accepted by the drawee or his agent. Such paper represents, and it is, in fact, practically the only representation of the credit extended by the seller to the buyer in those countries.

CREDITS IN OPEN ACCOUNT.

Credits in open account do not exist, excepting for very short terms, or from the retailer to the consumer. There is no analogy in the great business that has been built up in this country on credit extended on open account, with any of the foreign countries. That brings about a state of affairs abroad where when a paper has been accepted by the drawee and returned to his representative, can then be discounted, and is commonly discounted in England, at all events, through the agency of discount companies, who purchase this paper from the drawer, after it has been accepted, put their own names upon it, guarantee it and sell it to the banks. The banks do not investigate the credit. There is no need to investigate any other credit than the credit of the discount company, who is a broker, so to speak, who is possessed of large capital, and whose endorsement upon any note makes it good. Of course, then, the discount company has to know the credit of the drawer of the paper, and the drawer has to know about the credit of the drawee. Each piece of paper represents an individual transaction, thus carrying of the merchandise from the time of its sale by the initial seller to the time of its sale by the purchaser.

In this country, that system was the same prior to the Civil War. Practically the same method was employed. The Civil War destroyed that method of doing business.

THE WAY IT IS DONE.

To-day, we are extending credits all the way from 60 days to six months. Those credits go on, a book is opened, and an account due to us from our customer. That is the way the business is done. In the late seventies, approaching the resumption of the specie payment, it made dealings in commercial paper safer, and the custom grew up of carrying those open accounts on the books through the medium of notes made to own order and endorsed. Thus was built up the enormous business which now prevails in promissory notes, made readily negotiable by being written to order and used as an investment by the banks. It is about that paper that I wish to talk to you.

Ordinarily, if a paper is a single-name paper, if the proof of the pudding is in the eating, it is good paper, it has been paid. As far as personal endorsement and further names are concerned, that was customary only in cases of corporations where the endorsement is more of a moral proposition. The consequence is that double-name paper is generally paper of a shady character, wherein the responsibility of the borrower is doubted. It has turned out that single-name paper is universally recognized as being the best class of paper, better than double-name paper.

A NOTE TO ORDER.

What does a note to order represent? It represents, of course, a surplus of assets over liabilities. Therefore, the first thing that we need to consider is, what is the nature of those assets, and how must they be graded? In the assets of any mercantile concern, I figure that there are five grades easily recognizable of assets: First, cash in till or in the bank. This is, or should be perfectly liquid. The second grade of assets are book accounts to yet due. While not perfectly liquid cash, those account liquify themselves automatically. The next in order are advances on collateral, such as advances on merchandise, advances on deposit of stocks, bonds and that sort of thing. Now, those assets do not liquify themselves automatically. There is some effort involved in liquifying them. The next lower grade of assets is merchandise. Merchandise liquifies not only with effort, but with considerable expenses of sales, which has to be deducted from the proceeds. Lastly, we come to fixed assets, such as real estate, machinery, stocks, bonds, etc., notes taken for merchandise. I classify notes taken for merchandise as being a fixed asset, because they are generally one of the poorest assets. Fixed assets are slow of liquidation, with great effort and great expense.

That brings us down to the rules.

Rule 1: In buying commercial paper prefer the business where there is normally a large proportion of easily or automatically liquidating assets, and a small proportion of assets that liquidate with effort, or with expense.

AN ANALYSIS.

I have made an analysis of several different kinds of commercial paper. First, commercial paper of accounting establishments, commercial paper of retailers, commercial paper of jobbers, and finally, commercial paper of commission merchants. I made an analysis of the assets of 20 manufacturing concerns, of 73 jobbers, eight commission houses. Taking first, the manufacturing concerns, I have taken, for instance, ten southern cotton mills, and ten northern cotton mills. I find in the first two grades of assets, cash and debts receivable, the southern mills show 9 per cent of their assets in the fourth grade, merchandise, 26 per cent; the fifth grade, fixed assets, 65 per cent. The ten northern mills show in the first two grades, cash and debts receivable, 28 per cent, against 9 per cent of the southern mills; in merchandise, they show 32 per cent, as against 26 per cent for the southern mills; the fixed assets are only 40 per cent, of their total assets, as against 65 per cent for the southern mills. Taking the 73 jobbers, which I analyzed, I find 6 per cent of cash, and 43 per cent of book accounts. Those two classes make 49 per cent of their total assets, as against 28 and 9 per cent respectively of the manufacturing concerns. In merchandise, I find 40 per cent in the average jobber's statement, as against 32 and 26 per cent of the

McCrum-Howell Preferred

A 7% Investment of Proven Merit

The annual report for the fiscal year just ended covers the most profitable period in the history of the Company. Net Profits which increased 35% over last year were more than 3½ times Preferred Dividend.

The security behind this issue is exceptionally large; Net Cash and Working Assets alone amounting to more than $2,500,000, and there is **No Bonded Indebtedness.**

Also send for Special Circular No. 530.

George H. Burr & Co.

BANKERS

35 Wall Street, N. Y. City

Boston Chicago St. Louis
Philadelphia San Francisco

AMALGAMATED COPPER COMPANY.

17 Broadway, New York, July 20, 1911.

At a meeting of the Board of Directors of the Amalgamated Copper Company, a dividend of ONE-HALF OF ONE PER CENT (½ of 1%) was declared, payable August 28, 1911, to stockholders of record on the books of the Company as of 12 o'clock noon, July 29, 1911.

A. H. MELIN, Secretary and Treasurer.

OFFICE OF THE
NEW YORK DOCK COMPANY.

New York, July 26th, 1911.

Coupons of the New York Dock Company First Mortgage Bonds, maturing August 1st, next, will be paid on and after that date at the office of The United States Mortgage & Trust Company, No. 55 Cedar Street, New York City.

GEORGE E. SPENCER, Treasurer.

THE McCRUM-HOWELL COMPANY.

New York-Chicago

29th Consecutive Preferred Stock Dividend

The quarterly dividend of one and three-fourths per cent on the Preferred Stock of the company has been declared payable August 1st, 1911, to Preferred Stockholders of record at the close of business, July 22nd, 1911. Books close at 3 P. M., Saturday, July 22nd, 1911, and reopen Wednesday, August, 2nd, 1911.

L. PRESTON GATES, Ass't. Treasurer.

Digitized by Google

manufacturing concern; and their fixed assets, 11 per cent, as against 40 and 65 per cent of the manufacturers'.

COMMISSION HOUSE PAPER.

Coming to the commission house paper, there is a larger per cent of cash than there is with the jobbers, 10 per cent, as against six. Of book accounts or debts receivable, 63 per cent, as against 43 per cent. With the commission houses, it is 73 per cent in the first two classes, as against 49 per cent in the jobbers; 28 per cent for the New England manufacturers, and 9 for the southern manufacturers; in the commission house paper there appears for the first time the third grade, advances on collaterals, 17 per cent; no merchandise, and in the fixed assets, it amounts to 10 per cent, pretty nearly the same as that of the jobbers.

From those analyses, you can get a pretty clear idea of the application of the rule that I have just given you.

Passing on to another criterion by which commercial paper may be judged, let us take, for instance, the cost of liquifying assets in the various kinds of businesses. I find in the banking business that the ratio of profit to the turnover, that is to say, to the total business, is from 1 to 2½ per cent. I am speaking of what we would call merchant bankers, of houses that do a general financial business; I am not speaking of banks themselves as such, because they do not make paper; they get a profit of 1 to 2½ per cent on their turnover gross, and of net, one-half per cent.

Now, I must call your attention to the fact that there are four classes of commission houses. One class is the house with responsibility, where the partners are worth money, but have no capital invested in the business, do not guarantee the accounts, do not own the accounts receivable, as the mills for whom they sell, own them. They do not borrow any money directly, because they do not need it; they do not advance any money on merchandise, but they do, as a rule, endorse the paper of the concern for whom they sell.

FINANCIAL HOUSES.

Financial houses, the next class, get three gross, and one and a half net.

Next in order are the Del Credere commission houses. They own their accounts receivable. They guarantee their sales, and they make advances on merchandise. They make a larger profit, say 5 per cent gross and net 1½ per cent, on their outturn. The great temptation to merchants of this class is to offer advances on merchandise, and the consequence is that the ability and the character of the merchants are of great importance with this class of commission houses. As I say, they make about 5 per cent and net 1½ to 2 per cent.

Lastly, are the Commission Houses that own the mills or they are owned by the mills. They make a larger gross profit of 7 and from 2 to 2½ per cent net.

Then we come to the jobbers. They have got to be considered in a sectional relation. In some sections the paper is better than in other sections.

BOSTON STOCKS AND BONDS

For the Week Ending Thursday Evening, July 20, 1911.

Names.	RANGE FOR WEEK		Last Sale	Sales for Week	RANGE FOR YEAR OF 1911.				RANGE FROM JAN., 1879, TO JAN., 1911.	
Railroads.	Low	High			Lowest		Highest		Lowest	Highest
Boston & Albany	221½	221½	221½	750	219	May 15	226	Feb 15	129	1849
Boston Elevated	129¼	129	129	117	127	May 5	129½	Feb 1	52½	1898
Boston & Maine	106	107	107	254	101	May 10	122½	Feb 15	108½	1879
do. pref.	151	151	151	5	150	Jan 17	154	June 5	124½	1891
Cent. Verm't 4s	90½	90½	90½	2,000	87¼	Jan 25	92	Mar 22	75	1904
C. B. & Q. Jt. 4s	97	97	97	25,000	96¼	Jan 5	98½	June 2	83½	1907
Chic. Junc. R...	...	...	115½	.....	.....		.....		88	1880
do. 5s	...	...	101¾	.....	.....		.....		89¾	1891
Fitchburg pref.	125	125	125	236	125	July 13	130	Jan 9	63½	1889
K.C.,Ft S.&M.6s	...	...	116½	.....	115	Mar 22	116¾	Jan 6	76	1895
K.C.M.&B.new4s	...	...	92	.....	91½	Jan 19	93½	Jan 3	85½	1894
do. inc. 5s	...	...	88	.....	88	Apr 6	90	Mar 14	8	1896
N.Y., N.H. & H.	139	140	139½	1,114	139¾	June 28	151¾	Feb 22	127	1907
Old Colony	187	187	187	106	183	Mar 15	189	June 14	96	1879
Rutland pref.	39	39	39	.....	32	Jan 26	42	Feb 21	6¼	1879
West End	88	89	88½	172	87	July 11	96	Feb 6	42	1894
do. pref.	101½	102½	102	98	101½	July 20	105	June 22	78	1888
Miscellane's.										
Am. Agri. Chem.	58	59¾	59½	2,437	46¾	Jan 6	60½	May 18	9	1903
do. pref.	103¾	104¼	104¼	27	99	Jan 6	106¾	Mar 1	60½	1903
Am. Pneu. Ser.	4½	4¾	4¾	250	4¼	Apr 25	6½	Jan 31	3	1903
do. pref.	16	16	15¾	178	14	Apr 21	19¼	Jan 31	9½	1903
Am. Tel & Tel.	137	138½	137¾	9,317	137	July 20	153¾	June 8	88	1907
do. 4s	91¾	91¾	91¾	134,000	89¾	Mar 22	92	May 23	71	1907
do. cons. 4s	104¾	104¾	104¾	5,000	105¾	Jan 13	111¾	June 19	80¾	1908
Am. Woolen	32¼	32¼	32¼	50	31	June 26	36¼	Mar 20	7¾	1903
do. pref.	91¾	92¼	92¼	361	88¼	Apr 1	96½	June 15	65	1903
B. & Wor. Elec.	12	12½	12	110	6	Feb 15	18	July 13	5	1910
do. pref.	56	57	56	20	38½	Jan 27	58	July 1	35	1910
Cumberl'd Tele.	...	...	158	.....	146	Jan 19	158	June 2	93½	1901
Dom. Ir. & St'l.	...	...	67¾	.....	.....		.....		6¾	1903
Dom. Coal 5s	...	...	95½	.....	90	Jan 4	96¾	Mar 21	90	1908
E Boston Land.	10	11¾	11¼	4,375	7¼	Jan 18	12	May 1	2¾	1893
Edis. Elec. Ill.	278½	282	282	130	231	July 5	292½	Feb 2	10	1893
Gen'l Elec. Co.	161½	163	162¾	436	145¾	Mar 3	167¾	May 29	30½	1896
Mass. Elec.	23¼	23¾	23¾	3,238	16	Apr 24	34	June 3	6½	1907
Mass. pref.	93½	93¾	94¾	846	85¾	Jan 9	95	July 11	87	1907
Mass. Gas	93¾	95¼	95½	2,072	87¾	Jan 3	94¾	July 12	80	1903
do. pref.	96¼	96	96	394	91¼	Apr 13	98	June 5	74½	1903
Mergenthaler	...	...	225	.....	211	Jan 3	225	July 6	118¾	1897
N. E. Cot. Y'n.	112	113	113	10	110	Apr 22	119	Mar 14	40	1878
do. pref.	...	...	111	.....	108	Jan 3	116½	Mar 15	34¾	1903
do. 5s	102½	102¾	102¾	2,000	100¼	Jan 13	102	June 20	93	1908
N. E. Telephone	145	146¼	145	6	137	Jan 17	150½	June 10	78¾	1879
Pullman Car	161	162	161¾	210	158¼	Mar 10	163	Jan 30	84	1901
Rcede Ext. H.	14	14	14	31	12	Jan 5	16¾	May 22	7¼	1884
Torr'g'n Co.Cl.A	32	32¾	32	420	30	Apr 24	36	Jan 7	18	1906
do. pref.	31	31	31	23	27	Mar 31	30	June 29	20	1907
U'ted Fruit Co.	195	197¼	196	743	180	Mar 24	197	June 12	73	1901
U'ted Fruit 4½s	96¾	97	96¾	3,000	95¾	Apr 17	97½	Jan 6	86	1910
Un. Shoe Mac'y.	50¼	51½	50¾	2,250	50	June 21	58¾	Feb 18	28	1900
do. pref.	27¾	29	27¾	254	27¾	June 2	29½	Mar 7	22	1900
West. Tel. & T.	20	21	20¾	646	17¾	Apr 18	23¼	Feb 6	4	1900
do. pref.	98	99	99	194	89	Jan 23	97¼	June 7	80	1907
do. 5s	99¾	99¾	99¼	11,000	90¾	Jan 3	100	June 9	74	1907
Mining.										
Adventure	6	6¼	6¼	460	4¼	Apr 24	7½	May 18	†.62½	1907
Allouez	30	30	30	12	30	May 19	39	Jan 5	8c	1894
Amalgamated	69¼	69¾	69	2,470	59¾	Apr 18	73½	June 26	33¾	1903
Am. Zinc	25	29½	29½	4,599	23	Apr 25	30¾	June 14	5	1901
Arizona Com.	15¾	16¼	16¼	375	11¾	Apr 24	18¾	June 14	7¾	1907
Bos. & Corbin	13	13½	13	220	10¾	Apr 24	15½	June 6	6	1907
Butte Bal'kl'n	4¼	5	4½	470	4¼	Jan 31	6¾	Jan 4	4¼	1910
Butte Coalition	18	18½	18½	845	16¾	Apr 24	20½	May 24	10	1907
Calumet & Ariz.	57	58	58	1,004	46	Jan 13	63	June 14	44¾	1910
Calum. & Hecla	435	460	455	14	450	May 13	545	Jan 4	124	1894
Centennial	11½	11½	11½	20	11¼	May 17	16	Jan 3	10c	1898
Copper Range	60	60	60	214	58¾	Apr 24	69¾	Feb 2	27	1903
Daly-West	5¾	6	6	125	3	Feb 15	6½	June 21	3½	1910
East Butte	13¾	14¾	14¾	2,853	10¾	Apr 25	14¾	June 26	3½	1908
Elm River	10	10	10	400	10	May 6	20	Jan 6	06	1910
Franklin	11½	12¾	12¾	657	7	Feb 3	14	June 14	4	1879
Giroux	6	6½	6 5-16	1,750	5¾	Mar 10	8½	Feb 6	2¾	1907
Granby	38	39½	38¾	152	30	Apr 12	43½	June 21	20	1910
Greene Cananea	6⅞	7 5-16	7¼	250	5 5-16	Feb 9	8	June 26	5	1907
Hancock, Con.	25	25¾	25½	95	17¾	Apr 24	30¼	June 19	1¾	1907
Helvetia	1	1¼	1	40	.99	Apr 26	3	Mar 4	1¾	1910
Isl'd C'k Coal**	37½	38	38	500	29¼	May 9	40¾	June 3	20¾	1910
do. pref.**	87¾	88½	88	325	87	Mar 29	91	June 13	84½	1910
Isle Royale	17	17¾	17	250	12	Apr 22	19¼	June 13	5¾	1903
Kerr Lake	5	5¼	5	900	4 15-16	June 28	7¾	Jan 23	6	1910
Kewcenaw	2⅞	3	3	160	1⅝	May 10	3⅜	June 14	2½	1905
La Salle	...	...	3½	.....	3½	June 6	6	Jan 3	2	1908
Lake Copper	37	37½	37½	135	26¾	Apr 26	40	June 13	4	1907
Mass. Cons.	...	...	8¾	.....	8	May 27	10	June 19	2½	1908
Mitmt	21	21¼	21¼	321	18¾	Apr 21	22¾	June 21	4¾	1903
Michigan	...	...	2¾	.....	1⅝	Apr 25	4½	May 6	3	1900
Mohawk	47⅝	48	48	60	36	Apr 24	53	June 15	11½	1900
Nev. Cons.	19	19½	19½	1,160	17¾	Apr 24	21¾	June 15	6¼	1907
New Arcadian	3	3	3	440	2½	Mar 8	4¾	May 17	61	1906
Nipissing	8¾	10	8 15-16	3,775	8¾	July 20	11½	Feb 17	5	1906
North Butte	22	23¾	23¾	2,885	22½	Apr 24	26	June 12	18½	1910
North Lake	8	8	8	25	5	Apr 18	9¾	June 3	4½	1909
Old Dominion	46¾	48	47¾	480	36	Apr 22	49	June 19	9¼	1903
Osceola	100	103	101	33	95	Apr 24	124	Jan 4	7½	1899
Parrot	12	12½	12½	240	11	May 2	13½	May 22	8¾	1907
Quincy	73	74	73½	28	65	Jan 30	81	July 18	10	1879
Ray Consol'ted	17¼	17¾	17¾	500	15¾	Apr	18¾	Jan	7¾	1906
Santa Fe	1¼	1½	1½	50	.75	Apr 26	1¾	June 13	1	1907
Shannon	10¾	11	11	501	9¾	May 15	12¼	Feb 6	3½	1903
Superior Copper	32½	33¾	32½	10	30	Apr 24	34½	June 14	7	1907
Tam. & Boston	5	5	5	425	2 15-16	Apr 7	8¼	June 15	1¾	1908
Tamarack	24	32	30	6	18	July 17	52	Jan 3	45	1910
Tennessee	...	...	42	.....	26	Feb 1	47½	June 12	8¼	1901
Trinity	8¾	9	9	75	5¾	Apr 25	9	June 20	2¾	1903
U. S. Smelting	38¾	39	39	241	32	Apr 5	46¾	June 14	24¾	1907
do. pref.	45¾	49	49	100	45¾	May 10	61¾	June 26	27¾	1907
Utah Cons	17	17¾	17¾	470	9¾	Jan 20	20	June 26	12¾	1910
Utah Apex	2¾	3	3	50	2¾	Apr 28	3¾	June 16	1¾	1907
Victoria	1¾	1¾	1¾	50	1¾	May 2	2¾	Feb 7	1	1900
Winona	8	8½	8	50	6	May 6	9½	Feb 6	1	1903
Wolverine	109	115	111	69	107	Apr 26	122	Feb 10	75c	1893

* Ex-dividend. † Assessment paid. ‖ Rights off. ‡ Auction. § Old securities. ◊ Old stock. ** Temporary certificates.

and also the prevalence of department stores, which are eating into the jobbing business all over the United States, as they buy direct, and do not pay toll to the jobber. The gross profit of the jobbing houses, depending upon their location, are from 10 to 20 per cent on their outturn, and they make from 3 to 4 per cent net. All the way from 7 to 16 per cent of their profit is absorbed by expenses.

RETAIL PAPER.

Lastly, we come to retail paper. The gross profit there is 30 to 35 per cent; and net, 5 to 8 per cent.

Finally, come the manufacturers, who have to invest 40 to 45 per cent in order to convert their assets, which make a net profit of from 5 to 10 per cent.

This brings me to Rule 2, which has to do with the convertibility of these assets, because any man who invests money has got to consider the possibilities of trouble. In estimating the convertibility of a promissory note from the standpoint of a possible failure to pay, the obligation of that business is the best in which the necessary costs of marketing its raw material is the least. Generally, if you get a high rate, you get a correspondingly high risk.

Coming to the principles involved in the consideration of assets, that class of paper is the safest investment where none of the assets have to be invested in buildings, machinery or real estate; where the least proportion has to be invested in merchandise and the largest in accounts receivable, and, lastly, where it costs the least to turn convertible assets into cash—that is to say, where the percentage of selling expense is smallest. The considerations which I presented to you involve only the consideration of a concern's assets, its capital invested, and, as you know, it is only one of the three general principles of credit, which I may state as capital, character and ability. Character is as important an element as any, because a man who possesses character makes his credit liquid, because of the large number of buyers for his note. If the worst comes to worst, he can always get somebody to lend him money, and his ability makes his assets liquid by the creation of an efficient organization to turn them into cash and make them good by judicious investment in the first instance.

CHARACTER AND ABILITY.

Therefore, we come to Rule 3, which is to not forget that the character and ability of the men behind any given financial condition are as important as the financial statement itself. Bankers, I realize, are at a considerable disadvantage in estimating these elements for other than their own customers. Therefore, to the country banker it is desirable to be connected with a well-posted, paper-buying city bank in a large centre, where information is well diffused. Secondly, the city banker should be also in close touch with the well-posted and fair minded commercial houses in the branch of trade, the paper of which is under consideration. It is dangerous to rely upon two things which are often held up as very important. The first is certificates of public accountants. The valuation of assets is a very little part of the equipment of a public accountant, and to substitute his value of assets for the judgment of an expert is, of course, futile. Public accounting has its moral value. Crooked concerns do not care to submit their balance sheets to straight accountants. There are some crooked accountants, and some incompetent ones.

Next come agency reports. There is always danger of too much reliance in agency reports, and yet they are of great value if they are not too implicitly followed.

A SAFE INVESTMENT.

With such precaution, dealing in commercial paper is one of the very safest investments, for the reason that it is based on liquid assets instead of fixed assets. Fixed assets do not liquify themselves. Commercial paper liquifies itself. When it is once bought it is paid and not renewed, because it is based upon accounts receivable, that liquidate themselves. Mr. Parrash, president of the New York Life Insurance and Trust Company, possibly the most conservative of New York trust companies, told me that he carries about one-third of his assets in commercial paper, and it has saved him from trouble in every panic that he has been through. All he had to do was to stop buying commercial paper, and he had plenty of cash to meet the withdrawals of his depositors. Such, I think, is the experience of most bankers. In panics, commercial paper is sometimes better than a bank deposit, because the merchant's honor is behind the paper. There is the most stringent necessity of its being paid. The merchant who does not pay his paper fails. His credit is gone, his reputation shattered and the opportunity of earning his livelihood is taken

PHILADELPHIA STOCKS

For the Week Ending Wednesday Evening, July 19, 1911.

Names.	RANGE FOR WEEK Low	RANGE FOR WEEK High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911. Lowest		RANGE FOR YEAR OF 1911. Highest		RANGE FROM JAN., 1879, TO JAN., 1911. Lowest		RANGE FROM JAN., 1879, TO JAN., 1911. Highest	
Amer. Cement..	...	...	18	.....	12	May 29	17½	Jan 4	5½	1905	46	1900
Amer. Railways.	41	44	44	154	42	Jan 10	46½	Jan 23	21½	1900	56¾	1903
Bell Telephone..	...	...	116½	.....	.....		.....		46	1907	124¾	1900
Cambria Steel...	45	45⅝	45⅝	1,696	42¾	Jan 4	48⅝	Feb 13	13½	1900	49¾	1900
do. Iron	44	44	44	4	44	July 18	46	Mar 27	42	1907	138	1892
Elec. Co. of Am.	12¾	12¾	12¾	51	11¼	Jan 4	12¾	Jan 14	5¾	1902	35	1900
Elec. Storage....	54½	55¾	55½	1,159	48¾	Jan 3	56⅛	June 15	15	1894	194	1899
Gen'l Asphalt...	31¾	31¾	31¾	106	30½	July 10	34¾	Jan 10	3	1907	34¾	1910
do. pref.	72½	73	73	250	72	Mar 10	83⅝	Jan 30	11	1900	84¼	1910
Hunt. & B. T...	...	...	5	.....	5	June 12	8	June 19	7	1910	42	1900
do. pref.	...	...	14	.....	14	July 3	27	Feb 1	7¾	1880	69¾	1902
Lake Sup. Corp.	25⅝	27⅛	27	1,612	25	July 6	31¾	Feb 4	5¾	1908	23¾	1900
Lehigh Valley...	87	87⅞	87⅞	114	84½	Apr 24	90½	Feb 3	17½	1897	121¼	1910
Lehigh Navig'n.	88⅜	88⅝	88⅝	30	85¼	May 15	89½	June 13	35	1898	131¼	1904
Marsden	..	....	1⅝	.....	.....		.....		⅝	1907	28¾	1890
Penn. Steel.....	...	...	69	.....	.....		.....		5	1894	200	1881
do. pref.	..	...	106½	.....	104¼	May 4	108¼	Apr 13	10	1897	117¼	1909
Phila. Co.....	55	55	55	5	50¾	Jan 4	59¼	June 5	33¾	1907	56¼	1905
do. pref.	43¾	44	44	245	42	Feb 20	45	Feb 8	34	1909	52	1906
Phil. Elec.....	17⅝	18	17⅝	4,467	16	Mar 9	18	July 17	2	1900	18¾	1910
Phil Rap. Trans	21½	22¾	22¼	8,603	18¾	Apr 18	22¾	July 19	12	1907	27¾	1900
Phil. Traction...	86	87½	86½	335	83¾	May 1	87½	July 14	5	1885	102¼	1905
Tonopah Min'g..	5½	6⅛	6⅛	1,312	5½	July 18	8⅝	Jan 17	3 8-16	1907	21¼	1906
United Gas Imp.	87½	88⅜	88	7,643	85¾	Jan 3	89¾	Jan 9	50	1893	175	1898
Union Traction..	50½	52⅝	52¼	14,185	43	Jan 4	52⅝	July 14	8⅜	1897	85¼	1904
Warwick Steel..	10	10	10	12*	9¾	Jan 10	11¾	Feb 28	3½	1903	18	1899
W'stm'el'd Co'l.	...	...	79	.....	79	July 7	91½	Mar 20	46½	1879	114	1905

* Ex-dividend. † Trust certificates. ** Temporary certificates.

CHICAGO STOCKS

For the Week Ending Wednesday Evening, July 19, 1911.

Names.	RANGE FOR WEEK Low	RANGE FOR WEEK High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911. Lowest		RANGE FOR YEAR OF 1911. Highest		RANGE FROM JAN., 1879, TO JAN., 1911. Lowest		RANGE FROM JAN., 1879, TO JAN., 1911. Highest	
Am. Can.....	10⅞	11⅜	11⅜	695	8⅜	Jan 27	12⅜	May 23	2⅜	1908	31¾	1901
do. pref.	86	86⅜	86½	627	76¾	Jan 7	88¾	May 23	25¼	1902	88	1900
Am. Radiator...	...	...	265	.....	265	Jan 9	365	Feb 18	20	1903	260¾	1910
do. pref	...	...	123	.....	126¼	Mar 9	130	Jan 23	96	1899	135	1902
Am. Shipbldg...	58	58	58	10	58	July 17	79	Feb 6	19	1904	84¼	1910
do. pref.	112	112	112	18	110¼	Jan 16	113	May 18	93	1904	112	1910
Chic. City Ry...	...	...	190	.....	185	Mar 23	190	Apr 25	140	1906	176	1893
Chic. Pneu. T'l	50¾	52	51	400	41	Jan 18	55¼	Feb 22	18	1904	107½	1902
Chic. Subway...	3⅝	3⅞	3	300	3¾	July 18	6	Mar 1	2½	1910	47¾	1905
Chic. Telephone.	123	123½	123½	30	115	Jan 25	124¾	May 17	95	1907	208	1901
Cit'n'w'th Edis.	136¾	137½	136⅞	925	113	Jan 26	137¾	July 15	77	1907	126	1910
Diamond Match.	165	165¾	165	196	90	Jan 16	165½	July 11	82½	1910	152	1899
Kan. City Light.	..	....	17	.....	17	May 27	35	May 23	20	1910	68¼	1906
do. pref.	..	....	41	.....	40¾	June 17	72½	Feb 25	40	1908	92¼	1906
Met. El.....	..	....	27	.....	19½	Feb 1	28¾	June 28	12	1899	43	1902
do. pref.	***75	75	75	200	64	Mar 16	***75	July 17	32	1909	93¼	1901
Nat. Carbon.....	111	113	113	65	111	July 18	120	June 3	15	1899	145	1910
do. pref.	118	119	119	90	116	July 8	120	Apr 12	72	1906	124	1909
No. West. El...	...	....	29½	.....	29½	Apr 27	29½	June 27	13¾	1909	55	1901
do. pref.	...	....	64½	.....	60	Mar 1	67	Mar 30	44	1904	97	1901
Quaker Oats....	190	192	190	140	185	Mar 17	193	June 29	25½	1904	188	1910
do. pref.	..	....	102½	.....	102½	Feb 3	106½	July 6	53	1903	103½	1908
So. Side E.....	..	....	80	.....	68	Feb 16	80	June 30	40¼	1897	199	1901
Streets' Car.....	8¾	8¾	8⅝	81	8	May 31	12¾	Feb 24	10¾	1910	64¼	1909
do. pref.	...	....	42	.....	40	June 2	50	Mar 18	48	1910	111¼	1906
Swift & Co.....	103¾	103¾	102	1,000	100¾	Mar 13	104	June 8	75½	1907	177¼	1901
Un. Box Board..	2½	2¾	2⅝	300	2½	July 14	7	Jan 5	½	1908	17½	1902
do. pref.	...	....	7⅜	.....	.....		.....		1⅜	1908	71	1902
Western Stone..	23	24	23½	615	19¼	May 27	24¾	Jan 24	14	1908	50	1906

* Ex-dividend. † New. *** Receipts. ‖ Assessment paid.

Digitized by Google

away from him. He is in a far worse condition than the bank that declines to pay drafts upon it, because it has become customary to allow banks to go along under that process, but a merchant cannot go along; he has got to liquidate and get out of business.

CHANGE OVER NIGHT.

Besides, commercial paper is not likely to change over night; it can be locked up and not thought of again until the time comes around for payment. Nevertheless, it must not be gone into recklessly; it must be gone into with due consideration. Each individual transaction must be looked into by itself and a careful estimate made of the responsibility, of the character and the ability of the maker of the paper before it can be a thoroughly completed transaction. It has given me a great deal of pleasure, gentlemen, to address you, and I thank you for your attention.

STOCK EXCHANGE REMOVAL.

By a vote of 105 to 85, the members of the Philadelphia stock exchange on Monday, last, decided to remove the exchange from its present location at Third and Walnut streets to a site on Walnut, west of Broad street. Thus, the controversy of many years has been settled, and a victory is won by the younger men, the floor traders, who, from the first have vigorously championed the Walnut street proposition. The new building which the exchange will enter will occupy ground from 1411 to 1419 Walnut street, and will cover a lot about 100 feet square. The building itself will be 12 stories high, will be known as the Philadelphia Stock Exchange Building, and the second and third floors will be occupied by the exchange. It will cost about $750,000, and the exchange is to pay a rental of $18,000 a year for 25 years, with the privilege of purchasing the building within three years for $1,590,000. The work on the new building will begin in the near future. Architects have made tentative plans, and it is expected that the building will be completed in about a year.

The vote now necessitates that all brokers have an office within six blocks of the building, so that it is quite probable that the majority of the floor traders having only small offices will secure space in the new building, with the probability that those houses having large offices in other locations will establish branch offices near at hand. It is said that plans have been made for the sale of the old building.

BANK ITEMS.

BEAUMONT, TEXAS.—The American Trust & Securities Company is being organized with $200,000 capital. Randall Silverman is interested.

HUTTIG, ARK.—The First National Bank of Huttig has been organized with a capital of $25,000. F. W. Scott, C. H. Murphy, C. T. Thompson and F. E. Rample are interested.

LEDORA, IOWA.—The Ledora Savings Bank has increased its capital from $25,000 at $50,000.

MINNEAPOLIS, MINN.—The Hennepin County Savings Bank is to increase its capital to $250,000 and its surplus fund to the same figure.

NEW YORK STOCKS AND BONDS

For the Week Ending Thursday Evening, July 20, 1911.

Names.	RANGE FOR WEEK		Last Sale	Sales for Week	RANGE FOR YEAR OF 1911				RANGE FROM JAN., 1879, TO JAN., 1879, TO			
	Low	High			Lowest		Highest		Lowest		Highest	
Atch. & T. R.R.	112	113⅜	113⅜	29,300	100⅜	Jan 3	116⅜	June 6	$ 1-16	1894	152½	1899
Atch. & Top. pf.	103	103⅝	103⅜	1,000	100⅜	Jan 3	105½	June 12	14	1898	107½	1901
Atch. & Top 4s.	98⅝	99	98⅞	101,000	93	Mar 23	99⅝	Jan 4	61	1894	105⅝	1902
do. adj. 4s....	98⅝	99	98⅜	101,000	90⅜	Mar 29	93½	Jan 26	26	1896	99¼	1905
At'tic C'st Line.	91⅞	91⅞	91⅞	114,000	117	Jan 3	132½	July 19	58	1907	170	1905
B. & O. Gold 4s.	131⅛	132½	132	14,100	98	June 6	99⅛	Feb 21	83	1907	108¾	1905
B.& O.S. W.3½s.	98¼	98⅝	98½	90,000	90⅜	Feb 28	93	Mar 11	80	1907	96	1899
Balti. & Ohio...	90⅜	91	90⅞	29,000	102	Feb 24	105¾	July 15	9	1897	125¼	1906
do. pref.	109⅞	109⅝	109¼	6,500	88	Apr 20	91	Jan 4	67½	1889	100	1905
Brooklyn R. T..	90	90	90	100	74⅜	Jan 3	85⅜	July 20	18	1896	137	1899
B.R.T.conv't 4s	82¾	84⅝	83⅜	32,500	82¾	Apr 18	83⅜	Jan 26	58	1907	102½	1905
Canadian Pac...	87	87⅝	87¼	219,000	196⅜	Jan 3	246⅜	July 19	32	1895	202⅜	1910
Canada South...	241½	246⅜	244½	32,200	63	Mar 2	68	May 12	23	1858	97	1902
Cen.of Ga. Con.5s.	....	....	68	.....	107¼	Jan 13	109⅝	July 19	85	1907	120½	1901
do. 1st inc....	108½	109⅝	109⅝	15,000	96	July 8	114½	Apr 18	30	1890	102	1910
do. 2d inc.....	....	....	96	.....	86	Mar 1	100¼	Apr 5	9	1899	101	1910
do. 3d inc.....	96	96	96	3,000	85	Feb 24	102	Apr 4	4	1898	100	1910
Central N. J....	....	....	96	.....	270	Mar 11	285	June 3	31	1855	312	1910
Cent'l Pac. 4½s.	....	....	285	.....	91¼	July 10	92	Mar 8	75	1907	91	1910
Ches.O. gen.4½s.	91½	91½	91½	50,600	100½	Apr 12	102	May 19	61	1893	111	1908
Chesapeake & O.	101	101⅜	101¼	32,400	77	Apr 24	86⅜	Feb 17	1	1858	133¾	1881
Chic. & Alton...	81½	83	82½	10,500	25	Apr 24	31½	May 23	8¼	1907	74⅝	1909
do. pref.	....	....	80	.....	52	Mar 17	53	Jan 27	47	1906	85¼	1908
Chic. Gr't West.	....	....	52	.....	20¼	Apr 18	25¼	June 5	3⅝	1897	37⅜	1909
do. pref. A....	22½	22⅞	22¾	1,050	42	Apr 28	49¼	Feb 6	15½	1908	90¼	1901
Chic. M. & St.P.	117	117½	117½	600	117½	Apr 18	132½	Feb 7	34⅜	1879	199⅝	1906
do. pref.	126⅞	126⅞	127⅜	24,125	147	Jan 3	156½	June 15	74⅜	1879	218	1906
Chic. & N. W...	140½	140⅞	140⅞	251	142½	Jan 13	150½	June 12	49⅝	1879	271¼	1902
do. pref.	147½	148½	148⅜	500	201	June 2	201	June 2	128	1887	274½	1902
Chi.,St.P. & Om.	....	....	201	.....	130⅛	Apr 20	144	June 12	18½	1885	225	1905
do. pref.	....	....	144	.....	152	Feb 18	152	Feb 18	66	1885	230	1906
Chi. Ter. Trans.	....	....	155	.....	.....	.....	.....	.....	1⅝	1906	31	1901
do. pref.	....	....	152	.....	.....	.....	.....	.....	8¾	1906	67½	1901
Chic. Un. Trac..	....	....	105	.....	2	May 11	5	June 2	⅝	1908	23	1902
do. pref.	....	....	22½	.....	5¼	May 2	7¾	Feb 6	3	1906	60	1902
C.,C.,C. & St. L.	....	....	54½	.....	86½	Apr 25	96	Jan 15	19½	1896	111	1905
do. pref.	....	....	80	.....	96½	June 16	98	Feb 1	63	1887	124¼	1902
Colo. & South'n.	....	....	94½	.....	51¾	Apr 18	60	Jan 13	4⅜	1859	68⅝	1909
Col. & So. 1st pf.	....	....	76	.....	74¼	Mar 27	84⅜	July 10	35	1859	86	1909
do. 2d pref....	81½	91⅜	83⅜	200	73½	Apr 13	75	June 7	12½	1899	84½	1909
Del. & Hudson..	....	....	70	.....	164¼	Jan 3	173⅞	June 8	23	1879	240¾	1905
Del., L'ck & W.	173¾	173½	173½	1,100	810	Feb 17	860	June 5	48	1879	690	1909
Den. & Rio G'de	26	26⅜	26⅛	200	27¼	June 22	35	Feb 21	4⅜	1885	256½	1880
do. pref.	59½	59⅞	59¾	60	53¾	June 23	74	Feb 21	24	1894	103⅛	1901
Dul.,So.Sh.& Atl	20⅜	20⅝	20⅜	1,310	11	Jan 6	17½	May 1	2½	1896	24	1902
do. pref.	....	....	14	.....	22	Jan 6	28¾	Apr 4	5	1898	46⅜	1905
Erie 1st gen. 4s.	25	26	25	10	73½	Jan 3	78½	July 19	55	1908	95	1905
Erie	26½	26⅝	26¾	173,100	27½	Jan 11	28⅛	June 20	3⅜	1894	52⅞	1881
Erie 1st pref....	36⅜	37½	36⅝	17,100	46⅝	Jan 12	61½	July 1	15	1853	95	1881
Erie 2d pref.....	34½	34⅝	34⅝	4,600	35	Jan 13	49½	July 1	13	1856	73⅜	1908
Ev'ns & T. H	45	45⅜	45⅜	1,200	60	Feb 1	87½	June 10	20	1897	152	1892
do. pref	85	85	85	200	85	June 5	95	June 5	72	1904	104⅜	1902
Gr'neB.&WdebB.	56	56	56	200	13½	June 16	15⅜	Jan 28	3½	1896	27½	1903
Gt. Northern pf.	130½	131	14	41,000	122	Feb 24	140	June 8	44½	1890	348	1906
Hock'g Valley**.	134¾	137	137	23,300	128	May 24	134	Apr 29	22	1889	140	1910
do. pref.	....	....	134½	.....	.....	.....	.....	.....	57½	1888	103⅝	1910
Illinois Central..	....	....	125	.....	122	Jan 3	144⅜	July 12	79⅞	1879	154½	1906
Inter-Met (w.i.).	143	144	144	50	17½	June 30	20⅜	Feb 15	4⅜	1907	65¼	1908
do. pf. (w. i.)	18	20	18¾	3,400	47⅜	Apr 22	65⅜	Feb 15	14	1907	87⅜	1906
Iowa Central....	26⅜	26⅝	26⅝	48,500	15	May 12	19⅝	Feb 3	2	1888	81⅜	1902
do. pref.	18½	18½	18½	1,400	23	Apr 27	36⅜	June 27	12	1888	90⅜	1902
Kan. City & So.	35⅜	36¼	36¼	.....	32	Jan 3	39¼	June 16	7	1900	50¾	1909
do. pref.	....	....	57½	3,500	61½	Jan 3	70	May 26	27½	1900	75½	1909
K.C.,Ft S.&M.pf	....	....	63¼	.....	75	Apr 1	76	May 3	58	1908	88	1902
L'ke E. & West.	....	....	16	.....	14¾	May 19	16¼	Feb 1	1⅝	1885	76¼	1901
do. pref.	....	....	15	.....	33	July 13	40	Jan 17	34	1906	135	1902
Louis. & Nashv.	137¾	138	137	267	142¼	Jan 25	156¼	July 19	22	1885	162½	1909
Manh'ttan Elev.	136½	136⅝	136⅜	5,200	134	Mar 28	142½	July 19	64½	1884	176	1905
Metrop. St. Ry..	136½	142½	140	2,700	.....	.....	.....	.....	15	1886	192	1900
Mex. Central....	....	....	15	.....	.....	.....	.....	.....	4	1886	32	1892
do. 1st 4s.....	....	....	23½	.....	.....	.....	.....	.....	33	1886	98¼	1910
do. 1st inc....	....	....	58⅜	.....	.....	.....	.....	.....	8	1897	46	1894
do 2d inc.....	....	....	31	.....	.....	.....	.....	.....	4	1898	25⅝	1909
Minn. & St. L...	31½	31½	31½	100	21¼	Apr 26	32	July 10	8¼	1889	115	1902
do. pref.	....	....	44½	.....	35	Mar 13	46	May 22	7⅜	1889	127⅜	1902
M.S.P. & S.S.M.	141⅜	143	142	2,500	132¼	Jan 4	152¼	Mar 27	6	1897	164	1906
do. pref.	177	177⅜	177	200	117⅜	Jan 6	136½	June 28	10	1897	192⅜	1906
M K. & T. 1st 4s	95⅜	96	96	6,000	96¼	Apr 22	98	Jan 21	50	1896	104½	1905
do. 2d 4s.....	84½	84⅞	84⅞	8,400	83⅜	Jan 6	90⅛	Feb 17	27	1897	92⅜	1906
M..K.&T.of T.5s.	....	....	102	.....	101½	Jan 6	107¾	July 10	73	1896	114¼	1909
Mo., K. & Tex..	39½	39¾	39⅝	2,000	31	Apr 24	39⅝	June 14	5⅜	1879	54	1891
do. pref.	....	....	67	.....	67½	Jan 16	69	June 12	13⅜	1907	78½	1909
Missouri Pacific.	46	46⅜	46⅜	5,640	45⅜	Apr 18	63	Feb 15	10	1897	125¾	1902
N. Y. Central...	107⅜	109⅜	109⅛	4,200	105¼	Apr 24	115⅛	Feb 3	31⅜	1865	174½	1901
N.Y.,C. & St. L.	....	....	70	.....	57½	Apr 17	65	Jan 20	9	1896	73½	1905
do. 1st pref...	....	....	104	.....	101½	Feb 21	109⅜	Mar 20	4	1865	124½	1902
do. 2d pref....	....	....	85	.....	57	Apr 12	90	Jan 20	18	1897	100	1902
N.Y., Ont. & W	41½	41¾	41¾	400	40¼	Apr 20	46½	June 27	6⅜	1865	64	1905
No. & W.Con. 4s.	97½	97⅝	97⅝	1,000	97½	July 19	99½	Feb 3	74	1898	105	1905
Norfolk & West.	109	109⅜	109	3,000	100½	Jan 3	110⅜	June 26	⅛	1896	108⅝	1910
do. pref.	90½	90⅝	90⅝	200	86⅜	Apr 28	91	May 22	41⅜	1896	98	1902
N. Pac. prior 4s.	90½	90⅝	90⅝	61,000	90½	July 18	100⅜	Feb 6	80½	1906	100	1989
do. gen. 3s....	71½	71¾	71⅜	27,000	70¼	Mar 23	77½	June 24	57	1898	79	1905
North'n Pacific.	134¼	135⅞	135⅜	28,600	126	Jan 12	152⅜	June 8	11	1877	1000	1901
Pacific Coast....	....	....	102	.....	100	Jan 11	102	Jan 10	24	1896	142	1906
do. 1st pref...	....	....	106	.....	.....	.....	.....	.....	65	1901	106	1910
do. 2d pref....	....	....	101	.....	101	Jan 11	101	Jan 11	56½	1901	105	1906
Penn R. R.....	124⅜	125½	124⅜	11,340	120¼	May 15	130¼	Feb 1	97½	1879	170	1902
Peoria & East'n	....	....	20	.....	.....	.....	.....	.....	2	1895	50	1901
P.,C.,C. & St. L	97	98½	98	4,600	93¼	May 13	100	Jan 17	10½	1894	116½	1902
do. pref.	....	....	111	.....	111	May 20	112	Feb 17	40	1892	128	1902
Reading gen. 4s.	98	98⅛	98⅛	57,000	96⅜	Mar 15	98⅞	July 11	77	1896	104¼	1905
Reading	156	158⅜	157	25,500	149⅝	Apr 24	162⅜	June 3	4⅜	1896	173⅜	1908
do. 1st pref...	92	92	92	300	88	Mar 1	92	July 14	30	1888	97	1905
do. 2d pref....	....	....	90½	.....	84	Apr 20	101	May 2	17⅜	1888	117½	1909
R'k Island, new.	31⅞	32⅜	32⅛	7,500	27⅜	Apr 24	34⅜	June 14	11⅜	1907	81	1909
do. pref.	61	61½	61½	1,700	57⅜	Apr 22	69⅜	June 14	28½	1907	94⅜	1909
St.L.&S.F.rfg.4s	81¼	81⅜	81⅜	18,000	80⅜	Jan 3	83	May 4	66	1907	98⅛	1901
St.L.&S.F.1st pf.	67½	68	68	1,200	61	Apr 24	69	July 12	9⅜	1879	120	1887
St.L.&S.F.2d pf.	44	49½	48⅞	12,100	36	Apr 21	47¼	June 8	4⅜	1879	84½	1887
St.L.&SW 1st g4s	....	....	69½	.....	69¼	Jan 24	92⅜	July 5	50	1897	110½	1908
do. 2d gen. 4s.	....	....	82⅜	.....	75	Jan 9	85¼	June 29	12	1898	90½	1908

Digitized by Google

NEW YORK STOCKS AND BONDS

For the Week Ending Thursday Evening, July 20, 1911.

Names.	RANGE FOR WEEK Low	RANGE FOR WEEK High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911 Lowest		RANGE FOR YEAR OF 1911 Highest		RANGE FROM JAN., 1879, TO JAN., 1911. Lowest		RANGE FROM JAN., 1879, TO JAN., 1911. Highest	
St. L. Southw...	...	...	23	.....	21	Jan 13	34	Feb 4	1	1887	39½	1901
do. pref.	70	71	71	240	49¾	Jan 3	72	June 27	21¾	1900	80	1902
S'b'd A. L. adj. 5s.	80½	82	81⅝	469,000	75	Mar 15	82	July 19	69⅝	1910	77⅝	1910
San. Ant. & A. P. 4s	87½	88	88	10,000	86⅝	Apr 8	88	May 16	46	1896	92½	1909
So. Pac. rfd. 4s..	95	96¼	96	262,000	94½	Jan 3	96	May 8	94½	1905	98½	1905
South'n Pacific..	121½	124⅜	123⅜	44,200	113⅜	Apr 24	128⅜	June 26	12	1896	139½	1909
do. pref.	...	...	71⅝	.....	.....		.....		94¼	1909	107	1909
Southern	32½	33¼	33	40,700	25¼	Mar 4	33¼	July 11	12	1894	263	1902
do. pref.	70⅜	75½	75	28,920	61¼	Jan 11	75¼	July 20	13	1894	103	1906
Texas & Pacific.	28½	29½	29¼	3,200	25½	Apr 24	30½	June 9	4⅝	1893	73⅝	1881
Third Avenue...	11⅝	11⅝	11⅝	200	6⅝	Mar 2	12	Mar 2	5½	1910	242	1899
Tol Rys. & Light	...	...	7	.....	6¾	Mar 27	8¼	Jan 17	5½	1910	58	1902
Tol., St. L. & W	21½	22	21½	1,100	19	May 9	24⅜	Feb 6	10⅝	1901	54⅜	1909
do. pref.	47¾	48	47⅝	3,100	46	July 1	53¾	Feb 6	22⅝	1902	74¼	1909
Twin City R. T.	107½	110	109½	1,000	107	July 11	111	Feb 2	9¼	1897	129	1902
U.P.cvt. 4s, 1927.	104⅝	106½	105½	406,000	103¼	Feb 24	109⅝	June 27	78¼	1907	124¼	1909
Union Pacific....	156⅝	159⅝	159⅝	187,200	159⅝	Jan 3	169⅝	July 19	3	1896	204⅝	1910
do. pref.	94⅛	95	94⅝	10,300	91	Mar 22	96⅜	May 17	47	1898	113½	1900
Wabash 1st 5s...	108	108	108	1,410	100	June 7	110	Mar 20	98	1890	121	1902
do. deb. B's...	...	...	101	.....	.....		.....		19	1893	101	1909
Wabash	16¼	16¼	16¼	200	15¼	May 10	18⅜	Feb 22	2	1895	60	1881
do. pref.	35⅜	35⅜	35⅜	700	32⅞	Jan 11	40⅜	Feb 22	9	1894	96½	1881
Wheel. & L. E..	3	3½	3	700	3	June 28	5¼	Feb 8	½	1897	63⅝	1887
do. 1st pref...	8⅝	9½	8⅝	600	10	July 5	17¾	Feb 8	2⅝	1897	80½	1892
do. 2d pref....	4	4⅜	4	500	4	July 5	8	Feb 22	4	1910	42⅜	1902
Wis. Central....	67	67⅜	67	400	67	Jan 3	72¾	May 1	4c	1889	64	1910
do. pref.	...	...	88½	.....	.....		8	Feb 22	50c	1899	91¾	1909
do. 1st 4s.....	93¾	93¾	93¾	6,000	92¼	Mar 27	93¾	July 5	37	1896	90¼	1890
Miscel. St'ks.												
Adams Express..	...	...	100	.....	225	Jan 28	243	June 13	97½	1896	315	1907
Allis Chalmers..	8½	8½	8½	100	7⅜	May 17	9⅝	May 31	4	1907	37⅜	1906
do. pref.	...	...	29½	.....	25	Apr 21	34	Feb 9	14	1906	65½	1902
Amal. Cop.....	69¾	69¾	69¾	14,420	59¾	Apr 18	71⅜	June 19	33⅜	1909	120	1901
Am. Car & F'd.	56	58¾	57½	9,900	50¾	Apr 24	58¾	July 19	10⅜	1899	76⅜	1909
do. pref.	118	118	118	100	114¼	Mar 13	120	May 23	51	1899	124⅝	1909
Amer. Cot. Oil..	54⅞	58	57⅜	15,350	49¼	May 23	62⅜	Feb 28	8	1896	79¼	1909
do. pref.	101½	102	101⅞	200	100	June 27	106⅛	Mar 21	37¾	1899	107⅞	1909
Amer. Express..	...	...	237	.....	228	Jan 26	245	Mar 27	100	1893	301	1910
Am. H. & L.....	...	...	5	.....	3⅛	Jan 28	5	July 7	3⅛	1903	37⅜	1899
do. pref.	...	...	24⅝	.....	20	Jan 10	26⅝	June 14	10	1907	83¼	1899
Am. Ice Sec.....	23	24	23½	1,825	17⅜	Jan 18	25⅜	July 12	5⅛	1907	98	1907
Am. Linseed Co.	...	...	11½	.....	10⅛	Apr 21	12⅜	Feb 17	5	1903	30⅜	1901
do. pref.	...	...	31½	.....	30	Apr 22	34	Feb 16	16½	1907	96	1901
American Loco..	40	42¾	42¼	1,000	35⅝	Apr 21	43¾	May 22	11½	1903	78¼	1906
do. pref.	106	108	108	100	104	Apr 22	110⅝	Mar 1	67¼	1903	122½	1906
Amer. Malt Co..	5	5⅜	5	400	3⅝	Feb 17	5⅜	July 11	2½	1907	90¾	1898
do. pref.	42¼	43½	42½	1,400	31½	Mar 8	42⅝	July 11	14½	1903	59	1909
Am. Smtl. & Ref	69⅝	69⅝	70½	17,600	71⅜	Apr 24	83¾	June 15	30	1899	174	1906
do. pref.	107¼	107⅜	107⅜	100	103¼	Mar 10	108⅛	June 15	77½	1899	127	1905
Am. St'l F'dry..	39½	39⅞	39⅝	300	36	July 7	53¾	Feb 9	3½	1904	68⅜	1909
do. pref.	...	...	102½	.....	.....		.....		30	1907	70	1902
Am. Sugar Ref.	119	119	119	300	113	Jan 6	121⅛	June 14	65⅝	1889	132	1899
do. pref.	...	...	119⅜	.....	111	Jan 5	119¼	Feb 14	90¼	1892	142	1906
Am. Tob. pref..	96	96	96	900	93½	Jan 4	102	May 22	80	1907	151½	1902
Anaconda[‖]	39	40	39⅝	900	36⅛	Apr 24	41¼	June 20	25	1907	202⅜	1907
Br'k Un'n Gas..	143	144	143½	500	135	Jan 3	145¼	June 8	80	1907	253	1902
Central Leather.	30	30¼	30	1,700	26¼	Apr 24	33⅜	Feb 2	11⅜	1907	51⅜	1909
do. pref.	100	101	101	500	98¼	Apr 29	105	Feb 10	68	1907	111	1909
Colo. Ind. 5s....	75¼	78½	76¼	48,000	73¼	May 31	79¼	Feb 22	35	1907	88¼	1908
Colo. F'l & Ir'n.	34⅜	36	35¼	4,200	28½	Apr 24	36⅜	Feb 6	14	1907	186¼	1901
do. pref.	...	...	110	.....	110	July 6	110¼	Jan 9	30	1907	142½	1901
C. & H. V. Co'l & Ir.	...	...	15	.....	4	Feb 9	4	Feb 9	⅝	1896	92½	1910
Consolid'd'd Gas.	145½	146¾	146¾	4,820	126¾	Jan 3	148¼	June 6	67	1887	241¾	1897
Con. Tobacco 4s.	87⅜	87⅝	87¼	20,000	81¼	Jan 11	89¼	July 10	51¼	1908	85¾	1904
Corn Prod'ts R..	14½	14⅞	14⅜	2,500	13¼	Apr 24	15⅝	May 17	3	1907	28	1908
do. pref.	81	81⅝	81⅜	450	74¼	Jan 10	86	May 29	46	1907	93¼	1909
Dist. Secur.....	85½	86⅜	86	2,100	82¾	Jan 11	88¼	June 6	19½	1904	73	1907
Fed. M. & Smlt.	...	...	33	.....	17¾	Jan 28	36	Feb 16	48½	1904	199	1903
do. pref.	...	...	65⅜	.....	48¾	Jan 11	68¼	May 19	47	1907	112⅜	1904
Goldfield Con....	5⅜	5⅜	5⅜	6,000	5¼	July 10	7⅜	Jan 3	3⅜	1907	18	1910
Internat. Paper.	11½	11½	11½	400	9¼	Apr 27	12⅜	Feb 3	7½	1907	68¼	1899
do. pref.	48½	49¼	48½	1,050	44⅜	May 15	56⅜	Jan 21	47	1909	95	1899
Inter. Power....	...	...	29	.....	.....		.....		20	1903	180	1902
Inter. Stm. P'mp	41⅜	42⅜	42¼	800	38¼	Apr 27	44	Feb 10	7⅜	1907	88	1906
do. pref.	93⅜	93½	93⅜	1,000	84⅜	Jan 26	96¼	June 12	50	1907	95	1902
Nation'l Biscuit.	136	136	136	100	117¾	Jan 16	141	Apr 4	23	1900	139	1909
do. pref.	...	...	127¾	.....	124	Jan 20	130	Feb 4	79½	1909	130	1909
Nat. En. & Stp.	18	20¼	20	2,125	16¾	May 29	20¾	July 20	6½	1907	91	1902
do. pref.	95½	96¾	97¼	1,000	85	Jan 6	97	June 30	70	1908	99¼	1909
Nat. Lead.....	56¾	56⅞	56⅞	600	50¾	Apr 25	58¾	Mar 15	10½	1903	95¾	1906
do. pref.	107⅜	108½	108¼	200	105¼	Mar 24	109¼	May 22	48	1893	115	1899
N.Y. Air Brake..	...	...	75	.....	68	Apr 27	76	June 19	14	1898	188¾	1905
North Amer. Co.	73	74¼	74¼	400	64	Jan 10	78¼	May 22	2½	1892	134	1902
Pacific Mail.....	27⅜	29½	29⅜	2,700	23¾	Apr 24	29½	July 20	8½	1893	70	1895
P'ple's G.L. & C.	105	106¼	106¼	1,050	103	Apr 8	109	Jan 19	29	1892	129¼	1899
Pressed St'l Car	36¾	37⅜	37⅜	700	30¼	Jan 3	37⅜	July 19	15⅜	1907	65⅜	1903
do. pref.	102	102⅜	102⅜	200	92¼	Jan 3	102⅜	June 16	52¼	1907	111⅜	1909
Ry. Stl Spring..	37½	38	37½	500	31	Jan 11	39	June 14	15⅞	1894	63¼	1905
do. pref.	...	...	101¾	.....	98	Jan 3	102¼	May 24	67	1903	109	1909
Rep'b Ir. & St'l.	29½	30½	30¼	2,500	23¾	May 21	35¼	Feb 6	5	1904	49¼	1909
do. pref.	93½	94	94	2,500	87¼	Apr 26	99¾	Mar 14	36⅝	1903	111¼	1909
Sloss-Sh. S. & I.	48⅜	50	50	800	50	Jan 27	56¼	Feb 6	17½	1909	119⅝	1905
do. pref.	...	...	112	.....	112	Feb 15	112	Feb 15	53¼	1909	130	1905
T. Pac. Ld. Tr..	...	...	90½	.....	87	Mar 3	93	Jan 24	5	1898	95	1910
Un. Bag & Pap.	6⅜	6⅜	6⅜	150	6⅜	July 17	9	Feb 10	3⅛	1904	45	1899
do. pref.	...	...	59	.....	56⅜	Apr 29	60¼	Jan 30	36	1909	89	1899
U.S.Cast IP & F	16	16	16	100	15	Jan 11	19	Feb 24	6	1903	53	1905
do. pref.	53½	56½	53½	200	50	Jan 18	59¾	Feb 24	22	1903	97⅝	1905
U. S. Express...	...	...	98⅜	.....	95	Jan 7	104	Feb 1	35	1896	160	1902
U.S R'lty & Imp	75	75	75	100	65¼	Jan 25	79⅜	May 29	36	1907	98¼	1905
U. S. Rubber....	41	42¾	42	3,200	36	Jan 6	47¾	Mar 1	7	1903	60¾	1893
U. S. Rubber pf.	113	113⅜	113	400	109¼	Jan 21	115¼	July 7	80¼	1903	122½	1909
U. S. Steel.....	78½	80⅜	79½	182,700	71⅜	Jan 3	82¾	Feb 6	8⅜	1904	91	1910
do. pref.	118⅝	119	118⅝	4,000	116⅛	Jan 3	120⅞	Feb 4	49⅜	1903	123⅜	1910
do. 5s	104⅝	105	105⅜	121,000	103⅜	Jan 4	106⅛	May 27	65	1903	105¼	1910
Utah Copper.....	49	50⅛	50	5,000	42⅜	Apr 19	52	June 14	13	1907	67⅛	1909
Virg. Car Chem.	57	59½	58	13,100	55	July 5	70¾	Feb 28	12⅜	1907	72	1901
do. pref.	125	127	126	200	122¼	Apr 22	128½	Mar 15	76	1907	132⅜	1902
West. Un'n Tel.	80⅜	82⅛	81⅛	9,700	73¾	Mar 20	84⅛	May 24	41	1906	133⅜	1881
West. Mfg. Co..	75¼	77⅛	75¾	200	64¼	Apr 19	79	May 29	20¼	1896	114	1907
do. pref	...	...	119	.....	116	Jan 14	122	Jan 5	48¼	1896	100	1907

* Ex-dividend. ** New. † Assessment paid. ‡ Ex-rights. ‖ Price bid. ¶ Price asked. § Old securities. ‖ Certificates. x Ex-interest. ‖‖ Par value basis. *** Receipts.

N. Y. CITY SUBWAY MUDDLE.

(Continued from page 1248.)

investments would come ahead of that of the City of New York.

The extent of the company's nerve in demanding these terms may better be understood by a consideration of the actual amount of money they have invested as stockholders in the present subway. The real subway company is the Interborough Rapid Transit, which has a stock capitalization of $35,000,000, most of which has been deposited to secure the issue of $70,000,000 of Interborough Metropolitan 4½ per cent collateral bonds. For the $35,000,000 of Interborough Rapid Transit Company stock there was

ORIGINALLY PAID IN CASH

less than $20,000,000, and after the organization of the company, more than this amount of money was invested by the corporation in outside enterprises, such as the Belmont Hotel, the Steinway Tunnel, street railroads on Long Island, etc. In other words, the stockholders of the Interborough Rapid Transit Company to-day, as such have probably not a dollar invested in the subway, because all of the equipment and other expenditures, are more than covered by the outstanding bonds and notes. All the cash that was paid in for the stock has been used in outside speculation. Nevertheless, the enterprising managers of the holding company endeavored to have the city guarantee 9 per cent on this $35,000,000 of stock, which was supposed to be still invested in the existing subways.

On the bright subway prospects of the Interborough Metropolitan, over $3,000,000 of the company's 4½ per cent bonds were dealt in at advancing prices Wednesday of this week up to 83, with a closing price of 82⅞. On the next day, about he same volume of bonds changed hands at prices ranging from 79½ to 81½, with a closing price of 80. These bonds are good, and fairly well secured, but their highly manipulative character was very clearly disclosed in this week's transactions. The investor might be justified in buying these bonds around 80, because they pay 4½ per cent, and are likely to continue to pay that rate of interest until maturity, but the investor who buys the preferred stock of the same company above 50, which pays no dividend, and has no apparent prospect of paying any, should not be entitled to any sympathy.

What

THE FINAL RESULT

of the subway complication in New York City will be, no one would undertake to predict at this time. Brooklyn Rapid Transit stock, however, as well as the bonds, are entitled to sell at higher prices, whether the company secures any benefit from its subway contracts or not, and it now appears to be inevitable that the company will secure some of these contracts which will not only guarantee its present rate of earnings, but give every prospect of increasing them. The Interborough Metropolitan securities, on the other hand, have very much the semblance of a largely over-capitalized and disappearing hope.

P. DE MEDICI.

CONNECTICUT RIVER POWER CO.

The statement of the Connecticut River Power Company for the six months ending June 30, 1911, indicates the rapid progress which this operating company has been making. This statement shows a gross income of $199,497, while the operating expenses and taxes amount to $62,295, thus giving net earnings of $137,201. Subtracting from this the bond interest of $80,000, there is left a balance of $57,201, or at the rate of $104,402 for the year, or over 20 per cent upon its $500,000 preferred stock.

The statement for the month of June, however, shows still better results. With gross earnings of $35,629, the operating expenses were $10,581. Net earnings for the month, therefore, were $25,048, so that after the payment of $13,333 bond interest, there was left a balance of $11,715, or at the rate of over $140,000 per annum. Net earnings for the month of June compare with $14,530 for the corresponding month of 1910, or an increase of $10,517. As a matter of fact, the earning power of the Connecticut River Power Company is constantly increasing. It transmits power through a field, rich in prospective customers. The company has already received contracts for

PRACTICALLY ITS CAPACITY

at the present time, but naturally, it takes some time for the change over of mills and factories, and the like from steam to electricity, so that while the contracts are now in force, the generation of electricity in some cases can hardly take place before the end of the year. The customers of the operating companies are constantly increasing, however.

The Connecticut River Power Company, of Maine, is the holding company for the Connecticut River Power Company of New Hampshire, and for the Massachusetts Company, the operating company for the large hydro-electric enterprise now serving manufacturers over a large territory extending from southern Vermont to Fitchburg and Worcester, in Massachusetts. The company

OWNS ALL THE STOCK

of two operating subsidiary companies, and it is evident from the earnings which have been shown for the past six months, in fact, since the company began to generate electricity, that it is getting in shape for the inauguration next December of 6 per cent dividends on the $500,000 of preferred stock. Each month, of course, increases the equity back of the $3,200,000 5 per cent bonds. This company has a 30,000-horse power plant, and its dam stretches across the Connecticut River, between Vernon, Vermont, and Hinsdale, N. H., and having a drainage of many miles. With the company operating to its full capacity, it is expected that the earnings will ultimately approximate close to $500,000 per year, and that it will not be a great while after the initial payment on the preferred, when dividends at the rate of 5 per cent can be expected on the common stock.

LION HILL CONSOLIDATED MINES.

On Tuesday of this week there was listed on the Boston Curb Exchange 325,000 shares of the capital stock of the Lion Hill Consolidated Mines Company. The stock opened at 50 cents and on Wednesday sold as high as 54, and on Thursday at 56 cents. We should judge from the way in which the management had been pushing development work at the property and from the character of those who have become interested in the company we are going to see this stock sell a great deal higher within the next year or two.

The Lion Hill Consolidated Mines Company was organized less than a year ago, as a consolidation of five properties, aggregating 620 acres in the Ophir District in Utah, and a number of Boston people became interested The proposition has been financed by Edmond A. Fordyce & Company, of Boston. Development work has been pushed rapidly, besides driving a five by seven foot working tunnel for a length of about a thousand feet where it was stopped, and to which point they are now working on a tunnel which will greatly decrease the cost of transportation, as it will

COST VERY LITTLE

then to bring the ore to the mouth of the tunnel, from which it can be taken to the American, United States, or to the International smelters, which are all close by, and which are anxious and compete for all the ore that they can get from this property.

Before taking over this property, reports and recommendations were received on it by at least four prominent engineers. One of these, E. W. Clark, is at present consulting engineer of the property. Mr. Clark is especially well known as the consulting engineer for Senator W. A. Clark, the eminent Montana mine owner, with whom he has been for over fifteen years. The other engineers are Grant Snyder, consulting engineer and manager of the well-known Cliff Mining Company; E. P. Jennings, the consulting engineer for Utah Apex, Utah Metal and others, and Wm. G. Nebeker, the mine expert of Salt Lake City. Haines Gridley, the mine engineer, has been for ten years in the district, while manager George St. Clair has worked there twenty years, so that their knowledge of the property should be apparent to all.

WITHIN ELEVEN DAYS

from the time work was begun, a promising body of high-grade silver-lead ore was encountered which has continued to enlarge until the present face is five feet in thickness by thirty-five feet in width of high-grade ore, in addition to which there is the second and low-grade ore. As a matter of fact, there is one mile of virgin ground on the vein now being developed. The first carload of ore, which was shipped on May 4, carried values of $107 per ton, while since that time, six carloads of ore have been shipped, all of which averaged $2,000 per car. From the fact that all of this ore comes from development work alone and with the reserves which have already been proven, it is quite evident that when the present incline is completed, the stockholders can expect particularly fine results. This stock, therefore, appears to be one of the attractive purchases on the curb list to-day.

PORCUPINE

Get in RIGHT or keep out. THE BOSTON DEVELOPMENT COMPANY, LIMITED, is operating along the right lines. Large acreage; conservative capitalization. For prospectus, engineer's reports, etc., address

A. S. FULLER & COMPANY
CANADIAN INVESTMENTS,
407-8-9 Old South Building, Boston, Mass.

SIX NUMBERS FREE

Financial Converse (published every two months) answers more questions on mines than any periodical published. S. F. Campbell, of Chicago, says: "This paper is worth more than any other mining publication in the United States." Cut this out and send for six copies free covering the next year.

FINANCIAL CONVERSE
339 Monadnock Block, Chicago, Ill.

Almoloya Mining Co.

60 Wall St., NEW YORK

FOR

Oil and Gas Land Leases

WRITE

C. W. DEMING & D. C. ACOSTA, Inc.
Tulsa, Okla.

FOR HIGH GRADE OIL STOCKS

WRITE

EQUITY BOND & SECURITY CO.
37 WALL STREET, NEW YORK CITY

EMNAHA GOLD MINING COMPANY

Incorporated under the laws of the State of Idaho. Capitalization, $500,000, divided into 500,000 shares. Par value $1.00 per share, of which 250,000 shares have been placed in the Treasury, for the development of the property.

This Company owns and controls nine claims on Battle Creek, Imnaha, Willowa Co., Ore., on which there are three well defined parallel veins, carrying very rich gold quartz. A limited amount of the shares of the stock have been sold.

For full particulars, address

JOHN SENNETT, Treasurer
79 Milk Street, Room 602 Boston, Mass.

Digitized by Google

Exhausting Our Copper Resources

New Ore Bodies of Importance Are Not Being Discovered to Take the Place of Those Becoming Exhausted—An Object Lesson in the History of the Granby and Utah Consolidated Companies—Two Per Cent Ore, Formerly Discarded, Now Worked At a Large Profit—New Treatment Methods As a Substitute For the Location of New High-Grade Properties—A Profit From One Per Cent Rock?—How This Situation Is Likely to Influence Prices.

In considering the course of copper metal prices in the near future, there is one feature of the situation, and a very important feature at that, which is too often given only passing attention, if indeed, it is not disregarded entirely. I refer to the possible exhaustion of present known ore bodies within a period of years, which is likely to be much briefer than most people imagine. We are in the habit of looking upon the marvelous mineral resources of this country as practically inexhaustible, forgetting that in this mechanical age the consumption of these minerals is not only enormous, but is steadily increasing. In the copper world, the brass trade, the electrical industry, and other departments of activity are steadily adding to the uses found for copper. The rapid expansion of telegraph and telephone lines and cables, the spread of the trolley systems, the electrification of steam roads—these are but a few of the new channels of consumption of the red metal.

A WORD OF WARNING.

Not long since in these columns, I called attention to words of warning uttered by a conservative British copper authority, who wondered at the manner in which some of our producers in this country had been vying with each other in developing their mines, and producing as large a tonnage as possible, despite the fact that metal prices were at the lowest point touched in many years. Seemingly, this note of caution has found an echo in the opinions of conservative authorities on this side of the Atlantic, many of whom believe that well within the next decade, there will be a remarkable change in conditions, surrounding the production of copper as a result of the exhaustion of those bodies of ore, which are now known to exist, and which are being developed on an extensive scale.

The layman is not likely to place any great importance in the developments which have followed the operations of such companies as the Utah Consolidated, and the Granby, which have within the past two or three years given evidence of a remarkable depreciation of ore reserves, the logical sequence of which has been seen in the decline in the quoted value of the shares of those companies. Such an uninformed observer is too prone to believe that it is a comparatively easy matter for an engineer who knows his business, and who has strong financial backing to go out into some section of the country where the indications are promising, and to uncover

A NEW ORE BODY

to take the place of any property which may have shown signs of approaching the scrap heap period in its history.

As a matter of fact, very few new copper properties of any real importance have been discovered within the last six or seven years. This statement may be met with the objection that the porphyry companies, whose shares hold the greatest promise in the copper list to-day, have been developed and brought to the front within that space of time. Yet the truth of the matter is that these properties are not new, but for many years past, their existence has been a matter of general knowledge among engineers and producers. Their sudden rise to fame came not from their discovery within the last few years, but from the introduction of more scientific and vastly more economical methods of treatment, which made it possible to earn profits, and very large profits at that, on ores, which, under former methods, could not have been treated profitably. It is true, of course, that from time to time some new property is promoted and brought to public attention, adjoining some of the large camps, but this does not mean the discovery of any new body. It means rather the tapping in a new location of an ore body already known to exist.

Many of my readers may be startled at the assertion that there has been

NO NEW DISCOVERY

of importance in this field within the past six or seven years in the United States, Mexico or Canada, so far as high-grade copper properties are concerned, but that statement is advanced by a confident authority whose words are worthy of attention. In the face of this record, it is evident, therefore, that the treatment methods, which have made possible the remarkably successful operations of the steam shovel properties, have been of even greater importance than has been generally believed. A few years ago, two per cent ores were looked upon as being next thing to worthless from a mining standpoint, but now we find this low-grade porphyry playing a leading part in the mining world. In view of the progress already made, it requires no great stretch of the imagination to justify the belief that within the next few years methods will be found of treating at a profit ores running 1½ per cent copper, and it may be as low as 1 per cent. Certainly, if our prospectors and engineers cannot locate new high-grade properties, some method must be found of treating, and treating profitably, the ores which heretofore have been looked upon as so much waste, for copper we must have in this age of electricity.

INFLUENCE UPON PRICES.

It is easy to see that this condition of affairs is likely to have an important bearing on the price situation within the next year or two. There is nothing unreasonable in the statement that had it not been for the adoption of those methods which have made it possible to treat 2 per cent ores at a profit, copper would be selling above the 20-cent mark to-day. The present outlook seems to me to favor growing competition among consumers of copper for the stock of metal which is now on hand and in process of development, and that, of course, is a condition of affairs which should logically make for higher prices in the metal trade. There is no indication of anything revolutionary in this movement of metal prices, but in the background, more than one observer believes that he sees indications of that runaway copper market which President Daniel Guggenheim, of the American Smelting & Refining Company, pointed out as a possibility, or rather a probability, in an interview quoted in these columns two weeks ago.

P. DE MEDICI.

AN INTERESTING TABLE.

George H. Burr & Company, 35 Wall street, New York, have issued a very interesting pamphlet on high-class industrial stocks, which should interest our readers, and can be had on request. A particularly interesting feature is a table enumerating a number of the best issues, showing their average earnings available for preferred dividends in the last six years, those of the last fiscal year, a record of years of consecutive dividends, annual dividend rate, present prices and current yield on those prices. The ten preferred issues included in this table, American Car & Foundry, American Piano, American Radiator, American Sugar, American Woolen, Brunswick-Balke-Collender, General Chemical, International Harvester, McCrum-Howell and National Biscuit, show average earnings of 17.98 per cent available for dividends in the last six years, while the average for last year alone was 20.24 per cent, and the average return to shareholders 6.9 per cent, all being 7 per cent stocks, excepting General Chemical preferred, which pays 6 per cent. The average yield at present prices is about 6.33 per cent, varying from 5.47 in the case of American Radiator preferred to 7.53 per cent in the case of American Woolen preferred.

MINING INQUIRY.

Sonora & South Western Mines Co.

21243. (Wilmington, Del.) We have had tendered us stock of the Sonora and South Western Mines Company of Arizona, of the convertible, accumulative, 8 per cent preferred. We would like to know if it is of any value.

Ans.: We are unable to learn anything about this company, other than that the mines have been shut down for some time, and in view of this, we would not advise the purchase of the stock.

UPON PRESENTATION

at the Office of

THE MIDDLESEX BANKING COMPANY

OF MIDDLETOWN, CONN.

DEBENTURES of Series E13, maturing October first, and Series E14, maturing November first, WILL BE PAID at par with interest to the date of payment.

Local Brokers

Treasury stock of the **United Motors Company** is sold to automobile owners exclusively and carries with it the privilege of buying Sterling Tires at jobbers' prices—a saving of 30% to 35%. Thus the stockholder may receive from 25% to 200% per year in direct profit on his investment in the 7% Cumulative Participating Preferred stock.

We would be pleased to hear from local brokers in New England, New York, New Jersey, Pennsylvania and Ohio.

Fidelity Bond & Mortgage Company

2 West 33rd Street, New York

6% NEW YORK CENTRAL REALTY BONDS

A Good Investment

To investigate is the six per cent Realty Bond of the New York Central Realty Company issued in denominations of $1,000. $500. and $100.

It offers a high grade of security, a liberal cash availability and an interest earning of 6%.

WRITE for booklet illustrating the methods of the Company, describing its bonds, their redemptive privileges and advantages over other Realty securities. Everybody knows us.

New York Central Realty Co.

Suite 1190, 1328 Broadway, Cor. 34th St., New York City

CAPITAL AND SURPLUS, $1,464,588.34

6 PER CENT INTEREST PAID

By Coupon on Bonds Secured by Well Selected New York Real Estate.

"We Deal in No Other Securities"

THE DEBENTURE CORPORATION OF NEW YORK

334 Fifth Avenue New York City

Corporation Organizers

Delaware charters are inexpensive and perpetual, and permit stockholders and directors to hold meetings anywhere. The law is more stable, and grants greater powers than other states. $1,142,434,409 of capital organized in Delaware during 1910—double that of New Jersey or elsewhere. In selecting an agent to organize and represent your company, get the best—It will be cheaper and safer in the end and will add prestige to your enterprise Lawyers' and Brokers' business a specialty. Corporation Law and forms sent on request.

MERRICK SECURITY & TRUST CO.

Wilmington, Del.

Lion Hill Consolidated Mines

is listed and is being actively traded in on the Boston Curb Exchange.

We solicit orders to buy and sell this stock.

Send for Descriptive Circular.

CHAS. A. DAY & CO.

Members Boston Curb Exchange.

60 State Street, Boston

BENNETT'S

INFORMATION AGENCY

INVESTMENT DEPARTMENT

The wisest men in the United States are those who never make a new investment which they consider good, and never get rid of an old investment which they consider bad, until they have made an investigation of the merits of the investment through BENNETT'S INFORMATION AGENCY.

CONGRESSIONAL INFORMATION

We attend to business at the Treasury Department as well as before Congress, the Courts, and all departments of the United States government, through our Washington office, 308 Corcoran Building, and through our staff of Washington correspondents. If you desire any information from Washington, or any business transacted at the National Capital, we shall be pleased to perform the desired service for our subscribers

PROBATE DEPARTMENT

Information respecting probate matters, in any town or city of the United States, is furnished to our subscribers gratuitously if the inquiry is answered through the columns of the INVESTOR, or for $2.00 if the reply is by private letter.

LEGAL DEPARTMENT

Questions answered by prominent attorneys upon any desired subject for $2.00 each.

MERCANTILE DEPARTMENT

A report regarding the standing and reliability of any firm or individual in the United States furnished for $2.00. Our information goes into the character and individuality of members of a firm and its methods of doing business.

MISCELLANEOUS QUESTIONS

Inquiries of any sort answered for $2.00 each. Send for descriptive pamphlet of the agency.

REAL ESTATE DEPARTMENT

A report upon any piece of property in the United States furnished for $2.00.

Conducted by

Frank P. Bennett & Co., Inc.

530 Atlantic Ave., BOSTON.
308 Chestnut St., PHILADELPHIA.
2 Rector St., NEW YORK.

EAST BUTTE

We are issuing a Special Letter on the above stock—a copy will be mailed free upon application.

"Coppers" and Curb Stocks bought and sold for Cash or Carried on Margin

H. A. BROWN & CO.

Members Boston Curb Exchange

60 State St. Boston — 74 Broadway New York

YOUR MONEY

Is worth much more than double the rate you are now getting for it. Its safety will be beyond question—the best security in the world—

New York City Real Estate

Send for full particulars of our

PROFIT SHARING COUPON GOLD BONDS

which, with interest payments and PROFIT SHARING additions, have averaged over 17 per cent per annum for the past nine years. These Bonds are issued in denominations of from $5 to $1,000 and upwards, complete with interest coupons.

INTER BOROUGH REALTY COMPANY

(ASSETS OVER $1,105,000.00)

10 WALL STREET, NEW YORK CITY

FUNDING COMPANY OF AMERICA

40 Exchange Place, New York

Investment Department offers securities of high-grade financial enterprise paying regular and attractive dividends, and growing rapidly—an exceptional opportunity; also railroads, public service and industrial bonds yielding from 4% to 6%. Write for particulars.

OFFICERS AND DIRECTORS

Edward Staats Luther, President

Charles W. Abrams, Treasurer John W. Harding, Secretary

Howard S. Kennedy, Vice-President Chett, Peabody & Co., Troy, N. Y.

A. H. Phelps, President First National Bank, New Berlin, N. Y.

James D. Abrams, President Hudson Yacht & Boat Co., Nyack, N. Y.

OUR NEW INVESTMENT PROPOSITION

is as

Sound and secure as a good bank and pays large dividends.

First class representatives wanted; must be men of good standing in their community

SECURED INVESTMENT TRUST

92 STATE STREET, BOSTON

WANTED

Norton & Taunton 5s
Calumet Canal & Imp. 4s
Fresno City Water Co. 5s
Citizens G. & E. Loraine & E. 5s
Des Moines Water Co. 4s
Kansas Defaulted Municipals

H. C. SPILLER & CO.

Specialists in Inactive Bonds

27 STATE STREET BOSTON

INDUSTRIAL SAVINGS AND LOAN COMPANY

BROADWAY AND 42ND ST., NEW YORK

Established 18 years, under New York Banking Law — Assets $2,250,000

5% PER ANNUM

$25 to $3,000 may be deposited or withdrawn on any date desired—earnings credited for full time. For 18 years we have never paid less than 5% per annum. ¶ A good place for your temporarily idle money.

WRITE FOR FULL PARTICULARS

Digitized by Google

GENERAL LIBRARY,
UNIV. OF MICH.
JUL 31 1911

United States Investor

Volume XXII. BOSTON, NEW YORK AND WASHINGTON, JULY 29, 1911 Number 30

Clearing House Section

There is one Section of the American Bankers' Association whose works have justified its existence. Such commendation is all the more heartily given when one realizes that not so very many years ago this very same Section was not taken any too seriously by bankers generally. The Clearing House Section is the one we have in mind. It is easy to recall with very great distinctness a disposition a few years ago on the part of some of even our most tolerant bankers to declare that while this Section might find some warrant for existence in the spirit of genuine good fellowship which it has always promoted, it could find little reason for its being in any practical good it had ever done, or any definite objects it had in view. All this has been changed, and among those who are most willing to admit the fact are those very bankers who used to ridicule the pretentions of the moving spirits of the Section.

The tangible good it has done lies in the success which has attended its propaganda of Clearing House Bank Examinations. If any one had said, no longer ago than 1909, that the present year would witness the adoption of the system in numerous reserve centres and unqualified praise of it by the comptroller of the currency, his views would have been regarded as altogether too sanguine, and, yet, everybody knows that exactly those conditions have eventuated. Just two years ago, or thereabouts, the system was in use in Chicago, where it originated, and in a few other centres, and it was making little progress elsewhere in spite of the enthusiastic way in which Chicago bankers commended it to the rest of the world. Once, however, the Clearing House Section had enlisted in the cause, the ears which had been deaf to the testimony from Chicago were opened and genuine favor for the plan was soon apparent. After that, the adoption of the plan very generally could not be long delayed.

Three Unique Features

The unique features of the scheme are, perhaps, not even now so well known in the banking fraternity at large as they ought to be. To recount them now may, therefore be in order. To begin with, there is selected for the actual work of examination a very competent bank examiner, one who has been through the mill for years, either on the staff of the comptroller of the currency or of some state bank commissioner. He is given three advantages which he never has enjoyed while in the employment of the comptroller or commissioner in question. One of these is substantial pay. The remuneration for which some of our national bank examiners are required to labor is altogether too small for the responsibility and skill required of them. Once in the employ of the clearing house, however, they are paid that proper income which popular government insists on denying its employes, however great their merit. Another advantage is that they are given sufficient time in each bank to really delve deep into its assets and to know their worth. Too frequently, the examination of a national bank examiner has to be curtailed lest he fail to complete his round of his district within the time which the comptroller allots him for the purpose. Finally, he is given a sufficient force of assistants. With these at his elbow, or working exactly as he directs, he can make simultaneous probings into all of the departments of even the largest bank and thus succeed in preventing any transfer of assets from one to the other for purposes of mystifying those who would examine.

It stands to reason that these three conditions add largely to the efficiency of the clearing house bank examination scheme. There is still another advantage which the scheme has and upon which we have enlarged in previous articles. This is that the examiner renders his reports to the Clearing House Committee, whose knowledge of local conditions and whose ability to cope with local difficulties make them vastly better parties to deal with any unfortunate conditions within any bank than the comptroller or state bank commissioner possibly can be. It must not be forgotten, however, that the clearing house examiner must perforce be a more responsible individual than the national bank examiner. The very logic of the situation requires that he shall not lean so heavily upon his Clearing House Committee, as a national bank examiner is very properly encouraged to lean upon the comptroller. The comptroller, for his part, is the impartial head of the banking system. He has no private aims of his own to serve, and is as far as possible removed from any suspicion of having such. In the case of the clearing house examiner, the body superior to him, the Clearing House Committee, is composed of the heads of the local banks, every one of whom is the rival of the bank upon whose affairs the examiner is reporting. Naturally, he must not invoke the offices of this committee or even give them much knowledge of the intimate and, therefore, confidential affairs of any one of the local banks, except when the conditions in that bank really call for a wisdom or power greater than his own. In brief, he must be a little comptroller, all by himself, relying mainly upon himself and turning to the committee only as a sort of last resort.

Limits to the System

These are the facts which make it very necessary that other cities which contemplate establishing clearing house examinations shall understand perfectly that there are some limits to their value and some places where, perhaps, the experiment ought not to be made. One clearing house examiner, William M. Hardt, who has charge of the work for the clearing house of Philadelphia, stated in a paper read before a meeting of Group Three of the national bank examiners recently, that the value of clearing house examinations rests upon the methods employed in making such examinations. It seems to us that this statement tells only half of the story. It depends largely also upon certain other factors. One of these is the reputation of the examiner. The other is the standing of the Clearing House Committee. In a place like New York or Phliadelphia, the Clearing House Committee enjoys a huge prestige, both among the banks of that city and in the eyes of the entire world. If it shall summon before it the president of any bank of New York, he would not dare disobey the summons, or be otherwise than very frank and outspoken when the committee questioned him. Consequently, whatever action that committee shall take with regard to his bank is bound to accomplish the purpose of the com-

Digitized by Google

MELLON NATIONAL BANK, PITTSBURGH, PA.

Offers perfect service on attractive terms to other banks and bankers

CAPITAL $6,000,000 **SURPLUS $1,300,000**

mittee, for neither public opinion nor the patrons of his own bank would stand back of any bank president who set his own judgment up against the deliberate finding of the Clearing House Committee.

What is true of New York conditions is true also of numerous other bank centres. One cannot conceive of any bank president in Boston or Philadelphia or Chicago or other places too numerous to mention, standing out against what his Clearing House Committee told him to do. If they ordered him to charge off certain paper or to liquidate certain loans, or to demand more collateral, or even to make good what they regarded as an impairment of his capital which he might believe really did not exist, if they should go to that extreme limit and require of him that he resign his presidency, he must accede to their demands. If he refused to do so, they would have plenty of ways of forcing his obedience.

But there is a far more numerous body of places, cities of medium or small size where these conditions do not prevail. Jealousy among the bankers in those communities is a very common failing, and a willingness to accept the judgment of even a majority of the presidents of the other local banks is rarely to be found in any one of the more successful bank presidents there. Frequently, too, in such places one finds that one or two of the banks are much larger than the other local institutions. Clearly, in such a place the president of any of the larger banks would never admit that any local Clearing House Committee could possibly know more about the internal affairs of his institution than he knows himself. He might strongly resist any judgment passed upon his assets by a Clearing House Committee composed in large part of presidents of those smaller local banks whom he has been accustomed to look down upon. If he should go so far as to follow a policy of resistance, the chances are rather strong that his directors would support him in so doing. Almost equally certain is it that the presidents of many of the smaller banks would look with equal disfavor upon any decision of the Clearing House Committee if they felt it to be dominated by the big bank of the town. They would insist upon believing that the decision of the committee had its animus in a determination on the part of the big bank to get away the modest business of its smaller rivals. In places where this sort of condition would prevail, dissatisfaction with the clearing house examination must sooner or later be felt. Probably, it were better if in such places no clearing house examination system ever were begun.

Unpropitious Conditions

What is true of clearing house committees in medium and small sized towns is even more the truth with regard to the examiner himself. We have an impression that the supply of men big enough to be entrusted, not only with real inside knowledge of all of the banks of a city, but also with power to decide whether or no a report based on that knowledge shall go to the local Clearing House Committee or be kept sacred within his own mind, is distinctly limited. It is a big responsibility and requires a man of large parts to fill the bill. The larger cities of the country can find the right sort of men. Can smaller places also be provided with good examiners? We are by no means certain that they can. Rather, it seems to us, that for those places some modification of the clearing house examination plan must be had. Mr. Murray has shown himself ready to co-operate in working out such a modification, and there ought no great difficulty to be experienced in persuading state bank commissioners to lend aid also. The method followed in such cases might be to have no clearing house examiner, but to have the local, national and state bank examiners empowered to talk things over with each other frequently and to consult the Clearing House Committee whenever either of these examiners feels in need of their expert judgment, or believes that a condition exists with which they ought at once to deal. Even this scheme, however, has its outs. The local national bank examiner may find the local state examiner not the sort of man whom he feels like taking into his confidence, or the state examiner may have some feeling of distrust relative to the national examiner of the locality. Or, either of them may cherish an attitude as to the fairness or [illegible] local clearing house committee which will lead him to turn to it only in the most extreme cases. Under such a state of affairs, little progress in the direction of clearing house examinations or modifications of such can be made.

Friendly Criticism

We have pointed out these limits to the possibilities of clearing house examination in no spirit of captious criticism. On the contrary, our attitude toward this form of bank supervision is one of strong friendliness. In fact, it is our desire to see that the scheme shall be given the largest possible opportunities to prove its usefulness, which leads us to suggest that there are places, or conditions for which it plainly is not adapted. We have some fear that the present widespread interest in clearing house examinations may lead to their adoption in places where haste should be made very slowly. Clearing house examiners may be selected and set up in business under conditions where in the long run they cannot possibly do good work. Their failure is bound to bring discredit upon the system itself and to prevent its extension to places where it would succeed and where it ought to be adopted. To save the system, therefore, from too loud acclaim, from its too zealous friends and from the unfortunate reputation of being a panacea which neither it nor any other human creation deserves, is work well worth doing.

Bryan and Currency Reform

To change the subject, and revert for a moment to that topic which is of so great interest to many of our readers, the Aldrich currency suggestion. It appears that Mr. Bryan, he of free silver fame, has lately been catechizing those of his fellow democrats whose aspirations are believed to be to obtain the nomination of his party for the presidency in 1912. The creed to which he would have them subscribe is not yet published, but it is noticeable that he is inclined to look with more favor upon certain aspirants whose answers to his queries contain declarations of disapproval of this output of the National Monetary Commission. This is rather disquieting

Digitized by Google

news, for when President Taft pleaded the other night for treatment in non-partisan spirit of the Aldrich plan, his words met friendly echo in the hearts of the general public as well as of his auditors. That the reform of the currency should be worked out with a dispassionate regard for all the circumstances, and with as much freedom from partisan rancor as may be obtained, is altogether the most desirable thing of which one can at the moment conceive. No public question is of greater moment just now, and probably none has had such possibilities wrapped up in its settlement in the past generation. Apparently, however, Mr. Bryan's purpose is to insist that some of his own peculiar economic theories shall find place in whatever currency reform laws Congress shall pass, and to this end he is quizzing prospective candidates for the presidency, with a view to discovering upon which one he ought to bestow his friendship and all the political advantage which that carries with it. One might fairly wish that his activities were devoted rather to co-operation with the National Monetary Commission than to assaults upon, or criticisms of their plan.

National Monetary Commission

And yet, it may not be denied that the Aldrich plan is most unfortunate in some of its sponsors, and perhaps their connection with it is what repels Mr. Bryan. The National Monetary Commission is going to be in bad odor presently if it doesn't look out. There are some things about it, some elements in its make-up, which are a positive invitation to the muck-rakers to exploit the commission in the pages of the popular magazines. As if it was not unhappy enough in its original composition, for right at its inception its

Portland National Bank
PORTLAND, MAINE

Union Mutual Life Insurance Co. Bldg.

Accounts received on the most liberal terms consistent with sound banking.

Collections receive prompt attention.

WM. W. MASON .....President
EDWARD W. COX .....Vice-President
CHAS. G. ALLEN .....Cashier
EDWARD L. PIPER .....Asst. Cashier

Directors:

Fred E. Richards, Charles G. Allen,
Henry B. Cleaves, George F. West,
William W. Mason, George Westcott Beyer,
Lyman M. Cousens, Roswell C. Bradford,
Edward W. Cox.

The National Park Bank
OF NEW YORK

Organized 1856.

Capital $5,000,000.00
Surplus and profits 12,941,415.18
Deposits, June 7, 1911.....108,964,675.64

CAPITAL, SURPLUS AND PROFITS $8,500,000

THE NATIONAL BANK
of the
REPUBLIC
OF CHICAGO

offers to conservative bankers its facilities developed and perfected by twenty years of close personal relations with correspondents in all parts of the country.

JOHN A. LYNCH, President,
W. T. FENTON, Vice-President,
R. M. McKINNEY, Cashier,
O. H. SWAN, Assistant Cashier,
JAMES M. HURST, Assistant Cashier,
WM. B. LAVINIA, Assistant Cashier,
W. H. HURLEY, Assistant Cashier.

HomeSavings Bank
Toledo, Ohio

Capital and Surplus, $400,000

Is a State Bank authorized to conduct a **General Banking Business,** and is operating strictly within the laws of the State governing Banks.

Collections given especial attention, for which remittances are made promptly at a reasonable charge.

CAPITAL $1,800,000.00 SURPLUS $2,000,000.00

Second National Bank
OF
PITTSBURGH, PENN'A.

HENRY C. BUGHMAN, President
WILLIAM McCONWAY, Vice President
THOMAS W. WELSH, JR., Vice President
JAMES M. YOUNG, Cashier
BROWN A. PATTERSON, Ass't. Cashier

Western National Bank
PHILADELPHIA

Capital - - - - - - - $600,000.00
Surplus and undivided profits - 234,136.92

GEORGE E. SHAW, President
EDWARD J. DURBAN, Vice-President
SIDNEY LABE, Vice-President
E. E. LINDEMUTH, Vice-President
CHARLES F. WIGNALL, Cashier
JOHN BAUMGARTNER, Asst. Cashier

A conservatively managed bank invites your correspondence.

THE
SEABOARD
National Bank
of the City of New York

Capital - - - $1,000,000
Surplus and Profits (Earned) $2,050,000

Accounts Solicited

S. G. BAYNE.....President
S. G. NELSON.....Vice-President
C. C. THOMPSON.....Cashier
W. K. CLEVERLEY.....Assistant Cashier
L. N. DEVAUSNEY.....Assistant Cashier
J. C. EMORY.....Assistant Cashier
O. M. JEFFERDS.....Assistant Cashier

A Secure Investment Netting 4.80%

We own and offer at a price to net 4.80% a first mortgage underlying 4½% bond of a prosperous public utility company operating in one of the largest cities in the United States. These bonds mature August 1st, 1921, more than twenty years before the company's franchises expire; and the proportionate earnings of the property covered by this issue are about five times the interest requirements. We will be glad to furnish upon request detailed information concerning this investment.

Ask for our Circular S-240

Guaranty Trust Company
of New York
28 Nassau Street

Capital and Surplus, - $23,000,000
Deposits - - - - - 163,000,000

Franklin National Bank
PHILADELPHIA

Capital $1,000,000.00
Surplus and Undivided Profits 2,730,181.17

INCORPORATED 1900.

OFFICERS:

J. R. McALLISTER, President.
J. A. HARRIS, JR., Vice-President.
E. P. PASSMORE, Cashier. L. H. SHRIGLEY, Assistant Cashier.
J. W. HARDT, Assistant Cashier.
Foreign Exchange Department.
WILLIAM WRIGHT, Manager.

Chartered 1836

GIRARD TRUST CO.
PHILADELPHIA

Capital and Surplus, $10,000,000

OFFICERS

E. B. MORRIS :: :: :: President
W. N. ELY :: :: :: Vice-President
A. A. JACKSON :: :: Vice-President
C. J. RHOADS :: :: Vice-Pres. & Treas.
E. S. PAGE :: :: :: Secretary
G. H. STUART, 3d. :: :: Asst. Treas.
S. W. MORRIS :: :: Asst. Secretary

OLDEST BANK IN AMERICA
Chartered by Congress, 1781.

The Bank of North America
(NATIONAL BANK)
PHILADELPHIA, PA.

Capital .....$ 1,000,000.00
Surplus 2,250,000.00
Undivided Profits 424,000.60
Deposits 15,269,000.00

HARRY G. MICHENER.....President
SAMUEL D. JORDAN.....Cashier
WILLIAM J. MURPHY.....Asst. Cashier
RICHARD S. McKINLEY.....Asst. Cashier
Accounts Solicited
Correspondence Invited

Digitized by Google

UNION EXCHANGE NATIONAL BANK, NEW YORK
CLEARING HOUSE No. 100
CAPITAL AND SURPLUS $2,000,000 Organized 1903 DEPOSITS $10,000,000
SITUATED IN THE NEW COMMERCIAL AND MANUFACTURING DISTRICT, 5th AVE. AND 21st STREET
Banks that can handle to advantage the items payable in their locality are invited to correspond with us

membership consisted in large part of men whose chief claim to recognition lay along lines of political activity, it is even less fortunate in its present personnel. Vacancies in its membership may have been sought by congressmen or other public figures, who really did know something about banking and currency, but if so, their hopes were rather promptly blasted. Instead, these vacancies have provided numerous ex-senators and ex-representatives with a comfortable and rather lucrative public post, where little knowledge of the subject would be expected of them, and almost no labor exacted.

How can Mr. Taft or anyone else expect Mr. Bryan to join in advocacy of the plan when the commission who are to stand in the public eye as its authors and proponents, have so little claim to rank as currency experts? How can the bankers who are working so devotedly for an enactment of the Aldrich scheme into law, and are actually making great progress, hope to win the public to their side if the public shall discover the source from which the plan emanates to be entitled to little, if any, standing for expert knowledge? As the head of his party quite as much as he would as President, Mr. Taft ought to apply his powers to a housecleaning right within the personnel of the National Monetary Commission itself. The task is no easy one, for no member of the commission is going to relinquish his comfortable berth without a protest. This does not make the task any less necessary, however, and if the country is to have that reform of its banking arrangements of which it stands so greatly in need, some such work of putting the plans in the best possible odor must be done.

NORTH YAKIMA, WASH.—Bids addressed to J. C. Brooker, city clerk, and accompanied by certified check on some national bank payable to the order of the city treasurer for 5 per cent of the amount bid will be received until September 18, for fifty $1,000 4½ per cent bonds bearing the date of their issue, payable twenty years from date. The proceeds are to be used for the payment of a system of sewerage. No bids will be accepted for less than par. An abstract of the laws of the state of Washington and proceedings of the city relative to the issue of the bonds will be furnished to any one desiring to submit a bid for the bonds.

BANKING IN COEUR D'ALENE.

When three banks at Cœur d' Alene, Idaho, refused to cash city warrants a few days ago, Mayor Wood withdrew all city funds and placed the money in the Exchange National Bank. At the beginning of his administration, Mayor Wood ordered city funds to be divided among the four banks. Three of the institutions refused to pay city warrants without discounting them. The money was then deposited with the Exchange National, which cashed the warrants without discount. The bank declined to accept warrants that had been discounted by other banks, whereupon the other banks shut down on the acceptance of warrants.

TESTED INDUSTRIAL SHARES.

Judging from the inquiries which we are receiving daily, carefully selected industrial preferred stocks, issued by well-established corporations of proven earning ability, covering a period of years, are steadily growing in demand. With respect to industrials times have changed as compared with the old days when they were sold on the strength of future possibilities. To-day, they are sold on the strength of their past and present reputation based on actual assets and earnings over a period of years. This is as it should be. There are numerous preferred stocks which will net the investor seven per cent at the present level which offer attractive opportunities for safe and profitable investment. In several instances, the yield and the promise of appreciation in market value, based upon intrinsic worth and earning capacity, are sufficiently attractive to satisfy the most discriminating investor. One of the principal banking houses in New York which make a specialty of industrial preferred stocks is George H. Burr & Company, 35 Wall street, whose recently issued circular on "Industrial Preferred Stocks" can be had on application.

PETALUMA, CAL.—The California Savings Bank has increased its capital to $100,000.

The Fourth National Bank
OF THE CITY OF NEW YORK

OFFICERS
JAMES G. CANNON, President
SAMUEL S. CAMPBELL, V. Pres.
CHARLES H. PATTERSON, V. Pres.
DANIEL J. ROGERS, Cashier.
E. W. DAVENPORT, Asst. Cashier.
CHARLES E. MEEK, Asst. Cashier.

DIRECTORS:

James G. Cannon	L. F. Loree
Cornelius N. Bliss	Eugene Delano
Robert W. Stuart	M. Orme Wilson
William S. Opdyke	Elbridge G. Snow
T. Frank Manville	Welding Ring
Thos. H. McKinnick	Morton F. Plant
Mortimer L. Schiff	Samuel S. Campbell

CAPITAL AND SURPLUS - $10,000,000

MARINE NATIONAL BANK BUFFALO
Capital and Surplus Earnings, - - - $3,500,000.00
Resources, - - - - - - - - - - $33,000,000.00
INVITES YOUR CANADIAN BUSINESS

New York State National Bank
ALBANY, N. Y.
Capital, $500,000 Deposits, $13,000,000 Surplus, $500,000
LEDYARD COGSWELL, President
LEDYARD COGSWELL, JR., 2nd Vice President LAURENCE H. HENDRICKS, Cashier
GEORGE A. WHITE, Asst. Cashier.
OVER 800 BANK DEPOSITORS IN THE UNITED STATES.

NATIONAL METROPOLITAN BANK
OF WASHINGTON, D. C.
Oldest National Bank in the District of Columbia
GEO. W. WHITE - - - President
CUNO H. RUDOLPH - - - Vice-President GEORGE O. WALSON - - - - Cashier
O. H. P. JOHNSON - - - Vice-President J. GALES MOORE - - - - - Auditor

The Merchants National Bank Indianapolis Indiana
ESTABLISHED 1865
C :: $1,000,000 SURPLUS FUND AND PROFITS, $900,000
...cilities for handling items on Indianapolis and State of Indiana.

Digitized by Google

FINANCIAL INQUIRY.

Borden's Condensed Milk Com.—International Harvester Com.

21267. (Belvidere, Ill.) Kindly give your opinion of the relative value for investment purposes of International Harvester common and Borden's Condensed Milk common, the former at 122 and the latter at 125 per share.

Ans.: So far as investment yields alone are concerned, Borden's Condensed Milk common is by long odds the better of these two issues. As an 8 per cent stock selling at 125, the return on the investment is 6.40 per cent, while International Harvester common, paying 5 per cent per annum and selling around 122, would net only about 4.10 per cent. The business of the Borden company was originally established in 1857, and extended until at the present time, it is credited with controlling at least 30 per cent of the fluid milk trade in New York and vicinity. Dividends have been paid as follows on the common shares: 1902, 8 per cent; 1903, 8 per cent and 1½ per cent extra; 1904 to 1907, inclusive, 8 per cent per annum and in December of each year 2 per cent extra, making 10 per cent per annum. From 1907 up to the present time, the regular rate of 8 per cent per annum has been maintained, but no extras have been paid, probably because the company has been over-anxious to show signs of being over-prosperous during a period in which it, with other milk companies in New York, have been made the subjects of official investigations after having increased the selling price of their product. The 8 per cent rate is generally regarded as being reasonably secure, and it is deemed likely that in course of time the company will resume the payment of extras. Unfortunately, the stock is a good deal of a blind pool proposition as a result of the close-mouthed attitude of the insiders as to earnings and other important details. Despite this fact, the company is looked upon generally as being in a decidedly prosperous condition.

The International Harvester Company, on the other hand, maintains a very COMMENDABLE ATTITUDE toward the public regarding publicity. In 1910 this company earned 14.85 per cent on the common shares and this year is likely to earn in the neighborhood of 20 per cent. In 1907, there was earned 17.82 per cent on the common, as against 7.81 per cent in 1908 and 6.47 per cent in 1907. It will be seen, therefore, that 5 per cent dividends are exceedingly conservative, conservatism being one of the pleasing attributes of the Harvester management, and it is only a matter of time before there will be an increase in the annual rate to 7 per cent, possibly more. It must be confessed, however, that the price of the stock already discounts such a possibility to so great an extent that the issue is already bringing a better price than such 7 per cent stocks as American Sugar common and preferred, Steel preferred and Westinghouse preferred. For that matter, Harvester preferred, a solid 7 per cent issue, is but a point or two above the common. Bordens Condensed Milk common appears to have, on the whole, the greater speculative possibilities, but the conservatively inclined investor, who naturally prefers an issue from which the "pig in a poke" element is absent, will incline towards Harvester common, especially as it will not be long now before an increase in the rate will increase the investment yield at to-day's prices very materially.

THE
Chatham and Phenix National Bank
NEW YORK

Capital and Surplus
$3,000,000

All business under direct supervision of the officers.

LOUIS G. KAUFMAN, President.

GEO. M. HARD, Chairman of the Board.
F. J. HEANEY, Vice-President.
W. H. STRAWN, Vice-President.
A. M. BULL, Vice-President.
BERT L. HASKINS, Cashier.
H. L. CADMUS, Assistant Cashier.
N. P. GATLING, Assistant Cashier.
W. B. BOICE, Assistant Cashier.
H. C. HOOLEY, Assistant Cashier.

Your Account Solicited.

First National Bank
San Francisco, California

Capital - - - $3,000,000.00
Surplus and Profits - 1,865,492.48

OFFICERS
RUDOLPH SPRECKELS, President
JAMES K. LYNCH, Vice President
J. K. MOFFITT, Cashier
J. H. SKINNER, Asst. Cashier
C. H. McCORMICK, Asst. Cashier
GEO. A. KENNEDY, Asst. Cashier

Invites your business and places at your disposal facilities developed and perfected during forty years of successful banking.

THE
People's State Bank
DETROIT, MICH.

Capital, $1,500,000.00
Surplus, 1,500,000.00

Collections a specialty
Correspondence Invited

Utah National Bank SALT LAKE CITY UTAH
CAPITAL AND SURPLUS $240,000.00
W. S. McCORNICK, President. T. R. CUTLER, Vice-President.
R. T. BADGER, Cashier. C. H. WELLS, Asst. Cashier.
UNUSUAL FACILITIES FOR COLLECTING ITEMS IN THIS TERRITORY.

ORGANIZED 1864 **German National Bank** OF PITTSBURGH, Pa.
CAPITAL and SURPLUS :: $1,200,000.00
OFFICERS
F. ERNY, President. C. A. FAGAN, Vice President
F. W. EVERSMANN, Cashier. A. FRAUENHEIM, Vice President
ROBT. E. REED, Asst. Cashier
ACCOUNTS SOLICITED

Atlantic National Bank, Providence, R. I.
Direct connections with every Town in R. I.
SEND US YOUR COLLECTIONS. MINIMUM RATES.

FIRST NATIONAL BANK
EUCLID AVENUE CLEVELAND

CAPITAL $2,500,000 Surplus and Profits $1,250,000
ACCOUNTS OF BANKS AND BANKERS, MERCHANTS AND CORPORATIONS, SOLICITED
SPECIAL ATTENTION TO COLLECTIONS
DEPOSITS :: :: :: :: :: $25,000,000

FIRST NATIONAL BANK, Denver
Capital and Surplus .....$2,000,000.00 Resources $26,125,194.00
OLDEST BANK IN COLORADO.
D. H. MOFFAT, President. THOS. KEELY, Vice-President.
F. G. MOFFAT, Cashier.
C. S. HAUGHWOUT, Asst. Cashier. J. C. HOUSTON, Asst. Cashier.

Planters National Bank RICHMOND VA.
ORGANIZED 1865.
Capital $300,000 Surplus and Profits (earned) $1,160,000
Deposits $5,500,000
SUPERIOR FACILITIES FOR COLLECTING VIRGINIA ITEMS.

Digitized by Google

The Following Statement by in the Shoe & Leather R

Was He Telling the Truth Then

The Policy of the United Shoe Ma

BILL RELATING TO MACHINERY LEASES.

Many Interesting Points Brought Out In Interview With Charles H. Jones, President of the Commonwealth Shoe and Leather Company.

Charles H. Jones, president of the Commonwealth Shoe and Leather Company of Boston, with factories at Whitman, Mass., and in Maine, in an interview concerning the bill now before the Massachusetts Legislature, numbered 1297, in relation to the lease of machinery, alleged to be directed against the United Shoe Machinery Co., said:

My attention was called especially to this bill yesterday morning by a neighbor, whose factories are not in the state of Massachusetts, with the request that I read the bill carefully and see where it was going to place Massachusetts manufacturers. Previous to that time I had only heard through newspaper reports that such a bill had passed the House, and, presuming that it would be in some ways a benefit to the trade, had given it no further attention, but on looking it over with care it was soon apparent that while it was probably directed against the United Shoe Machinery Co., it would prove in fact, if passed, a serious blow to Massachusetts shoe manufacturers.

REPLIES OF MR. JONES TO QUESTIONS SUBMITTED

Q. Would it not be an advantage to the manufacturers if they could obtain, by legislature, free competition in shoe machinery, instead of the practical monopoly that is now understood to exist?

A. Anything would undoubtedly be a benefit to the shoe trade of Massachusetts that enabled them to obtain their shoe machinery cheaper, or on more favorable terms, and if this bill was calculated to produce this result, you may be sure it would have the warmest support of all shoe manufacturers. Its actual result in practice, however, would be exactly the opposite.

Q. To anyone not acquainted with the shoe business, this last statement seems very surprising. Would you mind explaining how it would operate against the interests of manufacturers here?

A. I shall be very glad to explain it, as I think every manufacturer in Massachusetts should be fully aware of the risk he is running if this bill becomes a law. If you will read the bill, you will find in substance that it forbids the United Shoe Machinery Co. from trying to bind, either by lease or by the giving of discounts, manufacturers to use their machinery exclusively. If this means anything, it means that if the United Shoe Machinery Co. sell or lease their machinery at prices so low, or on terms so favorable, that manufacturers are compelled by their own interest to buy all their machinery of them, then under this law competing machinery manufacturers may show that such prices and discounts are unreasonable and force the company to advance them. If competition was to be promoted by causing some dealers to sell us our machinery on better terms, shoe manufacturers would be very glad to assist in passing the bill; but if present conditions are to be changed by compelling the United Shoe Machinery Co. to ask as much for their machinery as competing manufacturers see fit to ask, it means simply that we should have to pay more for our shoe machinery than we now pay, and we do not wish to have the state of Massachusetts force us, by law, to do any such thing. Of course, the word "unreasonable" as applied to discounts on machinery or royalties is one which I cannot apply with any exactness, and so, of course, do not know what discount would be considered unreasonable and what would be considered reasonable; but I wish to obtain, both on machinery and royalties, the greatest possible discount, and do not want my privilege to do this to be curtailed by any law of the state.

Of course, the proposed law would have no effect

Digitized by Google

Charles H. Jones Appeared
porter, May 24th, 1906
r Is He Telling the Truth Now?
nery Company Has Not Changed

side of the state of Massachusetts, and, if it should s, the United Shoe Machinery Co. would be undoubt- y put to some inconvenience and trouble in readjusting ir leases to comply with the change in the law. It inconceivable, however, that in its readjustment the nufacturers of Massachusetts would be allowed by m to obtain an advantage over the manufacturers other states. The practical effect of the law would loubtedly be this. The policy of the Machinery Com- ıy would remain unchanged the world over, except the case of Massachusetts. In this state we should put to some disadvantage; how great or how little it impossible for any one to forsee today, but it is arly evident that whatever inconvenience and in- ased expense the machinery company was caused by s bill, we manufacturers should have to pay.

Q. If that would be the result of the bill to shoe nufacturers, can you tell what interest is back of the l? Who originated it, and who is backing it for ssage?

A. Of that I can only speak from hearsay. It is vious that the only parties benefited would be the nufacturers of machinery who desire to compete with United Shoe Machinery Co. The terms which the chinery Co. have recently offered their patrons on rtain lines of machinery are so liberal that the out- lers cannot compete. They apparently wish the com- ny to be forced by law to change these terms to their el, and as the parties who would derive the benefit are ually the ones who cause the legislation, I think it fair to assume that the statements which are publicly ade, that the outside shoe machinery interests are ck of this bill, are correct. It is certain that the shoe nufacturers, either individually or as a body, are not ck of it. I personally never heard of it until after it d passed the House of Representatives, and in con- rsation with other manufacturers, during the past two ys, have not found a single man who had ever been nsulted, or, in fact, had any knowledge whatever in gard to it.

Q. Is it not a fact, as claimed by the advocates of is bill, that the Shoe Machinery Co. is very arbitrary its dealings with the shoe manufacturers, and that its rge earnings are a heavy tax on the industry?

A. There are, undoubtedly, some clauses in the different leases which manufacturers are required to sign with the Machinery Co. that give the impression that the company desires to bind the manufacturers, and limit them in their business action to an unreasonable extent. At the time of the organization of the Machinery Co. I resented very deeply what seemed to me the extreme and unfair advantage they were taking of the power which they undoubtedly held over shoe manufacturers; but in the six or seven years during which they have been in operation, I must say that I have waited in vain for any unfair or arbitrary use of this power on the part of the company; in fact, their dealings with us have been marked by more consideration than was formerly shown us by many of the constituent companies. It is a fact that must not be overlooked, that if the company is a despotism, it has been, up to this time, of the most benevolent type. It has actually reduced the prices on many of its machines; it has placed others in our hands on a rental system that has saved us a very large investment of capital; it has certainly given more faithful care and attention to the running of the machines and keeping them in order; and in our country factories, where we employ a large proportion of inexperienced help, they have given us more constant and faithful attention in instructing new operators, and in the supervision of the machinery under trying conditions that we ever obtained from any of the constituent companies.

Q. Has the charge for such service as you describe been increased over what you formerly paid?

A. I cannot say that it has. As far as I recall them, the royalties demanded by the company are the same, exactly in amount, that we have always paid. It is only fair to add that they have supplied us with many additional machines to do the minor parts of the work, without any charge at all. These machines have been of considerable value to us, both in the saving of labor and increasing the uniformity of the goods, and are such machines as would undoubtedly have cost us a round sum if the United Shoe Machinery Co. had not been in position to furnish them to us gratis.

Q. The newspaper reports of the hearings at the Legislature made quite prominent the statement that exorbitant prices have been charged by the company for supplies. The prices of tacks and nails in the open market and the price charged by the Shoe Machinery

Co. were compared. Do these statements show the facts as they actually exist?

A. I did not see the statements, and so cannot answer that question; but if you wish to know whether the company is charging us an unfair price for tacks and nails, will say that this is entirely untrue. The royalty on some of their machines is derived from the price of the tacks and nails used on them; consequently, the price which they charge for the tacks and nails is certainly greater than the same thing could be bought in the market, for use by hand; but, as a matter of fact, the Shoe Machinery Co. charges us no more for tacks today than they did many years ago, when tacks in the open market were much cheaper than today; in fact, my impression is that they have actually reduced the price of tacks between 25 and 30 per cent., while every one knows that the cost of tacks and nails in the open market has advanced.

Also in regard to eyelets, which they now manufacture extensively, we are paying them from 10 to 20 per cent less than we formerly paid, although it is perfectly well known that the copper and spelter from which they are manufactured have advanced in price nearly 50 per cent since 1899.

Q. You do not seem to be one of the manufacturers who regard this trust as one of the burdens on the industry?

A. I must say that is not my view today. I am by no means convinced that all their methods are the best, or that their policies might not be changed to make them more liberal in some respects; but I am very glad to say that the expectations I had of what was to be the result of this combination when it was formed have not been borne out by our experience. Up to this time, I do not believe any manufacturer who has been honest and straightforward in his dealings with the company can show any clear grievance against the company, or can make out the slightest case of crowding or coercion. On the contrary, I can say for ourselves, that the question of royalties and machinery, which was formerly one of the most vexatious and exacting departments of our business, has ceased to give us any concern at all. We were formerly obliged to examine new inventions, and were forced to make experiments with machines for months at a time, with the result that we obtained more or less bad work and were put to much useless expense, and the thought and attention of our best men was given to deciding between the merits of the old and the new. We were obliged to dicker and trade with every different manufacturer of machinery all the time, with the moral certainty that somebody who had more time and attention to give to it would get a better bargain than we were able to obtain; and with it all there was an enormous and perpetual shrinkage on account of the changes made necessary by the introduction and adoption of machinery that was not thoroughly and satisfactorily developed before being placed on the market. Today this is all changed. If we want a machine, we simply notify the company. Their agent confers with our foreman. The best machine known for doing the work is installed with little or no expense to us. We are obliged to pay a rental in some cases, which would amount to about the same as the yearly shrinkage in value of the machine if we had to buy it, but the capital which we would formerly have been called upon to invest is still in our possession for use in our regular business. We are confident that we are getting the machine on as favorable terms as any competitor, and we are enabled to employ our own time and ability in the legitimate branches of our business, and we have not, up to this time, been obliged to pay as much for this privilege as we formerly paid, for the very much less satisfactory condition. It may be true that the Shoe Machinery Co. suppresses inventions, but my own experience with outside manufacturers during the past five or six years has gone quite a way toward convincing me that the outside inventor gets all the consideration from the company to which he is entitled. We have encouraged a few of them that we thought had good things, only to be sold out by them as soon as they could make a satisfactory trade with the company.

I think it is quite likely that the company buys and pays a good price for all that is valuable in the way of invention that is offered to them, and they certainly stand between the manufacturer and the inventor of crude and incomplete machines, and guarantee to us that whatever is put on the market is a complete mechanical contrivance, capable of doing what they recommend. I have heard it stated that one of the strongest advocates before the Legislature for the passage of this bill was a man who had failed to force the Machinery Company to pay him a salary of $5000 a year for services which were worth nothing like that amount. This is perhaps what they call suppressing invention.

Q. In your opinion, would this bill be a serious blow to the Machinery Company if passed?

A. It would certainly cause them some inconvenience, in readjusting their leases and royalties, to comply with the change in the law, but nothing can prevent a company which has machinery of such value as theirs from making arrangements with manufacturers who desire to use it, which will be profitable to them. This bill will certainly not prevent them from doing this. They will accomplish exactly what they accomplish now in another way, and the manufacturer will simply have to pay the cost of the change. If it should prove, on the passage of this bill, that manufacturers in other states were able to get their machinery on more favorable terms, we should certainly know of it, as we have two factories located in the state of Maine. The margin on shoes today is so small, that even a fraction of the royalty we pay would necessitate our removing our factories from Massachusetts to Maine, or some other state, and I can see no way in which such a result as this would be a benefit to Massachusetts or any of her people.

The United Shoe Machinery Company, L. A. Coolidge, Treasurer.

Digitized by Google

Papers By Bank Examiners

At the meeting of the national bank examiners a few days ago in Philadelphia, by direction of Comptroller Murray, several papers were read which deserved a much larger audience. Especially notable were those by William M. Hardt and Frank L. Norris. When Mr. Hardt was selected a few months ago by the clearing house of Philadelphia to take charge of the system of bank examinations which that clearing house has instituted, that selection constituted a most striking tribute to the skill and good sense Mr. Hardt had shown as a bank examiner in his previous employment. His paper dealing with the very subject of clearing house examinations was of authoritative nature, therefore. He knew whereof he spoke.

The paper by Mr. Norris was similarly authoritative. He is the national bank examiner for Philadelphia, a city where the national banks, powerful and aggressive as they are, find state bank competition exceedingly keen, because their competitors include large and aggressive institutions of state charter. The trust companies of Philadelphia are among the most powerful trust companies in the civilized world. In such a place, co-operation between those who are sent to examine the national banks and those who are deputed to probe into the affairs of the trust companies is manifestly essential. It is with this very subject of proper co-operation between state and national bank examiners that Mr. Norris has intelligently dealt. That they may have the wider audience that they deserve we reprint these two papers below:

The Value of Clearing House Examinations in Establishing the Solvency of Banks.

[By William M. Hardt, Clearing House Examiner of Philadelphia.]

Value represents worth in some form. It may be intrinsic and of tangible form as in money or property, and it may be intangible in form, but no less real as in importance, appreciation, regard and acceptance. Value, generally, in its relation to the possessor, stands for one of two things: it is either a gift, as in tangible form, or it is the result of endeavor and thought as in the matter of appreciation and regard. To establish value other than that attached to money or property which is self-evident, the acceptance of the product of work and mind by those for whom it is employed, should be the reasonable determining factor establishing such value.

THE VALUE

of clearing house examinations, as relating to the solvency of banks rests, therefore, upon the methods employed in making such examinations, and whether they determine with reasonable certainty the solvency of the institutions examined.

The final results of clearing house examinations are to a degree the product of concentrated dual relationship existing between the examiners and the clearing house committee, by virtue of which there is in some cases a separated responsibility, while in other cases the responsibility is shared by both. The welding of these distinct forces creates a system of supervision unique in this characteristic.

Under the rules and regulations formulated by the Philadelphia Clearing House Association

THE INITIATIVE

lies entirely with the examiner, and a great responsibility is placed upon him in that in each examination he is compelled to decide whether a bank is in satisfactory condition or otherwise. If he be capable and conscious of his responsibility he will exercise a limited judicial power, yet he cannot escape from deciding one way or the other and so report, but beyond this he cannot go.

The responsibility placed upon him might have been shared by the clearing house committee through the submission of the full report to the committee in every examination, but as that would be unnecessary and divulge the perfectly proper confidential affairs of such banks as are without blemish, it was not deemed wise or necessary so to do.

The functions of the

CLEARING HOUSE COMMITTEE

are administrative and judicial when the examiner reports the condition of a bank as not being satisfactory. With it and it only rests the power to decide and act. When the examiner reports to the committee that the condition of a bank is not satisfactory, it devolves on the committee to call for his full report and all data relating thereto. After a joint conference between them, a conclusion is arrived at, not only as to the solvency of the bank, but also as to dangerous and unsound banking practices as well.

A bank may be shown to be insolvent generally from one of two causes, occasionally from both. There can be a removal of good assets and a substitution of equally good assets which are the property of others, the remaining assets also being good, and thus the bank appears to be solvent; in other cases the valid assets may be intact, but largely worthless. Hence, it must be determined by examination that the assets and liabilities are correctly and

ACCURATELY SET FORTH

in the books and statements of the bank.

The clearing house examiner conducts his examination along essentially the same lines as those of capable examiners in the service of the government and state, but his investigations may be more comprehensive and thorough by virtue of having a sufficiently adequate staff of assistants

Digitized by Google

Smith & Wesson Established in 1856

The Appearance of a Firearm
often changes matters materially.
Bank Officials Cannot Afford to be Unprepared.

A Smith & Wesson

.38 Double Action, Five Shot Perfected should be in its proper place in *your institution.*

Send for "The Revolver" Today.

SMITH & WESSON
Manufacturers of Superior Revolvers
49 Stockbridge Street, Springfield, Mass.
17 Market Street, San Francisco, Cal.

and ample time to devote to the work. In addition, in the questions of analysis, appraisement and final judgment in cases where conditions are not perfectly clear, he has recourse to the knowledge and judgment of trained bankers comprising the clearing house committee. In banks of moderate proportions he is able to cover all tangible assets simultaneously, and in larger banks separate departments can be effectively handled by a concentration of force after first safeguarding other departments.

THE GENERAL METHODS

pursued are of the conventional character employed by examiners generally, and embrace counting the cash, proving the loans and discounts, comparing and listing collateral and investments, verifications of accounts with correspondent banks, proof of stock ledger, certification of deposit, certified checks, cashier's checks, etc., but in addition to this the examiner verifies by correspondence the amount due by the Treasurer of the United States, communicates with all persons or correspondents for whom loans or securities are held for safekeeping, corresponds with makers of secured loans to establish the correctness of the collateral held and lists all unsecured loans and lines of credit from practically $1,000 and upward. Having thus covered the resources of the bank the liabilities are considered in the following manner, the most important liability being that of depositors, as the original evidence of indebtedness is in the possession of those outside of the confines of the bank. Depositors' pass books, so far as it is possible to obtain them, are balanced and compared by the examiner, dormant accounts are examined and listed for comparison at next examination, trial balances are made from the individual ledgers and the daily totals of this department checked to the general ledger for a considerable period preceding the date of the examination. Much auditing is also done in proving the work from auxiliary books to the general ledger, comparing expense vouchers with the original entries and testing calculations of interest.

Having determined the correctness of books and having found all assets to be in the custody of those entrusted with their keeping or satisfactorily accounted for, the matter of

ANALYSIS AND VALUATION

is considered.

The examiner has the card system credit files containing all unsecured loans of $1,000 and upward, as represented by the respective loans found in all the banks under his jurisdiction. This enables him to know approximately the amount of money borrowed, due by firms, corporations and individuals, and while it does not show the amounts possibly borrowed elsewhere, it serves as a danger signal prompting further investigation.

The sources of credit information available to the examiner are numerous, and as the value of unsecured loans is vital, such information becomes an important factor. If he has served long in a given community he acquires cumulative knowledge which gives him almost an intuitive judgment. Ofttimes he will discuss small pieces of paper found in banks under examination in order to form a judgment of similar paper found in larger amounts in other banks.

HIS CREDIT FILES

serve as a basis in considering extended credit. Friendly relations with bankers, sellers of commercial paper and credit agencies make valuable avenues of information from these sources; with access to credit statements upon which loans are based enable him to form a reliable judgment of banking risks.

The valuation of collateral securing loans is generally easily made, but in cases where unlisted or unknown securities are held, further research is necessary.

By the process already named, the examiner completes the initiative period and evolved a condition which requires the exercise of the judicial powers conferred upon him. Hence, he decides whether, in his opinion, a bank is or is not in a satisfactory condition. If the former, the clearing house committee is briefly informed of such finding; if the latter, the committee is given at some length the reason for the unfavorable decision. In all cases the full report of an examination which deals with all matters disclosed by the investigation, including lists of all secured loans with the collateral held and all unsecured loans unless very inconsequential is made under seal to the president of the bank. The directors are informed by letter of the transmission of the report and an acknowledgment of its consideration by them is required. The value of such consideration by the directors may become an important element in establishing the solvency of a bank through self-inspection.

REPORTED TO COMMITTEE.

When a bank is reported to the clearing house committee as being in an unsatisfactory condition either from having doubtful assets, the clearwhich many times lead to insolvency, or from having doubtful assets, the clearing house committee considers the situation. It is then its judicial and executive functions are exercised. The committee calls for full details of the report as well as all data and credit information in the possession of the examiner. With this foundation and in confederation the committee and the examiner analyze, fix values and determine whether the conditions warrant remedial action to repair the weakness of the bank or whether from depreciation of assets or from other causes actual insolvency is indicated.

The comprehensive knowledge of local and general credit applied by the committee throws additional light upon obscure points. When necessary, still further data is obtained through numerous channels open to them. After all available means of information have been employed, a decision is arrived at by the committee, generally subject to a conference with the president of the bank, who may be able to satisfactorily explain debatable matters, or modify views already formed. When the final analysis is made, in establishing the solvency of a bank, the unification of knowledge and information on the part of the committee and examiner

LENDS ADDED WEIGHT

to the conclusions formed, and must be considered as far more determinate than the findings of any of them individually

The declaration of solvency is wholly that of the clearing house committee, a body comprising seven leading and representative bank presidents selected by all the members of the clear-

Digitized by Google

ing house association and delegated with such powers as have been referred to. They are men of large experience, trained in finance, experts in credits and having superior knowledge of local banking conditions. With extensive credit bureaus in their own institutions they are practically well equipped to pass judgments upon the subject of valuation. They are also broad-minded and absolutely impartial, although firm and decided. Were they less than this, the department of examination would hardly have warrant for its existence and the object for which it was formed would be thwarted.

It is a pleasure to assert that the operation of the department of examination, extending over a period of more than two years, has met with pronounced success, and hundreds of commendatory letters have been received from bank directors attesting their acceptance and appreciation of its results. Any fears of undue publicity which may have been in some minds have vanished with the practical workings of the system. However, no higher tribute to the value of the system can be had than the recent cordial commendation of the comptroller of the currency, who has recommended its adoption by all the reserve cities of the country.

The city of Chicago is, I believe,

ENTITLED TO PRIMACY

in the establishment of this method of examination. But first in the East our own city of Philadelphia, through the wisdom and progress of the clearing house committee, gave birth to its offspring.

As at present administered, it seems to meet all requirements, but it is susceptible to extension and improvement through which its value may be greatly enhanced. The credit feature could be made to embrace more frequent compilation of credit information by correspondence with the banks at irregular or stated periods other than the time of the regular examinations, and this information could be available to all the banks in the clearing house associations under carefully safeguarded conditions. Exchange credit information with all the other clearing house examiners is considered advisable and may become possible. Perhaps remotely, registration of credit under clearing house auspices might become the

REALIZATION OF THE DREAM

of the ultra progressives.

Having traced clearing house examinations through the labyrinths of methods, adjudication and acceptance, and having shown the importance of co-operation between the clearing house committee and the examiner in the consideration of credits, determination of values, and remedying of existing weaknesses, the conclusion is entirely reasonable and proper that such examinations are of the greatest value in establishing solvency of banks.

The Value of Co-Operation Between National and State Bank Examiners From the Examiner's Viewpoint.

[By Frank L. Norris, National Bank Examiner of Philadelphia.]

When the comptroller of the currency, in an address delivered before state bank examiners at Washington last fall, said that he was prepared to use every method in his power toward the initiation of co-operation between the national and state governments in the supervision of banks, one of the most progressive steps ever taken for the conservation of depositors' and stockholders' interests became a matter

Kidder, Peabody & Co.
115 Devonshire St.
Boston
56 Wall Street
New York
INVESTMENT SECURITIES
FOREIGN EXCHANGE
LETTERS OF CREDIT
Agents and Attorneys for
Baring Brothers & Co., Ltd.
LONDON

Hodenpyl, Hardy & Co.
BANKERS
7 Wall Street, New York
6% PREFERRED STOCKS A SPECIALTY

DOMINION BOND COMPANY
LIMITED
MONTREAL TORONTO OTTAWA
LONDON, ENGLAND
Dealers in HIGH-GRADE CANADIAN BONDS
List on Application

Assets Realization Company
Capital $10,000,000
Purchases Estates in Liquidation at any point in the United States
NEW YORK · PHILADELPHIA CHICAGO

WE TRADE IN
Western Power Common
Western Pacific
United States Worsted Pref.
United States Worsted Com.
Detroit & Mackinac Com. & Pref.
Bluegas Company of America
Wells Fargo Express.
E. BUNGE & CO. 20 BROAD STREET, NEW YORK
Cable Address, "Emestus, New York" Long Distance 'Phone 4735-4736 Rector

Baker, Ayling & Co.
50 Congress street, Boston
INVESTMENT BONDS
Philadelphia Office, Land Title Building

Geo. D. Cook & Co.
BANKERS
71 BROADWAY, NEW YORK
We make a Specialty of
Mexican Government and State Bonds

McCoy & Company
Municipal and Corporation Bonds
181 LA SALLE STREET
CHICAGO

Boody, McLellan & Co.
111 BROADWAY, NEW YORK
MEMBERS OF NEW YORK STOCK EXCHANGE
Orders Executed for Investment or on Margin

We Have For Sale
First Mortgage Loans—3 Years 6%, 6½%, 7% Interest.
WM. D. PERKINS & CO., Bankers
No. 211 Cherry St., Seattle, Wash.
Established 1893
Oldest Bond House In Washington.

BODELL & CO.
PROVIDENCE, RHODE ISLAND
Boston Office, 35 Congress St.
Bonds and Preferred Stocks of Proven Value

5% BONDS
Guaranteed by
National Light Heat and Power Co.
A. H. BICKMORE & CO.,
30 PINE ST., NEW YORK

6% Timber Bonds
Carrying With Them An Exceptionally Attractive Feature.
American Finance & Securities Co.
5 Nassau Street New York

H. C. Gibbs & Co.
Gas and Electric Light Bonds
To yield 5% to 5 1-2%
60 State Street BOSTON

CIRCULAR ON MISCELLANEOUS UNLISTED MILL AND MANUFACTURING SECURITIES
SENT UPON REQUEST
HORNBLOWER & WEEKS
44 CONGRESS ST., BOSTON

Digitized by Google

of record, and when subsequently he directed the chairmen of his examining districts to invite the attendance of state officials at their annual meetings, an epoch-making period of progression was established.

In the comptroller's address he discussed the subject from the executive standpoint, and it is the purpose of the writer to demonstrate, so far as he is capable, the

MUTUAL ADVANTAGES

of co-operation as viewed by the examiner in the field. Before, however, entering upon a discussion of that phase of the subject, it were well to touch upon one of the difficulties confronting a practical and harmonious entente cordiale, which can only be overcome by the bankers themselves. This difficulty, as it exists to-day, is the lack of uniform laws governing the conduct of state commissioners of banking, and the necessity of eliminating therefrom those clauses which prohibit the divulgence of any information relative to state examinations to others than those named in the statutes. So far as the writer has been able to determine the states of Massachusetts, Rhode Island, Pennsylvania, Michigan, Montana and Missouri are most rigid in their requirements of secrecy, while the state commissioners of over two-thirds of the other states of the Union, including Michigan, Montana and Missouri have declared to the writer their willingness to thoroughly co-operate with the national department in the exchange of data; the laws of the state of Utah even specifically provide for this.

THE ADVANTAGES

of such exchange are patent to all bankers, and the rapidly growing inauguration of the "Group" system would seem to pave the way for a uniformity of action toward proper legislative amendments.

In an address delivered before the Texas Bankers' Association, held at Dallas, May 16, 1911, President W. H. Fuqua of that association, said:

"The examination of banks has been brought to the attention of bankers more forcibly in the past year or so than ever before by reason of the fact of many meritorious innovations in the manner and method of the work, and a growing disposition on the part of both the national and state departments and their examiners to work in unison to the common good. In the past, much blame has been attached to these departments and the examiners. * * * This blame does not rest wholly with them, but is largely attributable to the lawmakers."

On the same occasion, Hon. B. L. Gill, commissioner of banking for the state of Texas, said:

"There should be no

FEELING OF ANTAGONISM

between the state and national banks, for each has its sphere of usefulness and a spirit of co-operation should exist between them."

That the efforts to bring about thorough co-operation between the national and state departments have not proved fruitless, is indicated in the following extract from the annual report of the Hon. Orion H. Cheney, superintendent of banks for the state of New York, for the year 1909:

"The system of credits, begun something over a year ago, has proved to be of great importance and value to the department. It furnishes a list of all large borrowers in state institutions, showing the aggregate of the commitments of each, and affording an invaluable basis for determining the safety of loans. The efficiency of this system has been largely augmented through co-operation of the comptroller of the currency, who has recently established a similar system in connection with his supervision of national banks."

The above are only a few of the expressions of bankers on the

SUBJECT OF CO-OPERATION

between national and state financial institutions, and the references may be fittingly closed by calling attention to the action of the bankers of Group 1, New Jersey Bankers' Association, in employing chartered public accountants for the purpose of diffusing credit information to the members of that group, both national and state, regarding the paper found in their banks. An authority on this subject has recently stated that "bankers should be punctilious in keeping strictly confidential the affairs of their customers * * * but they are not justified in carrying this point to the extent of refusing to co-operate in the exchange of credit information."

There is no problem confronting the national examiner in the field quite so productive of uncertainty as that which assails him in his determination of the value of note assets. It lies within his power, to a certain extent, to verify the worth back of a note, but except as his own records show the commitments of a borrower in national banks, he has no method of arriving at his liabilities in state institutions. The same is equally true of the state examiners as to national banks. How many times have national examiners exclaimed, in checking up a suspicious line: "Oh! if I only knew how much they had in state banks!" And how often is it the case that the possession of such knowledge might have prevented serious loss?

Along other lines a community of interests will prove beneficial if national and state officials work in harmony, particularly

IN COUNTRY DISTRICTS.

Investment assets, when doubtful, may be compared, and illegitimate promotions located; mortgage loans in state banks might indicate the extent to which borrowers in national banks had hypothecated their assets, particularly where no other record of rating, except the recorder's office, was accessible; joint meetings of national and state examiners would result in the interchange of ideas along lines of improved methods, and, in short, if systematically followed up, such co-operation could only result in tremendous benefit to individual banks, and the banking community at large.

The matter of joint examinations of closely related national and state institutions has been most satisfactorily adjusted through the untiring efforts of the comptroller of the currency, and at such examinations neither examiner is now hampered by the fear that assets will be shifted and the action overlooked. Certain it is that in such examinations as they are now conducted, the close interchange of information engendered by joint examinations, and the consequent beneficial results, should be an unassailable argument for the extension of such work. That this can be brought about, at least to the extent of

EXCHANGING INFORMATION

relative to credits, must be the opinion of every logical mind, and the only

Security

¶THE CAREFUL INVESTOR realizes that Public Utility Bonds are the most satisfactory form of investment.

¶BECAUSE the value of such properties, when properly managed, constantly increases. The steady growth of the communities served is bound to result in increased earnings.

¶WE SPECIALIZE in Public Utilities, subjecting the properties to the most exhaustive examinations.

Write for Circular

Meikleham & Dinsmore

ENGINEERS AND BANKERS

25 BROAD STREET, New York City — 60 State Street, Boston

Chinese Gov't 5s

I offer bonds of a number of issues in denominations of One Hundred Dollars, including receipts of the new CHINESE GOV'T 5s. Write for prices and particulars.

GILBERT H. CARR

50 Congress St., Boston

INVESTMENTS

Bonds and Stocks

WM. F. CROSBY,

Tel. 4090. 311 Main St.

WORCESTER, MASS.

question is as to the best and speediest method of arriving at that end.

In the writer's opinion the result can be produced, (1) by an active and concentrated campaign on the part of banking interests toward amending some existing state laws, and (2) by a continuance of the present progressive policy of the comptroller of the currency in soliciting co-operation; (3) by the adoption of a system of state districts, each with a chairman, such as is now existent in the national system.

The writer believes that the majority of state banking commissioners have the necessary power to organize such a plan and put it into effect, and if this were done, and joint meetings held annually, at which doubtful and dishonest paper and their makers were discussed and disclosed, unwarranted inflation would cease, many unnecessary failures be prevented, crooked borrowers located, bank losses reduced, the confidence of depositors increased and legitimate business enterprises fostered.

SPRING GREEN, WIS.—The Farmers State Bank is a new enterprise with $25,000 capital. Theo. Hill, Anton Schlosser and B. L. Cohen are interested.

The American Tobacco Company

Forty Year Six Per Cent. Gold Bonds

To the Holders of the Forty-Year Six Per Cent Gold Bonds of THE AMERICAN TOBACCO COMPANY.

In the recent decision of the Supreme Court of the United States in the action brought by the United States of America against The American Tobacco Company and others, directions were given that proceedings be had for the purpose of ascertaining and determining upon some plan or method of dissolving the combination and of recreating, out of the elements now composing it, a new condition which shall be honestly in harmony with and not repugnant to the law, without unnecessary injury to the public or the rights of private property, and at the request of the holders of a large amount of the Forty-Year Six Per Cent Gold Bonds of The American Tobacco Company, issued under and secured by the deed of trust dated October 20, 1904, under which the Guaranty Trust Company of New York is the Successor Trustee, the undersigned have consented to act as a committee for the protection of the interests of all of the holders of said bonds who shall become parties to an agreement now in course of preparation to be dated July 28, 1911.

Holders of said Six Per Cent Gold Bonds are hereby requested to deposit their said bonds (with all unmatured coupons, if coupon bonds) with the GUARANTY TRUST COMPANY OF NEW YORK, 28 Nassau Street, New York City, the depositary to be named in said agreement, which will issue therefor negotiable certificates of deposit. All registered bonds must be accompanied by powers of attorney to transfer them to the committee.

The decree of the Supreme Court allows a period of six months for the accomplishment of its directions. In view of the shortness of this period of time and the many things to be done, the Committee deems immediate and concerted action essential for the protection of the interests of the bondholders, and it therefore requests that said bonds be deposited at once, but not later than **AUGUST 28, 1911.**

Copies of the deposit agreement may be obtained on and after July 31, 1911, from the depositary or from the secretary of the committee.

Application will be made to list the certificates of deposit issued by the committee upon the New York Stock Exchange.

Dated July 28, 1911.

ALEXANDER J. HEMPHILL, Chairman;
T. DE WITT CUYLER,
HOWLAND DAVIS,
J. HORACE HARDING,
ALBERT H. WIGGIN,
Committee.

LEWIS B. FRANKLIN, Secretary.
28 Nassau St., New York City.
MORGAN J. O'BRIEN, Counsel.

The American Tobacco Company

FOUR PER CENT. GOLD BONDS

To the Holders of the Four Per Cent Gold Bonds of THE AMERICAN TOBACCO COMPANY

(Issued under Trust Indenture Dated October 20, 1904, of which the Guaranty Trust Company of N. Y. is the Successor Trustee)

AND

To the Holders of the Fifty-Year Four Per Cent Gold Bonds of CONSOLIDATED TOBACCO COMPANY

(Issued under Indenture to Morton Trust Co. dated June 15th, 1901, of which the Guaranty Trust Company of N. Y. is the Successor Trustee)

The Supreme Court of the United States, in its decision in the suit brought by the United States against The American Tobacco Company and others, has directed that proceedings be had in the Circuit Court of the United States for the purpose of ascertaining and determining upon some plan or method of dissolving the combination, and of recreating, out of the elements now composing it, a new condition, which shall be honestly in harmony with and not repugnant to the law. These proceedings must necessarily affect the interest of every holder of the securities of The American Tobacco Company and of every holder of the bonds of the Consolidated Tobacco Company. The undersigned have consented, at the request of the holders of a number of the Four Per Cent Gold Bonds of The American Tobacco Company to act as a Committee for the protection of the interests of all holders of the said bonds, and of all holders of the outstanding Fifty-Year Four Per Cent Gold Bonds of the Consolidated Tobacco Company, who shall become parties to an agreement now in course of preparation, to be dated July 28th, 1911.

Holders of the said bonds are requested to deposit the same with the Guaranty Trust Company of New York, 28 Nassau Street, New York City, the depositary to be named in said agreement, which will issue transferable certificates of deposit therefor. All registered bonds must be properly endorsed in blank.

The Committee believes that the interests both of the holders of the Four Per Cent Bonds of The American Tobacco Company and of the Four Per Cent Gold Bonds of the Consolidated Tobacco Company demand that measures be promptly taken for their protection. The decision of the Supreme Court indicates that the proceedings must be completed and their purposes substantially accomplished within six months. Immediate action is therefore absolutely necessary, and the Committee requests that the said bonds be deposited at once. Deposits will be received up to and including the **28TH DAY OF AUGUST, 1911.**

Copies of the deposit agreement may be had on and after July 31st, 1911, from the GUARANTY TRUST COMPANY, or from the Secretary of the Committee. It is the intention of the Committee to make an application to have the certificates of deposit issued by the Committee listed upon the New York Stock Exchange.

Dated New York, July 28th, 1911.

CHARLES H. SABIN, Chairman;
PHILIP LEHMAN,
J. R. McALLISTER,
SAMUEL McROBERTS,
SAMUEL SLOAN,
Committee.

F. J. H. SUTTON,
Secretary,
28 Nassau Street, New York.
EWARTS, CHOATE & SHERMAN,
JOSEPH H. CHOATE,
Counsel.

The American Tobacco Company

PREFERRED STOCK

To the holders of preferred stock of THE AMERICAN TOBACCO COMPANY:

In view of the direction in the recent decision of the Supreme Court of the United States in the suit brought by the United States of America against The American Tobacco Company and others, that proceedings be had for the purpose of ascertaining and determining upon some plan or method of dissolving the combination and of recreating out of the elements now composing it a new condition which shall be honestly in harmony with and not repugnant to the law without unnecessary injury to the public or the rights of private property, and at the request of the holders of a large amount of the preferred stock of said The American Tobacco Company, the undersigned have consented to act as a committee for the protection of the interests of all of the holders of said preferred stock who shall become parties to an agreement now in course of preparation, to be dated July 28, 1911.

Holders of said preferred stock are requested to deposit their certificates on or before **AUGUST 28, 1911,** with CENTRAL TRUST COMPANY OF NEW YORK, 54 Wall Street, New York City, the depositary to be named in said agreement, which will issue transferrable certificates of deposit therefor. All certificates must be properly endorsed in blank and bear all stock transfer stamps required by the laws of the State of New York.

As the opinion of the Supreme Court directs that a period of six months be allowed for the accomplishment of the purpose above stated, the interests of the holders of said preferred stock demand, in the judgment of the committee, immediate and concerted action for their protection, and the Committee urges the necessity of an immediate deposit of said stock.

Copies of the deposit agreement may be obtained on and after July 31, 1911, from the depositary or from the secretary of the committee.

Application will be made to list the certificates of deposit issued by the committee upon the New York Stock Exchange.

Dated July 28, 1911.

J. N. WALLACE, Chairman;
FREDERICK STRAUSS,
CHARLES D. NORTON,
HARRY BRONNER,
ERNEST ISELIN,
Committee.

F. L. BABCOCK, Secretary.
54 Wall Street, New York City.
ADRIAN H. LARKIN, Counsel.

Digitized by Google

Municipal Bond Sales

MUNICIPALITY.	Date of sale.	Classification of bonds.	Amount.	Rate of interest. Per cent.	Maturity.	Sales price	Purchaser.	Income basis.
Taunton, Mass.	July 17	Sewer	$15,000	4	*28 2-3	107.177	E. H. Rollins & Sons, Boston	3.575
Taunton, Mass.	July 17	Water	25,000	4	*20	105.177	E. H. Rollins & Sons, Boston	3.575
Taunton, Mass.	July 17	Improvement	45,000	4	*19	105.177	E. H. Rollins & Sons, Boston	3.575
Manchester, N. H.	July 18	School	18,000	3½	*19	98.89	Stafford Savings Bank	3.624
Deerfield, Mass.	July 20	Fire dept.	28,000	4	**5-20	103.75	Lee, Higginson & Co., Boston	3.69
Braintree, Mass.	July 20	Sch. & bldg.	65,000	4	*10	102.39	Estabrook & Co., Boston	3.70
Braintree, Mass.	July 20	Pub. playgr'd	5,000	4	**1-10	102.39	Estabrook & Co., Boston	3.70
Jefferson County, N. Y.	July 20	Hospital	15,000	4	*16	101.20	Watertown Savings Bank	3.991
Noble Township, Ohio	July 16	Road	4,000	4	**1-10	par	Local Investors	4
Rome, N. Y.	July 6	Street imp.	16,048	4	1925	par	F. M. Stoller, Rome	4
Pittsburg, Pa.	July 14	Judgment	408,000	4½	11-30	102.24	Kissell, Kinnicutt & Co., New York, Graham & Co., Philadelphia	4.053
Pittsburg, Pa.	July 14	Judgment	306,000	4½	11-30	102.24	Kissell, Kinnicutt & Co., New York, Graham & Co., Philadelphia	4.053
Pittsburg, Pa.	July 14	Judgment	351,000	4½	11-30	102.24	Kissell, Kinnicutt & Co., New York, Graham & Co., Philadelphia	4.053
Passaic, N. J.	July 17	Refunding	51,000	4½	1911	107.121	Estabrook & Co., New York	4.095
Niagara Falls, N. Y.	July 17	Fire series L	42,000	4½	1931	107.127	Edwards & Chapman, New York	4.093
Gillespie, Ill.	July 3	City Hall	5,000	5	1-20	101.07	Chas. S. Kidder & Co., Chicago	4.093
Wilmington, Del.	July 17	St. widening	50,000	4	*25	98.292	Harris, Forbes & Co., New York	4.12
Milwaukee, Wis.	July 15	Park	300,000	4	**5-20	103.78	Second Ward Sav. & Tr. Co., Milwaukee	4.124
Franklin County, N. Y.	July 14	Road	100,000	4	**15-20	101.01	Isaac W. Sherrill, Poughkeepsie	4.129
Wyoming County, N. Y.	July 17	Highway	30,000	4½	**11-20	101.305	Harris, Forbes & Co., New York	4.120
Montgomery County, Ohio	July 11	Emerg. bridge	10,000	4½	**1-5	100.91	Provident Trust Co., Dayton	4.175
Mechanicsburgh, Ohio	July 11	Street imp.	6,000	4½	*11	101.72	Well, Roth & Co., Cincinnati	4.181
Wayne Co., O. (Sycamore Tp.)	July 17	Road	20,000	4½	**5-20	102.58	Second Nat. Bk. of Upper Sandusky	4.20
Canton, Ohio	July 17	Various imp.	50,000	4½	*4½	101.205	Tillotson & Wolcott Co., Cleveland	4.21
Milwaukee, Wis.	July 15	Schools	150,000	4	**1-20	100.18	Farmers & Mech. Bk., Milwaukee	4.217
Orange, N. J.	July 15	Funding	300,000	4½	1936	101.34	Blodget & Co., New York	4.231
Plymouth Township, Ohio	July 18	Road	20,000	5	1920	100.375	Second Nat. Bank, Plymouth	4.249
Gainesville, N. Y.	July 12	Street imp.	21,000	4½	**2-20	par	Commercial Savings Bank, Chicago	4.25
Huntington Township, Ohio	July 15	School	12,000	5	**6-10	101.20	First Nat. Bank, Columbus	4.252
Youngstown, Ohio	July 17	Improvement	74,000	5	*5	102.06	Tillotson & Wolcott Co., Cleveland	4.264
New Trier Tp., Ill., Sch. Dist.	July 15	Building	150,000	5½	**1	102.10	Continental & Commercial Trust & Savings Bank and H. H. Rollins & Co., Chicago	4.255
Montgomery County, Ohio	July 12	Drain	1,200	6	*2½	100.54	Citizens Trust Co., Dayton	4.258
Frankfort, N. Y.	July 15	Sewer	40,000	4 30	*20½	100.33	H. L. Barber & Co., New York	4.372
Marquette, Mich.	July 3	Improvement	10,000	4½	1921	101.75	First Nat. Bank, Marquette	4.378
East Aurora, N. Y.	July 15	Sew. ser. No. 1	7,000	4 30	*11½	100.112	Adams & Co., New York	4.382
East Aurora, N. Y.	July 15	Sew. ser. No. 1	111,000	4 30	*16	100.112	Adams & Co., New York	4.382
Steuben County, Ind. Consol. Sch. Dist.	July 11	Building	4,200	5	**5-10	101.62	Wm. R. Staats Co., Los Angeles	4.396
Washington, Pa., Sch. Dist.	July 19	Building	60,000	4½	15-30	101.669	Security Trust Co., Washington	4.347
Herkimer, N. Y.	July 19	Paving	4,000	4 30		par	First Nat. Bank, Herkimer	4.48
Crosswell, Mich.	July 13	Water & light	10,000	5	1931	106.25	W. J. Mayo & Co., Detroit	4.425
Wabasso, Clay Town.	July 1	Imp. Local pl.	3,000	6½	1-10	100.54	Geo. M. Bechtel & Co., Davenport	4.425
Jo Co. Ind. Noble Tp.	July 17	Land	2,500	4½	*20	100.14	First National Bank, Ind.	4.431
Sturgis, Mich.	July 11	Water	10,000	4½	1-10	100.75	First National Bank, Sturgis	4.442
Cedar Rapid, Iowa	July 20	Sew. and sew.	15,000	5½	*5½	101.063	Harris Tr. & Sav. B'k. Chicago	4.49
Cuyler, N. Y.	July 6	Highway	1,000	5½	*6½	par	H. A. Pierce	4.50
Jefferson County, Ind.	July 21	Road	11,000	4½		par	First National, Madison, Ind.	4.50
Somerset, Pa.	June 6	Water	15,000	4½		par	H. W. Dechert & Co., Pittsburg	4.50
Mercer County, Ohio, Township Sch. Dist.	July 17	Building	35,000	5	*2½	101.71	Tillotson & Co., Los Angeles	4.509
Rio Township, Ohio	July 15	Highway	1,000	5	*5	101.71	Local Investors	4.523
Canton Tp. Co., Sch. Dist.	July 15	Building	5,000	5½	*12 2-3	107.362	Local Investors	4.548
New Lexington, Ohio	July 11	Street imp.	1,000	6½		par	Tillotson & Wolcott Co., Cleveland	4.50
Prince George's Co., Md.	July 15	7th Sch. bldg.	1,000		1931	107	Local Investors	5
Fairview Tp. Co. Sch. Dist.	July 15	Building	1,000		**	101.00	Ferris & Hardgrove, Baltimore	4.57
Meade County, Kansas	July 14	Refunding	31,000	4½	**1-10	par	Ion. Miller & Co., Cleveland	4.603
Ferrers Co. Mount, Sch. D. No. 2	July 17	Building	17,000	5	1931	101.652	Ion. Miller & Co., Chicago	4.75
Scotia, N. Y.	July 17	Village Hall	1,000	4 50	1927	100.00	Harris Tr. & Sav. B'k. Chicago	4.750
Scotia, N. Y.	July 17	Water	4,000	4 50	1927	100.00	Isaac W. Sherrill, Poughkeepsie	4.792
Scotia, N. Y.	July 17	Sewer	2,000	4 50	1927	100.00	Isaac W. Sherrill, Poughkeepsie	4.792
Scotia, N. Y.	July 17	Incinerator, sew.	5,000	4 50	1927	100.00	Isaac W. Sherrill, Poughkeepsie	4.792
Sherman, Texas	July 20	School	5,000	5	1-40	100.00	Harris Tr. & Sav. B'k. Chicago	4.792
Sherman, Texas	July 20	Water works	30,000	5	**1-40	100.00	Ion. Miller & Co., Cleveland	4.807
Sherman, Texas	July 20	Sewer imp.	7,000	5	**1-40	100.00	Ion. Miller & Co., Chicago	4.807
Crescent Island, Va.	July 17	Road	20,000	5	10-20	102.00	Lynch & Co., Chicago	4.807
Tompson, Mo.	July 17	S. & culv. (2)	7,000	5	*5-20	100.00	Wm. R. Staats Co., Los Angeles	4.833
Edenfield, S. C.	July 11	Elec. light pl.	15,000	5	1931	par	Newman Erb & Co., Cincinnati	4.861
Hughes County, S. D.	July 15	Refunding	40,000	5	1931	par	Harriman & Co., St. Louis	4.861
Johnsonburg, Pa.	July 17	Improvement	20,000	5	1931	par	Local Investors	5
King Co. Wash. Sch. D. No. 95	July 17	Building	5,000	5	11-20	par	Local Investors	5
Portage, Ohio	July 1	P&S imp.	5,000	5	*1-5	par	Local Investors	5
Cascade, Ind.	July 24	Gas	1,000	6	1-5	101.25	J. W. Sayler, Portage	5.04
Grand Junction, Colo.	July 17	Water works	150,000	6	20	102.527	Local Investors	5.277
Chicago Comptr., Wash.	July 3	Building	1,200	5	**1-10	97	H. H. Rollins & Sons, Chicago	5.392
Chicago Comptr., Wash.	July 3	Building	3,000	5	**1-10	101	Local	5.50
Pawnee County, Neb.	July 12	Court House No. 1	20,000	6	10-20	100.00	Local	5.50
Carpinteria County, Cal.	July 17	Building	1,000	6	**1-10	101	Stacy & Braun	5.527
Queen City, Mo.	July 1	Electric light	5,000	6	15-20	100.00	Seasongood & Mayer & Walsh, Cincinnati	5.79
Carpenter, Okla.	July 14	Water & light	25,000	6	1936	par	Local Investors, St. Louis	5.875
Bellevue, Iowa	July 17	School	25,000	5	1931	par	Geo. Bechtel Co., Oklahoma City	6
Gilbert, Neb.	July 19	Water & light	8,000	6	10-20	103.00	Harris Trust & Savings Bank	
Green County, Mo.	July 11	Court House	120,000	4½		100.78	Stix & Co., St. Louis	
Mars, Pa.	July 21	Sewer	30,000	5½			Bros. & Co., St. Louis	
Miami, Okla.	July 14	School	75,000		1936		Local Banks	
Newton, Iowa	July 17	Sewer	2,500				Local Investors	
Philadelphia, Pa.	July 19	Various loan	4,000,000	4	1931		Unknown	
Portsmouth, N. H.	July 15	Street paving	30,000	4	*1-20			
Portsmouth, N. H.	July 15	Street paving	20,000	4	*1-20	100.021		
Rochester, N. Y.	July 20	W. imp. notes	65,000	4	6 mos.			
Sacramento County, Cal.	July 10	Building	2,000			101.05	H. L. Barber & Co., New York	
Springfield, Mass.	July 20	Loan	200,000	3½			Estabrook & Co., Boston	
Troy, N. Y.	July 15	Cert. of Ind'ss	10,000	5		102.76	Merchants & Farmers Nat. Bank, Troy	
Worcester, Mass.	July 15	Loan		3.92	1912		Second Nat. Bank, Boston	

*Year average. ** Year serial. † Year optional.

Digitized by Google

MUNICIPAL SHORT TERM LOANS.

ROCHESTER, N. Y.—City Comptroller Charles F. Pond has awarded to C. H. White & Company, of New York, $225,000 water works improvement eight months' notes on a 3.90 per cent basis. Other bids received were on a 4 per cent basis.

WORCESTER, MASS.—The Old Colony Trust Company of Boston has been awarded a 3 months' temporary loan to the amount of $250,000 at 2.92 per cent discount.

BUNKIE, LA.—The Merchants & Planters Bank proposes to increase its capital to $100,000.

EL PASO, TEX.—The Rio Grande Valley Bank & Trust Company has increased its capital from $100,000 to $250,000.

NEW YORK, N. Y.—The Greenpoint National Bank of Brooklyn has been chartered with a capital of $200,000. George A. Morrison is president, James A. McCafferty, vice-president; Geo. H. Rowe, vice-president, and Walter Willmurt, cashier.

THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY.

Coupon No. 19, due August 1, 1911, from The Atchison, Topeka and Santa Fe Railway Company FOUR PER CENT SERIAL DEBENTURE BONDS will be paid on and after August 1, 1911, upon presentation at the office of the Company, No. 5 Nassau Street, New York City.

C. K. COOPER, Assistant Treasurer.

UNITED STATES MOTOR COMPANY.

3 West Sixty-First St., N. Y.

New York, July 20th, 1911.

Quarterly dividend No. 6 of one and three-quarters per cent (1 and ¾%) will be paid August 10, 1911, to holders of the preferred stock of the United States Motor Company of record at the close of business, July 31, 1911. Books close July 31, 1911, and re-open August 7, 1911.

CARLL TUCKER, Treasurer.

OFFICE OF THE CONSOLIDATION COAL COMPANY

Baltimore, Md., July 11th, 1911.

The Board of Directors has declared the regular quarterly dividend of one and one-half per cent (1½%) on its Capital Stock, payable July 31st, 1911, to the Stockholders of record at the close of business, July 22nd, 1911, and also declared a quarterly dividend of one and one-half per cent (1½%) on the subscription receipts for Stock carrying dividends declared after January 31st, 1911, payable July 31st, 1911, to the holders of record at the close of business July 22nd, 1911.

Transfer books will remain open. Dividend checks will be mailed.

T. K. STUART, Assistant Treasurer.

Western Telephone & Telegraph Co

PREFERRED STOCK.

A dividend of Two Dollars and Fifty Cents per share will be paid on Tuesday, August 1, 1911, to holders of preferred stock at the close of business on Thursday, July 20, 1911.

The transfer books for preferred stock will be closed from Friday, July 21, 1911, to Monday, July 31, 1911, both days included.

WILLIAM R. DRIVER, Treasurer.

THE CONCHO VALLEY LOAN AND TRUST CO.

OF

SAN ANGELO, TEXAS.

Capital stock $200,000.00. Organized and operating under the Texas Banking Laws, offer to investors some high grade paper, netting from 6 to 7%. Secured by first Mortgage on improved farm and ranch lands. Our paper carries our endorsement and guarantee of payment of principal and interest. Write for information.

T. C. WYNN, Pres. C. C. KIRKPATRICK, Sec. & Treas.

Bond Certification

Modern conditions make the registration and certification of municipal and corporate obligations desirable and convenient. We have a department maintained exclusively for this purpose.

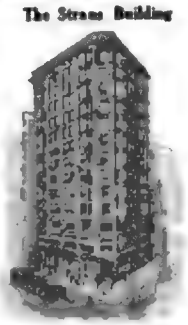
First National Bank of Boston

70 Federal Street

Have You $100, $1,000 or $10,000 To Invest?

For twenty-nine years we have been investment advisors to thousands of people—some with $100, some with $100,000 to invest—and during all this time not one of our clients has ever lost a dollar of principal or interest.

The Straus Building



Home of S. W. Straus & Co.

First mortgage bonds on improved, income-producing real estate in selected sections of Chicago offer the maximum of safety, because back of them is the ultimate security of every investment—the land itself.

The security in every case is at least double the amount of the mortgage and the property **must be** producing an annual income several times the amount of the interest and all other fixed charges.

These bonds are in denominations of $100, $500 and $1,000 and yield 5½ and 6 per cent. It is and has been our custom to repurchase them at any time on request, less a handling cost of 1 per cent.

Write to-day for Special Circular 109.

S. W. STRAUS & CO.

Mortgage and Bond Bankers

Established 1882

Straus Bldg. CHICAGO

BOSTON & NORTHERN STREET RAILWAY CO.

A semi-annual dividend of Three Dollars ($3.00) per share on the First Preferred Stock of this Company has been declared, payable August 1st, 1911, to Stockholders of record at the close of business, July 25th.

This dividend will be paid to the record owners of certificates for the Preferred Stock of this Company and the Preferred Stock of the Old Colony Street Railway Co., to the same extent as if such certificates had been exchanged for certificates of First Preferred Stock.

C. R. ROCKWELL, Treasurer.

INTERNATIONAL SMELTING & REFINING COMPANY.

New York, July 11, 1911.

The Board of Directors have this day declared a quarterly dividend of Two Dollars ($2.00) per share on the outstanding Capital Stock, payable September 1st, 1911, to stockholders of record at 3 o'clock P. M., August 18, 1911.

Transfer books close at 3 o'clock P. M., August 18, 1911, and reopen at 10 o'clock A. M., September 2, 1911.

J. W. ALLEN, Treasurer.

DENVER Bonds Stocks

Denver Union Water — Denver Gas & Electric
Denver Tramway — Cities Service
Denver & Northwestern — Northern Colorado Power
Nevada-California Power

We buy and sell the bonds and stocks of all the above companies.

Nathan Cregg & Company

Century Bldg., Denver.

NOTICE TO MUNICIPAL BOND BUYERS

Notice is hereby given, That the City of North Yakima, Washington, offers for sale its bonds for the sum of Fifty Thousand Dollars ($50,000), in denominations of One Thousand dollars ($1000) each, numbered from one up consecutively, bearing the date of their issue, payable twenty (20) years from date, interest at the rate of 4½ per cent per annum, payable semi-annually, with interest coupons attached; the principal and interest to be payable at the office of the City Treasurer of the City of North Yakima, Washington, and each of said bonds and coupons shall be signed by the Mayor and attested by the Clerk under the seal of said city.

The proceeds of said bonds are to be used for the payment of a system of sewerage known as the Main Storm Sewers of the City of North Yakima, Washington, and are issued under and by virtue of Chapter 160 of the Session Laws of the State of Washington for 1909, and also pursuant to Ordinances No. 854 and 855 of said City of North Yakima.

An abstract of the laws of the State of Washington and the proceedings of the City of North Yakima relative to the issue of said bonds will be furnished to each person desiring to submit a bid for said bonds, and all bids will be made and received upon the express understanding and agreement that no objection as to the legality, validity or otherwise, of said bonds shall be made after the bid is tendered, but that such bid shall be an absolute and unconditional offer to purchase and pay for said bonds, and no bids will be accepted for less than par.

All bids should be sent to the City Clerk of the City of North Yakima, Washington, and all bids will be opened and duly considered by the City Council at 7:30 o'clock P. M., on September 18, 1911, at a regular meeting of said Council; and said bonds will be awarded to the bidder offering the highest premium for said bonds; each bid must be accompanied by a certified check drawn on some National Bank, payable to the order of the City Treasurer of said city in a sum equal to five (5) per cent of the amount bid for said bonds, which check shall be forfeited to the said city in case the bid accompanying the same shall be accepted by said city and said bonds awarded to said bidder, if said bidder shall fail to take any pay for said bonds so purchased by him, within ten (10) days after notice to him through the mail that said bonds have been awarded to him on said bid.

The city reserves the right to reject any and all bids.

Dated at North Yakima, Washington, this 13th day of July, 1911.

J. C. BROOKER,
City Clerk.

July 19-26 Aug. 2-9.

OFFICE OF THE NEW YORK DOCK COMPANY.

New York, July 26th, 1911.

Coupons of the New York Dock Company First Mortgage Bonds, maturing August 1st, next, will be paid on and after that date at the office of The United States Mortgage & Trust Company, No. 55 Cedar Street, New York City.

GEORGE E. SPENCER, Treasurer.

Northwest Investments

Municipal, Railroad, Public Utility Securities and Farm Mortgages, to yield from 5½% to 7½%

Detailed Circular U.S. on Request

Adrian G. Hanauer

Specialist in High-Grade Northwest Securities

Second Floor, Old Nat'l Bank Bldg.

SPOKANE, WASHINGTON

References: Any Bank in Spokane

Digitized by Google

United States Investor

Published Every Saturday Morning by

FRANK P. BENNETT & CO., Inc.

SUBSCRIPTION RATES

$5.00 per annum in United States and Mexico; $6.50 per annum in Canada.

$7.00 per annum in England, the Continent, Australia and Countries in the Postal Union.

$10.00 per annum for Investor and Inactive and Unlisted Securities Supplement, including privilege of inserting quotations in the Supplement.

ADVERTISING RATES

20 cents per agate line, $2.80 per inch each insertion. $30 per inch three months. $100 per inch one year. There will be no deviation from these rates under any circumstances and all of our advertisers may depend upon being treated alike.

PUBLICATION OFFICE,

530 Atlantic Avenue, Boston.

NEW YORK OFFICE,

2 Rector Street, New York.

JOSEPH L. BARKER, Manager.

Washington Office, 206 Corcoran Building; Philadelphia Office, 308 Chestnut Street.

COPYRIGHT 1910, BY

FRANK P. BENNETT & CO., INC.

Entered at the Post Office at Boston, Mass., as second class matter.

As was expected, the papers presented by national bank examiners at this year's meetings in the several bank examination districts have proved to be a considerable advance over the work done last year. Those thus far given out have come chiefly from the New York and Philadelphia districts and naturally deal in a more technical way with the problems to which they relate than later papers are likely to. The papers from these two districts, however, show a decided improvement as compared with last year, in the same places. The publicity given to the work done at the meetings has had a beneficial effect, and the examiners are much better aware of the character of the discussion demanded of them. Consequently, the comptroller is feeling that this year's meetings may be considered sufficiently successful to vindicate his plan for the presentation of papers—a plan whose wisdom was somewhat called in question last summer.

Mr. Bryan and the radical wing of the Democratic party have begun an attack on the proposed Aldrich banking measure with considerably more vigor than had been expected. One recent development that is receiving special attention from Mr. Bryan in the "Commoner" is the plan for the organization of the "National City Company," a part of whose announced function is that of holding and buying bank stocks. The announcement of this concern is taken by the Democratic critics to be indicative of the method by which a central bank or central reserve association of the type recommended by Mr. Aldrich might be controlled, if such control were deemed worth while by the larger banks of the country. This has more than ever emphasized the point of view of those members of Congress who regard the Aldrich currency plan with favor, and who have feared the effect of the plans of the National City Company. The political phase which is apparently being given to banking discussion is also indicated by Mr. Bryan's action in including a question or two about the Aldrich plan in his set of queries to be put before possible presidential candidates.

PROFITS IN SUGAR.

The congressional inquiry into the condition of the sugar industry, although developing nothing of large interest, has brought out a few very significant points during recent hearings. One of these is found in the testimony of Claus Spreckels, the well-known sugar refiner. Mr. Spreckels frankly told the committee of the enormous profits that could be made in the sugar business, and by way of demonstration he gave his own experience with companies in Hawaii which were made to pay 120 per cent and with the Federal Sugar Refining Company, which, although incorporated with a tremendous amount of water, has succeeded in placing itself upon a satisfactory basis, increasing the value of its shares several times over.

Mr. Spreckels' testimony may well be considered in conjunction with that offered by the men at present in charge of the American Sugar Refining Company, who have stated under oath on the witness stand that they were making not more than enough to pay a fair rate of dividend on the outstanding stock of the concern. Of course, it was fully admitted that in years past the company had been enormously overcapitalized and that immense sums had been made by the manipulation of the stock, but the outcome, so it was claimed, was as stated—the business was not able to do more than pay fair returns upon its present securities. These facts may well be considered also for the light they throw upon the testimony of Judge Gary of the United States Steel Corporation. When Judge Gary was before the steel investigating committee of the House not long ago, he urged the adoption of a policy of government control of prices and stated that this would be welcomed by large enterprises which are likely to suffer severely from price warfare. Mr. Gary said nothing whatever about the capitalization of the Steel corporation or how it would be affected by such a policy as he urged, if that policy were to be based upon the idea of paying dividends only on the actual worth of the invested capital. The same question must be faced in connection with the sugar business, and it is not likely that industrial managers would be well pleased with the adoption of any system of paying dividends which would make no provision for the water in their capitalization.

Here is one of the most serious questions that confront a government desirous of dealing judiciously with the so-called trust question. The price-fixing plan suggested by Attorney-General Wickersham and Judge Gary is unthinkable, except in conjunction with control of capitalization, or at least the expression of a verdict as to what capitalization is entitled to dividends and what is not. Of course, the problem is rendered infinitely harder by the fact that much of this capitalization is already in the hands of persons who had nothing to do with its issue, and who have not even had information regarding the conditions of issue. To refuse to recognize their claims would be a serious hardship and injustice, yet without doing so it is difficult to see, in many instances, how even the most stringent oversight of corporations could have much effect. All these facts tend more and more toward the plan now agitated in Congress, the passage of legislation for the control of capitalization.

REFUSING BANK CHARTERS.

Comptroller of the Currency Murray's action in declining to grant bank charters in every instance simply because the bare terms of the law are complied with is arousing considerable dissatisfaction among bank promoters and elsewhere. Mr. Murray, it is alleged by these interests, has exceeded his authority, and assumed functions which did not belong to him in refusing to grant charters. This statement is based upon the fact that the national bank act does not specifically give the comptroller discretionary authority with reference to bank charters, but directs that he "shall" grant them whenever certain specified conditions are complied with. Yet, acting without specific authority, Comptroller Murray has refused, in the

Digitized by Google

course of the past year, some 200 applications for incorporation.

It is a rather singular fact that none of those who have thus felt themselves aggrieved have thus far resorted to the courts, in order to get redress for the supposed injury done them in refusing to consider their application with favor. Although it would be easy to bring mandamus proceedings in the District of Columbia for the purpose of compelling the comptroller to issue a charter under specified conditions, so that the courts would have an opportunity of deciding the validity of the complaints concerning the present interpretation of the law, nothing of the kind has been done. By some this is ascribed to the fact that most of the instances where applications are rejected have been applications from small banks, which did not care to incur the expense of legal proceedings. That is a superficial explanation. The cost of the proceedings could not be so great as thus suggested, but if it were considered severe, a combined suit intended for the general testing of the law and supported by a number of the sufferers from Mr. Murray's interpretation could easily have been arranged. As nothing of the kind has been done, it seems to be a very fair inference that the real reason for this non-action has been that Mr. Murray has had good reasons for each of the cases of rejection, so that the applicants would not have been able to make a very strong showing in court under the most favorable circumstances.

Of course, the weakness of the case in individual instances does not in any way answer the question whether the comptroller is exceeding his authority in the stand he is taking. It would be entirely conceivable that a public officer might assume a power which did not belong to him, yet might so exercise it as to exert a beneficent influence. Whatever the result of the exercise of such power might be, the assumption of it would still be unwarranted, and ought not to be practiced. There is an open question as to whether the comptroller really has the power he is using in this matter. But it is undoubtedly true that if he has not the power he now assumes, it should be granted to him. With the rapid growth of the national banking system, it has become harder and harder to manage and oversee the different institutions, and the effect of weak banks upon the general condition of the system has become more and more marked. It would be exceedingly undesirable to have the comptroller obliged to issue bank charters as a matter of course, irrespective of whether there was business enough to support a given institution or not. Mr. Murray has the support of the banking community in his efforts to limit the organization of unnecessary banks. It would be an easy matter for Congress to settle the whole question by passing a short provision making his powers clear.

THE COTTON TARIFF PROBLEM.

During the past week, cotton manufacturers have presented to the Ways and Means Committee of the House of Representatives strong argument in the form of a brief designed to show why nothing should be done toward reducing the duties on cotton textiles at the current session of Congress. This brief was prepared by a committee acting both for the northern and southern groups of mills, which visited Washington to see Chairman Underwood and other congressional leaders. The manufacturers asked first of all for adequate hearing and a chance to present their claims. They also urged, however, that the proposed action on the cotton tariff be deferred until next winter, and presented a general argument to show that while some changes might be advisable in the different paragraphs, the general level of rates was already sufficiently low as compared with other schedules of the tariff. Chairman Underwood, on behalf of the Democratic members of the committee, refused to consider this appeal, and has since then finished the draft of a new cotton bill, submitted it to the Democratic caucus, and finally brought it in as his own measure.

While the Underwood bill will pass the House, it is not likely to go any further at this session, and its interest is for the present academic. It, however, shows what is being planned by those who are now in charge of the House, and is, therefore, extremely instructive. It proposes to cut the general level of the cotton duties from about 48 per cent, its present figure, to about 27 per cent, the rate established by the Ways and Means Committee. This is, as has been reported, a cut of over 40 per cent in the amount of the previously existing duties. Mr. Underwood frankly admits that it will be likely to bring about a great increase in the quantity of cotton textiles imported into the United States. That means that it will greatly increase the competition to which domestic manufacturers are subject. Some New England men in Congress go so far as to say that the bill will be quite as hard for the southern textile men to live under as for the New England mills. That may or may not be the case, but it is a fact that the bill will render it materially harder for all concerns engaged in producing those goods that sell primarily in the domestic market, and are not exported in any material degree. The cotton manufacturers are, in fact, faced with a proposal which is quite as serious for them as the proposed wool revision measure passed by the Democratic House was for manufacturers interested in woolen textiles.

With the opposition which cotton men will be able to offer, it hardly seems likely that this cotton revision bill can pass Congress even at next session. It might be possible to put through a compromise measure making a smaller reduction than that which is offered in this Underwood bill, but even that would be doubtful. That will mean that no general revision of the cotton schedule can probably be effected until after the next presidential election. What will be done then will depend very largely upon the showing that is made in the meantime, and the extent to which cotton producers are able to make good their case before the public. The action of the Democrats on wool and cotton shows that they are feeling very keenly the popular demand for a reduction in these lines. If they had not been they would certainly have heeded the urgent representations made to them by the combined manufacturers who appeared before the committee for the purpose of filing their briefs.

By reporting the Cummins bill, the Senate Finance Committee has made it practically certain that the National Monetary Commission will be disestablished after the first of next December. Such disestablishment is aimed at in the Cummins bill, and Senator Aldrich, to whom the matter has been submitted, has stated that in his opinion there is no objection to the passage of the measure, as he expected the commission to turn in its report by the opening of Congress. Mr. Aldrich further says that he interprets the law creating the commission in such a way as to dictate the termination of the commission as soon as it has reported. Whether that be true or not, the passage of the Cummins bill, which will probably occur before the end of the session, will definitely dispose of this costly organization.

Better crop prospects and encouraging industrial probabilities in several important lines have contributed to hold the market steady, and even to give it an upward tendency in some classes of shares. As we have stated on former occasions, there is no reasonable prospect for any large upward movement in the near future. The increased chances of political unsettlement during the coming year tend to render the outlook even less satisfactory than would otherwise be the case.

Digitized by Google

Computing - Tabulating - Recording Company

CAPITALIZATION

6% Thirty-Year Sinking Fund Gold Bonds $7,000,000

Dated July 15, 1911 Due July 1st 1941 Interest January and July

Capital Stock (All One Class) - $10,500,000

This Company is a recent consolidation of the following companies:

INTERNATIONAL TIME RECORDING COMPANY, of Endicott, N. Y.
TABULATING MACHINE COMPANY, of Washington, D. C.
COMPUTING SCALE COMPANY OF AMERICA, of Dayton, Ohio
BUNDY MANUFACTURING COMPANY, of Endicott, N. Y.

The International Time Recording Company was incorporated in 1901, and acquired the Time-Recording business of the Bundy Manufacturing Company of Binghamton, N. Y. (the pioneer manufacturers of Time Recorders, which began selling them in 1890), Willard & Frick Manufacturing Company of Rochester, N. Y., the Chicago Time Register Company, and later the Dey Time Register Company of Syracuse, and the Syracuse Time Recording Company. It manufactures Time Recorders, Time Stamps, Elapsed Time Machines, Dey Dial Recorders, Syracuse Dial Recorders, Bundy Key Recorders, and special applications of these machines, including an improvement of the Elapsed Time Machine for automatically recording the duration of long distance telephone connections, also a Coasting Machine (vended through the Railway Improvement Co.), adopted by the Interborough System, the Hudson & Manhattan System, the London Underground System, and by other important electric railways. The Coasting Machine effects a large saving of electric power. This Company manufactures all styles of Time Recorders for practically every purpose, and over 90 per cent. of all Time Recording Machines in use are of this Company's manufacture.

The International Time Recording Company has offices in New York, Chicago, Philadelphia, San Francisco, Pittsburg and other large cities of the United States and Canada. It has also created a large business abroad, with distributing depots in London and Berlin and with offices in nearly all of the principal cities of Europe.

The Company's buildings are of reinforced concrete, up-to-date construction and fire-proof.

The Tabulating Machine Company owns and controls the Hollerith Tabulating system. Under this system, statistics and data of all kinds are classified, analyzed and tabulated, accurately, rapidly and with comparatively small expense by means of automatic electrical machinery.

In manufacturing, the machines are used for recording daily production, both as to volume and cost, enabling those in charge to ascertain exact costs, check excess costs, stimulate production and to utilize the facts at once.

In railroad and commercial management, they are used to tabulate promptly comprehensive statistics and secure accuracy and accountability in general administration. For example, in railroad work they are used for compiling the complicated statistics required by the Interstate Commerce Commission and also in the general auditing of freight agents' accounts and for the classification of disbursements or voucher distribution, and extensively in connection with shop costs.

In insurance they are used for detailed records of every important feature of the business and the policies, and are in use by the Equitable, Mutual, New York Life, Penn Mutual and Home Life Insurance Companies, the Hartford, Royal and Queen Fire Insurance Companies.

The Systems of the Tabulating Machine and International Time Recording Companies are used and indorsed by the most progressive Railroad, Industrial and Insurance Organizations in the United States, including the Pennsylvania Railroad System, the New York Central Lines, the Southern, Union Pacific, Atchison, Chicago & Rock Island, Chicago, Milwaukee and St. Paul, Chicago and Northwestern Railroad Companies, American Iron and Steel, Carnegie Steel and Pennsylvania Steel Companies, New York Edison Company, Consolidated Gas (of Baltimore), General Electric, Westinghouse and National Tube Companies, Marshall Field & Co., Studebaker and Swift & Co., all of whom use one or both of said Systems. These companies are rapidly developing new uses for these machines, and others, seeing the economic advantages which have accrued to the users, are ordering machines, so that although the Tabulating Machine Company has greatly increased its manufacturing capacity, and although since the first introduction of its machines it has made no effort to solicit business, it is largely behind in the execution of its orders. The highest evolution of scientific business management of the great Railways and Industrial Corporations, the Insurance Companies, the various departments of the larger municipalities and of the national and state governments, is not now possible without utilizing these devices.

The manufacture and sale of cards to users of machines is an important part of the business of the Tabulating and the Time Recording Companies, amounting to approximately one million cards per day, and under centralization the manufacture and sale of cards should be a permanently increasing source of revenue.

The Computing Scale Company of America was incorporated in 1901, taking over as subsidiary companies The Computing Scale Company, Dayton, Ohio; The Moneyweight Scale Company, Chicago, Illinois; The W. F. Stimpson Company of Detroit, Michigan; The Stimpson Computing Scale Company of Elkhart, Indiana, and in 1902, in connection with Mr. L. A. Davidson of Toronto, Canada, it organized the Computing Scale Company of Canada, Ltd., with headquarters at Toronto, of which Company the Computing Scale Company of America owns 80 per cent. of the stock.

The Computing Scale, a new art in weighing, automatic in its computation of the value of articles purchased or sold, as soon as it was understood, became a necessity to a great percentage of the merchants of the United States, and is in use practically throughout the world. The Company now reports over 275,000 scales out. Its organization covers North and South America, Great Britain, most of the continent of Europe, South Africa and Australia.

Digitized by Google

The Company has recently completed a model factory at Dayton, Ohio, with nearly three and one-half acres of floor space, new throughout in 1910, and operates factories at Detroit and Toronto, and states that it now has 1100 employes.

The Bundy Manufacturing Company has developed and owns the Bundy Adding Machine, and has completed a plant ready for active operations.

In the management of the New Company will be included men who have been successful in the organization and administration of the business so to be acquired. The following have consented to act as directors:

Hon. George W. Fairchild, President of the International Time Recording Company.

Edward Canby, President of the Computing Scale Company of America and pioneer in the computing scale industry.

Albert L. Salt, Vice-President of the Tabulating Machine Company.

S. M. Hastings, Treasurer of the Computing Scale Company.

Harlow E. Bundy, Treasurer and General Manager of the International Time Recording Company.

Samuel G. Metcalf, Secretary of the Tabulating Machine Company.

Dr. Herman Hollerith, Inventor of the Tabulating Machine.

Oscar L. Gubelman of Knauth, Nachod & Kuhne, Bankers, New York and Leipzig.

Valentine P. Snyder, Director and formerly President National Bank of Commerce, New York.

H. B. Thayer, Vice-President Tabulating Company and Vice-President American Telegraph & Telephone Company.

The several Companies represent that they own two hundred and ten United States patents, forty-one applications and numerous foreign patents. The devices manufactured by the above named companies do not duplicate or compete with, but largely supplement one another. The method and character of manufacture being similar, the managers of the different companies are sanguine as to the great economies which can be secured through consolidated manufacture. They further believe that the co-ordination of the selling organizations will result in largely increased efficiency as well as very considerable economies, that the concentration of the management of the separate companies will enable it to take immediate advantage of the rapid evolution of scientific business management now in progress.

Owing to the fact that the demand for the Tabulating Machines has been beyond the manufacturing capacity of the Tabulating Machine Company, no salesmen have been employed by it. Dr. Hollerith, the mechanical engineers and experts who have invented and developed the devices of the different companies, should, with a common interest and concentrated facilities, largely extend and perfect the existing systems. The advantage of concentrated administration, accounting and experimenting is greater in such a highly specialized business than in most other consolidations.

The net earnings of the different companies for the year from May 1, 1910, to April 30, 1911, as stated to us, aggregate in excess of $950,000, including interest paid; the indebtedness against which this interest was paid will be covered by new cash or bonds of the New Company set aside for such purposes.

The Audit Company of New York has audited the above statement of earnings, and its certificate as to the earnings of the properties named has been filed with the Guaranty Trust Company of New York.

Such annual earnings of said concerns are in excess of twice the amount of the annual interest on the bonds to be issued by the Computing-Tabulating-Recording Company, and more than sufficient to equal annually 5 per cent. on the stock of the New Company, in excess of such interest charge.

There has also been filed with the Guaranty Trust Company of New York, a statement of certain of the above-named manufacturers, who have had experience and ability entitling them to form a judgment as to the earning capacity of the New Company, and who will be concerned in its management, to the effect that, in their opinion, the net earnings of the properties after the first full calendar year of the consolidation will be not less than $1,900,000 per annum, an amount which would show net earnings on the stock issued in excess of FOURTEEN PER CENT. (14%) PER ANNUM.

As to the International Time Recording Company, those acquainted with the Company's affairs believe that the business of this Company is only in its infancy, and that this will be one of the greatest specialty companies in the world. They are constantly improving factory organization and reducing expense of production, and have a selling agency without a superior. They have also expended a great deal of money in developing machines which are now just reaching commercial perfection, and which are expected to increase the earnings of the Company materially.

We have been identified for a number of years with the market for International Time Recording Company securities and are making a particular specialty of dealing in the Stock and Bonds of the Computing-Tabulating-Recording Company. Should you be interested will be pleased to furnish you quotations at any time.

We offer, subject to sale and change in Price, a limited amount of Computing-Tabulating-Recording Company Stock, and believe same should prove an exceptional investment with prospects of enhancement in value.

Price on Application

While we do not guarantee the statements contained herein, they are true to the best of our knowledge and belief, having been obtained from sources official or otherwise

J. K. Rice, Jr., & Co.

Telephones: 7460, 7461, 7462, 7463, 7464, 7465, 7466, 6270, 6271, 6272, 6175, 6176, Hanover.

Cable Address: "Ricenor." Codes: Lieber's, Montgomery's, Hartfield's.

33 Wall Street, New York

SAVINGS BANK ASSETS.

A Correspondent Doubts Wisdom of Buying 3½ Per Cent Bonds For Quick Assets.

Montpelier, Vt., July 23, 1911.

ED. UNITED STATES INVESTOR:

My answer to your query why a 3½ per cent 30-year high-grade bond is not a desirable quick asset for Vermont savings banks is by illustration. Nearly all Vermont savings banks pay 4 per cent interest on deposits; all pay a state tax of seven-tenths of 1 per cent; with the expenses of doing business added makes their money cost them at least 5 per cent On a 3½ per cent 30-year bond, they lose 1½ per cent a year. A bank that buys $100,000 of such bonds for a quick asset sustains a loss of $1,500 a year while it continues to carry them. If it carries them to maturity, the loss is $45,000; if ten years the loss is $15,000. Then if it desires to use the bonds for a quick asset, it can do so in two ways, by selling them or using them for a security for a loan. Money at such times is not less than 6 per cent. They have 20 years to run. If they could sell them at all, the bankers' tables of bond values would make them worth about $71,000, a loss of $29,000, which with the $15,000 lost while carrying them makes a loss of $44,000 in ten years. If a loan was made on such bonds for collateral it would be about $70,000 or $75,000.

SUCH ASSETS UNNECESSARY.

If there was ever a time such security was necessary for a Vermont savings bank to carry it has passed. A sound Vermont bank is a desirable borrower, and can borrow money at home without collateral, or with real estate mortgages in Vermont for collateral. The Capital Savings Bank and Trust Company, of Montpelier, Vt., loans thousands of dollars to both savings and national banks without requiring high-grade bonds for collateral. Vermont bankers borrow money in Boston and New York on high-grade securities in hopes of getting the benefit of the low rates of interest quoted in those cities. A banker having loans of this class—one in Boston of $5,500, one in New York of $11,000—on which he said he was paying 5 per cent and 4 per cent respectively, made arrangements with a Vermont Trust Company to pay them off. When the notes and collateral were sent to the Trust Company for payment, the interest in both cases was computed at 6 per cent, while the interest on call loans in those cities was quoted at 3 per cent. Before paying them, the bankers' attention was called to the 6 per cent interest, and he directed that it be paid, saying the lenders claimed the right to raise the interest at any time without notice to the borrower.

INTEREST RATES DEMORALIZED.

At the time of the failure of the Arnold Print Works, of North Adams, Mass., a large New York bank was bidding 3½ per cent for high-grade bonds. It loaned to the receivers of the Arnold Print Works, one of them being Senator Crane, two million dollars at 6 per cent, and a bonus of $500,000 to enable them to pay 50 cents on the dollar to common creditors of the print works. The writer had a client with a $20,000 claim in the concern, and he objected to the payment of so large a bonus. The receivers replied that they could not do better, but fearing his client might make them trouble, they paid the claim of $20,000 in full.

This shows how demoralized the great city banks are on the question of interest rates, and reminds one of the answer an old Vermont lawyer gave a young lawyer who asked him how much he ought to charge his client for doing a certain piece of legal work. "I charge my clients", said the old lawyer, "about what I think they will stand."

J. DEAVITT, Pres.
Capital Savings Bank & Trust Co.

The present tax law enacted January 28, 1911, reads as follows: A domestic trust company or a savings bank and trust company doing business herein shall annually pay a tax to the state, which is hereby assessed at the rate of seven-tenths of 1 per cent, upon the average amount of its deposits, after deducting therefrom the average amount, not exceeding 10 per cent of its assets invested in United States government bonds.

The taxes assessed shall be paid semi-annually, one-half in the month of February, and one-half in the month of August, and shall be based upon the returns for six months ending with the last day of December and June next preceding.

BANKERS' TRUST EXPANDS.

The stockholders of the Bankers' Trust Company will meet on August 7 to approve an increase in the capital stock of the company from $3,000,000 to $5,000,000. The proposed increase in the capital is to enable the company to carry out the merger agreement with the Mercantile Trust Company, under the terms of which the stockholders of the latter institution are to exchange their stock share for share for stock of the Bankers' Trust Company, in addition to receiving a cash dividend of $50 on each share of stock turned in. Special meetings of the stockholders of both companies have been called for August 9 to vote on the merger agreement.

The twelfth annual number of "Moody's Manual of Railroads and corporations. It is published by the ly 4,000 pages of information respecting corporations of all descriptions, with a large amount of new information, in addition to revised statements of concerns dealt with in previous issues. The volume is divided into three main sections, covering steam railroads, public utilities and industrial corporations. It is published by the Moody Publishing Company, 33 Broadway, New York City.

5% to 7%

We have prepared for distribution an interesting pamphlet on

Industrial Preferred Stocks

How to select them — Income basis — Marketability — Also showing several comparative groups and their yields.

Of timely interest to investors considering investment of funds.

Copy sent upon request.

George H. Burr & Co.
BANKERS
35 Wall Street, N. Y. City
Boston Chicago St. Louis
Philadelphia San Francisco

8% and sure
SHORT TERM INVESTMENT

We are offering for investment a short term note, principal payable in one year and bearing interest at the rate of 8% per annum. These notes are issued by a prominent electrical manufacturing company, doing an international business, are fully secured, and the interest is payable in advance. Besides this, upon maturity, all or part of the notes may be converted into stock in the company, at the option of the holder. Consequently, your investment is sure of 8% return during the year, and if then converted into stock, may earn 10%, 20% or even more; or you can take your cash, just as you like.

Write today for full information.

George W. Fowler & Company
20 BROAD STREET :: NEW YORK

Digitized by Google

Smelters Charges Off $15,245,364

The Company's Annual Report For the Year Ending April 30, 1911, Besides Writing Down the Property Account Over $15,000,000 Shows That Its $17,750,000 of Securities Company Common Stock, Formerly Carried At a Nominal Valuation of $1 Is Now Carried at $60 Per Share—Although Book Valuations in One Case Alone Have Been Marked Up Over $10,000,000, the Company's Surplus Shows a Decrease of $3,749,811—No Official Information Available on the Interesting Point as to What Was Paid For the Securities Company Common Stock Held by the Guggenheim Exploration Company and the Guggenheim Family.

The most striking feature of the annual report of the American Smelting & Refining Company for the fiscal year ended April 30, 1911, was the statement that there had been written off on property account the sum of $15,245,364, and notwithstanding this fact, the profit and loss surplus showed a decrease from $16,797,546 the preceding year to only $13,047,735, or a matter of $3,749,811. When a corporation writes off more than $15,000,000 in a single year and decreases its surplus account less than $4,000,000, it necessarily follows that an extraordinary amount of profits have been made available, or some presumably undervalued assets have been materially marked up in book valuation. Both of these factors were apparently involved in last year's transactions of the Smelting Company.

In the 1910 report it was stated that the company carried $17,751,000 of the $30,000,000 of common stock of the American Smelters' Securities Company at a book

VALUATION OF ONE DOLLAR.

In the 1911 report, the entire $30,000,000 of the Securities Company common stock was carried as an asset of $18,000,000 in other words, giving this stock a valuation of $60 per share.

During the year the minority holdings of the Securities Company common stock were acquired, but the price paid for these holdings has never been announced. In consequence, Wall Street has been guessing and figuring ever since the report was made public as to what this price was.

President Guggenheim in the Smelting Company's annual report does not give much light on the subject as his statement was only as follows:

"During the past year the directors authorized your four vice-presidents to negotiate for and to purchase the shares of common stock of the American Smelters' Securities Company not then owned by the Smelting Company, amounting to 122,490 shares, of a par value of $12,249,000, owned by fifteen individuals, corporations and estates. This entire outstanding stock has now been acquired and the 300,000 shares, being all of the common stock of the Securities Company, is now owned by the Smelting Company and is carried in the investment account at $60 per share, being the appraised valuation of the committee of vice-presidents.

"The board of directors believe that this valuation is amply warranted, in view of the condition of the Securities Company as reflected in the statements of that company accompanying this report."

The statement should be observed that the $12,249,000 of minority stock was held by fifteen different individuals, corporations and estates, while it has been a matter of record that $11,249,000 of stock was held by the Guggenheim Exploration Company and the balance of $1,000,000, it was presumed, was owned by members of

THE GUGGENHEIM FAMILY.

From the official statement in the annual report, therefore, it would appear that this balance of $1,000,000 must have been quite well distributed, as it is asserted that there were fourteen other holders besides the Guggenheim Exploration Company. There are only seven Guggenheim brothers, so it, therefore, must be presumed that a few others must have been admitted into participation in this good thing.

The American Smelters' Securities Company has always been a unique institution. It has outstanding $17,000,000 of preferred "B" stock, paying 6 per cent, all of which was originally acquired by the Guggenheim Exploration Company, and $13,860,000 of it was still held by the Exploration Company at the time of its last report. The company also has outstanding $30,000,000 of preferred stock "B", bearing 5 per cent dividends, which was unconditionally guaranteed by the American Smelting & Refining Company and was sold to the public. The Series "A" preferred 6 per cent stock was not so guaranteed.

It was quite evident in the original organization of the company that a number of properties were segregated and the Guggenheims and their various corporations took securities in payment, and secured the cash working capital needed through the sale of the $30,000,000 of preferred "B" 5 per cent guaranteed stock. The $30,000,000 of common stock,

WHICH COST NOTHING,

was divided between the various interests according to what they regard as a fair method of distribution. The American Smelting & Refining Company necessarily got the long end, because it pledged its credit in guaranteeing the preferred stock which was sold, and, apparently, for this service received $17,151,000 of the common stock. Of the balance of the common stock the Guggenheim Exploration Company got $11,249,000 and the other $1,000,000 was divided among the Guggenheim family and their very close associates.

Last year, when the Securities Company announced an issue of $15,000,000 of first mortgage 6 per cent bonds, I discussed this subject at length in issues of the UNITED STATES INVESTOR of December 17, 1910, and January 14, 1911. In these articles I took the position that the principal purpose for this bond issue must necessarily have been to buy the outstanding minority stock of the Securities Company as a final result. The officials of the company would make no explanation at that time, but all the facts in the case made this conclusion inevitable.

The official reports now admit that this was the exact nature of the transaction, although it has been explained in a little different way. The Refining Company had advanced a considerable amount of money on open account to the Securities Company, and to repay these advances amounting to about $11,000,000, as well as to increase its working capital, the Securities Company proposed to sell $15,000,000 of 6 per cent bonds. This would place in the treasury of the Refining Company $11,000,000 in cash, and it was naturally assumed that this

MONEY WOULD BE USED

to buy the $12,249,000 of minority common stock of the Securities Company outstanding. This necessarily had to be the case, because the bonds of the Securities Company were made convertible into the stock of the Refining Company at par at any time up to

Before All Else

there is found in every Union Mutual Policy the first and strongest Purpose of Life Insurance.

Protection

Clear, Faithful Reasonable Contracts. Ask for Particulars.

Union Mutual Life Insurance Co.
Portland, Maine

Fred E. Richards, President.

JANUARY 1, 1911
Insurance in force more than $140,000,000
ASSETS - $36,327,0[illegible]8.68
LIABILITIES 33,371,841.25
SURPLUS - $ 2,955,227.78
1910 MOST PROSPEROUS IN HISTORY OF THE COMPANY

HARTFORD LIFE INSURANCE CO.

Chartered 1846 Hartford, Conn.
OFFERS SPLENDID OPPORTUNITIES UNDER DIRECT CONTRACTS.
All Forms of Policies.

THE BOSTON MUTUAL LIFE INSURANCE COMPANY
141 MILK STREET, BOSTON, MASS.

HERBERT O. EDGERTON, Pres. FRANK H. VIELE, Sec'y and Treas.
A corporation operating under the stringent Insurance Law of Massachusetts.
All desirable forms of up-to-date policy contracts issued.
All weekly premium policies in full immediate benefit.
CORRESPONDENCE SOLICITED.

Digitized by Google

August 1, 1918, and the Refining Company could hardly have granted this privilege unless it was the owner of all the common stock of the Securities Company.

The interesting point now being discussed is as to the price per share paid by the Refining Company for the minority common stock of the Securities Company. In the first place, it may be assumed that this price was not less than $60 per share, because all of the company's holdings of this stock are now carried at this book valuation. That such valuation is justified the following figures of net earnings of the Securities Company have been given out:

1908	$2,314,852
1909	4,334,654
1910	5,948,106
1911	6,920,925

For the fiscal year ending May 31, 1911, after paying 6 per cent dividends on the preferred "A" stock and 5 per cent on the preferred "B" stock, there remained a surplus of $3,072,082, or

A LITTLE OVER 10 PER CENT

on the amount of the common stock outstanding. The valuation of a stock showing earnings of 10 per cent at 60, therefore, could not be regarded as extravagant.

How much more than 60 was paid for the Securities Company common stock is difficult to figure out, and no official information is available. From the property account was charged off during the year $15,245,364, leaving it at the sum of $75,000,000. According to the 1910 statement, however, the property account was $86,845,670, but was increased during the year through the transfer of a number of properties heretofore carried under the head of investments, all the stock of which was owned by the company. The item Investments in the year 1910 was $2,058,388, while in 1911 this item was only $86,080, and the explanation was given that this $86,080 was the book value of securities held in which the company did not have a controlling interest. That the item of property account was marked up as well as marked down during the year is indicated by the fact that the 1911 statement showed original cost of property at $97,845,744, from which there had been written off for profit and loss and depreciation, including the current year, the sum of $22,845,774.

It would appear, therefore, that the company had marked up the valuation of some of its properties through transfer from the investment to the property account, aside from the transaction of giving its holdings of Securities Company common stock a book valuation of $60 per share, which had heretofore been carried at a valuation of $1.

As the company's holdings of Securities Company common stock amounted to $17,751,000, this, of course, means that in the last balance sheet there

WAS AN INCREASED VALUATION

on this account alone of $10,650,600. Notwithstanding this, the property account has been written down over $15,000,000 in a year, and the surplus further shows a shrinkage of over $3,000,000.

Superficially, therefore, it would seem that while the book valuations have been written up over $10,000,000, they have been written down to the extent of more than $18,000,000. Such figures are difficult to analyze in the absence of more specific facts than are given in the last annual report, but more facts are not available because the Guggenheim's maintain an unvarying policy of saying that the only information they give out is contained in the annual reports or other documents they issue to all shareholders simultaneously. There are some corporations, and there will be a steadily increasing number of them, whose officials will explain transactions of this kind. Whether the Refining Company paid $60 or $100 per share for the minority common stock of the Securities Company could and should have been stated, and I should infer that more than $60 per share was paid, for otherwise there would have been no hesitancy on their part to announce the purchase price. It would seem axiomatic that at least $60 per share was paid, because the stock is now carried in the assets of the company at that figure.

The official explanation of the company as to its

NEW BOOKKEEPING POLICY

with reference to depreciation charges and its brief and unsatisfactory explanation regarding the change in entries in the statement just submitted is as follows:

"The total amount of capital expenditure which was added to the property account of this company during the first three years of its existence amounted to $2,740,537.51. Since April 30, 1903, all capital expenditures at the smelting and refining plants have been charged each year to profit and loss, in lieu of depreciation. These expenditures, which were made entirely for new property or for the extension, with increased capacity or efficiency, of plants in operation, have, together with other amounts written off for depreciation, amounted to $7,600,410. The directors have felt that this was quite as conservative as to yearly reduce the property account of the company through credit of earnings to depreciation. Beginning with this year, however, the directors have decided to follow the more usual custom of considering all expenditure for property or new construction as a capital expenditure, and a charge will be made against the yearly earnings representing depreciation of plants. For the fiscal year ended April 30, 1911, the capital expenditures have amounted to $803,710.08 and estimated depreciation to $750,000.

"There has also been

ADDED TO PROPERTY ACCOUNT

the property of various subsidiary companies, of which your company owns substantially the entire capital stock, but which has not previously been included in property account. The investment account, in which the cost of the securities of these companies has heretofore been carried, has, as a result of this change, been largely decreased.

"In addition to the above allowance for depreciation, the directors have thought it wise to debit surplus account and credit to property account the further sum of $15,245,364.62, thus reducing the property account to $75,000,000.

"The total cost of the company's properties has been $97,845,774.62, of which $22,845,774.62 or 23 1-3 per cent, has now been written off to profit and loss."

P. De Medici.

BANK ITEMS.

GLEN LYON, PA.—The Glen Lyon Bank has been organized with $25,000 capital. Joseph Stark, John Barrett, Jr., H. U. Nyhart, Bruno Terkoski and others, are interested.

GIBSLAND, LA.—The North Louisiana Bank has been converted into the First National Bank of Gibsland. S. W. Smith is president, R. D. Sims, J. T. Boone and J. L. Baker, vice-presidents, and B. R. Felts, cashier. The institution is capitalized at $25,000.

GREENFIELD, IOWA.—The Citizens Savings Bank has been organized with $25,000 capital.

FOLSOM, N. M.—The First State Bank has been organized with $15,000 capital. Joseph Doherty, Anne T. Doherty and Frank V. Doherty are interested.

MONATON REALTY INVESTING CORPORATION

Pays

6% COMPOUND INTEREST

On Money Invested in

Its Accumulative Certificates
Running terms of 10, 15 or 20 yr.
Payments may be made annually, semi-annually, quarterly or monthly.

SECURITY

OWNERSHIP OF NEW YORK INCOME PROPERTY

Affording

Immediate returns on investments and Opportunity for increase of valuation.

For illustrated Booklet, inquire:

Publicity Department

Times Building

Broadway & 42nd Street, New York City

CONSIDERING SECURITY

high grade industrial bonds pay the *highest income* and offer the best chance for rising profits. Send for circular "M".

BEARDSLEY AND COMPANY

Henry Sheeld Beardsley, President

Pullman Building. Madison Square New York

American Industrials Co.

Broad Exchange Building, New York.

INVESTMENT SECURITIES.

6% Twenty Year First Mortgage Gold Bonds.
7% Preferred Stocks.
8% Preferred Stocks.

LUDLOW PATTON & CO.

Established 1848

INVESTMENT SECURITIES.

111 Broadway, New York
53 State Street, Boston.

Offer and recommend a 6% Gold Bond with a 20% bonus of **common stock**, which may shortly be taken by our regular subscribers. Quick application necessary. Send for particulars.

Digitized by Google

The Best Purchases on the Industrial List

As Indicated by the Two Standards of Comparison: of Present Investment Yield on Basis of Current Dividends and Prevailing Market Price, and on Basis of Present Earnings on Prevailing Market Values

The average net yield of the 50 industrial stocks quoted in the following table was 6.16 per cent on July 25, as compared with 5.98 per cent on July 18, 6.30 per cent on January 3, and 5.76 per cent on January 2, 1910.

The American Smelting and Refining Company has just issued its annual report, showing a balance for its common stock for the year ended April 30, 1911, of approximately $6,670,000, or 6.3 per cent, as compared with $3,546,278, or 7.09 per cent, for the 1910 fiscal year. The surplus for the year of $845,000 compares with the previous year's surplus of $1,546,278. The total earnings for the year just ended, however, were slightly larger than those for the preceding year, the smaller balance for the common and smaller surplus being due to the fact that in its last year the company charged off $955,000 for repairs and replacements, as compared with $862,710 for the year ended April 30, 1910, and $750,000 for depreciation and new construction, against $461,638 in the preceding year, and also $322,000 in the last year for profit and loss adjustments, against nothing for this account in the preceding year. The report calls attention to the statement showing total earnings in twelve years of more than $97,000,000, from which dividends of $58,000,000 have been paid, leaving $38,000,000 of the earnings to increase and fortify the business, which indicates extreme conservatism in the payment of dividends and in the complete building up of the company.

Daniel Guggenheim, president of the company, points to the purchase of the common stock of the American Smelters Securities Company not already owned by the major corporation. The appended report of the Securities Company for the year ended May 31 last indicates a balance available for dividends amounting to $5,592,000, an increase over the previous year of $921,000.

The American Smelting and Refining Company has also acquired such of the preferred stock of the United States Zinc Company as it did not previously own.

According to recent generally credited reports, current business of the National Biscuit Company is running at the highest level in the history of the company, and there will be nothing even remotely savoring of "hard times" in the next annual report unless conditions show a surprising change for the worse in the course of the next few months.

In the half year ended June 30 last sales were about 8 per cent larger than they were in the corresponding month of the preceding year. If the business holds up to its present proportions, gross sales will amount to something like $49,000,000, as compared with $45,430,000 in the 1910 fiscal period. By the opening up of two new plants the company's maximum capacity has been increased, but at the present time, the 52 plants now in operation are running at about 90 per cent of capacity. Figuring on a gross business of $49,000,000, and making a liberal estimate of working expenses, it may be estimated with reason that National Biscuit is now earning at the rate of about 11½ per cent on its capital stock, as compared with 9.86 per cent in 1910, 7.67 per cent in 1909 and 7.38 per cent in 1908.

STOCKS SHOWING BEST INVESTMENT YIELD.

Present rank.	Stock.	Present dividend.	Price.	Yield on present price.
1	U. S. Cast Iron Pipe, pref...	5%	52	9.61
2	Am. Cotton Oil, com.	5%	57	8.77
3	United Dry Goods, com.....	8%	106	7.83
4	U. S. Rubber, 2d pref.....	6%	77	7.79
5	American Woolen, pref.	7%	92	7.57
6	Republic I. & S., pref.....	7%	94	7.45
7	Central Leather, pref.	7%	100	7.00
8	Ky. Steel Spring pref.....	7%	101	6.93
9	Pressed Steel Car, pref.	7%	102	6.86
10	Union Bag & Paper, pref....	4%	59	6.78
11	Crex Carpet	5%	74	6.76
12	U. S. Realty & Imp.....	5%	74	6.76
13	Inter. Steam Pump, pref....	6%	89	6.74
14	Am. Writing Paper, pref....	2%	30	6.66
15	People's Gas	7%	106	6.60
16	Va.-Carolina Chem. pref....	8%	122	6.55
17	Am. Smelt. & Refg., pref....	7%	107	6.54
18	American Tobacco, pref.	7%	95	6.52
19	Laclede Gas	7%	108	6.48
20	National Lead, pref.....	7%	108	6.48
21	Am. Locomotive, pref.	7%	108	6.48
22	U. S. Steel, com.	5%	80	6.25
23	Am. Beet Sugar, pref.	6%	98	6.12
24	Corn Products Refg., pref...	5%	82	6.10
25	American Sugar, pref.....	7%	117	5.98
26	Am. Car & Foundry, pref...	7%	118	5.93
27	American Sugar, com.	7%	118	5.93
28	U. S. Steel, pref.	7%	119	5.88
29	Westinghouse, 1st pref.	7%	119	5.88
30	Pacific Coast, com.	6%	102	5.88
31	Am. Ag. Chem., pref.....	6%	102	5.88
32	American Tel. & Tel.	8%	136	5.88
33	Mackay Companies, com. ...	5%	87	5.75
34	American Can, pref.	5%	88	5.69
35	Inter. Harvester, pref.....	7%	125	5.60
36	Distillers' Sec. Corp.	2%	36	5.55
37	National Lead, com.....	3%	56	5.36
38	Va.-Carolina Chem., com....	3%	57	5.26
39	National Biscuit, com.....	7%	135	5.19
40	Am. Smelt. & Refg., com...	4%	80	5.00
41	General Electric	8%	162	4.94
42	Sears, Roebuck, com.	7%	142	4.93
43	Am. Malt Corp., pref.....	2%	43	4.65
44	Consolidated Gas	6%	146	4.11
45	Inter. Paper, pref.	2%	49	4.08
46	Underwood Typewriter	4%	100	4.00
47	Inter. Harvester, com.....	5%	125	4.00
48	Western Union	3%	81	3.70
49	Am. Car & Foundry, com...	2%	57	3.51
50	Amalgamated Copper	2%	68	2.94

STOCKS SHOWING BEST EARNINGS.

Present rank.	Stock.	Price.	Earning on present price.
1	Inter. Merc. Marine, pref.....	17	53.35
2	Bethlehem Steel, pref.....	63	21.30
3	Am. Beet Sugar, com.	53	20.65
4	American Linseed, pref.	31	18.90
5	Westinghouse, com.	75	17.70
6	Am. Ag. Chem., com.	59	17.65
7	Ky. Steel Spring, com.....	37	16.20
8	Pressed Steel Car, com.....	37	14.95
9	United Fruit	195	13.75
10	Crex Carpet	74	13.70
11	American Woolen, com.	32	12.65
12	U. S. Realty & Imp.	74	12.65
13	Am. Car & Foundry, com.....	57	12.30
14	Inter. Harvester, com.....	125	11.90
15	Am. Cotton Oil, com.....	57	11.90
16	Colo. Fuel & Iron, com:.....	36	10.90
17	Allis-Chalmers, pref.	28	10.90
18	Sears, Roebuck, com.	142	10.80
19	Am. Ice & Sec. Co.....	24	10.50
20	United Dry Goods, com	106	10.35
21	General Electric	162	10.30
22	Republic I. & S., com.....	30	9.65
23	Union Bag & Paper, pref.....	59	9.40
24	Inter. Paper, pref.	49	9.25
25	Corn Products Refg., pref.....	82	8.60
26	People's Gas	106	8.50
27	Nat. Enam. & Stmpg., com.....	21	8.05
28	American Can, pref.	88	7.75
29	Am. Smelt. & Refg., com.....	80	7.75
30	National Lead, com.	56	7.70
31	U. S. Cast Iron Pipe, pref.....	52	7.45
32	National Biscuit, com.	135	7.30
33	American Tel. & Tel.....	136	7.25
34	Utah Copper	49	7.05
35	Distillers' Sec. Corp.....	36	6.70
36	U. S. Steel, com.....	80	6.30
37	Western Union	81	6.20
38	American Sugar, com	118	6.00
39	N. Y. Air Brake	75	5.95
40	Mackay Companies, com.	87	5.90
41	Amalgamated Copper	68	5.80
42	Va.-Carolina Chem., com.	57	5.45
43	Tennessee Copper	41	5.15
44	U. S. Rubber, com.	42	5.25
45	Consolidated Gas	146	5.10
46	Inter. Steam Pump., com.....	42	5.05
47	Central Leather, pref.....	100	4.50
48	Sloss-Sheffield, com.	50	4.05
49	Am. Steel Foundries	38	3.60
50	American Locomotive, com.....	40	3.35

Digitized by Google

The Best Purchases on the Railroad List

As Indicated by the Two Standards of Comparison: of Present Investment Yield on Basis of Current Dividends and Prevailing Market Price, and on Basis of Present Earnings on Prevailing Market Values.

The average net yield of the 50 railroad stocks quoted in the following table was 4.99 per cent on July 26, as compared with 5.01 per cent on July 19, 5.34 per cent on January 4, and with 4.71 per cent on January 2, 1910.

The listed railroad stocks have performed as well as could be expected in reason this week, so far as price movements are concerned, when one considers the obstacles with which the market has been forced to contend. Of prime importance among these obstacles have been the European war scare and the decision of the Interstate Commerce Commission in the "long and short haul" case, ordering a substantial reduction in freight rates on a number of the Western roads. This latter development, it is true, resulted in an immediate drop in quotations, amounting to a point or more in some instances, but prompt support brought about an early recovery, and justified the belief that this step on the part of the commission had already been discounted to a great extent in the more sweeping refusal of that body to grant freight rate increases to roads in various sections of the country several months ago.

Union Pacific, with its ally in the select family of "Harriman stocks", will feel the effect of the decision to a greater degree than almost any other system, but there certainly has been nothing savoring of pronounced weakness in the market position of Union Pacific common, or a suggestion of selling on a large scale by the big interests, who are known to have unbounded confidence in the property, irrespective of temporary setbacks, such as may develop from time to time. It is said that something like 50 per cent of the total loss resulting from the reduction in rates will fall on the shoulders of the Union Pacific and Southern Pacific, but fortunately, those shoulders are broad and will be able to stand this added burden without giving evidence of excessive embarrassment.

A reaction of a point or two in these two issues was not to be wondered at; the wonder is that the decline was no greater. The course of these two issues, by the way, has been watched with more than usual degree of interest by well-informed men who have inclined to the belief that the favorable outcome of the government suit to dissolve the merger of the roads involved has paved the way for a segregation of the Union Pacific assets now held in the treasury, and the cutting of a particularly juicy melon for the benefit of the expectant shareholders. There is still a possibility that the government attorneys will appeal the suit and carry the fight to a higher court, but the financial world is not worried over any such possibility as this, feeling as it does that the outcome would be the same. Of course, a decision from Washington to carry on the contest to the bitter end, would, in all probability, mean a postponement of segregation plans. The period within which an appeal must be made, if at all, does not expire until the middle of next month, so there is still a fortnight of uncertainty ahead of this issue, but the general opinion is that the Harriman lines will be permitted to enjoy the fruits of their "famous victory".

STOCKS SHOWING BEST INVESTMENT YIELD

Present rank.	Stock.	Present dividend.	Price.	Yield on present price.
1	Toledo, St. L. & W., pref....	4%	47	8.51
2	Detroit United	5%	74	6.76
3	Chesapeake & Ohio, com....	5%	82	6.10
4	B. R. T.	5%	82	6.10
5	M., K. & T., pref.....	4%	67	5.97
6	K. C. Southern, pref.....	4%	68	5.88
7	St. L. & San F., 1st pref....	4%	69	5.83
8	St. Louis S. W., pref.....	4%	69	5.83
9	Lehigh Valley	10%	174	5.75
10	N. Y., N. H. & H.	8%	140	5.71
11	St. Paul, com.	7%	127	5.51
12	Twin City R. T., com.....	6%	109	5.50
13	Baltimore & Ohio, com.	6%	109	5.50
14	Colo. & Southern, 2d pref...	4%	75	5.33
15	K. C., F. S. & M., pref.....	4%	75	5.33
16	C., C., C. & St. L., com.....	5%	94	5.32
17	Atchison, com.	6%	113	5.31
18	Northern Pacific	7%	132	5.30
19	Union Pacific, com.....	10%	190	5.26
20	Delaware & Hudson	9%	172	5.23
21	P., C., C. & St. L., com.....	5%	98	5.10
22	Great Northern, pref.....	7%	135	5.10
23	N. Y., C. & St. L., com.....	3%	60	5.00
24	M., St. P. & S. S. M., com...	7%	141	4.96
25	Southern Pacific, com.....	6%	122	4.92
26	C., St. P., M. & O., com.....	7%	143	4.90
27	Colo. & Southern, 1st pref...	4%	82	4.88
28	Atchison, pref.	5%	103	4.85
29	Pennsylvania	6%	125	4.80
30	Illinois Central	7%	146	4.79
31	Chicago & N. W., com.....	7%	147	4.76
32	Louisville & Nashville	7%	152	4.60
33	Norfolk & Western, com.....	5%	109	4.59
34	N. Y. Central	5%	109	4.59
35	Atlantic Coast Line	6%	131	4.58
36	Western Maryland, pref.	4%	88	4.55
37	St. Paul, pref.	7%	154	4.55
38	M., St. P. & S. S. M., pref...	7%	155	4.52
39	Baltimore & Ohio, pref.	4%	90	4.44
40	Norfolk & Western, pref. ...	4%	90	4.44
41	N. Y., O. & W.	2%	6	4.35
42	Buffalo, R. & P., com.....	5%	115	4.35
43	Union Pacific, pref.	4%	95	4.21
44	Central of N. J.	12%	285	4.08
45	Canadian Pacific	10%	245	4.08
46	Reading, com.	6%	158	3.80
47	Boston & Maine	4%	107	3.74
48	D., L. & W.	20%	543	3.68
49	Colo. & Southern, com.....	2%	56	3.57
50	Southern Railway, pref.....	2%	7	2.70

STOCKS SHOWING BEST EARNINGS

Present rank	Stock.	Price.	Earnings on present price.
1	M., K. & T., pref.....	67	24.0[illegible]
2	St. L. & San F., 2d pref.....	48	20.8[illegible]
3	Erie, 1st pref.....	58	19.6[illegible]
4	Detroit United	74	15.4[illegible]
5	Hocking Valley, com.	128	14.90
6	K. C. Southern, pref.....	68	13.85
7	Southern Railway, pref.	74	12.50
8	Buffalo, R. & P., com.....	115	12.00
9	P., C., C. & St. L., com.....	98	10.50
10	K. C. Southern, com.....	35	10.45
11	C., St. P., M. & O., com.....	143	10.05
12	Colo. & Southern, com.....	56	9.90
13	Atlantic Coast Line	131	9.35
14	Southern Pacific, com.	122	9.35
15	Atchison, com.	113	9.20
16	Norfolk & Western, com.....	109	9.00
17	Union Pacific, com.	190	8.95
18	St. Louis S. W., pref.....	69	8.75
19	Louisville & Nashville	152	8.65
20	Central of N. J.....	285	7.85
21	Twin City R. T., com.....	109	7.70
22	C., C., C. & St. L., com.....	58	7.30
23	Erie, com.	36	7.20
24	Baltimore & Ohio, com.	109	7.10
25	B. R. T.	82	7.10
26	D. & R. G., pref.....	58	6.90
27	M., K. & T., com.....	26	6.80
28	Delaware & Hudson	172	6.75
29	N. Y., N. H. & H.	140	6.70
30	D., L. & W.	543	6.50
31	Canadian Pacific	245	6.20
32	Lehigh Valley	174	6.20
33	Illinois Central	146	6.05
34	Northern Pacific	132	6.00
35	M., St. P. & S. S. M., com.....	141	5.85
36	Chicago & N. W., com.....	147	5.70
37	Chesapeake & Ohio, com.....	82	5.65
38	Great Northern, pref.....	135	5.65
39	Pennsylvania	125	5.[illegible]0
40	St. Paul, com.	127	5.30
41	Toledo, St. L. & W., pref.	47	4.85
42	N. Y. Central	109	4.80
43	Reading, com.	158	4.75
44	Chicago & Alton, pref.	52	4.70
45	Chicago Gt. Western, pref.....	44	4.20
46	N. Y., O. & W.	46	4.05
47	Western Maryland, pref.....	88	3.80
48	Wabash, pref	35	2.[illegible]0
49	Boston & Maine.	107	2.20
50	Missouri Pacific	50	0.65

Digitized by Google

Southern Ry. Record Earnings

The Company Earned Gross Last Year $60,345,062, as compared with $17,114,792 in 1895—Company Last Year Made Its High Record in Gross and Net Earnings, and This Year There Is Promised a Record Cotton Crop, Which Is the Most Influential Traffic Factor in Its Territory—All Southern Railway Securities Look Attractive, But the General Mortgage 4 Per Cent Bonds at 79 Look Better Than the Preferred Stock at 72.

It is a coincidence well worthy of consideration by investors that for the fiscal year ending June 30, 1911, the Southern Railway Company made a new high record in both gross and net earnings, and that it is now generally believed the cotton crop, which will be harvested this fall in the parish of the Southern Railway Company will also make a new high record in cash value, if not in volume.

The Southern road covers the South much more comprehensively than does any other railroad line, and in consequence, can hardly fail to relatively benefit more from a bumper cotton crop than any other railroad in the southern territory. The company's lines, beginning in Washington, D. C., extend south to Jacksonville and Mobile, and west to Greenville, Mississippi, and Memphis, Tennessee, and between these points has an extensive network of lines and branches connecting most of the important shipping points. The Southern also reaches St. Louis, and in conjunction with the Louisville & Nashville, has its own line to Chicago.

Southern Railway securities have

BEEN IN BAD ODOR

since the time when the dominating and over-enthusiastic J. P. Morgan paid something like $25,000,000 in preferred stock dividends, when the money had much better been spent in development of the property. Five per cent dividends on the preferred were discontinued after October 1907, until April 24, of this year, when a dividend of 1 per cent was paid without any statement or explanation as to whether it was quarterly, semi-annual, annual or incidental.

Many investors and speculators got loaded up with the preferred stock in its hey-dey period, when dividends were being paid, and naturally, since that time, they have had nothing but bad words to say about the property and its management. The fact is, however, that the Morgan management was over-optimistic, and has since frankly acknowledged that fact. But the same Morgan interests have furnished the road at all times with all the money it has needed, so that its development has gone along without hindrance, regardless of the opinion of Wall street. It has frequently been asserted that Morgan would make good on every property that he had ever been identified with, and it now seems that in the case of the Southern Railway Company, this prophecy was going to be verified much sooner than has been anticipated in many quarters.

Last year, the Southern earned more in gross and net than at any time in its history, and but few railroads in this country with 7,000 miles or more, can make any such claim. Gross earnings last year were $60,345,062, an increase of $3,050,554 over the preceding year. The net income for the fiscal year ending June 30, 1911, was $17,163,276, an increase of $512,638 over the preceding year. That there

WAS NO SKIMPING

of maintenance, was indicated by the fact that the ratio of operating expenses in 1911 was 71.49, as compared with 70.97 in 1910.

The development of the Southern is probably best indicated by the following figures showing the amount of the company's gross earnings each year since its organization:

Year.	Gross earn.
1895	$17,114,792
1896	19,002,247
1897	19,979,500
1898	21,095,829
1899	25,753,[illegible]35
1900	31,290,879
1901	34,650,482
1902	37,712,248
1903	42,354,063
1904	45,109,777
1905	48,145,108
1906	53,641,439
1907	56,657,994
1908	52,941,717
1909	52,188,107
1910	57,294,508
1911	60,345,062

These figures are eloquent and can hardly be duplicated by any other railroad system in this country. Take into consideration, therefore, that the railroad itself is making rapid progress, that it

COVERS THE SOUTH

more comprehensively than any other road in that section, and that a good year in cotton makes all the South boom and there results quite a conclusive argument that all the securities of the Southern Railway Company should be attractive at this time.

The investor has just cause for asking why the Southern Railway 4 per cent general mortgage bonds sell at 79 and the preferred stock with no assured dividend sells at 72. The explanation is, of course, in the fact that two different classes of people register their opinions, and in consequence, make the prices on the New York stock exchange. In the case of the stock it cannot be questioned that the company is making steady and substantial progress and those who are accustomed to deal in the stock, or rather this particular stock, have been influenced by this well-known fact.

In the matter of bonds, however, the

SITUATION IS DIFFERENT,

because the public offerings of the company's 4 per cent general and development bonds have not been successfully handled. The total authorized issue of these development bonds is $200,000,000, and around $61,000,000 have been issued. There have been two public offerings and two syndicates trying to put these bonds on the market. Both syndicates have been signal failures.

One of the current jokes among bond houses in Wall Street has been the 120 per cent Morgan Syndicate on Southern Railway bonds. This meant that the second syndicate which undertook to market an installment of the development bonds and protected its market got a final result of more bonds than it originally agreed to purchase. In other words, this syndicate instead of disposing of its own purchase had to buy a considerable amount of other bonds in an endeavor to protect its market so that when the time came for dissolution of the syndicate, the underwriter in the Morgan pool instead of being able to take down his cash profit had to pay for more bonds than he had underwritten.

This is, of course, one of the unique incidents of Wall Street, but it is, nevertheless, a fact. The ordinary banker or capitalist assumes that a participation in a Morgan underwriting is a good thing. Generally it is, but sometimes it is not, and in the case of the Southern Railway bonds, even though they were meritorious, every syndicate participation

RESULTED IN A LOSS.

I have heard one explanation which was that the bonds should have been fives instead of fours. In any event, 5 per cent bonds on properties not as hopeful as Southern Railway were quickly disposed of while the Southern bonds had to be carried by the original underwriters.

Another factor, of course, is efficiency of the bankers, and in this connection I hesitate, but I must say that Speyer & Company have displayed much more efficiency in the marketing of securities than has the big house of Morgan, and it has been a notable fact that the Speyer underwritings have acquired the habit of going to a premium while the Morgan offerings, particularly in the case of the Southern Railway, have tumbled to a wearisome discount.

There is a lesson for investors in this fact, that even the magic name of Morgan did not make the bonds of the Southern Railway Company sell at a price which their merits amply justify.

The surplus earnings of the Southern Railway Company for the fiscal year ending June 30, 1909, were $3,511,100, in 1910 the surplus earnings amounted to $5,704,646, so that in the fiscal year just ended it is fair to be presumed that the company will show around $6,000,000 earned in excess of expenses and fixed charges. The interest requirement on the amount of general mortgage 4 per cent bonds outstanding is only a matter of $2,500,000, so that in the language of the bond salesman it may be said that the interest on these bonds is being

EARNED SEVERAL TIMES OVER,

or, to be more definite, about three times. The bonds are selling at 79, at which price they yield over 5¼ per cent. The investor should buy some of these bonds while the speculator, if he was conservative in his desires, might be satisfied with a purchase of the preferred stock.

The 4 per cent bonds, however, notwithstanding their unfortunate past experience, are not likely to be quoted very long under 80. P. DE MEDICI.

Digitized by Google

A NEW INDUSTRIAL.

Attractive Propositon to Investors Offered in the Consolidation of Time Recording, Tabulating and Computing Scale Manufacturers into the Computing-Tabulating-Recording Company.

The newest as well as the largest industrial offering which has been brought out this year is the stock of the Computing-Tabulating-Recording Company, subscriptions for which are being invited by the well-known firm of brokers, J. K. Rice, Jr., & Company, 33 Wall street, New York City. The company's capitalization comprises $7,000,000 in bonds and $10,500,000 in stock.

The stock of the company is being offered at 75. No statement has been made with reference to dividends, but it is generally understood that one of the first duties of the board of directors of the new corporation will be to determine upon a dividend rate and dates of payment, because both the earnings of the combined properties and the strong financial position of the consolidated properties will make such a procedure the natural order of events. A very conservative estimate of the earnings of the new company after payment of interest on bonds and proper depreciation charges is 14 per cent per annum.

It is, therefore, anticipated that the initial rate of dividends will be 5 or 6 per cent.

The new corporation represents a consolidation of practically all time recording machine manufacturers in the country, and to supplement their organization they have included other kindred corporations controlling the most up to date and best perfected adding and compiling machines and computing scales on the theory that substantial economies both in manufacturing cost and selling expense could be effected thereby.

The new company already has well-established branches throughout this country, and will materially increase its foreign business. The management comprises the leading men in this line of industry, as well as Congressman George W. Fairchild, Valentine P. Snyder, formerly president of the National Bank of Commerce of New York, H. P. Thayer, vice-president American Telephone & Telegraph Company and Oscar L. Gubeman of Knauth, Nachod & Kuhne, bankers of New York.

The company's machines are now in use by all the leading railroad, industrial and insurance companies, and with the increased working capital furnished by the consolidation, it is probable that the increased earnings resulting will make very satisfactory returns in income, as well as in increased market value to purchasers at the initial offering price.

L. C. Wilson, cashier of the Wallace National Bank, has been appointed receiver of the State Bank of Commerce at Wallace, Idaho, succeeding W. O. Pierce.

TRINITY, TEX.—The Trinity National Bank, capitalized at $30,000, has been organized by I. N. Parker, S. E. Barnes, W. A. Bell and F. S. Barnes.

BOSTON STOCKS AND BONDS

For the Week Ending Thursday Eve ning, July 27, 1911.

Names.	RANGE FOR WEEK		Last Sale	Sales for Week	RANGE FOR YEAR OF 1911.						RANGE FROM JAN., 1879, TO JAN., 1911.			
Railroads.	Low	High			Lowest			Highest			Lowest		Highest	
Boston & Albany	221	222½	222	208	219	May	15	236	Feb	15	120	1879	*260	1890
Boston Elevated.	129	130	129½	517	127	May	5	150	July	26	52¾	1898	190	1901
Boston & Maine.	106	107	106	200	101	May	10	122⅜	Feb	15	10b¾	1879	220	1837
do. pref.	...	...	151	.....	150	Jan	17	154	June	6	134½	1891	190	1903
Cent. Verm't 4s.	90¾	90½	90¾	4,000	87½	Jan	25	92	Mar	22	75	1904	96¼	1890
C. B. & Q. Jt. 4s	97	97	97	9,000	96¾	Jan	6	98¾	June	2	82½	1907	102	1905
Chic. Junc. R...	...	...	115½	.....	.....			.....			60	1893	182	1904
do. 4s	...	...	102¼	.....	.....			.....			89¾	1891	116	1890
Fitchburg pref..	125	125½	125½	34	125	July	22	130	Jan	9	63½	1889	148	1905
K.C., Ft.S.&M.6s	116½	116½	116½	2,000	115	Mar	22	116¾	Jan	6	76	1895	126	1903
K.C.M.&B.new4s	...	...	92	.....	91¾	Jan	19	93½	Jan	3	126¾	1894	102	1895
do. inc. 5s....	...	...	88	.....	88	Apr	6	90	Mar	14	8	1896	104	1909
N.Y., N.H. & H.	139½	141	140¼	878	139½	July	21	151¾	Feb	22	127	1907	270	1899
Old Colony.....	187	187½	187	15	182	Mar	15	189	June	14	96	1879	221	1899
Rutland pref....	...	...	39	.....	32	Jan	26	43	Feb	21	6¼	1879	125¾	1903
West End.....	87½	88¾	88¾	188	87	July	11	96	Feb	6	48	1894	102	1905
do. pref.	102½	103	103	45	101½	July	20	105	June	22	78	1888	118¼	1901
Miscellan's.														
Am. Agri. Chem.	58½	59	59	300	46½	Jan	6	60¼	May	18	9	1903	60¾	1900
do. pref.	104	104½	104½	290	99	Jan	6	106¾	Mar	1	66½	1903	108	1910
Am. Pneu. Ser..	4½	4¾	4¾	85	4¼	Apr	25	6¾	Jan	31	3	1903	29	1906
do. pref.	15	15½	15½	152	14	Apr	21	19¾	Jan	31	8¼	1903	46	1906
Am. Tel & Tel.	136½	137½	136½	6,594	136¾	July	27	153¾	June	8	58	1907	186	1906
do. 4s	91½	91¾	91¾	50,000	89¾	Mar	22	92	May	23	71	1907	101½	1901
do. cons. 4s...	...	...	106¾	.....	106¾	Jan	13	111¾	June	19	80¾	1908	107¾	1900
Am. Woolen.....	32¼	32½	32½	50	31	June	26	36¼	Mar	20	7¾	1903	48	1906
do. pref.	92	92¾	92¾	542	88¼	Apr	1	96½	June	15	65	1903	110¾	1906
B. & Wor. Elec.	...	...	12	.....	6	Feb	15	13	July	13	8	1910	29½	1906
do. pref.	...	...	56	.....	38¼	Jan	27	58	July	1	35	1910	90	1906
Cumberl'd Tele..	157¾	157¾	157¾	1	146	Jan	19	158	June	2	98½	1907	152½	1910
Dom. Ir. & St'l.	...	...	63¾	.....	.....			.....			6¾	1903	79¾	1906
Dom. Coal 6s....	...	...	96½	.....	90	Jan	4	96¾	Mar	21	90	1906	101½	1905
E. Boston Land.	10¾	11¾	11½	2,880	7¼	Jan	18	12	May	1	2¾	1892	18¾	1900
Edis. Elec. Ill..	282	287	287	110	281	July	5	292½	Feb	3	10	1893	310	1906
Gen'l Elec. Co..	161¾	162½	163¾	398	145¼	Mar	3	167¾	May	29	30½	1896	258½	1901
Mass. Elec.....	22½	23¼	22½	1,131	16	Apr	24	24	June	3	6¼	1907	45¾	1906
Mass. pref.....	93	94¼	93	496	82¾	Jan	9	96	July	11	57	1907	90	1902
Mass. Gas.....	96¾	96	95¾	911	87¾	Jan	3	94¾	July	12	30	1903	81½	1910
do. pref.	98	98	98	419	91¾	Apr	13	98	June	6	74½	1903	97	1910
Mergenthaler....	225	225	225	60	211	Jan	3	225	July	21	118¾	1897	238	1910
N. E. Cot. Y'n.	112	113	112	156	110	Apr	22	119	Mar	14	40	15 6	126	1900
do. pref.	...	...	111	.....	106	Jan	3	116½	Mar	15	34¾	1903	118	1900
do. 4s	...	...	102¾	.....	100¼	Jan	13	103	June	20	83	1906	105¾	1901
N. E. Telephone.	145	147	147	259	137	Jan	17	150½	June	10	78¾	1879	270	1906
Pullman Car....	161¾	162	162	329	158¼	Mar	10	163	Jan	30	65	1901	234	1895
Reece But. H...	13¾	14	14	60	12	Jan	6	16¾	May	22	7½	1884	163	1901
Torr'g'n Co.Cl.A	30	31	30	12	30	Apr	24	36	Jan	7	18	1906	37	1910
do. pref.	30	30	30	51	27	Mar	31	30	July	26	20	1907	85	1900
U'ted Fruit Co.	191½	196	192	692	180	Mar	24	197	June	12	72	1901	200	1910
U'ted Fruit 4½s.	96¾	97	97	7,000	96¾	Apr	17	97¼	Jan	6	85	1910	97½	1910
Un. Shoe Mac'y.	46¾	50½	48¾	7,596	46¾	July	27	53¾	Feb	18	*28	1906	86¼	1906
do. pref.	28	28½	28	292	27¾	June	2	29½	Mar	7	22	1900	29½	1906
West. Tel. & T..	20	22	20	3,240	17¾	Apr	18	23¼	Feb	6	4	1908	23½	1906
do. pref.	97½	99	99	185	89	Jan	23	99	July	27	69	1907	106½	1902
do. 5s	99¾	100	100	21,000	90¾	Jan	3	100	July	25	74	1907	104¾	1906
Mining.														
Adventure	7	7	7	285	4⅛	Apr	24	7⅛	May	18	†.62½	1907	33	1866
Allouez	31¼	32	31¼	40	30	May	19	39	Jan	5	80	1894	74¼	1907
Amalgamated ..	67½	69⅝	68¾	3,777	59¾	Apr	18	71¾	June	26	53¾	1908	128½	1899
Am Zinc.....	28¾	30¾	29½	5,885	22	Apr	25	30¾	June	14	5	1901	67	1890
Arizona Com....	15⅝	16⅞	15⅝	170	11⅝	Apr	24	18⅝	June	14	7⅝	1907	61⅜	1900
Bos. & Corbin...	12	12½	12¾	425	10⅞	Apr	24	15½	June	6	6	1907	25	1906
Butte Bal'kl'n..	4¼	4½	4½	10	4¼	July	24	6¾	Jan	4	4¼	1910	18¼	1910
Butte Coalition..	18	18¼	18⅛	675	16¾	Apr	24	20¼	May	24	10	1907	43	1906
Calumet & Ariz.	56⅝	58¾	57	536	46	Jan	13	63	June	14	44¾	1910	136	1907
Calum. & Hecla.	465	465	450	81	445	July	26	545	Jan	4	134	1884	1000	1907
Centennial	11	11	11	50	11	July	22	16	Jan	3	10c	1896	61	1880
Copper Range...	60	61¼	60	300	58¼	Apr	24	69¾	Feb	2	37	1903	105	1907
Daly-West	5½	6	5¾	60	3	Feb	15	6½	June	21	3¼	1910	56	1903
East Butte.....	13⅜	14¼	14	1,911	10¼	Apr	25	14⅜	June	26	3¼	1906	18¼	1907
Elm River.....	.10	.11	.11	400	.10	July	24	30	Jan	6	05	1910	7	1901
Franklin	11½	12¾	11½	320	7	Feb	3	14	June	14	4	1879	30	1880
Giroux	6	6¼	6	1,427	5¾	Mar	10	8¼	Feb	6	2¾	1907	13¾	1901
Granby	35	38	38	197	30	Apr	12	43¾	June	21	30	1910	151	1907
Greene Cananea.	6⅜	7¼	6⅜	400	5 5-16	Feb	9	8	June	26	5	1907	13	1907
Hancock, Con...	27	28½	27	165	17¾	Apr	24	30¾	June	19	1¾	1907	36	1910
Helvetia	1	1¼	1¼	125	.99	Apr	26	2	Mar	4	1¾	1910	38	1900
Isl'd C'k Coal**	37	38½	37	320	28¼	May	9	40¾	June	2	30¾	1910	53¾	1910
do. pref.** ...	88	88½	88	142	87	Mar	29	91	June	13	84½	1910	90¼	1910
Isle Royale.....	17	17	17	5	12	Apr	22	19¼	June	13	5¼	1903	75	1899
Kerr Lake.....	5	5¼	5	1,326	4 15-16	June	28	7¾	Jan	23	6	1910	35	1907
Keweenaw	2¾	2¾	2¾	115	1¾	May	10	3¾	June	14	2¼	1908	7¾	1900
La Salle.....	...	...	3½	.....	3½	June	6	6	Jan	3	3	1908	23¼	1901
Lake Copper....	36	36¾	35¼	1,089	29¼	Apr	26	40	June	13	4	1907	64½	1910
Mass. Cons.....	8	8	8	75	6	May	27	10	June	19	2¾	1908	37¾	1901
Miami	21½	21¾	21½	61	18¼	Apr	21	22½	June	21	4¾	1908	39	1910
Michigan	...	...	2¾	.....	1¾	Apr	25	4¼	May	6	3	1900	24½	1907
Mohawk	47	48	48	110	38	Apr	24	53	June	16	11½	1900	*37	1907
Nev. Cons.....	19	19¾	19	540	17¾	Apr	24	21¾	June	15	6¼	1907	30	1900
New Arcadian...	2¾	3	3	275	2½	Mar	9	4¾	May	17	1	1905	185¼	1899
Nipissing	7¾	8¼	8¼	13,118	8¾	July	20	11¾	Feb	17	5	1906	33¾	1906
North Butte.....	32	33¾	32¼	1,394	25¾	Apr	24	38	June	13	18½	1910	120	1907
North Lake.....	7¾	8	8	30	5	Apr	18	9¾	June	3	4½	1909	11¾	1900
Old Dominion...	46½	47	46½	164	35	Apr	22	49	June	19	9¼	1904	69¾	1899
Osceola	100	100	100	20	96	Apr	24	124	Jan	4	7½	1889	181	1907
Parrot	12¾	12¾	12¾	35	11	May	2	13¾	May	22	8¾	1907	72¼	1899
Quincy	72½	74	73	253	65	Jan	26	74	July	24	10	1879	190	1899
Ray Consol'ted..	17	17⅛	17	525	15¼	Apr		18¾	Jan		7¼	1908	27¼	1899
Santa Fe.....	1¼	1¼	1¼	10	.75	Apr	26	1¾	June	13	1	1908	22	1899
Shannon	10¾	10¾	10¾	340	9¾	May	16	12¾	Feb	6	2¼	1904	34¾	1907
Superior Copper.	...	...	32½	.....	30	Apr	24	34½	June	14	7	1907	63¾	1910
Sup. & Boston..	5½	6¼	5	380	3 15-16	Apr	7	8¾	June	15	12¾	1908	1¾	1900
Tamarack	34	34	34	17	31	July	26	52	Jan	3	45½	1910	283	1901
Tennessee	...	...	42	.....	36	Feb	1	48¾	June	12	9¼	1901	55¾	1907
Trinity	3¾	4¼	4	255	2½	Apr	25	5	June	20	2¾	1904	47½	1907
U. S. Smelting..	37¾	38¾	37½	771	32	Apr	5	40¾	June	24	24¾	1907	70	1907
do. pref.	48½	49	49	701	45½	May	10	49¾	June	26	27¾	1907	64¾	1900
Utah Cons.....	17	17⅜	17¼	587	9¾	Jan	20	20	June	26	12¾	1910	*79	1907
Utah Apex.....	2¾	3	2¾	620	2¼	Apr	28	3½	June	15	1¾	1907	19¼	1906
Victoria	1½	1 11-16	1 9-16	1,114	1¼	May	2	2¾	Feb	7	1	1900	12	1901
Winona	8	8	8	100	8	May	8	9¼	Feb	6	1	1902	22	1899
Wolverine	110	112	110	27	107	Apr	26	122	Feb	16	75c	1893	200	1907

* Ex-dividend. † Assessment paid. ‖ Rights off. ‖ Auction. ‡ Old securities. ● Old stock.
** Temporary certificates.

Digitized by Google

This Week and Next

Still Looking For That August Bull Market, Dependent Upon the Co-Operation of the Public—Whose Are the "Strong Hands" Supporting the Market?—Insurance Companies Need Not Sell Their Stocks This Year, and the Market Is Relieved of Another Burden—The Spokane Rate Case a Market Factor of Limited Influence—Its Effect Discounted More Than a Year Ago—Both Sides of the Situation Considered—Inter-City Jealousy and Rivalry the Real Cause of All the Trouble—Decision Not Necessarily a Permanent Bear Argument, But Traffic Students and Laymen Are Puzzled—The Steel Report a Supporting Influence—Attractive Possibilities in Colorado Fuel and Iron.

Conditions in the stock market at present are such that the active resumption of the advance, scheduled for next month, is a probability, rather than a mere possibility. The trite saying that "stocks are in strong hands" has been given frequent corroboration of late, when the attempts of the bears to start a general wave of liquidation have met with stubborn resistance from the "big interests". The "strong hands" are those of investors who cannot be frightened into selling at every idle rumor, and of the big men who would be injuring their own position by withholding support. The decision of the Interstate Commerce Commission in the Spokane rate case, the European war cloud and further evidences of "pernicious activity" by Washington interests against corporations, have given the bear traders a supply of ammunition of which they have not hesitated to make use.

PLANS FOR THE FUTURE.

As a result, declines of a point or more have not been uncommon, by any means, but almost invariably they have been succeeded by substantial recoveries, showing that the market is being watched very closely by those banking interests to whose plans a revulsion of feeling on the part of the already over-cautious public would be well nigh fatal. Fortunately for these interests, the trend of events has been by no means one-sided, for growing evidences of a steady, though gradual, betterment in mercantile activity, as reflected in the quarterly report of the United States Steel Corporation, the general soundness of financial conditions and further evidences that the crop outlook is not as bad as it has been pictured, are influences which are, of course, bullish in their import.

ANOTHER IMPORTANT FACTOR,

and one which, for some reason or another, has escaped the attention which it merits, is the signing by Governor Dix of New York of the bill extending for five years, that is, to December 31, 1916, the limit of the period during which stocks held by insurance companies must be sold. Under the insurance law, stocks held by the insurance companies were ordered sold before the end of the current year, and the fact that the market is now relieved of the necessity of absorbing some $100,000,000 of securities within the next five months is, of course, a great relief to those members of the financial fraternity who have taken account of this factor. Certainly, the removal of this weight has increased the chances for the successful working out of the plan for an August boom. The forthcoming adjournment of Congress also ought to help out the movement. The main question now is, will the public toe the mark and do its share in taking the shares which the big men are more than willing to turn over to it for a consideration, or will it take cognizance of the fact that the average position of active stocks is now between 15 and 20 points higher than a year ago, and conclude to stay out on the theory that bargain day has passed?

SPOKANE RATE CASE.

Of course, the decision of the Interstate Commerce Commission with respect to the celebrated Spokane rate case, or the "long and short haul" case, as it has been more generally referred to, perhaps, is anything but a bull argument for railroads generally, and especially for those systems directly concerned, namely, the Atchison, the Denver & Rio Grande, the two Harriman roads (Union Pacific and Southern Pacific), the Chicago, Milwaukee & St. Paul, and the two great Hill roads, the Great Northern and Northern Pacific. The commis-

PHILADELPHIA STOCKS

For the Week Ending Wednesday Evening, July 26, 1911.

Names.	RANGE FOR WEEK Low	High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911. Lowest		Highest		RANGE FROM JAN., 1879, TO JAN., 1911. Lowest		Highest	
Amer. Cement..	12	12	12	15	12	July 25	17¼	Jan 4	5½	1905	46	1909
Amer. Railways.	44	44½	44½	75	43	Jan 10	45½	Jan 23	21½	1900	58½	1902
Bell Telephone..	...	...	116½	.....	.....		.....		46	1907	134½	1900
Cambria Steel...	46¾	47½	47½	6,000	43⅛	Jan 4	48⅞	Feb 18	13½	1909	49¾	1900
do. Iron	44	44	44	90	44	July 25	46	Mar 27	42	1907	128	1882
Elec. Co. of Am.	12¾	12¾	12¾	64	11⅜	Jan 4	12¾	Jan 14	5½	1902	35	1899
Elec. Storage....	55¾	55¾	55¾	1,026	48½	Jan 3	56¾	June 15	15	1894	194	1899
Gen'l Asphalt...	31	31¼	31¼	37	30½	July 10	34⅜	Jan 10	3	1907	34⅜	1910
do. pref.	72½	73	72½	15	72	Mar 10	83¾	Jan 20	11	1905	84¾	1910
Hunt. & B. T...	...	...	8	.....	5	June 13	8	June 19	7	1910	42	1898
do. pref.	...	...	14	.....	11	July 3	17	Feb 1	7½	1890	59¾	1899
Lake Sup. Corp.	27	27	27	200	25	July 5	31⅜	Feb 4	3½	1908	23½	1900
Lehigh Valley...	87½	88¾	88¾	726	84½	Apr 24	90½	Feb 3	11½	1897	121¼	1910
Lehigh Navig'n.	88¾	92	92	1,066	85½	May 15	92	July 26	35	1898	131¼	1904
Marsden	...	...	1¾	.....	.....		.....		⅝	1907	23¾	1899
Penn. Steel.....	...	...	60	.....	.....		.....		5	1894	100	1891
do. pref.	...	...	106½	.....	104½	May 4	108¼	Apr 13	10	1897	117¼	1900
Phila. Co.....	54¼	54¼	54¼	70	50¼	Jan 4	59¼	June 5	23¾	1907	65¼	1906
do. pref.	44¼	44¾	44¾	181	42	Feb 20	45	Feb 8	34	1909	52	1906
Phil. Elec.....	17⅞	17¾	17¾	1,492	16	Mar 9	18	July 17	2	1900	16⅜	1910
Phil. Rap. Trans	22¾	22¾	22¾	1,849	16¾	Apr 13	22¾	July 26	12	1907	37⅜	1900
Phil. Traction...	86¾	86¾	86¾	10	82¼	May 1	87½	July 11	5	1895	102½	1905
Tonopah Min'g..	5 9-16	5⅝	5 9-16	1,162	5½	July 18	8¾	Jan 17	3 3-16	1907	21¼	1906
United Gas Imp.	87½	88	87¾	2,626	85¾	Jan 3	89¾	Jan 9	50	1893	178	1899
Union Traction..	51¾	52½	52¾	6,164	43	Jan 4	52¾	July 14	8¾	1897	65¼	1906
Warwick Steel..	10	10	10	75	9¾	Jan 10	11¾	Feb 25	2¼	1903	18	1899
W'stm'el'd Co'L	80	80	80	4	79	July 7	91½	Mar 20	46¼	1879	114	1905

* Ex-dividend. † Trust certificates. ** Temporary certificates.

CHICAGO STOCKS

For the Week Ending Wednesday Evening, July 26, 1911.

Names.	RANGE FOR WEEK Low	High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911. Lowest		Highest		RANGE FROM JAN., 1879, TO JAN., 1911. Lowest		Highest	
Am. Can.....	11⅛	11⅜	11⅜	1,010	8⅜	Jan 27	12⅛	May 22	2⅜	1908	31¼	1901
do. pref.	86½	88¾	88¼	725	76⅜	Jan 7	88¾	May 23	25¼	1903	88	1909
Am. Radiator....	...	...	285	.....	285	Jan 9	285	Feb 18	30	1900	260¼	1910
do. pref.	...	...	128	.....	126½	Mar 9	130	Jan 23	96	1899	136	1906
Am. Shipbldg....	59	64	62	130	55	July 17	79	Feb 6	19	1904	84½	1910
do. pref.	111	111	111	30	110¾	Jan 16	113	May 13	53	1904	112	1910
Chic. City Ry....	...	...	190	.....	185	Mar 22	190	Apr 28	140	1906	176	1902
Chic. Pneu. Tl.	51½	51⅝	51⅝	200	41	Jan 13	55¼	Feb 22	18	1904	107½	1902
Chic. Subway...	3¾	4¼	4	1,695	3¾	July 21	6	Mar 1	2¼	1910	87⅝	1905
Chic. Telephone.	123	123½	123	35	115	Jan 25	134½	May 17	96	1907	138	1901
C'm'nw'th Edis.	135	136⅝	135⅝	460	118	Jan 26	137⅝	July 15	77	1907	128	1910
Diamond Match.	104⅞	105½	105	265	90	Jan 16	106½	July 11	82¼	1910	163	1892
Kan. City Light.	...	...	17	.....	17	May 27	25	May 22	20	1910	68½	1908
do. pref.	...	...	41	.....	40⅜	June 17	72½	Feb 25	68	1908	98½	1905
Met. El.....	...	...	27	.....	19¼	Feb 1	28⅝	June 23	12	1899	63	1902
do. pref.	...	...	75	.....	64	Mar 18	***75	July 17	32	1900	93¼	1901
Nat. Carbon.....	112½	113	112½	165	112½	July 25	120	June 3	15	1889	145	1910
do. pref.	118½	118½	118½	75	116	July 8	120	Apr 13	72	1900	124	1909
No. West. El....	...	...	29¼	.....	20½	Apr 27	29½	June 30	12¾	1908	55	1901
do. pref.	...	...	68½	.....	60	Mar 1	67	Mar 30	44	1904	97	1901
Quaker Oats....	...	...	190	.....	185	Mar 17	195	June 29	85½	1904	188	1910
do. pref.	107½	107½	107½	45	102¼	Feb 8	107½	July 24	73	1903	108¼	1905
So. Side E.....	...	...	80	.....	68	Feb 16	80	June 30	40¼	1897	100	1901
Streets' Car.....	8⅜	8⅝	8⅝	30	8	May 31	12¾	Feb 24	10⅞	1910	64¼	1906
do. pref.	...	...	42	.....	40	June 2	50	Mar 13	40	1910	111¼	1906
Swift & Co.....	101⅞	102⅝	102⅝	635	100¼	Mar 13	109	June 8	75¼	1907	177¼	1902
Un. Box Board..	2¼	2⅝	2⅝	535	2¼	July 24	7	Jan 5	⅛	1908	17½	1902
do. pref.	...	...	7⅝	.....	.....		.....		1⅞	1908	71	1902
Western Stone..	19½	19½	19½	314	19½	July 25	34⅜	Jan 24	14	1908	80	1906

* Ex-dividend. † New. *** Receipts. ‡ Assessment paid.

Digitized by Google

sion's latest ruling, it is estimated, will cost these roads in the neighborhood of $5,000,000, although some guesses run as high as $10,000,000 a year, the smaller sum representing, in all probability, the more accurate estimate. Of this loss, nearly one-half is likely to fall upon the shoulders of the two great Harriman Pacifics, and it is providential that this added burden falls upon shoulders so thoroughly capable of bearing it, without imperilling the position of the shareholders to an alarming degree.

THE BRIGHTER SIDE.

Certainly, a holder of the stocks of any of these roads directly involved, who sees in this decision another prosperity killer, another deplorable development calculated to jeopardize the investment position of his holdings, as regards the maintenance of present dividend rates, and who hastens to sell, is taking an unnecessarily pessimistic view of the affair, a view which will probably be moderated to a considerable degree by a closer study of surrounding conditions. Again, there seems to be a feeling in some quarters that the Interstate Commerce Commission is out for blood, and determined to take a scalp at the expense of the railroads whenever the opportunity presents itself. As it happens, the railroads were involved in this affair only incidentally, a fact which makes it appear doubly unfortunate that they are to be

THE CHIEF SUFFERERS.

The suit, to begin with, is in a large measure the result of the jealousy existing between the cities of Spokane and Seattle, which are engaged in a bitter rivalry for the commercial supremacy of the far Northwest. Spokane business men resented the fact that Seattle enjoyed a distinct advantage in the very tangible form of lower freight rates on traffic from Chicago, and points further East, this traffic being regulated by water competition, which Spokane did not enjoy. Therefore, the Spokane forces decided to give the old and much celebrated theory of the "long and short haul" a definite test, and the Commission was appealed to. In a short time, other points became involved in the fight, notably, Salt Lake, which "had it in" for San Francisco for reasons similar to those which actuated the Spokane business interests in their thrust at Seattle.

CASE NOT ENDED.

It is quite possible that the $5,000,000 per annum loss in gross revenues will prove to be little more than a nightmare, after all. In the first place, the affair, it is probable, has not reached its final stages yet, for the railroads are likely to carry the fight higher up, as far as the Supreme Court, which would involve a long and tedious delay. But even if the final decison is still adverse to the carriers, or if the latter see fit to let the commission's ruling stand without further contest, it is by no means evident that they will suffer a loss nearly as severe as the bald figures given in the previous estimate would indicate. Indeed, it is likely that, in course of time, the decision would prove to be a blessing in disguise, for the roads many gain more from the development

NEW YORK STOCKS AND BONDS

For the Week Ending Thursday Evening, July 27, 1911.

Names.	RANGE FOR WEEK Low	RANGE FOR WEEK High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911. Lowest		RANGE FOR YEAR OF 1911. Highest		RANGE FROM JAN., 1878, TO JAN., 1879, TO Lowest	RANGE FROM JAN., 1878, TO JAN., 1879, TO Highest
Atch. & T. R.R.	112½	114¾	113	55,850	100¾ Jan 3		116¾ June 6		3 1-16	1894 152½ 1880
Atch. & Top. pf.	103½	104½	104½	700	100¾ Jan 3		105½ June 12		14	1896 107½ 1901
Atch. & Top 4s.	90¾	90⅞	90⅞	109,000	93 Mar 22		96⅝ Jan 4		61	1894 105¾ 1903
do. adj. 4s....	91¾	92	91¾	32,000	90¾ Mar 29		92½ Jan 28		28	1896 99¾ 1903
At'tic C'st Line.	120½	120½	120½	1,000	117 Jan 3		120½ July 22		58	1907 170 1908
B. & O. Gold 4s.	96¼	96¼	96¼	29,000	90 June 6		99⅛ Feb 21		83	1907 106¾ 1905
B.& O.S. W.3½s.	90¾	90¾	90¾	2,000	90¾ Feb 28		93 Mar 11		80	1907 96 1880
Balti. & Ohio...	104¾	105¾	104¾	11,700	102 Feb 24		109¾ July 22		9	1897 125¾ 1906
do pref.	90	90	90	400	88 Apr 20		91 Jan 4		67½	1899 100 1906
Brooklyn R. T..	81⅜	84⅛	82	27,900	74⅜ Jan 3		85⅜ July 20		18	1896 127 1900
B R.T.conv't 4s	80½	81⅞	81½	379,000	82¾ Apr 18		88¾ Jan 28		56	1907 102½ 1905
Canadian Pac...	241⅝	247	242	31,425	196⅝ Jan 3		247 July 21		23	1899 202⅝ 1910
Canada South...	...	...	88	.....	62 Mar 3		88 May 12		23	1896 97 1902
Cen.ofGa.Con.5s.	109	110	110	4,000	107¼ Jan 13		110 July 26		86	1907 120½ 1901
do. 1st inc....	96	96	96	2,000	96 July 25		114½ Apr 18		30	1899 102 1910
do. 2d inc.....	...	...	96	.....	96 Mar 3		100¾ Apr 5		9	1899 101 1910
do. 3d inc.....	...	...	88	.....	85 Feb 24		102 Apr 4		4	1898 100 1910
Central N. J....	280	280	280	100	270 Mar 11		285 June 2		31	1897 312 1910
Cent'l Pac. 1½s.	...	...	91½	.....	91¾ July 10		92 Mar 3		75	1907 91 1910
Ches.O gen 4½s.	101	101½	101½	44,000	100¾ Apr 12		102 May 13		61	1893 111 1908
Chesapeake & O.	83⅜	83⅞	83⅜	7,500	77 Apr 24		86⅜ Feb 10		1	1878 132⅞ 1881
Chic. & Alton...	...	...	30	.....	25 Apr 24		31¾ May 23		8¼	1907 74⅝ 1949
do. pref.	...	...	52	.....	53 Mar 17		53 Jan 27		47	1900 85¼ 1903
Chic. Gr't West.	22½	23⅞	22½	1,600	20¾ Apr 18		28¼ June 5		3⅝	1897 37⅜ 1909
do. pref. A....	44⅛	44⅛	44¼	200	42 Apr 28		49¾ Feb 6		15½	1898 80¾ 1901
Chic. M. & St.P.	126½	129	126⅝	32,725	117⅛ Apr 18		132½ Feb 7		34⅜	1879 199⅝ 1900
do. pref.	...	...	150⅜	.....	147 Jan 3		155½ June 15		74⅜	1879 218 1900
Chic. & N. W...	146¼	148⅝	146¼	1,800	142¼ Jan 13		150¾ June 13		49⅛	1879 271¼ 1882
do. pref.	200	200	200	100	201 June 2		201 June 2		128	1893 274½ 1902
Chi.,St.P. & Om.	...	...	144	.....	130¾ Apr 20		144 June 12		18½	1882 225 1908
do. pref.	...	...	155	.....	153 Feb 18		153 Feb 18		68	1885 230 1908
Chi. Ter. Trans.	...	...	152	.....	.....		.....		1⅜	1906 31 1901
do. pref.	...	...	165	.....	.....		.....		8⅞	1906 57½ 1901
Chic. Un. Trac..	2⅞	2⅞	2⅞	100	2 May 11		6 June 2		⅝	1908 23 1902
do. pref.	5⅞	5⅞	5⅞	100	5¼ May 2		7⅛ Feb 6		2	1908 60 1902
C.,C.,C. & St. L.	58	58	58	100	56¼ Apr 27		66 Jan 18		19½	1896 111 1900
do. pref.	...	...	94½	.....	94¼ June 16		98 Feb 1		62	1897 124¾ 1902
Colo. & South'n.	...	...	66	.....	61¾ Apr 18		80 Jan 18		4¾	1879 64¾ 1909
Col. & So. 1st pf.	82	82	82	50	74¾ Mar 27		84⅜ July 10		26	1899 86 1909
do. 2d pref....	...	...	75	.....	73¾ Apr 18		75 June 7		12¾	1899 64½ 1940
Del. & Hudson..	171	172⅜	171	400	164¾ Jan 3		175⅞ June 8		22	1879 240¾ 1906
Del., L'ck & W.	...	...	543	.....	510 Feb 17		560 June 5		48	1879 480 1923
Den. & Rio G'de	28	28½	28	650	27¾ June 22		35 Feb 21		4¾	1885 186¼ 1886
do. pref.	57⅞	58	57⅞	670	55¾ June 22		74 Feb 21		24	1894 103¼ 1901
Dul.,So.Sh.& Atl	...	...	14	.....	11 Jan 6		15¼ May 1		2½	1895 24 1902
do. pref.	...	...	25	.....	22 Jan 6		28⅜ Apr 4		5	1898 46⅜ 1905
Erie 1st gen. 4s.	79¾	79¾	79¾	5,000	73¾ Jan 3		79¾ July 19		55	1908 95 1905
Erie	35⅜	37¼	35⅞	31,870	27¼ Jan 11		38⅛ June 30		3⅜	1894 52⅞ 1871
Erie 1st pref....	56⅜	56⅝	56⅜	7,700	46⅝ Jan 12		61⅛ July 1		15	1883 85 1871
Erie 2d pref.....	46½	47½	46½	800	35 Jan 13		49⅛ July 3		13	1896 73⅝ 1908
Ev'sle & T. H	88	88	88	100	80 Feb 1		88 July 24		30	1897 152 1892
do pref	90	90	90	100	85 June 5		90 July 24		72	1904 104⅝ 1902
Gr'neB&W'debR.	13½	14	13½	6,000	11½ July 21		15¼ Jan 26		3½	1898 27½ 1903
Gt. Northern pf.	133⅜	138	134⅛	49,077	122 Feb 24		140 June 8		44⅛	1879 248 1900
Hock'g Valley**	...	...	128⅝	.....	128 May 24		134 Apr 29		22	1899 140 1910
do. pref.	...	...	128	.....	.....		.....		83½	1899 107⅝ 1910
Illinois Central..	144⅝	146¾	146⅝	2,025	128 Jan 3		146¾ July 24		79⅞	1879 184½ 1900
Inter-Met (w.i.).	17⅜	18⅛	17⅜	3,700	17¼ June 30		20⅝ Feb 15		4⅞	1907 55⅞ 1908
do. pf. (w. i.)	48⅜	52	50⅛	9,100	47⅜ Apr 22		65⅜ Feb 10		14	1907 87⅜ 1908
Iowa Central....	18½	18½	18½	300	15 May 12		19¾ Feb 2		2	1888 61⅜ 1903
do. pref.	36	36	36	300	28 Apr 27		36⅜ June 27		12	1888 99⅜ 1903
Kan. City & So.	35	35⅜	35	1,500	32 Jan 3		38⅛ June 15		7	1900 60¼ 1959
do. pref.	...	...	64½	.....	64¼ Jan 3		70 May 26		27½	1900 75½ 1959
K.C.,Ft.S.&M.pf	...	...	76	.....	75 Apr 1		78 May 3		58	1908 88 1902
L'ke E. & West.	15	15	15	100	14¾ May 19		18¼ Feb 1		1⅝	1895 78½ 1801
do. pref.	31½	32	32	300	31½ July 21		40 Jan 17		34	1908 138 1902
Louis. & Nashv.	151	153¾	151	17,700	142¾ Jan 25		156¼ July 19		22	1885 162¼ 1919
Manh'ttan Elev.	139	139	139	100	138 Mar 23		142½ July 19		64½	1884 175 1905
Metrop. St. Ry..	...	...	117	.....	.....		.....		15	1900 182 1900
Mex. Central....	...	...	23½	.....	.....		.....		4	1898 22 1932
do. 1st 4s.....	...	...	68¾	.....	.....		.....		32	1896 88¾ 1910
do. 1st inc....	...	...	31	.....	.....		.....		8	1897 41 1896
do. 2d inc.....	...	...	24	.....	.....		.....		4	1898 25½ 1900
Minn. & St. L...	31	31½	31½	1,800	21¾ Apr 26		32 July 10		8½	1889 115 1902
do. pref.	47	48	47	200	36 Mar 13		48 July 21		7⅜	1899 127⅜ 1903
M.S.P. & S.S.M.	139	143	139	3,700	132¾ Jan 4		152¾ Mar 30		6	1897 164 1908
do. pref.	156½	156½	156½	300	147⅜ Jan 6		156½ July 21		10	1897 193⅜ 1908
M.K. & T. 1st 4s	97½	97⅞	97¾	36,400	96½ Apr 22		98 Jan 21		50	1892 104¾ 1905
do. 2d 4s.....	84½	84½	84½	5,000	83¼ Jan 5		86¼ Feb 17		27	1892 92⅜ 1905
M.,K.&T.of T.5s.	...	...	103⅝	.....	101¼ Jan 6		105⅜ July 10		73	1896 114¾ 1900
Mo., K. & Tex..	33¼	33⅝	33¼	2,300	31 Apr 24		38¼ June 14		5⅜	1879 64 1931
do. pref.	63⅝	63⅝	63⅝	100	63¼ Jan 16		69 June 12		13⅜	1895 78¼ 1900
Missouri Pacific.	43¼	44½	43⅜	12,500	41⅜ Apr 18		63 Feb 15		10	1897 125½ 1902
N. Y. Central...	105¼	106⅜	107	4,400	105¼ Apr 24		115½ Feb 3		31⅜	1885 174½ 1901
N.Y.,C. & St. L.	...	...	59¾	.....	57¾ Apr 17		65 Jan 20		9	1896 73½ 1908
do. 1st pref....	...	...	101⅜	.....	101¼ Feb 21		101⅜ Mar 20		4	1895 124½ 1902
do. 2d pref....	...	...	93	.....	91 Apr 12		90 Jan 30		18	1896 100 1902
N.Y., Ont & W	47⅜	47⅝	47⅜	5,900	40¾ Apr 20		46⅞ July 22		6⅜	1895 64 1905
No.& W Con. 4s.	97⅜	97⅝	97⅜	21,000	97¼ July 19		99½ Feb 3		74	1896 105 1905
Norfolk & West.	102⅜	103⅛	102⅜	11,700	100¼ Jan 3		110⅝ June 26		¼	1896 108¾ 1910
do. pref.	90	90	90	100	86⅜ Apr 28		91 May 22		4¼	1895 98 1903
N. Pac. prior 4s.	95⅜	96⅛	96	7,800	94⅜ July 18		100⅜ Feb 6		90¾	1898 109 1890
do. gen 3s....	71	71	71½	1,100	70¼ Mar 23		73⅜ July 26		57	1898 79 1905
North'n Pacific.	130½	131¾	131¾	17,500	126 Jan 12		137⅜ June 8		11	1897 1000 1901
Pacific Coast....	...	...	102	.....	100 Jan 11		102 Jan 10		34	1898 142 1906
do. 1st pref....	...	...	105	.....	.....		.....		65	1907 105 1910
do. 2d pref....	...	...	101	.....	101 Jan 11		101 Jan 11		50¾	1907 135 1906
Penn R. R.....	124½	125⅛	124½	11,100	120¼ May 15		130¾ Feb 1		97¼	1896 170 1910
Peoria & East'n.	...	...	20	.....	.....		.....		2	1895 50 1901
P.,C.,C. & St. L.	96	98	96	300	93¾ May 18		100 Jan 17		16¼	1894 106¾ 1902
do. pref.	...	...	111	.....	111 May 20		112 Feb 17		40	1893 128 1902
Reading gen. 4s.	96¾	96¾	96½	25,000	96⅜ Mar 15		98⅛ July 26		77	1895 104¼ 1905
Reading	150⅜	150⅝	150	451,800	149¼ Apr 24		161⅞ June 3		4⅝	1896 173⅜ 1908
do 1st pref...	...	...	92	.....	88 Mar 1		92 July 14		36	1858 97 1905
do 2d pref....	96½	96½	96½	400	94 Apr 24		101 May 2		17⅜	1894 117¼ 1908
R'k Island, new.	21¼	21⅝	21⅛	19,100	17⅜ Apr 24		24⅜ June 14		11⅜	1907 81 1909
do. pref	64¼	64½	64½	4,400	57⅜ Apr 22		69⅜ June 14		28¼	1907 94⅜ 1909
St L.&S F.rfg.4s	84⅝	84⅝	84⅝	22,000	80⅜ Jan 3		83 May 4		68½	1907 98¼ 1901
St L.&S F 1st pf.	65	65½	65½	900	61 Apr 24		69 July 25		9¾	1879 120 1887
St L.&S F 2d pf.	47	49½	47½	5,100	38 Apr 21		56½ July 24		4¾	1879 84¼ 1887
St L.&S.W. 1st 4s	92½	92½	92½	16,000	89¾ Jan 24		92⅜ July **		50	1893 110½ 1918
do [illegible] 4s.	81	81	81	4,000	78 Jan 9		82⅝ June 29		13	1893 90¼ 1908

Digitized by Google

NEW YORK STOCKS AND BONDS

For the Week Ending Thursday Evening, July 27, 1911.

Names.	RANGE FOR WEEK Low	High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911. Lowest		Highest		RANGE FROM JAN., 1879, TO JAN., 1911. Lowest		Highest	
St. L. Southw...	32½	33	32¾	200	24 Jan 13		34 Feb 4		1	1897	39¼	1901
do. pref.	69	70½	70	500	59¾ Jan 3		72 June 27		21¾	1900	90	1903
St'b'd A. L. adj. 5s	81¾	81¾	81¼	168,000	75 Mar 15		82 July 19		69¾	1910	77¾	1910
San. Ant. & A. P. 4s	87¾	87¾	87¾	3,000	86¼ Apr 1		89 May 16		45	1896	92½	1909
So. Pac. rfd. 4s..	94¾	95	94¾	134,000	84½ Jan 3		96 May 8		94¼	1906	98½	1905
South'n Pacific..	120⅝	124⅞	121¼	66,600	113¾ Apr 24		126⅝ June 26		12	1898	139¼	1909
do. pref.	...	...	71⅝	.....	.....		.....		94⅜	1909	137	1909
Southern	33¼	33⅝	31½	46,410	25½ Mar 4		33¾ July 22		42	1894	2263	1852
do. pref.	72⅜	73	72⅜	7,100	61¼ Jan 11		75¼ July 20		613	1894	103	1906
Texas & Pacific.	28⅝	29½	28⅝	1,800	25½ Apr 24		30½ June 9		4⅝	1893	73⅝	1881
Third Avenue...	10⅝	11	10⅞	900	8⅝ Mar 2		20 Mar 2		5½	1910	242	1889
Tol. Rys. & Light	...	...	7	.....	6¾ Mar 27		8½ Jan 17		5½	1910	38	1902
Tol., St. L. & W	21¼	21⅝	21¼	200	19 May 9		24⅝ Feb 8		10⅝	1901	54⅞	1909
do. pref.	47½	47½	47⅝	500	46 July 1		53⅜ Feb 8		22⅜	1903	74¼	1909
Twin City R. T.	108½	110	108½	500	107 July 11		111 Feb 1		9½	1897	129	1902
U.P.cvt. 4s, 1927.	108¾	110⅝	108¾	200,000	103½ Feb 24		109⅝ June 27		78¼	1907	124¼	1909
Union Pacific....	188	192⅝	188⅜	403,151	169¾ Jan 3		192⅞ July 22		3	1896	204⅜	1910
do. pref.	94⅜	96	95	3,600	91 Mar 22		96 July 24		47	1898	118¾	1909
Wabash 1st 5s...	108	111	108	13,000	100 June 7		110 Mar 20		26	1880	121	1902
do. deb. B's..	...	...	101	.....	.....		.....		19	1832	101	1909
Wabash	16	16¼	16	800	15¼ May 10		18⅜ Feb 22		2	1895	60	1881
do. pref.	34	35⅜	34½	1,500	32⅜ Jan 11		40⅝ Feb 22		9	1884	90¾	1881
Wheel. & L. E..	3	3⅜	3	200	3 July 26		6¾ Feb 8		½	1897	63⅝	1887
do. 1st pref...	7½	8¼	8	400	10 July 6		17⅝ Feb 3		2⅝	1897	80¼	1892
do. 2d pref....	4	4¼	4	600	4 July 5		8 Feb 22		4	1910	43¾	1902
Wis. Central....	63	69⅝	66	500	57 Jan 3		72¼ May 1		4o	1889	64	1910
do. pref.	...	...	88½	.....	.....		8 Feb 22		50o	1899	91⅞	1909
do. 1st 4s.....	93¼	93½	93¼	16,000	92¼ Mar 27		96⅝ July 5		27	1894	89½	1890
Miscel. St'ks.												
Adams Express.	...	...	100	.....	235 Jan 20		243 June 13		97¼	1898	315	1907
Allis Chalmers..	...	...	8½	.....	7⅜ May 16		9⅝ May 31		4	1907	27⅜	1906
do. pref.	...	...	29½	.....	25 Apr 21		34 Feb 3		14	1908	87½	1903
Amal. Cop.....	67¼	69⅝	67⅝	34,520	53⅞ Apr 18		71⅛ June 19		32½	1909	120	1901
Am. Car & F'd.	56⅝	57⅜	56⅝	2,450	50¼ Apr 24		58¼ July 19		10⅝	1898	78¼	1909
do. pref.	118½	118¾	118½	400	114¾ Mar 13		120 May 23		61	1898	134⅝	1909
Amer. Cot. Oil..	55¼	57⅝	55¼	3,460	49¾ May 22		63⅜ Feb 23		8	1898	79¼	1909
do. pref.	100½	100½	100½	100	100 June 27		106⅛ Mar 21		27¼	1899	107⅝	1909
Amer. Express...	...	...	237	.....	228 Jan 20		246 Mar 27		100	1898	301	1910
Am. H. & L....	4½	5	4½	600	3⅝ Jan 28		5 July 21		2⅛	1908	37⅝	1899
do. pref.	25	25	25	600	20 Jan 10		30⅝ June 14		10	1907	83½	1899
Am. Ice Sec.....	22	24	23	400	17⅝ Jan 18		25⅝ July 12		8¼	1907	96	1907
Am. Linseed Co.	...	...	11⅛	.....	10¼ Apr 21		13⅝ Feb 17		5	1903	39⅝	1901
do. pref.	31	31	31	200	30 Apr 22		34 Feb 14		16½	1907	86	1901
American Linen..	40	41¼	40	700	35⅜ Apr 21		43¼ May 22		11½	1908	78¼	1906
do. pref.	105	108	105	300	104 Apr 22		110⅝ Mar 1		67½	1903	122¼	1905
Amer. Malt Co..	5	6	5	100	3⅜ Feb 17		5⅝ July 11		2½	1907	90¾	1898
do. pref.	42	43⅝	43	500	31½ Mar 8		43⅝ July 22		14½	1908	59	1909
Am. Smtl. & Ref	78½	80½	79	21,300	71¼ Apr 24		83¾ June 15		30	1899	174	1906
do. pref.	106½	107½	106¾	8,500	103¾ Mar 10		108¼ June 15		77½	1899	137	1905
Am. St'l F'dry..	39	39	39	200	36 July 7		53⅜ Feb 9		3½	1904	65⅝	1909
do. pref.	...	...	102½	.....	.....		.....		30	1907	70	1902
Am. Sugar Ref.	118	118⅞	118½	400	113 Jan 4		121⅞ June 14		955	1889	152	1899
do. pref.	...	...	119⅝	.....	111 Jan 5		119⅝ Feb 14		86½	1898	143	1906
Am. Tob. pref..	96	96½	96	200	93¼ Jan 4		103 May 23		80	1907	151½	1902
Anaconda|||	38¼	39¼	38¾	2,500	38¼ Apr 24		41¾ June 30		1|||35	1907	302½	1907
Br'k Un'n Gas..	143⅞	143⅞	143¾	100	135 Jan 3		145½ June 8		80	1907	253	1902
Central Leather.	29¼	30¼	29¾	1,650	28¼ Apr 24		33⅜ Feb 2		11⅜	1907	51⅜	1909
do. pref.	100½	100½	100½	100	98¼ Apr 29		105 Feb 16		68	1907	111	1909
Colo. Ind. 5s....	77	77½	77¼	30,000	73½ May 31		79¼ Feb 22		38	1907	83½	1906
Colo. F'l & Ir'n.	84½	85⅜	84¾	1,800	28½ Apr 24		36⅝ Feb 6		14	1907	126¼	1901
do. pref.	...	...	110	.....	110 July 6		110⅝ Jan 9		80	1907	142½	1901
C. & H. V. Co'l & Ir.	...	...	15	.....	4 Feb 9		4 Feb 9		⅝	1896	85½	1910
Consolid't'd Gas.	144⅝	147	145¼	2,900	135¾ Jan 3		148½ June 6		67	1887	241⅞	1897
Con. Tobacco 4s.	88⅝	89	89	8,000	81¾ Jan 11		89¾ July 10		51¼	1908	85⅝	1904
Corn Prod'ts R.	14½	14⅞	14½	600	13½ Apr 24		15⅝ May 17		5	1907	28	1908
do. pref.	...	...	81⅝	.....	74½ Jan 10		85 May 20		46	1907	93½	1909
Dist. Secur.....	35⅝	36½	35⅝	835	32⅜ Jan 11		38¼ June 6		15½	1904	78	1907
Fed. M. & Smlt.	28½	28½	28½	100	17⅝ Jan 28		30 Feb 16		43½	1904	139	1903
do. pref.	...	...	63½	.....	48½ Jan 11		68¼ May 19		47	1907	112⅝	1906
Goldfield Con....	5⅝	5⅞	5⅝	6,800	5½ July 10		7⅜ Jan 2		3⅝	1907	10	1910
Internat. Paper.	11	11	11	500	9¾ Apr 27		13⅝ Feb 3		7¼	1907	63¼	1899
do. pref.	48¼	49	48½	700	44⅝ May 15		56⅝ Jan 21		47	1900	95	1899
Inter. Power....	...	...	39	.....	.....		.....		22	1908	139	1902
Inter. Stm. P'mp	41¾	42½	41¾	700	38¾ Apr 27		44 Feb 10		7⅜	1907	60	1906
do. pref.	88⅜	88⅝	88⅜	200	84¾ Jan 26		90¼ June 12		50	1907	95	1902
Nation'l Biscuit.	134½	134½	134½	100	117¾ Jan 10		141 Apr 4		23	1900	130	1899
do. pref.	127½	127½	127½	100	124 Jan 20		130 Feb 4		78½	1900	130	1906
Nat. En. & St'p.	20	22	20½	3,800	16⅜ May 29		22 July 24		6½	1907	98	1908
do. pref.	97½	100⅜	98⅜	2,510	85 Jan 6		101⅜ July 22		70	1908	99¼	1909
Nat. Lead.....	55⅝	56¼	55⅝	850	50⅜ Apr 25		58⅝ Mar 15		10½	1903	95⅝	1905
do. pref.	...	...	108½	.....	106¼ Mar 24		109¼ May 22		48	1898	115	1899
N.Y. Air Brake..	...	...	75	.....	68 Apr 27		76 June 19		14	1898	168¾	1906
North Amer. Co.	74	74½	74½	400	64 Jan 10		76¼ May 22		2¼	1892	134	1902
Pacific Mail.....	29¼	30	29¾	1,725	23¾ Apr 24		30 July 22		8¼	1892	70	1899
P'ple's G.L. & C.	106¼	106½	106½	900	103 Apr 5		109 Jan 19		39	1893	129½	1899
Pressed St'l Car	36⅞	37⅜	36⅞	1,100	30½ Jan 3		37⅝ July 22		15⅜	1907	65⅝	1903
do. pref.	102½	102½	102½	100	98¾ Jan 3		103⅜ June 16		52½	1907	111⅝	1909
Ry. Stl. Spring.	36⅜	37	36⅜	200	31 Jan 11		39 June 14		15⅛	1894	63½	1905
do. pref.	...	...	101⅛	.....	93 Jan 3		103½ May 24		67	1902	109	1909
Rep'b Ir. & St'l.	30	30¾	30	1,500	29¾ May 31		35¾ Feb 4		5	1904	49¼	1909
do. pref.	94¼	95	94½	800	92¼ Apr 26		99¾ Mar 14		26¾	1902	111¾	1909
Sloss-Sh. S. & I.	48	49½	49½	400	49 July 25		56¾ Feb 6		17¼	1900	119⅝	1905
do. pref.	...	...	112	.....	112 Feb 15		112 Feb 15		69¼	1900	120	1905
T. Pac. Ld. Tr..	...	...	90½	.....	87 Mar 3		92 Jan 24		5	1898	95	1910
Un. Bag & Pap.	7⅜	7⅝	7⅜	100	6¾ July 17		9 Feb 16		2⅛	1904	45	1899
do. pref.	...	...	59	.....	54¼ Apr 29		59¼ Jan 30		36	1900	89	1899
U.S.Cast IP & F	...	...	16	.....	15 Jan 11		19 Feb 24		6	1903	53	1905
do. pref.	52⅛	52¼	52¼	100	50 Jan 18		58⅞ Feb 24		22	1903	97⅜	1905
U. S. Express...	...	...	95⅝	.....	95 Jan 7		104 Feb 1		35	1898	160	1902
U.S.R'lty & Imp	74	74⅞	74⅝	500	68¼ Jan 25		79⅝ May 29		26	1907	98¼	1906
U. S. Rubber....	40⅝	41⅜	41	2,500	38 Jan 6		47⅞ Mar 1		7	1903	60¾	1892
U. S. Rubber pf.	113½	113½	113½	1,700	109¼ Jan 21		115¾ July 7		30¼	1903	122½	1909
U. S. Steel.....	78⅜	80½	79	192,700	71⅝ Jan 3		82¾ Feb 6		8⅜	1904	91	1910
do. pref.	118⅜	119½	119⅜	80,150	115¼ Jan 3		120⅞ Feb 4		49⅜	1903	125⅜	1910
do. 5s	105⅝	106	105⅝	261,000	103⅜ Jan 4		106¼ May 27		65	1903	105¼	1910
Utah Copper.....	49	50	49	9,175	42⅝ Apr 18		52 June 14		12	1907	67⅞	1909
Virg. Car Chem.	57½	58	57⅝	4,100	55 July 5		70⅜ Feb 28		12⅜	1907	72	1901
do. pref.	120	120¼	120	700	122¼ Apr 22		128½ Mar 15		75	1907	133⅜	1902
West. Un'n Tel.	79¾	81⅞	80½	3,400	71⅜ Mar 20		84½ May 24		41	1908	127⅞	1881
West. Mfg. Co..	73½	75⅜	74	3,300	64¾ Apr 18		79 May 29		20¼	1898	154	1907
do. pref	...	...	119	.....	116 Jan 14		123 Jan 5		45¼	1898	160	1907

* Ex-dividend. ** New. † Assessment paid. ‡ Ex-rights. § Price bid. ‖ Price asked. ¶ Old securities. ‖ Certificates. x Ex-interest. \|\|\| Par value basis. *** Receipts.

of the interior than they lose from the

DECREASE OF BUSINESS

to the coast cities or from lower rates on the traffic handled. This is a matter of which time alone can be the deciding umpire.

It is worth noting, however, that the officials of the roads directly concerned in the ruling do not appear to be unduly worried over the outlook. Perhaps that is because they, like the outside observer, the broker, or the investor, hardly know what to make of the decision. Traffic Director Stubbs, of the Harriman lines, generally credited with being the most expert traffic man in the country, has not been able, he confesses, to appraise very accurately the effect of the decision upon railroad business. Mr. Stubbs says that while, in his opinion, literal enforcement of long and short haul provision of the new law

"WOULD RAISE MISCHIEF"

for some time, his idea of the rate principle seemingly set forth regarding water competition and long and short haul generally is that it is purely academic. Many anxious seekers after light came to the conclusion that if men like Mr. Stubbs did not know what to make of it, there was little likelihood of their being able to fathom the mystery. The brunt of the decision, so far as its effect on the stock market is concerned, came more than a year ago, for on June 30, 1910, when the commission first made clear its stand on the question of freight rates, the market broke sharply, 20 railroad stocks breaking their low records for the year on that memorable day, when Union Pacific declined 18 points, and other rails recorded declines of from 9 to 15 points. Then the decision came when the

ANNUAL CROP SCARE

was at its height, and the market could not stand the added burden. Had this latest ruling been given out a month ago, when the crop killer was abroad in the land, market values would probably have suffered a setback more severe than that which came on the heels of this week's announcement.

This week, too, the quarterly report of the United States Steel Corporation has been a supporting factor, since it showed an improvement in earnings even greater than had been expected, proving beyond the shadow of a doubt that the talk of a recovery in the trade was not founded on a myth. The corporation's net earnings in the last three months amounted to $28.108,520, against $23,519,203 in the quarter ended March 31; $25,-990,978 in the last quarter of 1910, and $40,170,960 in the June quarter of last year. Unfilled orders on hand showed a decrease of 86,243 tons from the preceding quarter. Of course, the declaration of the regular quarterly dividend on both classes of stock caused no discussion, for nothing else was to be expected.

COLORADO FUEL & IRON.

Another member of the steel and iron family is attracting considerable attention in the street just now, namely, Colorado Fuel & Iron, and this growth of interest will probably be re-

Digitized by Google

flected very shortly in the inevitable rumor of the absorption of the company by the United States Steel Corporation. The common stock is in a position where it might be worked many points higher, and with more than a little justification, for since the crisis in the company's affairs was reached and safely passed a couple of years ago, the outlook has shown material improvement. It is expected that Colorado Fuel's forthcoming annual report will show something like 2½ or 2¾ per cent earned on the common, after allowing 8 per cent for preferred dividends. One of my friends is puzzled to find the preferred stock, which has paid nothing since 1903, quoted at 110 bid, 112 asked, the last sale having been at 110, and seems to think this a ridiculously high price for a non-dividend payer. On the contrary, as I have told him, I think the stock is a bargain at this price, for the issue is cumulative, and the 70 per cent arrears in dividend payments

MUST BE MADE UP

sooner or later, in one way or another. If this arrearage is deducted from the price at which the last sale was made, it would give a net cost of 40 for a stock, which will probably be paying dividends before very long, and which, in the course of a few years at the most, is likely to be restored to a permanent 8 per cent basis. These points are certainly worth considering THE FORECASTER.

FOR

Oil and Gas Land Leases

WRITE

C. W. DEMING & D. C. ACOSTA, Inc.
Tulsa, Okla.

FOR HIGH GRADE OIL STOCKS

WRITE

EQUITY BOND & SECURITY CO
37 WALL STREET, NEW YORK CITY

Almoloya Mining Co.

60 Wall St., NEW YORK

Financial Summary of the Week

American Agricultural Chemical Co.—For the fiscal year ended June 30, American Agricultural Chemical is understood to have earned better than 11 per cent on its common stock. If the company has adhered to precedent, however, a large part of the balance that would have been available for dividends on the common stock has been put back into the property, so that it is quite possible that the stockholders will have to wait still longer for an initial distribution on the junior stock.

American Beet Sugar Co.—As American Beet Sugar is understood to be earning approximately 12 per cent on its $15,000,000 common stock, it is believed that the directors of the company will inaugurate dividends on that issue at the rate of 4 per cent per annum by next fall. Dividends at that rate would be equivalent to almost 8 per cent on the present price of the stock.

American Glue Co.—American Glue's annual report for the year ended May 31 shows net earnings of $261,462, or 16.6 per cent on the $800,000 common stock, after the payment of dividends on the $1,600,000 preferred stock. With the exception of that for the 1910 fiscal year, for which period the company earned almost 21 per cent on the common, this is the best showing that the company has ever made, and it amply justifies the extra dividend of 2 per cent which the company paid on the common stock last year in addition to the regular 6 per cent dividend.

American Smelters Securities Co.—American Smelters Securities Company shows net earnings before repairs and replacements of approximately $7,865,000. Repairs and replacements call for $945,000, leaving a balance of net earnings of $6,921,000. Deducting for depreciation or new construction $650,000, for miscellaneous profit and loss adjustments $3,137,000, interest $679,000, and dividends of $2,520,000 gives a profit and loss deficit for the year of approximately $65,000.

American Smelting & Refining Co.—The American Smelting and Refining Company has issued its annual report, showing a balance for its common stock for the year ended April 30, 1911, of approximately $6,670,000, or 6.34 per cent, as compared with $3,546,278, or 7.09 per cent, for the 1910 fiscal year. The surplus for the year of $845,000 compares with the previous year's surplus of $1,546,278.

American Telephone & Telegraph Co.—Earnings of the American Telephone & Telegraph Company for the six months ended June 30 last clearly indicate that the company is more than holding its own. Total revenues for the period rose more than $600,000, or 3.45 per cent over the corresponding six months of the year previous. Expenses for the half-year rose about $48,000, or 5.19 per cent, so that net earnings for the period were greater by about $519,753, or 3.27 per cent. During the same six months the amount paid in dividends increased by about $414,000, or 4 per cent, so that the surplus over dividends was smaller than in 1910 by about $177,000, or 5.98 per cent.

Atchison, Topeka & Santa Fe Ry. Co.—According to President Ripley, the Atchison annual report will show earnings of between 9½ and 10 per cent on the common stock. For the 1910 fiscal year the company earned 8.89 per cent, so that the results for the past year are entirely satisfactory when the increase in railroad operating expenses the country over is taken into consideration. The outlook for the company, however, is not quite so promising as a year ago, inasmuch as it is stated that 25 per cent of the corn in the company's territory is in a critical condition.

Bethlehem Steel Co.—A representative of the Bethlehem Steel Company says he cannot account for the sudden strength of the shares of the company unless it is due to a better outlook for business. The company is operating about 80 per cent of capacity and indications are that there will be a further increase in the near future. Last year, the surplus available for dividends on the preferred stock was approximately 14 per cent, and the showing this year will also be good. C. M. Schwab says he will not take up the question of resuming dividends on the preferred stock until he has rounded out his plans for new construction. The company now has a pig iron capacity of 1,000,000 tons a year.

Calumet & Hecla Mining Co. This company reports for the fiscal year ended April 30 an increase in surplus from $7,667,298 to $8,576,856. During the year, the company produced 58,739,509 pounds of copper on the Conglomerate lode, compared with 46,285,684 the previous year, and 13,150,427 pounds on the Osceola lode, against 13,752,276 the previous year. The Kearsarge lode produced 169,609 pounds, compared with 59,035 in the previous twelve months. Stockholders will hold their annual meeting in Boston, August 16, when they will authorize the sale and conveyance of about 35,815 acres of timber lands in Chippewa and Luce counties, Mich.

Chicago & Western Indiana R. R. Co.—Chicago & Western Indiana Railroad Company reports for the year ended December 31, 1910, gross $109,465; net (deficit) $30,829; other income, $2,414,699; total income $2,383,870; surplus after charges and taxes, $334,088; dividends, $300,000; balance $34,085. The company has no profit and loss account, being under agreement with its stockholders to divide quarterly all surplus reserves.

Chicago Railways Co.—Rumors that the Chicago Railways Company will resume the payment of its interest on the series 1 participation certificates next month have led to an advance from 90 to 98. No dividends have been paid on the Series 1 certificates since September 1, 1909. The issue is entitled to 5 per cent annually and the cumulative payments now aggregate about 16 per cent.

Computing-Tabulating-Recording Co.—Brokers are offering for sale a limited amount of stock of the Computing-Tabulating-Recording Company. The company is capitalized at $10,500,000 (all one class) and has outstanding $7,000,000 in 6 per cent 30-year sinking fund gold bonds due in 1941. It is a recent consolidation of the International Time Recording Company, of Endicott, N. Y., the Tabulating Machine Company, of Washington, D. C., Computing Scale Company of America, of Dayton, O., and the Bundy Manufacturing Company, of Endicott, N. Y. The company's machines are extensively used by railroad, industrial and insurance companies for tabulating purposes. It has offices in the principal cities of the United States, and is creating a large business abroad. Among the directors are: Congressman George W. Fairchild, Valentine P. Snyder and Edward Canby, pioneer in the computing scale industry.

Copper Market.—The copper market is without particular feature. Buying is moderate, with the large selling agencies and producers quoting 12⅝ cents a pound

PORCUPINE

Get in RIGHT or keep out. THE BOSTON DEVELOPMENT COMPANY, LIMITED, is operating along the right lines. Large acreage; conservative capitalization. For prospectus, engineer's reports, etc., address
A. S. FULLER & COMPANY
CANADIAN INVESTMENTS,
407-8-9 Old South Building, Boston, Mass.

SIX NUMBERS FREE

Financial Converse (published every two months) answers more questions on mines than any periodical published. S. F. Campbell, of Chicago, says: "This paper is worth more than any other mining publication in the United States." Cut this out and send for six copies free covering the next year.
FINANCIAL CONVERSE
339 Monadnock Block, Chicago, Ill.

Utah Copper Stocks
Write for my weekly Market Letter.
WM. H. TIBBALS,
Salt Lake City, Utah.

EMNAHA GOLD MINING COMPANY

Incorporated under the laws of the State of Idaho. Capitalization, $500,000, divided into 500,000 shares. Par value $1.00 per share. Of which 200,000 shares have been placed in the Treasury, for the development of the property.

This Company owns and controls nine claims on Battle Creek, Imnaha, Willowa Co., Ore., on which there are three well defined parallel veins, carrying very rich gold quartz. A limited amount of the shares of the stock have been sold.

For full particulars, address

JOHN SENNETT, Treasurer
79 Milk Street, Room 602 Boston, Mass.

Digitized by Google

for electrolytic. However, concessions are reported below that level. Producers have not given up hope for 13-cent copper in the near future. They are of the opinion that there will be a further reduction in domestic copper stocks this month. For the first two weeks of July there was a shrinkage of about five million pounds in the visible supply abroad.

Diamond Match Co.—The estimated earnings of the Diamond Match Company for the six months ending June 30 were $879,490, as compared with $779,474 for the corresponding period of 1910. The company has declared the regular quarterly dividend of 1¾ per cent, payable September 15 to holders of record August 31.

Federal Mining & Smelting Co.—This company has been showing at the rate of about 9 per cent per annum on its common stock this year and a continuation of the present rate of earnings should mean a resumption of common disbursements, unless it is decided to take up development work on a more extensive scale than theretofore, as the company is in an easy financial position.

Illinois Tunnel Co.—Receivers of the Illinois Tunnel Company are about to formally take over the Automatic Telephone system from the construction company and operate it as part of tunnel system. Reorganization committee consisting of L. C. Krauthoff, W. S. Tod and W. H. DeForest are understood to be making good progress in reorganization plans which are understood to provide for refunding of $3,500,000 receivers' certificates as first mortgage on all properties and scaling $30,000,000 5 per cents. The $45,000,000 subway stock is likely to get heavy assessment.

Intercontinental Rubber Co.—It is expected that this company will continue its dividend payments at the rate of 4 per cent per annum on the common stock for the remainder of the year, despite poor working conditions at the Mexican plants throughout the spring. These were the results of the Mexican revolutionary movement, but on the last of June, the plants reopened. Announcement that most of the company's contracts have been extended until December 31 is the main reason for the belief that the present dividend rate will be continued. Despite the low price of crude rubber, the company secured its contract extensions at favorable figures. In addition to paying 4 per cent in common dividends, the company has paid off some 18 per cent in accumulated preferred dividend requirements during the year besides retiring $2,950,000 of the preferred stock.

International Paper Co.—Paper mills of the International Paper Company are running at full capacity, but little pulp grinding is being done on account of low water. Unless rainfall during the next month or two is unusually heavy, there will be probably be a serious shortage of water. The fiscal year of the International Paper Company ended June 31, and it is expected that preliminary figures for the year will be published about August 1. Earnings for the past year were considerably larger than in 1910.

Kankakee (Ill.) Gas & Electric Co.—The Samuel Insull interests of Chicago have purchased substantially the entire capital stock of the Kankakee (Ill.) Gas & Electric Company. Chicago advices say that this company is to be included in the proposed lighting merger which is to be under the title of the Chicago Suburban Edison Company, in which merger all of the companies involved are controlled by Samuel Insull. It is rumored that the same interests have purchased the Chicago & South Shore Traction Company, but it is not intended to include it in the merger.

Kings County Electric Lt. & Pr. Co.—This company reports earnings of 5 per cent for the $10,000,000 stock in the half year ended June 30, 1911. Dividends paid aggregate 4 per cent, leaving about $100,000 to be added to the $1,416,183 surplus at the close of 1910. This indicates that at least 10 per cent will be earned in 1911. Last year, 4.99 per cent was earned in the first six months and 10.09 per cent for the year. The increase in surplus available for dividends in 1910 over 1909 was $167,661, compared with less than $5,000 in 1911 over 1910. The lack of normal increase in earnings has been due entirely to the Dreamland fire in May. Before the fire, the company was counting upon earnings of almost 12 per cent for the year.

Laclede Gas Co.—The Laclede Gas Company, which controls the gas companies of St. Louis, reports for the six months ended June 30 a surplus after charges, depreciation and preferred dividends of $423,325, an increase of $39,826, as compared with the same time last year.

Manufacturers Lt. & Ht. Co. (Pitts.)—The special stockholders committee of Manufacturers' Light & Heat Company, has placed before the board of directors its plan for readjusting the finances of the company, which plan met the approval of the directors. The plan provides for the sale of $2,400,000 of the bonds of the company, issued in 1907, and used heretofore as collateral at par and accrued interest, subject to a bankers' commission, which, when finally consummated on August 2, will enable the company to discharge its entire floating debt and materially reduce its annual bond principal requirements, whereby it is expected that a part of the company's future earnings can be devoted to dividends. Another feature is that $1,050,000 in cash will be made immediately available, to be devoted to the payment of $871,000 of Wheeling Natural Gas Company underlying bonds, and the balance used for improvement of the property.

National Enameling & Stamping Co.—This company has declared the usual dividend of 7 per cent for the year on its preferred stock. It is payable in four quarterly installments of 1¾ per cent each on October 1, January 1, April 1 and July 1.

National Lead Co.—National Lead is earning on its common stock at about the rate of last year, which showed a little better than 4 per cent, and there is no immediate likelihood of an increase in the present 3 per cent common rate.

Nipissing Mines Co.—The Nipissing Mines Company reports as of July 1, cash in banks, $803,205; the value of ore in transit and at smelters, $364,118, and ore sacked at mine ready for shipment, $251,957, a total of $1,419,280.

Otis Elevator Co.—The Otis Elevator Company is experiencing better business than last year, but as common dividends are declared at the end of each year for the full following year, no increase can be expected before next March, unless the present policy is changed. Last year, a surplus equivalent to 12 per cent on the common stock was earned, but only 4 per cent of that is being distributed to stockholders this year.

Pennsylvania R. R. Co.—Property of the Pennsylvania Railroad Company in Ohio was appraised at $200,000,000 by the state tax commission embracing all its lines and covering more than 1,300 miles of track. The company's property last year was appraised at $48,000,000. In its own report submitted to the tax commission this year, the company admitted a valuation of $163,000,000, or more than all the railroads in Ohio were appraised at in 1909. Valuations of railways in Ohio have been boosted this summer from 100 to 1,600 per cent. The officials are protesting.

Shannon Copper Co.—The Shannon Copper Company is now producing its copper for about 11 cents. The company has during the past few years diverted about $700,000 of net profits, derived from the production of copper, back into the property, including the expenditure of about $200,000 on smelter reconstruction, $200,000 for additional properties, $250,000 of bonds retired, $40,000 for a water supply, $25,000 for new houses for employes, etc., and it has to-day quick net assets above all liabilities of about $200,000.

Standard Brewing Co. (Cleveland.)—The Standard Brewing Company has increased its dividend rate from 8 to 9 per cent annually. Hereafter dividends will be paid monthly, and the new regular monthly dividend of three-fourths of 1 per cent has been declared, payable August 1 to stockholders of record July 29.

Union Pacific R. R. It is claimed that the normal "high" of Union Pacific is between 195 to 200, and, therefore, it is now selling at about its best figures. Some of the Union Pacific interests give the impression that the segregation plan may be taken up, while others flatly disown it.

United States Lt. & Htg. Co.—The stockholders of the United States Light and Heating Company have approved a proposition to change the par value of the shares of the capital stock of the company from $10 to $100 a share. There is no change in the total capitalization, so that hereafter capital stock will be divided into 25,000 preferred and 150,000 common shares of par value of $100.

United States Steel Corporation.—This company reports for the quarter ended June 30, last: Net earnings of $28,108,530, as compared with $23,519,203 for the quarter ended March 31, last; $25,990,979 for the quarter ended December 31, last; $37,365,187 for the quarter ended September 30, 1910, and $40,170,960 for the quarter ended June 30, 1910. Surplus earnings of the corporation on June 30 last after the payment of all charges and dividends amounted to $1,869,477, as compared with $31,155 for the quarter ended March 31, last; a deficit of $5,591,968 for the quarter ended December 31, last; a surplus of $3,578,063 for the quarter ended September 30, 1910, and a surplus of $6,410,093 for the quarter ended June 30, 1910.

Virginia-Carolina Chemical Co.—The Virginia-Carolina Chemical Company offers to shareholders the privilege to subscribe to 20,000 shares of unissued 8 per cent cumulative preferred stock at $115 a share. The new stock is to be entitled to the next regular dividend to be paid on October 15. Stockholders of record August 4 will be entitled to subscribe to the new stock in an amount approximating 4 1-3 per cent. Subscriptions must be for full shares. The right to subscribe expires at 3 P. M., August 25. Warrants dated August 4, specifying the amount of stock to which holders are entitled, will be issued as soon after that date as possible.

Virginia Railway & Power Co.—The Virginia Railway & Power Company has reported to the New York stock exchange statement of income prior to merger for the ten months ended April 30, 1911, as follows:

Gross income	$947,543
Taxes, licenses, interest and sinking fund	647,853
Surplus	$399,690
Preferred stock dividend	111,158
Prem., interest, etc., on bonds purchased for sinking funds and adjustments	46,238
Net surplus (ten months)	242,294
Profit and loss surplus, (June 30, 1910)	297,369
Total profit and loss surplus April 30	539,664

White (J. G.) & Co., Ltd.—The annual report of J. G. White & Company, Limited, of London, established by J. G. White & Company, Incorporated, of New York, twelve years ago, shows dividends declared in the last twelve months of 12 per cent on the preferred stock and 62 per cent on the common and a surplus large enough to write off the balance of "purchase of business" account and to increase the special reserve and surplus account to an amount equalling the total of dividends paid. Net profits for the year aggregated $457,330, against $344,005 in the year before. The quick assets of the company in the form of cash and loans amount to about $681,655. In the ten years of its existence, the company has paid dividends aggregating $903,540 and has retained in the business upward of $913,925.

Yukon Gold Company.—Yukon Gold has produced $815,000 gross in bullion this season up to July 8, against $529,000 up to the same date last year, President S. R. Guggenheim announced. He says that up to a year ago the company could only operate five months in the year, but improved machinery has been installed and this year the season opened on May 5. It is expected to remain open until about November 5, thus giving six months of operation.

A telegram received by E. A. Fordyce & Company, of 50 State street, Boston, states that the last car shipped from the Lion Hill Consolidated Mines showed 1,809.15 net. He writes that the incline has been advanced 56 feet since July 6, and further states that the present state is identical with the formation in which the large bodies of ore occurred in the Monarch and Northern Light Mines at the north end of the hill.

LEBANON, IND.—The Boone County State Bank is organizing. It will have $30,000 capital and the following officers: President, Morris Ritchie; vice-president, B. F. Herdrich, and cashier, J. C. Perkins.

WILMOT, ARK.—The Citizens Bank has been organized with $25,000 capital. J. A. Burns is president, L. W. Perdue, vice-president, and Mrs. A. E. Jackson, secretary and treasurer.

Digitized by Google

UPON PRESENTATION

at the Office of

THE MIDDLESEX BANKING COMPANY

OF MIDDLETOWN, CONN.

DEBENTURES of Series E13, maturing October first, and Series E14, maturing November first, WILL BE PAID at par with interest to the date of payment.

FUNDING COMPANY OF AMERICA

40 EXCHANGE PLACE, NEW YORK

INVESTMENT DEPARTMENT deals in Government, State, Municipal, Railroad, Public Service and Industrial Bonds and other high grade securities.

UNDERWRITING DEPARTMENT solicits correspondence with Railroad, Public Service and Industrial Corporations desirous of procuring funds, through first mortgage bond issues, for improvement or extension purposes.

FISCAL AGENCY acts as registrar and transfer agent for securities of Municipal, Railroad and other corporations.

OFFICERS AND DIRECTORS

Edward Staats Luther
President

Charles W. Abrams — Treasurer
John. W. Harding — Secretary

Howard S. Kennedy
Vice President Ginet, Peabody & Co., Troy, N. Y.

A. H. Phelps
Director First National Bank
New Berlin, N. Y.

James D. Abrams
President Hudson Yacht & Boat Company
Nyack, N. Y.

OUR NEW INVESTMENT PROPOSITION

is as

Sound and secure as a good bank and pays large dividends.

First class representatives wanted; must be men of good standing in their community

SECURED INVESTMENT TRUST

92 STATE STREET, BOSTON

WANTED

Norton & Taunton 5s
Calumet Canal & Imp. 4s
Fresno City Water Co. 5s
Citizens G. & E. Loraine & E. 5s
Des Moines Water Co. 4s
Kansas Defaulted Municipals

H. C. SPILLER & CO.

Specialists in Inactive Bonds

27 STATE STREET BOSTON

Corporation Organizers

Delaware charters are inexpensive and perpetual, and permit stockholders and directors to hold meetings anywhere. The law is more stable, and grants greater powers than other states. $1,142,434,400 of capital organized in Delaware during 1910—double that of New Jersey or elsewhere. In selecting an agent to organize and represent your company, get the best—It will be cheaper and safer in the end and will add prestige to your enterprise Lawyers' and Brokers' business a specialty. Corporation Law and forms sent on request.

MERRICK SECURITY & TRUST CO.

Wilmington, Del.

FOR JULY FUNDS

TAX EXEMPT

TO YIELD OVER

5½%

Free from tax in Massachusetts. Write for Circular giving full details of the shares of one of the **Strong Lighting Companies of Massachusetts** serving a **Total Population of Over 207,231.**

C. D. PARKER & CO., Bankers
78 Devonshire St., Boston

BENNETT'S INFORMATION AGENCY

INVESTMENT DEPARTMENT

The wisest men in the United States are those who never make a new investment which they consider good, and never get rid of an old investment which they consider bad, until they have made an investigation of the merits of the investment through BENNETT'S INFORMATION AGENCY.

CONGRESSIONAL INFORMATION

We attend to business at the Treasury Department as well as before Congress, the Courts, and all departments of the United States government, through our Washington office, 308 Corcoran Building, and through our staff of Washington correspondents. If you desire any information from Washington, or any business transacted at the National Capital, we shall be pleased to perform the desired service for our subscribers

PROBATE DEPARTMENT

Information respecting probate matters, in any town or city of the United States, is furnished to our subscribers gratuitously if the inquiry is answered through the columns of the INVESTOR, or for $2.00 if the reply is by private letter.

LEGAL DEPARTMENT

Questions answered by prominent attorneys upon any desired subject for $2.00 each.

MERCANTILE DEPARTMENT

A report regarding the standing and reliability of any firm or individual in the United States furnished for $2.00. Our information goes into the character and individuality of members of a firm and its methods of doing business.

MISCELLANEOUS QUESTIONS

Inquiries of any sort answered for $2.00 each. Send for descriptive pamphlet of the agency.

REAL ESTATE DEPARTMENT

A report upon any piece of property in the United States furnished for $2.00.

Conducted by

Frank P. Bennett & Co., Inc.

530 Atlantic Ave., BOSTON.
308 Chestnut St., PHILADELPHIA.
2 Rector St., NEW YORK.

6% BONDS For Investing July Dividends

These two forms of 6% Gold Bonds of the American Real Estate Company—

6% Coupon Bonds
For those who wish to invest $100 or more.

6% Accumulative Bonds
For those who wish to save $25 or more a year.

—offer to careful investors a time-tried and conservative plan to increase their income or to place their savings where they will secure the greatest safety, pay the highest interest return consistent therewith, and be convertible into cash.

A-R-E Six's are safe, because they are backed by assets of $23,000,000 and capital and surplus of $2,000,000. They have paid 6% for 23 years, returning to investors more than $7,000,000 in principal and interest.

Booklet describing Bonds and properties on which they are based, map of New York City showing location, and financial statement sent on request.

AMERICAN REAL ESTATE COMPANY

Capital and Surplus, $2,011,247.80
Founded 1888 Assets $23,026,889.67

527 Fifth Avenue, New York

EAST BUTTE

We are issuing a Special Letter on the above stock—a copy will be mailed free upon application.

"Coppers" and Curb Stocks bought and sold for Cash or Carried on Margin

H. A. BROWN & CO.

Members Boston Curb Exchange

60 State St. Boston — 74 Broadway New York

6% A Good Investment

To investigate is the six per cent Realty Bond of the New York Central Realty Company issued in denominations of $1,000, $500, and $100.

It offers a high grade of security, a liberal cash availability and an interest earning of 6%.

WRITE for booklet illustrating the methods of the Company, describing its bonds, their redemptive privileges and advantages over other Realty securities. Everybody knows us.

New York Central Realty Co.

Suite 1190, 1328 Broadway, Cor. 34th St., New York City

CAPITAL AND SURPLUS, $1,464,586.34

6 PER CENT INTEREST PAID

By Coupon on Bonds Secured by Well Selected New York Real Estate.

"We Deal in No Other Securities"

THE DEBENTURE CORPORATION OF NEW YORK
334 Fifth Avenue New York City

Digitized by Google

GENERAL LIBRARY,
UNIV. OF MICH.
AUG 7 1911

United States Investor

Volume XXII. BOSTON, NEW YORK AND WASHINGTON, AUGUST 5, 1911 Number 31

The Market's Movements

If the "big interests" are definitely committed to a campaign for higher prices between the present date and Labor Day, it is high time that they were showing their hand, since they have only four weeks in which to carry out their plans. The liquidation which developed in mid-week has a significance greater than that which appears on the surface, since it is quite possible that this shaking-down movement is in reality the opening gun in the campaign. Some means must be found of creating a greater public interest in the stock market, or at least of bringing about a practical demonstration of the more or less latent interest which has shown itself in the form of frequent inquiries even when speculative activity has been a negligible quantity. That there is an incentive, however mercenary it may be, for the promotion of an upward movement in standard listed shares generally is not to be doubted for a moment. There are holders of shares in considerable numbers who would be glad of an opportunity to sell out at a higher level for the reason that they see disturbing possibilities in the political prospects for next year, and more than one careful thinker believes that if the bulls fail to create a greater public interest in stocks on a higher plane of values within the next few months, the movement will have to be postponed for another season.

A Time For Discrimination

The truth of the matter is that stock values generally are at a level where careful thought and foresight must be employed if the individual investor or speculator is to avoid the possibility of finding himself encumbered with securities in a market which, if it does not actually show a decided declining tendency, is likely to move too slowly in the opposite direction to satisfy the man who demands action first, last and all the time. It is from small operators of this class that a considerable part of this week's liquidation has come. This is simply a note of caution, and is not in any sense intended as a discouragement of those who are seeking opportunities for profitable investment or speculation. Such opportunities, while naturally less numerous than they were a year ago, when the market was full of bargains, are still to be found. Such issues as St. Louis & San Francisco first preferred, Atchison common, Brooklyn Rapid Transit, Lehigh Valley, St. Paul common, Northern Pacific and Great Northern preferred are selling at levels which give a very substantial yield, with every probability of a maintenance of present dividend yields. In the industrial list issues such as United Dry Goods common, People's Gas, and United States Realty & Improvement, to name a few of the common issues, look tempting, while it is an easy matter to pick solid preferred industrials yielding from 6 to 7½ per cent. The country's chief trade barometer is rising, the steel trade being in a position more satisfactory than any it has attained since the beginning of the current year, and is showing indications of a growing healthful expansion in the months to come. Such a recovery in times past has been closely followed by a corresponding betterment in general business, so it is to be presumed that before long, growing activity will be evident in other markets, signs of such a change having already shown themselves in a number of instances, notably in copper circles, where the feeling is more cheerful than it has been for many months.

The Tobacco Dividend

The real trouble-maker this week has been the curb market, with its characteristically impetuous movements in its two leading industrial issues, Standard Oil common and American Tobacco common. The passing of the Tobacco common dividend is not a very serious matter, but in reality a technicality in the postponement of the dividend payment incident to the reorganization of the concern under the recent Supreme Court decree. I do not believe that the shareholders will be allowed to suffer in the end simply because the directors are disinclined to pay out large sums to the shareholders in the form of dividends for fear of possible liability incurred in meeting the payment of the bonds outstanding, neither issue representing a mortgage. This does not denote any serious doubt as to the company's ability to gather together liquid assets in sufficient amount to pay off the bonds: it represents nothing more than a natural desire on the part of those in authority to avoid even the appearance of failing to keep within legal limits in every move connected with the reorganization. Evidently, the insiders have assimilated a deep and abiding respect for the Supreme Court and its mandates.

Standard Oil Attitude

It is quite easy to believe the report that Standard Oil interests are bearish on the stock market and are not at all averse to apprising the world of their opinions. The popular opinion that the dissolution decree of the Supreme Court let the corporation down very gently may be subject to modification as soon as it is possible to obtain some line on the operations of the various constituent companies after a year or so of existence under the new order of affairs. The insiders, it appears, are fearful of a substantial increase in operating costs and a substantial falling off of net earnings of the combined companies. However, the ordinary mortal will probably show little inclination to mourn very deeply over the plight of a Standard Oil shareholder, whose shares are quoted at $630 apiece, and who will hereafter receive 35 dividends instead of one, as heretofore.

One feature of the Standard Oil distribution which has not met with the commendation of many of the shareholders and the investment world generally is to be found in the announcement that this distribution will be made without supplying the individual shareholders with any information regarding the financial status of the individual companies whose shares are to be distributed. The majority stockholders who are immediately identified with the management, presumably know what these various companies are, and what their financial position is, but to the majority of the smaller shareholders, these concerns at the present time represent little more than corporate titles, which must carry with them a proportionate share of the value possessed by the parent concern in process of dissolution. At the same time, it is but fair to withhold criticism of the man-

Digitized by Google

IF YOU HAVE NO CORRESPONDENT
IN CINCINNATI
WE WILL WELCOME THE OPPORTUNITY OF PROVING TO YOU THE BENEFITS WHICH WILL ACCRUE FROM FORMING A CONNECTION WITH US.
RESOURCES
TWENTY-FIVE MILLION DOLLARS
And every facility for the satisfactory handling of Bank Accounts.

ment for their close-mouthed attitude, for there is something in the excuse that no fair idea of the profits earned by each entity of the parent company could be conveyed, since only a nominal sum had been charged for running them. Moreover, it is to be presumed that the clerical forces are being worked to the limit in other directions. However, in view of the advantage possessed by the majority shareholders in the way of ability to appraise values with some degree of accuracy, it behooves the mangement, if it desires to go on record as "playing fair", to supply the data needed for a proper understanding of the position of these individual companies, and to supply it as promptly as possible.

Pricking the Bubbles

A week ago, we referred to the puncturing of the Underwood Typewriter bubble, and intimated that similar developments would in all probability follow in other directions. The expected has happened this week in the substantial decline in the quoted value of Bethlehem Steel preferred and Allis-Chalmers securities. One news agency a short time ago ventured the prediction that following Mr. Schwab's return from Europe, a statement would be issued which would prove highly gratifying to the security holders. The statement came according to schedule, but it fell a long way short of satisfying those who had been working the stock upward, since it threw cold water on the expectations of an early payment of dividends on the senior stock issue. Mr. Schwab says there is no truth in the report that this step will be taken in the near future. This is simply a reiteration of previous statements of his to the effect that he has no intention of paying dividends until the company's construction plans have been completed, and the plants put on a sound foundation of working capital. My advice to those who got aboard at or near the crest of the recent manipulative advance is to exercise patience, and held on, for it is almost a certainty that the time will come when Bethlehem Steel preferred will be selling on its merits as a dividend payer far above its present level. Before that time comes, however, the shares may sell somewhat lower, so the present holder should make up his mind to refuse to be frightened out by intervening market conditions.

THE
Chatham and Phenix
National Bank
NEW YORK
Capital and Surplus
$3,000,000
All business under direct supervision of the officers.
LOUIS G. KAUFMAN, President.
GEO. M. HARD, Chairman of the Board.
F. J. HEANEY, Vice-President.
W. H. STRAWN, Vice-President.
A. M. BULL, Vice-President.
BERT L. HASKINS, Cashier.
H. L. CADMUS, Assistant Cashier.
N. P. GATLING, Assistant Cashier.
W. B. BOICE, Assistant Cashier.
H. C. HOOLEY, Assistant Cashier.
Your Account Solicited.

The Fourth National Bank
OF THE CITY OF NEW YORK
OFFICERS
JAMES G. CANNON, President
SAMUEL S. CAMPBELL, V. Pres.
CHARLES H. PATTERSON, V. Pres.
DANIEL J. ROGERS, Cashier.
E. W. DAVENPORT, Asst. Cashier.
CHARLES E. MEEK, Asst. Cashier.
DIRECTORS:
James G. Cannon — L. F. Loree
Cornelius N. Bliss — Eugene Delano
Robert W. Smart — M. Orme Wilson
William S. Opdyke — Elbridge G. Snow
T. Frank Manville — Welding Ring
Thos. H. McKittrick — Morton F. Plant
Mortimer L. Schiff — Samuel S. Campbell
CAPITAL AND SURPLUS - $10,000,000

Central National Bank
of DENVER, COLO.
Capital - - - - $ 200,000
Surplus and Undiv. Profits - - - 40,000
Deposits - - - 3,250,00
B. F. SALZER, President
W. M. MARSHALL, Vice-President
J. B. [illegible], 2d Vice-President
[illegible], Cashier
[illegible], Asst. Cashier
[illegible]MIDT, 2d Asst. Cashier
Prompt[illegible] all Business sent us

Franklin
National Bank
PHILADELPHIA
Capital $1,000,000.00
Surplus and Undivided Profits 2,730,181.17
INCORPORATED 1900.
OFFICERS:
J. R. McALLISTER, President.
J. A. HARRIS, JR., Vice-President.
E. P. PASSMORE, Cashier. L. H. SHRIGLEY, Assistant Cashier
J. W. HARDT, Assistant Cashier.
Foreign Exchange Department.
WILLIAM WRIGHT, Manager.

OLDEST BANK IN AMERICA
Chartered by Congress, 1781.
The
Bank of North America
(NATIONAL BANK)
PHILADELPHIA, PA.
Capital .....$ 1,000,000.00
Surplus 2,250,000.00
Undivided Profits 424,009.80
Deposits 15,288,000.00
HARRY G. MICHENER.....President
SAMUEL D. JORDAN.....Cashier
WILLIAM J. MURPHY.....Asst. Cashier
RICHARD S. McKINLEY.....Asst. Cashier
Accounts Solicited
Correspondence Invited

Ladd & Tilton Bank
PORLAND, OREGON.
Established 1859.
Capital $1,000,000.
Surplus & Undivided Profits $700,000.
OFFICERS
W. M. LADD, President
EDWARD COOKINGHAM, Vice Pres.
W. H. DUNCKLEY, Cashier
ROBERT S. HOWARD, Asst. Cashier
J. W. LADD, Asst. Cashier
WALTER M. COOK, Asst. Cashier
DIRECTORS:
EDWARD COOKINGHAM — J. WESLEY LADD
WILLIAM M. LADD — S. B. LINTHICUM
HENRY L. CORBETT — FREDERIC B. PRATT
CHARLES E. LADD — THEODORE B. WILCOX

Portland National Bank
PORTLAND, MAINE
Union Mutual Life Insurance Co. Bldg
Accounts received on the most liberal terms consistent with sound banking.
Collections receive prompt attention.
WM. W. MASON .....President
EDWARD W. COX .....Vice-President
CHAS. G. ALLEN .....Cashier
EDWARD L. PIPER .....Asst. Cashier
Directors:
Fred E. Richards, Charles G. Allen,
Henry B. Cleaves, George F. West,
William W. Mason, George Westcott Beyer,
Lyman M. Cousens, Roswell C. Bradford,
Edward W. Cox.

The National Park Bank
OF NEW YORK
Organized 1856.
Capital $5,000,000.00
Surplus and profits 12,941,415.18
Deposits, June 7, 1911.....108,994,675.64

Digitized by Google

ANGLO & LONDON PARIS NATIONAL BANK
SAN FRANCISCO
Capital, Surplus and Profits, $5,700,000.00 Deposits, $23,500,000.00 Cash and Sight Exchange, $10,300,000.00
Issues Travelers' Letters of Credit, available in all parts of the world; buys and sells Foreign Exchange, and issues Drafts and Cable Transfers
ACCOUNTS OF BANKS, BANKERS, CORPORATIONS, FIRMS AND INDIVIDUALS INVITED

Financial Summary.

American Tobacco Co.—The 6 per cent bondholders' committee in the American Tobacco dissolution has prepared the deposit agreement, which stipulates that certificates shall be delivered to depositors and that interest shall be transferrable by delivery of such certificates. A majority of the committee may in its descretion at any time exercise any and all rights embodied in the indenture of trust. The committee may purchase 6 per cent bonds or preferred or common stock of the Tobacco Company or its subsidiaries as may be deemed necessary for the protection or advancement of the interests of depositors, and may sell or exchange any bond deposited or any share of stock, etc., purchased by the committee. The committee shall have the power to formulate plants for reorganization. The deposit agreement for 4 per cent bonds will be substantially in the same form. The Guaranty Trust Company is depositary for both bond issues. An official of the American Tobacco Company expects that the reorganization plan will be submitted to the United States Circuit Court some time within the next month.

Bell Telephone System.—Earnings of the Bell system in the United States for the five months ended May 31, last, are even more impressive than the figures exhibited by the American Company. Gross returns expanded more than $5,800,000, or 8.79 per cent, and the net increased about $903,000, or 4.44 per cent. Interest charges were about $1,150,000 more than during the like months of the year previous, so that the balance available for dividends was slightly smaller than at the close of the corresponding period a year ago.

Erie R. R. Co.—Charles Barrett, of Somerville, Mass., said to be a large stockholder of the Erie Railroad Company, has sent a circular to shareholders of that company claiming that earnings of the road have been illegally diverted to improvements and for the purchase of new equipment instead of being used for the payment of dividends to which, he claims, the preferred stockholders are entitled. The circular states that no dividends on the first and second preferred stocks have been paid since the first half of the 1907 fiscal year, notwithstanding that earnings above fixed charges have approximated $19,000,000. It is intimated that legal proceedings may be started to compel the company to pay 4 per cent dividends on the first and second preferred stocks.

General Electric Co.—Although the earnings of the General Electric Company would warrant an increase in dividends, it is not likely that this will be done. With industrial conditions as they are at present, officials feel that it would be injudicious to increase payments on the stock. Present trust legislation also has a great deal to do with this. There have been several of the subsidiaries, including the Sprague Company, taken into the company more fully, so that the earnings will appear with those of the parent company. Heretofore, the latter has controlled by stock ownership alone.

Pennsylvania R. R. Co.—The feature of the Pennsylvania June statement was the decrease in gross west of Pittsburg double that east. The percentage of decrease there was 10 per cent to about 2½ per cent east. But the western lines cut down their expenses more freely and saved $30,498 to net increase, whereas the eastern lines lost about $181,000 net. For six months, all lines in the system have lost $7,837,703 gross and $3,875,216 net. The net reduction is nearly 10 per cent.

Southern Railway Co.—W. W. Finley, president of the Southern Railway, sailed on the Kronprinz Wilhelm for a vacation of five or six weeks in Europe. In regard to conditions in the South, Mr. Finley said they are excellent and that indications point to the finest crops. "Prospects were never better," he added. The question of Southern Railway preferred dividend, Mr. Finley said, will not come up for consideration before the directors meet in September. The dividend will be payable in October.

ORGANIZED 1838 NATIONALIZED 1865
THE AMERICAN EXCHANGE NATIONAL BANK
NEW YORK
Capital, Surplus and Profits, $9,496,000
LEWIS L. CLARKE, President
EDWARD BURNS, Vice-President — WALTER H. BENNETT, Vice-Pres. and Cashier
A. K. de GUISCARD, Asst. Cashier — ARTHUR P. LEE, Asst. Cashier
ELBERT A. BENNETT Asst. Cashier — GEORGE C. HAIGH, Asst. Cashier
ACCOUNTS OF MERCANTILE FIRMS, CORPORATIONS, BANKS AND BANKERS INVITED
We Offer Every Facility Consistent With Sound Banking
Depositary of the United States, State of New York and City of New York

METACOMET NATIONAL BANK
OF FALL RIVER, MASS.
Capital, $750,000 Surplus and Undivided Profits, $333,000
SIMEON B. CHASE, President
MILTON REED, Vice-President — CHARLES B. COOK, Cashier
Special attention given to the handling and collecting of cotton drafts, sent direct from the South

FIDELITY TRUST CO. TACOMA, WASHINGTON
CAPITAL AND SURPLUS, $980,000
General Banking
Oldest Trust Company in the State of Washington.

CITIZENS NATIONAL BANK BALTIMORE MD.
CAPITAL, $1,000,000 SURPLUS, $2,000,000

THE
National Commercial Bank
of ALBANY, N. Y.
Capital - - $1,000,000
Surplus and Profits 1,713,362
Deposits - - 22,702,432
OFFICERS
ROBERT C. PRUYN, President
JOHN E. WALKER, Vice-Pres. — EDWARD J. HUSSEY, Cashier.
JAMES H. PERKINS, Vice-Pres. — WALTER W. BATCHELDER, Asst. Cash.
JACOB H. HERZOG, Asst. Cash.
Let us collect your New York and New England items

THE NATIONAL CITY BANK OF CHICAGO

CAPITAL :: :: $2,000,000.00
SURPLUS & PROFITS 500,000.00
DEPOSITS :: :: $29,259,966.56

United States Depository — *Accounts of Banks and Bankers solicited. Correspondence invited.* — Organized 1907

NATIONAL BANK 3rd OF ST. LOUIS

CAPITAL $2,000,000
SURPLUS $2,000,000
DEPOSITS $35,000,000

NATIONAL BANK 3rd OF ST. LOUIS

Cleveland National Bank
CLEVELAND, OHIO
Can handle your Ohio business to your advantage and satisfaction.
WE INVITE CORRESPONDENCE

ATLANTIC NATIONAL BANK.

That Edward P. Metcalf, president of the Atlantic National Bank, Providence, is as good a host as he is a banker was demonstrated at a clambake at the Pomham Club, Narragansett Bay, last Saturday afternoon, at which he entertained some sixty out-of-town friends. The guests were taken in automobiles from the bank and immediately upon arriving were given the freedom of the club. After a group photograph had been taken they sat down to one of the clambakes for which the Pomham Club is so famous. The dinner was thoroughly enjoyed, and Mr. Metcalf's popularity was made clearly evident throughout the festivities. Among those present were the following: H. D. Forbes, vice-president National Shawmut Bank, Boston; A. W. Haines, vice-president Atlantic National Bank, Boston; J. F. Allen, of J. F. Allen & Company, bankers, New York City; Joseph Balch, national bank examiner, Providence: John C. Burke, president Traders' National Bank, Lowell, Mass.; George W. Doane, president New Amsterdam Gas Company, New York City; O. R. Farrar, president Columbus Securities Company, New York City; Amos F. Hill, cashier Traders' National Bank, Lowell, Mass.; P. R. G. Sjostrom, president Hungarian American Bank, New York City; Ivar L. Sjostrom, vice-president United States Worsted Company, Lawrence, Mass.; F. R. Shinn, vice-president Citizens' Trust & Savings Bank, Columbus, Ohio; A. T. Vigernon, president Automobile Mutual Insurance Company, and W. Van Winkle, manager North American Accident Company, of Philadelphia.

Mr. Metcalf is a member of the executive council of the American Bankers' Association, and is no doubt in line for further honors in that association. He has shown marked ability in his management of the Atlantic National Bank, the deposits of that bank having increased in five years from $250,000 to $2,500,000.

ROLLA, MO.—The corporate existence of the National Bank of Rolla has been re-extended until August 1, 1931.

RUEL W. POOR, President
JAMES McCUTCHEON, Vice-President — ARTHUR W. SNOW, Cashier
W. L. DOUGLASS, Second Vice-President — RALPH T. THORN, Asst. Cashier

The Garfield National Bank
OF NEW YORK CITY
Capital and Surplus - - - $2,000,000

Offers to Banks, Bankers, Corporations and Firms the services of a thoroughly equipped and conservatively managed bank.

YOUR BUSINESS SOLICITED

The MECHANICS and METALS NATIONAL BANK
OF THE CITY OF NEW YORK

OFFICERS

GATES W. McGARRAH, President — WALTER F. ALBERTSEN, Vice-Pres.
ALEXANDER E. ORR, Vice-Pres. — JOSEPH S. HOUSE, Cash.
NICHOLAS F. PALMER, Vice-Pres. — ROBERT U. GRAFF, Ass't Cash.
FREDERIC W. ALLEN, Vice-Pres. — JOHN ROBINSON, Ass't Cash.
FRANK O. ROE, Vice-Pres. — CHARLES E. MILLER, Ass't Cash.

Capital, Surplus and Undivided Profits, $14,000,000

The Commercial National Bank OF WASHINGTON D. C.
Capital $500,000 — Surplus and Undivided Profits $296,000

ASHTON G. CLAPHAM, President
ELDRIDGE E. JORDAN, First Vice-pres. — N. H. SHEA, Second Vice-pres.
T. K. SANDS, Third Vice-president
JOHN POOLE, Cashier — HERBERT V. HUNT, Asst. Cashier.

THE DEXTER HORTON NATIONAL BANK of Seattle maintains a department organized for the especial care of the accounts of banks and bankers. Our officers will be pleased to correspond with bankers contemplating the establishment of relations in the Pacific Northwest. CAPITAL & SURPLUS $1,440,000

Chase National Bank
NEW YORK

Capital ..... $ 5,000,000
Surplus and Profits (earned) ... 8,382,871
Deposits 118,846,788

A. BARTON HEPBURN, Chairman of the Board
ALBERT H. WIGGIN, President
SAMUEL H. MILLER, Vice-President
HENRY M. CONKEY, Cashier
CHARLES C. SLADE, Ass't Cashier
EDWIN A. LEE, Ass't Cashier
WILLIAM E. PURDY, Ass't Cashier
ALFRED C. ANDREWS, Ass't Cashier

DIRECTORS
Henry W. Cannon
James J. Hill — George F. Baker
Grant B. Schley — Albert H. Wiggin
A. Barton Hepburn — George F. Baker, Jr.
John I. Waterbury — Francis L. Hine
FOREIGN DEPARTMENT

THE
OLD NATIONAL BANK
OF SPOKANE
OFFERS ITS CORRESPONDENTS
Better Banking Service

The Largest Number of direct connections of any bank in the Inland Empire.

Send us your Washington, Oregon, Idaho and Montana Items.

Digitized by Google

The United Shoe's Charges

A Comparison of American Shoe Making Conditions With American Worsted Making Conditions Reveals Shoemakers as Much the Better Off—United Shoe Machinery Company Bears Depreciation Expenses for Shoemakers That They Used to Find Very Irksome and Expensive.

Is the United Shoe Machinery Company a predatory trust drawing from the industry of shoemaking an outrageously high tribute, as some assert, or is it, all things considered, a positive benefactor of the industry and of its patrons, as the friends of the company assert?

When you get down to brass tacks, as the saying is, and have swept aside those less vital subsidiary questions with which discussions of this company always become involved, the question stated in the paragraph above is seen to be the really vital one. It includes within itself all the other queries. Lawyers may discuss the company's contracts endlessly. Economists may philosophize about the respective advantages to the public of leasing machinery or of selling it outright. For all this legal or economic finesse the ultimate consumer of shoes cares nothing. With him

THE VITAL QUESTION

is, whether it were better for him as a buyer of shoes that the company did not exist. Let him be satisfied one way or the other on that point and he is willing to leave the weighing of all other considerations to other minds.

Of course, the route to the answer which he craves is no direct one. Only the most clumsy thinker would argue that just because the profits of the company have been large, the conclusion is warranted that it draws too large a stipend from the shoemaking industry, and, therefore, from the consumer of shoes. So long as he sees, every day of his life, merchants, whose opportunities are equal, receiving profits from their businesses that are radically unequal, just because some are shrewder, better business men than are the others, no reasonable man will deny that the substantial profits the United Shoe Machinery Company earns may conceivably be due to the really remarkable skill with which its affairs have been managed. So long, too, as men have wit to realize that, with even ordinary management, a thoroughly modern plant will always produce its output more economically than other plants can do, they will be ready to concede that the highly efficient plant of the United Shoe Machinery Company at Beverly may be the cause of at least a part of the company's gratifying income. In short, it takes more than the income statement of the corporation to determine whether it wrings too heavy tribute from the wearers of shoes.

But where, then, shall one search for light? If comparison be made of the costs to shoemakers of their machinery now with their costs prior to incorporation of the United Shoe Machinery Company, there will be no disputing, we think, the statement that

COSTS HAVE BEEN REDUCED

since the company came into being. We have pointed this out rather conclusively in these columns on other occasions. We have shown, too, how much more efficient is the service which a shoemaker obtains from this company than that which he used to receive when the numerous predecessors of the company had to be dealt with. It happens, however, that from quite another source than the industry of shoemaking itself information can be gained which has bearing upon the consumer's anxious query whether he is paying too large tribute to a shoe machinery combination. The industry to which we turn is that of worsted cloth manufacture. A comparison of the plight that industry is in, with regard to machinery, throws into bold relief the far better lot which shoe manufacturers enjoy.

The elements of similarity in the two industries are striking. They warrant comparison. For instance, each is what may be called a basic industry. That is, it produces a necessity of life, not a luxury. Whether business is bad or good the country throughout, whether people are generally steadily employed or many are in enforced idleness, they must buy shoes and they must buy clothing. Consequently, each of these industries is thoroughly established. Each is well out of the transition of "infant industry" period, and whatever condition one finds within each is no accidental result. Hence, whatever one discovers with regard to the respective machinery policies of the two industries may fairly be taken as due to fundamental conditions and not to chance. It will be well for us to remember this, a paragraph or two hence.

Again, the

TWO INDUSTRIES ARE ALIKE

in their proportions. Each gives employment to hundreds of thousands of people, and, therefore, supports a good fraction of the population of the country. Each industry consumes a great volume of raw material. The worsted industry and its associate, the woolen industry, absorb all of the millions of pounds of wool grown in this country and annually require that an almost equal number of millions of pounds shall be imported from other lands. The shoemaking industry, for its part, absorbs an enormous quantity out of the annual production of hides which this country affords, and it requires, too, the importation of many millions of pounds from South America and other parts. Still more noteworthy is the element of similarity in the great success each of the two industries has met in its efforts to flood the home market with its product and to keep the products of foreign worsted mills and foreign shoe factories out of America. Imports of foreign worsteds and woolens do still occur to some extent, however, while as for foreign made shoes they are practically unknown in America. In fact, the American shoe manufacturer has succeeded in a field where the American worsted manufacturer has not, for he has been able to acquire a substantial market for his product abroad in high-grade advertised shoes.

It is the fact that there are so many striking features of similarity between the two industries which makes the element in which they are most conspicuously unlike so worth attention. This difference is found in the respective needs of the two industries for

TARIFF PROTECTION.

The worsted industry is all the time in need of the most extensive aid from the tariff makers. Successive authors of tariff laws, McKinley, Dingley and Payne, have felt obliged to look with more friendly eye upon this line of business and to favor it with more generous protection through the enactment of high customs duties against foreign worsted manufacturers than they have accorded almost any other group of enterprises. With all this generosity, they have not established the business so firmly that it can either look beyond this country for other markets or even feel capable of aggressively resisting fabrics of foreign make if the present tariff were to be substantially modified. The shoemaking industry, on the other hand, receives only the most modest protection from the tariff. In fact, this was one of the industries from which the Payne-Aldrich tariff tore away part of the duty by which the industry had previously been modestly protected. In the face of this far less considerate treatment than worsted makers have received, American shoemakers are holding their own market and gaining an ever-increasing share of the foreign market.

In this dissimilarity there is something which provokes the curiosity. Why should the one basic industry need so much protection when the other can get along with so little? The wail which goes up from our worsted manufacturers at the slightest suggestion of a downward revision of the tariff stands in striking contrast to the attitude of almost listless indifference with which shoe manufacturers viewed the tariff reduction that the Payne bill visited upon their industry. The worsted manufacturer insists still, as he has all along, that his costs of manufacture are so high that he cannot stand foreign competition unless he has big tariff protection. The shoe manufacturer makes no such allegations as this. Can it be that his costs are materially less, or is there some advantage he has over the worsted manufacturer that allows him to feel less concerned over costs?

Well, for one thing, it cannot be said that

THE LABOR COSTS

of the worsted manufacturer are heavier than those of the shoe manufacturer. The reverse is true. Anyone who is familiar with the population of our worsted manufacturing centres will agree with us in the assertion that the inhabitants of those places are cosmopolitan to a most remark-

Digitized by Google

able extent. In one of the Massachusetts cities where worsteds are the principal output the overseers of the poor state that to deal with applicants for aid compels them to have familiarity with thirty-one dialects. The reason why these cities are thus populated is that the wages paid in worsted manufacture are too small to entice native born Americans to enter that industry. Shoe manufacturing centres do, it is true, number considerable bodies of foreign born within their domain, but proportionally this element of the population is far less substantial than in the worsted centres. The reason is that wages paid in many departments of shoemaking are still large enough to attract the native born who must earn sufficient to support their families and themselves according to the American standard of living. So, it is evident that one cannot find the explanation for the higher costs of worsted manufacture in a higher labor cost than shoe making has.

Nor are difficulties with regard to supply of raw material to be blamed for the relatively feebler position of the worsted industry. As we have said above, shoemaking is dependent upon other lands for raw material to quite as large an extent as is worsted making. American hides provide no larger fraction of the leather needed by our shoemakers than American fleeces provide of the wool needed in our worsted mills. To be sure, your worsted manufacturer must pay a high duty upon the wools imported whereas your shoemaker obtains his hides from other lands duty free. In a comparison of the lots of the worsted maker and the shoemaker, however, this difference may fairly be disregarded, since the worsted manufacturer is always given enough additional tariff protection by the tariff makers to offset this duty upon his raw material. Consequently, the larger success of the shoemaker must at least in the home market, be due to some other factor than lower labor cost or some advantage in raw material.

By process of elimination of all other possible explanations, aren't we compelled to conclude that the advantage which the shoemaker has over the worsted manufacturer comes from his more fortunate plight in the

MATTER OF MACHINERY?

In machinery a striking difference is to be found between the two industries. To the sorrow of American ingenuity be it confessed that American worsted mills have to obtain most of their machinery abroad. Visitors to American worsted mills are compelled to acknowledge with some sense of humiliation that the names cast upon the metal framework of the machinery which they see before them are almost invariably the names of firms in England, or the Continent. Quite the contrary is the testimony which visitors to American shoe shops can bear. Within them, each machine is of the most modern and highly efficient type and upon its frame is the imprint of an American maker. Indeed so progressive have been our American makers of shoe machinery that foreign shoe shops have discovered that they must buy American machinery for very self-preservation. If they do not, American boots and shoes will oust foreign shoes from the foreign markets. The demand for the output of the United Shoe Machinery Co. has been so great abroad that both in Canada and in Europe it has had to erect factories to build its machinery.

In the light of this fact that the advantage which the American shoemaker has over the foreign shoemaker and over the American worsted manufacturer as well comes largely from American shoe machinery, can the contention be maintained for an instant that the United Shoe Machinery Co. is making its output too costly for American shoemakers, that is, that it is drawing too large profits from the shoe industry? The very absurdity of such a contention stands revealed. If that corporation were collecting too high a tribute it could not be so secure in its possession of the American shoe machinery market. The tariff wall which foreign makers of worsted machinery have scaled so easily would hardly be able to resist the assaults of

FOREIGN MAKERS

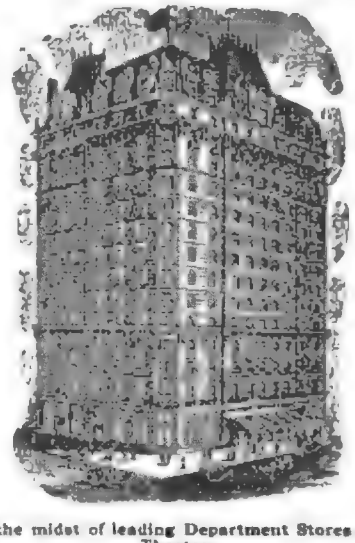
of shoe machinery. They would be bound to make their way in and their coming would be greatly aided by the high wages that shoemaking pays. In an industry where wages are high other costs, whether for machinery or otherwise, must be correspondingly low. Indeed the very fact that wages of shoemakers are relatively high constitutes one of the strongest proofs to the outside world that the machinery costs of shoe manufacturers are not high. There wouldn't be room in the same industry, if the industry is a large and long established one, for high labor costs and high machinery costs. Then, too, the United Shoe Machinery Co. would not be able to carry the war right into the home land of foreign shoe machinery makers if its charges were higher than they should be.

It is important that every one who really wishes to know what genuine merit there is in the attacks of its critics should appreciate how many costs of the shoe manufacturer the United Shoe Machinery Co. absorbs for him out of its own earnings, costs which the manufacturer used to have to pay himself. For example, by retaining ownership of the machines it makes and leasing them instead of selling them to the shoemaker, it provides him with much of the fixed capital for his business which he used to have to furnish. On this capital investment alone the company is entitled to a good return. Next, it absorbs all of those expenses which a shoe manufacturer used to have to meet under the head of Depreciation. Many people do not thoroughly understand how broad a meaning that word Depreciation has. They are wrong if they associate with the term only the wearing out of the machinery. They should associate with it also what for want of a simpler word we will call obsolescence. This means the replacement of old types of machinery by those of new invention. Frequently the losses a manufacturer has to endure because his whole outfit of machinery or a large part of it, although still as good as new, has been

PUT OUT OF DATE

by some new invention are positively astonishingly large. In no other industry have inventors been more active and the replacement of old types of machines with the new been more frequent than in shoemaking.

"In the Heart of Things"
HOTEL
MARTINIQUE
Absolutely Fireproof
B'way, 32d-33d Sts., New York City
ONE BLOCK FROM NEW PENN. R. R. DEPOT
and opposite
HUDSON TERMINAL
connecting with
Erie Lackawanna Lehigh Valley Pennsylvania Railroads
from which
BAGGAGE TRANSFERRED FREE TO AND FROM HOTEL



In the midst of leading Department Stores and Theatres
600 ROOMS 400 BATHS
Rooms with use of bath, - - $1.50 up
Rooms with private bath, - - $2.50 up
CHAS. L. TAYLOR, Pres. W. S. GILSON, Vice-Pres.
WALTER CHANDLER, Jr., Mgr.
Also Proprietors of St. Denis Hotel

THE ALBANY HOTEL IN THE HEART OF DENVER'S
SOCIAL AND BUSINESS LIFE AND ACTIVITIES.

Digitized by Google

Striking testimony on this point was given a few years ago by no less competent a witness than Charles H. Jones who is the United Shoe Machinery Company's most bitter assailant. Listen to what he says: "We were formerly obliged to examine new inventions and were forced to make experiments with machines for months at a time. * * * We obtained more or less bad work and were put to much useless expense. * * * We were obliged to dicker and trade with every different manufacturer of machinery all the time, with the moral certainty that somebody who had more time and attention to give to it would get a better bargain than we were able to obtain. * * * There was an enormous and perpetual shrinkage on account of the changes made necessary by the introduction and adoption of machinery that was not thoroughly and satisfactorily developed before being placed on the market." All this work and all this shrinkage and all the loss from obsolescence the United Shoe Machinery Co. sustains out of the royalties it charges manufacturers. As for the royalties themselves, even Mr. Jones himself declared a few years ago that they did not cause him to pay as much as his machinery costs used to be under the very much less satisfactory condition which he describes above.

By way of interesting side light on the tremendous costs which depreciation of machinery represents it may be stated with substantial accuracy that many of the best managers of cotton mills in this country annually charge off for depreciation of their machinery an amount equal to ten percent of what it cost them originally. Thus they figure that upon their machinery investment alone they ought to be in receipt of at least sixteen percent of income per annum—six percent to remunerate stockholders for capital invested and ten percent for depreciation. The biggest public service corporation in the country, that which supplies electric light for New York City, annually

CHARGES OFF TEN PERCENT

but has actually found at times that it ought to have charged off more. Five years or so ago it purchased two huge engines which cost an immense sum of money. With just about half a decade now past those engines must go to the scrap heap because larger and more modern ones must be obtained. Let those who are inclined to enlist with that body which finds fault with the size of the earnings of the United Shoe Machinery Co. remember that all depreciation costs upon shoe machinery furnished by it are borne by that company, not by the manufacturers of shoes and that these costs are extremely heavy because of the fertility of resource of the shoe machinery inventors.

After all, what is it that the critics of the company are after? We think they would admit that their solicitude is not for the man who buys shoes. They are human like the rest of us and have ends of their own to serve. They are not out to help either buyers of shoes or independent makers of shoe machinery. Indeed, so far from anxiety are they over the plight of the independent maker of shoe machinery that Mr. Jones and his associates candidly admit their intention to search Europe for machinery for their factories. Neither are they worried lest under the United States Machinery Co.'s policy they cannot hold their own in the American market for shoes. It is distinctly for the advantage of that company to help them succeed. It certainly will not give any competitor an advantage over them. Seemingly the only possible explanation for the re-

Kidder, Peabody & Co.
115 Devonshire St.
Boston
56 Wall Street
New York
INVESTMENT SECURITIES
FOREIGN EXCHANGE
LETTERS OF CREDIT
Agents and Attorneys for
Baring Brothers & Co., Ltd.
LONDON

Hodenpyl, Hardy & Co.
BANKERS
7 Wall Street, New York
6% PREFERRED STOCKS A SPECIALTY

DOMINION BOND COMPANY
LIMITED
MONTREAL TORONTO OTTAWA
LONDON, ENGLAND
Dealers in HIGH-GRADE CANADIAN BONDS
List on Application

Assets Realization Company
Capital $10,000,000
Purchases Estates in Liquidation at any point in the United States
NEW YORK PHILADELPHIA CHICAGO

WE TRADE IN
Western Power Common
Western Pacific
United States Worsted Pref.
United States Worsted Com.
Detroit & Mackinac Com. & Pref.
Bloagas Company of America
Wells Fargo Express.
E. BUNGE & CO. 20 BROAD STREET, NEW YORK
Cable Address, "Emsthus, New York" Long Distance 'Phone 4735-4736 Rector

Baker, Ayling & Co.
50 Congress street, Boston
INVESTMENT BONDS
Philadelphia Office, Land Title Building

Geo. D. Cook & Co.
BANKERS
71 BROADWAY, NEW YORK
We make a Specialty of
Mexican Government and State Bonds

McCoy & Company
Municipal and Corporation Bonds
181 LA SALLE STREET
CHICAGO

Boody, McLellan & Co.
111 BROADWAY, NEW YORK
MEMBERS OF NEW YORK STOCK EXCHANGE
Orders Executed for Investment or on Margin

We Have For Sale
Seattle Judgment and Condemnation Fund 6% Warrants.
WM. D. PERKINS & CO., Bankers
No. 211 Cherry St., Seattle, Wash.
Established 1893
Oldest Bond House In Washington.

BODELL & CO.
PROVIDENCE, RHODE ISLAND
Boston Office, 35 Congress St.
Bonds and Preferred Stocks of Proven Value

5% BONDS
Guaranteed by
National Light Heat and Power Co.
A. H. BICKMORE & CO.,
30 PINE ST., NEW YORK

6% Timber Bonds
Carrying With Them An Exceptionally Attractive Feature
American Finance & Securities Co.
5 Nassau Street New York

H. C. Gibbs & Co.
Gas and Electric Light Bonds
To yield 5% to 5 1-2%
60 State Street BOSTON

CIRCULAR ON MISCELLANEOUS UNLISTED MILL AND MANUFACTURING SECURITIES
SENT UPON REQUEST
HORNBLOWER & WEEKS
60 CONGRESS ST., BOSTON

Digitized by Google

cent vigorous assault upon the company by big shoemakers is to be found in

THEIR OWN DESIRE

to get a larger share of the American market, an end which they cannot obtain of course except as they crowd the smaller shoemakers off the market. As a matter of fact, our readers will recall Mr. Jones' own admission to the Interstate Commerce Commission a few months ago that he did not fancy the extent to which the United Shoe Machinery Co. was helping his competitors of small means by letting them have machinery as cheap as he gets it.

It is certainly a striking coincidence that just at the time when Mr. Jones and his western associates are making their fight for a new system of leases which would favor the large manufacturer at the expense of the smaller manufacturer, two of the largest of the St. Louis manufacturers, Robert, Johnson & Rand, and the Peters Shoe Company, have formed a merger with $20,000,000 capital, the first indication of trust control of an industry which has hitherto been distinguished for its freedom from such control.

So after all, one is almost driven to the conclusion that the trouble with the United Shoe Machinery Co. is not that its charges make your shoes and mine cost us too much. Rather it is that its policies run counter to the desires of certain large shoe manufacturers to gather unto themselves an ever larger fraction of the shoemaking business. Is it in the public interest that this natural cupidity of theirs shall be gratified? The most apparent answer is that any scheme like this which looks toward the ultimate creation of a shoemaking trust is to be deplored and opposed rather than aided by legislation or by popular approval. P. DE MEDICI.

FINANCIAL INQUIRY.

St. Louis & San Francisco Common.

21272. (New York, N. Y.) Kindly advise what you have to do in St. Louis & San Francisco common.

Ans.: The common stock of this company is an issue which is essentially speculative in character, never having returned anything to the holders in the way of dividends, with little probability of any such disbursement in the near future. Back in 1907, the company earned enough to pay 4 per cent on the first preferred and leave 24.74 per cent on the second preferred, and if the management had seen fit to pay 4 per cent on the second preferred, there would still have been left a surplus equal to 11.4' per cent on the common. The following year, there was earned only enough to pay the 4 per cent first preferred dividend, and leave 1.62 per cent on the second preferred, which means of course, nothing for the common, but in 1909, there was earned on the latter issue 2.33 per cent and in 1910, 0.98 per cent. The results for the year ended June 30 last are not yet available, but are expected to show one per cent or a little more earned on the common.

On the other hand, the working out of the plans which the present management has drawn up should improve the company's position as to earning ability, and the position of the common, from a market point of view, would be bettered by any decision of the management to resume dividends on the second preferred, which has paid nothing since 1906, prior to which time it was on a 4 per cent basis. Recently, the company has made advantageous traffic agreements with the St. Louis, Iron Mountain & Southern and the Texas & Pacific for the joint use for 99 years of the tracks of these two companies between Memphis, Tenn., and Baton Rouge, La., a distance of 380 miles, connecting at New Orleans with the Frisco line between that point and Brownsville. Traffic agreements have also been concluded with the Atchison, for Pacific coast connections, from the territory served by the Frisco through St. Louis, Birmingham, Memphis and New Orleans.

Knauth, Nachod & Kühne

15 William St., NEW YORK — Leipzig, GERMANY

BANKERS

Members New York Stock Exchange

High Grade Investment Bonds

Drafts on all parts of the world.

Letters of Credit and Travelers' Checks

Interest on Deposit Account

I. M. TAYLOR & CO.

8 Congress St., Boston
115 Broadway, New York

Members of New York, Boston and Chicago Stock Exchanges

This week's Market Letter summarizes the situation and is especially devoted to

The Copper Situation

Sent Upon Request

Chinese Gov't 5s

I offer bonds of a number of issues in denominations of One Hundred Dollars, including receipts of the new CHINESE GOV'T 5s. Write for prices and particulars.

GILBERT H. CARR

50 Congress St., Boston

FUNDING COMPANY OF AMERICA

40 EXCHANGE PLACE, NEW YORK

INVESTMENT DEPARTMENT deals in Government, State, Municipal, Railroad, Public Service and Industrial Bonds and other high grade securities.

UNDERWRITING DEPARTMENT solicits correspondence with Railroad, Public Service and Industrial Corporations desirous of procuring funds, through first mortgage bond issues, for improvement or extension purposes.

FISCAL AGENCY acts as registrar and transfer agent for securities of Municipal, Railroad and other corporations.

OFFICERS AND DIRECTORS

Edward Staats Luther, President

Charles W. Abrams, Treasurer — John. W. Harding, Secretary

Howard S. Kennedy, Vice President Guest, Peabody & Co., Troy, N. Y.

A. H. Phelps, Director First National Bank, New Berlin, N. Y.

James D. Abrams, President Hudson Yacht & Boat Company, Nyack, N. Y.

6%

NEW YORK CENTRAL REALTY BOND

A Good Investment

To investigate is the six per cent Realty Bond of the New York Central Realty Company issued in denominations of $1,000. $500. and $100.

It offers a high grade of security, a liberal cash availability and an interest earning of 6%.

WRITE for booklet illustrating the methods of the Company, describing its bonds, their redemptive privileges and advantages over other Realty securities. Everybody knows us.

New York Central Realty Co.

Suite 1190, 1328 Broadway, Cor. 34th St., New York City

CAPITAL AND SURPLUS, $1,464,586.34

6 PER CENT INTEREST PAID

By Coupon on Bonds Secured by Well Selected New York Real Estate.

"We Deal in No Other Securities"

THE DEBENTURE CORPORATION OF NEW YORK

334 Fifth Avenue — New York City

INVESTMENTS

Bonds and Stocks

WM. F. CROSBY,

Tel. 4090. 311 Main St.

WORCESTER, MASS.

American Writing Paper More Hopeful

With the Tools of a Master Workman the Promoters Did the Work of an Apprentice—Accumulated Dividends of 79 Per Cent, or Nearly $10,000,000—The Entrance of the First National Bank Crowd of New York Offers the Hope Which 13 Years of Failure to Make Good Has Nearly Quenched.

Francis L. Hine, president of the First National Bank of New York City, now represents the largest owners of the securities of the American Writing Paper Company in New York City in any event, if he is not the largest individual holder. This fact is the strongest obvious point in favor of that company, but that fact may not be accepted by investors of smaller size and means, because where Mr. Hine with his connections can take a much longer chance than the average investor, the fear of loss need not so face him. Mr. Hine's position may entitle him to name other directors and a management which may be able to pull the American Writing Paper Company out of the hole in which it has been since its inception in 1899.

HISTORY OF THE PROMOTION.

A brief history of the American Writing Paper Company is that an old and conservative banking house promoted the combination. It took in practically every writing paper mill of any size manufacturing high-grade writing and book paper in Holyoke, Mass., the seat of the fine paper manufacturing industry in the United States. In fact, there were 28 mills in the combination, 22 of which were in Holyoke or in neighboring towns, 3 in Connecticut and 1 each in Ohio, Michigan and Wisconsin. The average net annual earnings for 10 years preceding the organization were about $1,250,000. The mills controlled more than 85 per cent of the business of the country. It was pointed out by the promoters at the time of the combination that increased efficiency, a division of work, lower executive, manufacturing and selling costs, etc., would increase largely the earnings of the company.

The mills and their

PROSPECTS WERE CAPITALIZED

at $17,000,000 of 5 per cent bonds, $12,500,000 7 per cent cumulative preferred stock and $9,500,000 of common stock. The only mill of size which did not go into the combination was owned by William Whiting at Holyoke. Every effort was made to induce Mr. Whiting to combine with his competitors. He was offered his own price for the property and the presidency of the combination, but the Whiting paper mill remained independent. It is interesting here to note that the Whiting mill has increased greatly in size during the last twelve years, and presumably in profits also. A big money maker, it is to-day the largest individual competitor of the American Writing Paper Company and most profitable. Although starting off with a control of more than 85 per cent of the writing and book paper business of the country, since the American Writing Paper Company was formed a considerable number of mills manufacturing a similar line of a lower priced product, but a product which has largely superseded the higher priced goods of the American have been built in central Ohio and Michigan. In fact, Kalamazoo, Michigan, for instance, has become the centre of a great paper manufacturing country which is not only competing with the American Writing Paper Company, but beating it at its own business. Other towns in Michigan and Ohio, while not pressing Holyoke in amount of paper produced, are becoming as well known as paper manufacturing centres.

When the American Writing Paper Company was formed, it took over besides the constituent properties ten-year-old contracts of various mill officials and superintendents. It has been pointed out that part of the lack of efficiency of the American Writing Paper Company is due to these

TEN-YEAR CONTRACTS

with mill superintendents which have just recently expired. Instead of controlling 85 per cent of the business, the American, with its present competition, controls less than 50 per cent.

At the time of the formation of the combination, and previous to it, the water power of the Connecticut River at Holyoke was a most valuable asset of the American Company, but every year in recent years the water power has failed largely, so that it has been necessary for the company to build a large steam generating plant in Holyoke, adding to their costs of manufacturing the large item of steam power to take the place of the failing water power. The American Company has had, owing to bad management, frequent strikes in the past, thus making idle machinery and increased cost of production. While this last item is one which may not occur in the future, still the American Company has not the advantage in operatives which it had ten years or more ago, owing to the fact that a skilled body of paper makers has been trained in the middle western states in the last few years who are fully as efficient as the immigrant labor of Holyoke.

The American Writing Paper Company started off with its 28 mills, some of which were up-to-date and profitable and others of which were the reverse. For instance, the Parsons Paper Company went into the combination, but only with one of their two mills. The Parsons Mill No. 1 was the old mill of that company, and it was the old machinery. Parsons Mill No. 2, with the officials of the Parsons Paper Company who made it a great success, did not enter the combination.

(Continued on page 1334.)

MONATON REALTY INVESTING CORPORATION

Pays

6% COMPOUND INTEREST

On Money Invested in

Its Accumulative Certificates
Running terms of 10, 15 or 20 yr.

Payments may be made annually, semi-annually, quarterly or monthly.

SECURITY

OWNERSHIP OF NEW YORK INCOME PROPERTY

Affording

Immediate returns on investments and Opportunity for increase of valuation.

For illustrated Booklet, inquire:

Publicity Department
Times Building
Broadway & 42nd Street, New York City

CONSIDERING SECURITY

high grade industrial bonds pay the *highest income* and offer the best chance for rising profits. Send for circular "M".

BEARDSLEY AND COMPANY
Henry Shedd Beardsley, President
Pullman Building, Madison Square New York

American Industrials Co.
Broad Exchange Building, New York.
INVESTMENT SECURITIES.
6% Twenty Year First Mortgage Gold Bonds.
7% Preferred Stocks.
8% Preferred Stocks.

LUDLOW PATTON & CO.
Established 1848
INVESTMENT SECURITIES.
111 Broadway, New York
53 State Street, Boston.
Offer and recommend a 6% Gold Bond with a 50% bonus of common stock, which may shortly be taken by our regular subscribers. Quick application necessary. Send for particulars

JOHN P. DAVIS, President. WM. M. WELLCOME, Vice-President. BYRON H. DAVIS. Sec'y-Treas.

The Davis Wellcome Mortgage Co.
(Incorporated)
TOPEKA, KANSAS.

Gilt-edge first mortgage loans for sale at 5½% and 6% net to the investor. Security well-selected, improved farm lands, in no case to exceed 50% actual value of the farm. Every loan personally examined by one of our inspectors. No better or safer security for money anywhere.

We point with pride to a record of twenty-five years, loaned over $12,000,000, without foreclosing a mortgage or the loss of a dollar in either interest or principal.

Bank References:
BANK OF TOPEKA
CENTRAL NATIONAL BANK, TOPEKA

Correspondence Solicited

Digitized by Google

Municipal Bond Sales

MUNICIPALITY.	Date of sale.	Classification of bonds.	Amount.	Rate of interest. Per cent.	Maturity.	Sales price.	Purchaser.	Income basis.
New Hampshire (State)	June 28	Boulevard	$[illegible]	[illegible]		par	Local Investors	3 50
New Hampshire (State)	July 28	Improvement	125,000	[illegible]		par	F. P. Carpenter, Manchester	3.50
Belmont, Mass.	July 20	Sewer	5,000	4	1911	100.34	Geo. A. Fernald & Co., Boston	3.598
Melrose, Mass.	July 21	Auditorium	45,000	4	*9 2 3	102.089	Merrill, Oldham & Co., Boston	3.62
Lowell, Mass.	July 24	Municipal	44,000	4	**1-20	102.777	E. H. Rollins & Sons, Boston	3.64
Woburn, Mass.	July 24	Water	20,000	4	**1-20	103.067	E. H. Rollins & Sons, Boston	3.645
Belmont, Mass.	July 20	School	5,000	4	**1-10	101.54	Geo. A. Fernald & Co., Boston	3.688
Eden, Me.	July 1	Fire eng. hse.	7,500	4	*7	102.14	Perry, Coffin & Burr, Boston	3.813
New York State	July 26	Highway	10,000,000	4	1961	105.89	Various Investors	3.829
New York State	July 29	Palisades Park	2,500,000	4	1961	105.89	Various Investors	3.829
Ashland, Ohio	July 24	Street imp.	2,800	5	**1-10	105.28	Ashland Bank & Sav. Co., Ashland	3.921
Wakeman Township, Ohio	July 15	Highway	8,500	4	*11 1-2	100.214	Wakeman Bank	3.96
Cuyahoga County, Ohio	July 22	Road	500,000	4	*15	100.502	Fitzsimons & Wolcott Co., Western German Bank, Cincinnati; Stacy & Braun, Toledo	3.962
Elizabeth, N. J.	July 27	School	24,000	4	1941	par	Union County Savings Bank	4
Oak Harbor, Ohio	July 24	Water works	12,500	4	1921	par	First Nat. Bank, Oak Harbor	4
Oak Harbor, Ohio	July 24	Water works	12,500	4	1921	par	Oak Harbor State Bank	4
Oakley, Ohio	July 22	Water	2,500	[illegible]	1941	107.16	Provident S. B. & T. Co., Cincinnati	4.067
Niagara Falls, N. Y.	July 24	Water	300,000	[illegible]	*[illegible]	102.427	Kountze Bros., New York	4.121
Niagara Falls, N. Y.	July 24	Ledge	1,000	[illegible]	*20	102.427	Kountze Bros., New York	4.121
Utica, N. Y.	July 26	Electric subway	50,000	[illegible]	**3-18	101.092	A. B. Leach & Co., New York	4.126
Utica, N. Y.	July 28	Parkway	25,000	[illegible]	**1-20	101.022	A. B. Leach & Co., New York	4.126
Urbana, Ohio	July 24	Wat. wks. imp.	20,000	[illegible]	*18[illegible]	100.83	Well, Roth & Co., Cincinnati	4.274
Wyandot County, Ohio	July 17	Road	3,500	[illegible]	*2[illegible]	102.63	Plimpton & Merchant's Bk., Nevada	4.181
Huntington, Conn.	July 25	School	100,000	[illegible]	1961	100.77	Rhodes Bros., Boston	4.193
Larchmont, N. Y.	July 24	Sidewalk	5,000	[illegible]	**5-20	100.14	Isaac W. Sherrill, Poughkeepsie	4.238
Oakley, Ohio	July 22	Sidewalk	2,000	5	1941	112.53	Provident S. B. & T. Co., Cincinnati	4.257
Fremont, Ohio	July 20	Street imp.	7,000	[illegible]	*[illegible]	101.31	Colonial Bank, Fremont	4.26
Kearny, N. Y.	July 26	School	[illegible],000	[illegible]	1926	103.509	John D. Everett & Co., New York	4.266
Atlantic County, N. J.	July 25	Road	100,000	[illegible]	*14	107.15	Guarantee Tr. Co., Atlantic City	4.314
Griswold, Iowa	July 19	School	2,000	[illegible]	15-19	100.506	Parson, Son & Co., Chicago	4.319
Batavia, Ill.	July 25	Bridge	28,000	[illegible]	*12[illegible]	101.77	First Nat. Bank, Batavia	4.32
McDonald, Pa.	June 14	Street imp.	15,000	[illegible]	*10[illegible]	101.25	Mellon Nat. Bank, Pittsburg	4.35
Frederick, Md.	July 19	Water	30,000	[illegible]	1[illegible]-20	101.08	Deutsch & Co., Baltimore	4.365
Ukrichsville, Ohio	July 13	Refunding	2,500	[illegible]	1926	102.05	Well, Roth & Co., Cincinnati	4.365
Urbana, Ohio	July 24	Sew. disp. plant	4,000	[illegible]	*3[illegible]	102	Champaign Nat. Bank, Urbana	4.378
Anderson Tp., Ind., Sch. Dist.	June 2	Building	8,750	[illegible]	*5	104	J. Elliott & Sons, Indianapolis	4.40
Liberty Township, Ohio	July 14	Road	50,000	[illegible]	*17[illegible]	107.15	Well, Roth & Co., Cincinnati	4.409
Ellsworth Township, Ohio	July 22	Road	7,500	[illegible]	**4-8	100.33	Dollar Savings Bank, Niles, O.	4.486
Leon, Idaho	July 18	Water works	25,000	[illegible]	1[illegible]-20	100.501	Farson, Son & Co., Chicago	4.474
Coshocton, Ohio	July 24	Street imp.	2,100	[illegible]	**1-10	100.07	Commercial Nat. Bank, Coshocton	4.48
Coshocton, Ohio	July 24	Street imp.	1,400	[illegible]	**1-10	100.07	Commercial Nat. Bank, Coshocton	4.48
Coshocton, Ohio	July 24	Street imp.	6,200	[illegible]	**1-10	100.07	Commercial Nat. Bank, Coshocton	4.48
Coshocton, Ohio	July 24	Street imp.	3,100	[illegible]	**1-10	100.07	Commercial Nat. Bank, Coshocton	4.48
Janesville, Wis.	July 22	Bridge	25,000	5	**1-15	101	Local Investors	4.50
Madison Township, Ohio	July 22	Road	3,100	[illegible]	*10[illegible]	par	W. J. Mead, Gibsonburg, Gibsonburg Banking Co.	4.50
Ukrichsville, Ohio	July 22	Sewer	6,000	[illegible]	*1-12	par	Well, Roth & Co., Cincinnati	4.50
Vigo County, Ind.	July 14	Road	21,000	[illegible]		par	J. F. Wild & Co., Indianapolis	4.50
Washington Court House, Ohio	July 12	Street imp.	4,718	[illegible]	1914	par	Morris, Sharp & Co., Washington	4.50
Washington Court House, Ohio	July 12	Street imp.	654	[illegible]	1914	par	Morris, Sharp & Co., Washington	4.50
Washington Court House, Ohio	July 12	Street imp.	2,008	[illegible]	1924	par	Morris Sharp & Co., Washington	4.50
Weathersfield, N. Y.	July 17	Highway	1,900	[illegible]	*12[illegible]	par	Lincoln Nat. Bank, Rochester	4.50
Boise, Idaho	July 21	Fire dept. imp.	10,000	[illegible]	1[illegible]-20	98.11	Harris Tr. & Sav. Bank, Chicago	4.641
Pacific Grove, Calif.	July 22	Sew. & City H.	72,000	5	**1-40	104.52	H. G. Hooper & Co., San Francisco	4.652
Owosso, Michigan	July 24	Fire	7,000	[illegible]	*8	101	J. F. Wildermuth, Owosso	4.75
Everett, Washington	July 26	Building	650,000	[illegible]	1931	101.77	E. H. Rollins & Sons, McCoy & Co., A. B. Leach & Co., Woodin, McNear & Moore	4.86
Mt. Sterling, Ill.	July 26	Street imp.	10,000	5	1922	103	Merrill, Oldham & Co., Boston	4.872
Nevada City, Cal. Sch. Dist.	July 19	Building	7,000	5	**1-30	par 61	N. W. Harris & Co., San Francisco	4.875
Port Arthur, Tex. Sch. Dist.	July 25	Building	40,000	5	1[illegible]-40	102.17	Harris Tr. & Sav. Bank, Chicago	4.90
Albany, Ore.	July 20	Refunding	17,000	5	1921	101.009	E. H. Rollins & Sons, Denver	4.927
Parsons, Kansas	July 1	School Bldg.	40,000	5	*11[illegible]	par 637	Parsons	4.93
Waterloo Tp., O., Sch. Dist.	July 14	Building	6,000	6	*[illegible]	102.125	I. Hawke, New Marshfield	4.956
East Hampton, N. Y. Sch. Dist. No. 1	July 24	Building	27,000	5	*4 1-2	100.068	Adams & Co., Boston	4.977
Greenburg, N. Y. Sch. D. No. 6	July 22	Building	6,000	5	*5	100.2	Douglas Donnick & Co., New York	4.977
Edmonds, N. D.	July 22	City Hall	30,000	5	1931	par	T. L. Belacker, Fessenden	
King County, Wash. Sch. Dist. No. 14	July 22	Building	7,000	5	11	par	Seattle	
La Crosse, Kansas	July 3	Water & light	30,000	5	1[illegible]-20	par	Kansas	
New Castle, N. D.	July 13	Building	10,000	5	1927	par	Commercial Bank, Tax Co., Minneapolis	
Jamestown, Idaho	July 4	Municipal	15,000	[illegible]	[illegible]	par 61	Commercial Bank, Jamestown	5.15
Brooks, Mt. Vernon	July 25	Water & electric	50,000	[illegible]	*[illegible]	par	First Nat. Bank, Mt. Vernon	5.47
Belmont, Wood	July 22	Refunding	5,000	[illegible]	[illegible]	par	First Nat. Bank, Belmont	5.50
Cowgill, Caldwell, Mo.	July 26	Public Bldg. No. 2	100,000	4	**5-20	102.70	Harris Trust & Savings Bank, Chicago	5.66
Sweet Brook, Alberta		Building	800	6	[illegible]	100.50	Sweet Brook Agricultural Society	5.80
Ashland, Ore.	July 18	Sewer Bonds	[illegible]	[illegible]	[illegible]	100.87	Security Trust Co., Detroit	5.826
Crook Co., Ore., Sch. Dist. No. 1	July 1	Building	5,000	6	[illegible]	par	E. H. Rollins & Sons, Denver	
Custer, Okla.	July 3	Water & light	[illegible]	[illegible]	[illegible]	par	Kountze Bros., Oklahoma City	
Klickitat County, Wash.	July 1	Funding	[illegible]	[illegible]	[illegible]	par	Bond Dept.	
White Salmon, Wash.	July 22	Building	7,000	6	[illegible]	par	[illegible]	
Athol, Mass.	July 26	Loan	4,000	[illegible]	2 mos.		E. H. Rollins & Sons, Boston	
Bates County, Mo.	July 18	Drainage	175,000	6	[illegible]	par	[illegible]	
Boston, Mass.	July 27	Loan	1,400,000	[illegible]			[illegible]	
Champlain, N. Y.	July 21	Sidewalk	5,000	[illegible]	**1-10		[illegible]	
Chesley, Ontario		Debentures	[illegible]	[illegible]	[illegible]		[illegible]	
Logansport, Ind.		Improvement	[illegible]	[illegible]	[illegible]		[illegible] Corporation	
Black Mtn. Sch. Dist.	July 19	Building	5,000				[illegible]	
Kerrobert Village, Saskatchewan		Debentures	4,000	6	1931		[illegible]	
Kindersley, Saskatchewan		Building	20,000	[illegible]	[illegible]		[illegible]	
New Bedford, Mass.	July 28	Loan	100,000	[illegible]	[illegible]		[illegible] Bond Dept., Boston	
Phenox, Ariz.	July 22	Sewer	[illegible],000	[illegible]	[illegible]		[illegible] & Co., Mo.	
Quincy, Mass.	July 25	Loan	[illegible],000	[illegible]	[illegible] m.		F. S. Moseley & Co., Boston	
St. Boniface, Manitoba	July 3	Local Imp.	[illegible],000	[illegible]	[illegible]	102	[illegible] Ltd., Toronto	
Thorpedale, Wyo.	July 17	Sewer	30,000	[illegible]	[illegible]		[illegible]	
Valleyfield, Quebec		Debentures	[illegible],000	[illegible]	[illegible]		[illegible] Co., Ltd., Montreal	
Wood Creek, Saskatchewan	July 8	Road	[illegible],000	[illegible]	[illegible]		[illegible] Ltd., Regina	

* Year average. ** Year serial. † Year optional.

Digitized by Google

MUNICIPAL SHORT TERM LOANS.

ATHOL, MASS.—F. S. Moseley & Company of Boston, have loaned this town $15,000 at 3.19 per cent, discount. Notes are dated July 25, 1911. Due, October 5, 1911.

NEW LEDFORD, MASS.—The National Shawmut Bank of Boston, has been awarded a 6-months' loan to the amount of $100,000 at 3¼ per cent. Other bidders were: Morgan & Bartlett, 3.30 per cent; Kissell, Kinnicutt & Company ($50 premium), 3¼ per cent, and Eliot National Bank, 3.5 per cent.

QUINCY, MASS.—F. S. Moseley & Company, of Boston, were the successful bidders for the 11-months' notes to the amount of $50,000 at 3.25 per cent and a premium of 85 cents.

PROPOSAL FOR BONDS.

ONTARIO CO., N. Y.—Peter R. Cole, county treasurer Canandaigua, will receive sealed bids until August 9, for the fifty-two $1,000 4½ per cent Ontario county road improvement bonds, dated September 1, 1911, maturing as follows: $2,000, July 1, 1922; $25,000 July 1, 1923; $25,000, July 1, 1924. Bids will be received for the whole or any part and a certified check for two per cent of the amount bid payable to the treasurer of Ontario County must accompany each bid. The county's bonded debt is $286,000, and its obligations have always been promptly met. The assessed valuation of real estate is $32,658,233, and the population is 52,286.

TOWN OF PLYMOUTH
CONNECTICUT

$75,000 4¼% FUNDING BONDS

Office of the Town Treasurer,
August 2, 1911.

The Town of Plymouth, Connecticut, will receive proposals until 5 P. M. Friday, August 11, 1911, for the purchase of Seventy-five (75) One Thousand Dollar ($1,000) Coupon Bonds, bearing interest at the rate of 4¼ per cent. per annum, payable semi-annually on the first days of February and August upon presentation of the proper coupons at the Old Colony Trust Company, Boston, Massachusetts.

Said bonds are to be dated August 1, 1911, and are payable on the first day of August, 1936, at the office of the Old Colony Trust Company, Boston, Massachusetts.

These bonds will be engraved under the supervision of and certified as to their genuineness by the Old Colony Trust Company, of Boston, Massachusetts.

This Trust Company will further certify that the legality of this issue has been approved by Messrs. Storey, Thorndike, Palmer & Dodge, of Boston, Massachusetts, a copy of whose opinion will accompany the bonds when delivered without charge to the purchasers.

All legal papers incident to this issue, together with an affidavit certifying to the proper execution of the bonds, will be filed with the Old Colony Trust Company, where they may be referred to at a moment's notice.

All bids should be sealed and marked "Proposals for Bonds," and addressed Jonathan Starr, Town Treasurer, Terryville, Connecticut.

Accrued interest is to be added to all bids, and the right to reject any or all bids is reserved.

JOHNATHAN STARR,
Town Treasurer..

has opened its doors for business in its own building. Lewis Stairet, a grain buyer, is president, the cashier, being M. C. Hadley. The stock is held by merchants and farmers at Steptoe.

Bond Certification

Modern conditions make the registration and certification of municipal and corporate obligations desirable and convenient. We have a department maintained exclusively for this purpose.

First National Bank of Boston
70 Federal Street

$52,000

Ontario County, N. Y.

Road Improvement Bonds

Sealed bids will be received by the undersigned until 10 o'clock a. m., August 9, 1911, for the purchase of $52,000 Ontario County Road Improvement Bonds. Said bonds were authorized by vote of the Board of Supervisors of Ontario County, July 28, 1911, and are to be of the denomination of $1,000 each, dated September 1, 1911, to bear 4½ per cent interest, payable January 1 and July 1, and to mature as follows:

Series A-4,	denomination	$1,000, due	$ 2,000
July 1, 1922.			
Series A-5,	denomination	1,000, due	25,000
July 1, 1923.			
Series A-6,	denomination	1,000, due	25,000
July 1, 1924.			

Principal and interest payable at the First National Bank, Geneva, N. Y.

Bids will be received for the whole or any part of said bonds, and the right is reserved to reject any or all bids. A certified check for two per cent of the amount bid for, payable to the Treasurer of Ontario County, must accompany each proposal. Bonds to be printed by purchaser, and payment and delivery made on or before Sept. 1st, 1911. At the time of delivery of bonds the purchaser will be required to pay the accrued interest in addition to the amount of bid. Bidders must use the printed form of proposal furnished by the undersigned.

The bonded debt of Ontario County is $286,000 ($75,000 of which will be paid July 1st, 1912).

Ontario County's obligations have always been promptly met.

Assessed Valuation of Real Estate... $32,658,233
Current Tax (tax, State and County ... 646,078.
Population of County (1910 Federal Census) ... 52,286

PETER R. COLE, County Treasurer.
Canandaigua, N. Y., July 31, 1911.

DENVER Bonds Stocks

Denver Union Water — Denver Gas & Electric
Denver Tramway — Cities Service
Denver & Northwestern — Northern Colorado Power
Nevada-California Power

We buy and sell the bonds and stocks of all the above companies.

Nathan Cregg & Company
Century Bldg., Denver.

BOSTON ELEVATED RAILWAY COMPANY.

By the vote of the directors, a dividend of Three Dollars per share will be paid on August 15th to stockholders of record at the close of business Friday, August 4th, 1911.

H. S. WILSON, Treasurer.

NOTICE TO MUNICIPAL BOND BUYERS

Notice is hereby given, That the City of North Yakima, Washington, offers for sale its bonds for the sum of Fifty Thousand Dollars ($50,000), in denominations of One Thousand dollars ($1000) each, numbered from one up consecutively, bearing the date of their issue, payable twenty (20) years from date, interest at the rate of 5½ per cent per annum, payable semi-annually, with interest coupons attached; the principal and interest to be payable at the office of the City Treasurer of the City of North Yakima, Washington, and each of said bonds and coupons shall be signed by the Mayor and attested by the Clerk under the seal of said city.

The proceeds of said bonds are to be used for the payment of a system of sewerage known as the Main Storm Sewers of the City of North Yakima, Washington, and are issued under and by virtue of Chapter 150 of the Session Laws of the State of Washington for 1909, and also pursuant to Ordinances No. 854 and 855 of said City of North Yakima.

An abstract of the laws of the State of Washington and the proceedings of the City of North Yakima relative to the issue of said bonds will be furnished to each person desiring to submit a bid for said bonds, and all bids will be made and received upon the express understanding and agreement that no objection as to the legality, validity or otherwise, of said bonds shall be made after the bid is tendered, but that such bid shall be an absolute and unconditional offer to purchase and pay for said bonds, and no bids will be accepted for less than par.

All bids should be sent to the City Clerk of the City of North Yakima, Washington, and all bids will be opened and duly considered by the City Council at 7:30 o'clock P. M., on September 18, 1911, at a regular meeting of said Council; and said bonds will be awarded to the bidder offering the highest premium for said bonds; each bid must be accompanied by a certified check drawn on some National Bank, payable to the order of the City Treasurer of said city in a sum equal to five (5) per cent of the amount bid for said bonds, which check shall be forfeited to the said city in case the bid accompanying the same shall be accepted by said city and said bonds awarded to said bidder, if said bidder shall fail to take any pay for said bonds so purchased by him, within ten (10) days after notice to him through the mail that said bonds have been awarded to him on said bid.

The city reserves the right to reject any and all bids.

Dated at North Yakima, Washington, this 18th day of July, 1911.

J. C. BROOKER,
City Clerk.

July 19-26 Aug. 2-9.

THE CONCHO VALLEY LOAN AND TRUST CO.
OF
SAN ANGELO, TEXAS.

Capital stock $200,000.00. Organized and operating under the Texas Banking Laws, offer to investors some high grade paper, netting from 6 to 7%. Secured by first Mortgage on improved farm and ranch lands. Our paper carries our endorsement and guarantee of payment of principal and interest. Write for information.

T. C. WYNN, Pres. C. C. KIRKPATRICK, Sec. & Treas.

Dividend No. 24.
KERR LAKE MINING COMPANY.

July 11th, 1911.

The Board of Directors have this day declared a regular quarterly dividend of 2½c. per share and 1c. per share extra on the capital stock of the Company, payable September 15th, 1911, to stockholders of record at the close of business on September 1st, 1911. Books will not close.

J. H. SUSMANN, Sec'y & T...

Digitized by Google

United States Investor

Published Every Saturday Morning by

FRANK P. BENNETT & CO., Inc.

SUBSCRIPTION RATES

$6.00 per annum in United States and Mexico; $6.50 per annum in Canada.

$7.00 per annum in England, the Continent, Australia and Countries in the Postal Union.

$10.00 per annum for Investor and Inactive and Unlisted Securities Supplement, including privilege of inserting quotations in the Supplement.

ADVERTISING RATES

20 cents per agate line. $2.80 per inch each insertion. $30 per inch three months. $100 per inch one year. There will be no deviation from these rates under any circumstances and all of our advertisers may depend upon being treated alike.

PUBLICATION OFFICE,

530 Atlantic Avenue, Boston.

NEW YORK OFFICE,

2 Rector Street, New York.

JOSEPH L. BARKER, Manager.

Washington Office, 308 Corcoran Building; Philadelphia Office, 308 Chestnut Street.

COPYRIGHT 1910, BY FRANK P. BENNETT & CO., INC.

Entered at the Post Office at Boston, Mass., as second class matter.

Stagnation in the stock market shows no symptoms of decrease. On some recent days, transactions have almost touched low water mark, and the trading has been purely professional in character. The failure of the market to brighten and the almost complete indifference of the public are now being assigned by Wall Street to the political uncertainty and the prospect of economic disturbance in the near future. The best observers feel more or less doubt how far to assent to such interpretations. Practically the same was said prior to the handing down of the railroad rate decisions last spring, and again before the Supreme Court decisions on oil and tobacco were rendered. Probably the apparent disposition of Congress to act in a radical manner is discouraging traders, but it remains true that the fundamental factors are not of a purely surface character. Prices are too high for one thing, and the increasing rigidity of the banking system is also an obstacle to active speculation. Greater assurance of good crops will help materially toward relieving the present dullness for the time being.

It is now announced with what seems like a fair degree of assurance that the National Monetary Commission will assemble in Washington early in the autumn for the purpose of drafting a currency measure. This measure will be an extension and enlargement of the "plan" mapped out by Senator Aldrich, but is expected to include some new features. In all probability, the commission will incorporate into the bill many suggestions which have been made by the bankers and business men to whom the Aldrich plan has been submitted for consideration, and who have dissented from its terms in specified particulars. There has been within the past few weeks an apparent increase in the opinion that no definite results in the way of legislation on banking can be obtained next winter. If this forecast is correct, legislation seems likely to be deferred for nearly three years.

Tariff tinkering in Congress has apparently caused no little alarm among cotton mills. Many which have closed in the southern states have been disposed to suspend for sometime past on various accounts, and have been confirmed in their disposition to do so by the effort to lower duties to what they consider unremunerative rates. There is no prospect of the adoption of any cotton measure this summer, and there seems little probability that any will be adopted next winter. Should anything be done at that time, it is practically certain to be of a conservative character, otherwise the President will not give his assent to it. The present unsatisfactory conditions in the cotton trade have doubtless been aggravated by the fears of some manufacturers, but they are fundamentally due to more far reaching conditions, such as the high price of cotton, the extreme dryness of the season and others of the same sort.

BREAKING UP OF STANDARD OIL CO.

According to plans which are now officially announced, the Standard Oil Company has determined to distribute ratably to its stockholders shares in the corporations which it owns, either directly or through its ownership of the stock of the National Transit Company. This division is to take place immediately, and will be completed within the six-months-period granted by the Supreme Court for the breaking up of the concern in order to comply with the requirements of the Sherman anti-trust law, as interpreted in the oil decision. It does not appear that any other change is now planned beyond that which is thus indicated. The stock will simply be distributed and every holder of the present shares will become a proportionately large or small holder of the shares of the various subsidiary corporations.

It is too early to judge finally of the effects of this alteration in the type of management of the Standard Oil Company, but some of the effects of it are sufficiently obvious. It may tend at first, judging from present indications, to lessen the intensity of central control of the oil business. Certificates of stock in the various corporations may be disposed of apart from one another. This was not formerly the case. In so far as that is done, the effect will be to make the body of shareholders less stable and ultimately to change, at least theoretically, the control of the different corporations, so that no two of them will necessarily be owned by the same group of persons. It is true, however, that the body of shareholders who now own stock in the Standard Oil Company is small in numbers. Probably not more than 6,000 stock certificates are outstanding. While under the present regime there has been no inducement for the chief stockholders to try to enlarge their holdings by buying out the small men since they already had absolute control of the organization there will be such inducement now. It may fairly be expected that as small holdings of shares in the various concerns are parted with, they will be taken over by larger holders who will be on the lookout for such blocks as may come upon the market. Granting that these conditions are fulfilled, the tendency will be to consolidate stock ownership rather than to distribute it. An even smaller body of owners, controlling the shares of the several corporations, will doubtless come into existence.

It may well be asked what good to the public will result from this sort of transformation in Standard Oil. Certainly, there will be no result so far as the fixing of prices is concerned. Complaint is already heard concerning the agreements by which "independent" companies in the steel business join to establish price schedules. Among a group of corporations whose stock is owned by the same persons, how much closer will such understandings be? Certainly, there will be little advantage over the condition of things which has existed during the organization of the Standard Oil Company on its present basis. Very much the same will be true of American Tobacco, and of all other concerns that are organized in a similar way. In short, at the end of a lengthy litigation, resulting in what is called a great victory for the government, the prospect is that conditions

Digitized by Google

will be maintained on as unsatisfactory a basis as any that has prevailed heretofore. There will be the same joint action and uniform control of prices and methods of doing business These are all that interest the public which does not care for the husks of legal distinction as to corporation methods and management. The episode again illustrates in the most forcible possible way the extreme uselessness of the present anti-trust law.

THE CLOSE OF CONGRESS.

While it is not yet certain on what day Congress will adjourn, and while the session may be protracted somewhat beyond the dates now currently mentioned as those of possible adjournment, it is feasible to estimate the past session with some degree of accuracy. Expectations that the season may continue throughout the fall for the purpose of revising the tariff still further, are based upon the belief that President Taft will, in spite of what he has said, sign the measures which are to be sent to him for his approval. We do not think there is any probability of his doing so. That being the case, Democrats will undoubtedly follow the recommendation of Chairman Underwood, who has plainly told them that if the President will not sign any bills, he thinks that the best thing they can do is to adjourn as soon as may be.

The only real and tangible accomplishment of the congressional session will thus be seen in the reciprocity agreement with Canada. Whether even this actually becomes effective, will depend upon the outcome of the general election which has been ordered in Canada for the purpose of testing the sentiment of the constituencies there as to reciprocity. The chances are that the reciprocity cause will triumph. In that case, the session of Congress will have been well worth while simply for this one measure. That, however, does not in any way alter the fact that an unreasonable and unnecessary amount of time has been consumed in futile discussion and in the attempt to make political capital. Congress—the Senate particularly—has been idle, insincere and apparently indisposed to grant any results it was not obliged to provide for. Had it not been so, the session would long ago have ended, or if continued, would have been occupied in the framing and passage of needed legislation on a number of topics. All this is now deferred to next winter when the time will be much occupied and the results correspondingly limited.

The session of Congress, although barren of results and excessively protracted, has, however, performed one important service. It has shown more clearly than at any time in the past the real nature of the situation as to tariff revision. Clearly, the country is not prepared for too extreme or drastic alteration of duties. Equally clearly, it will not be content with the retention of the Payne-Aldrich law unchanged. It feels that that measure was biased and unfair, and it demands a reformation of the principal schedules. This does not mean free trade or excessive reductions. Democrats found when they came to frame their own measures that they had not the full support of the party for the extensive alterations that some of the old line members were disposed to make. They found that manufacturers in the southern states were far stronger than ever before, and that they would not give their assent to extreme alterations in the schedules, such as ten years ago or earlier would have been perfectly acceptable to Democratic constituencies. All this means that the tariff is likely to continue to be a live issue in American politics for a good while. It is not likely that many schedules, if any, can be revised next winter. But it also signifies very distinctly that the subject cannot be juggled with or evaded, but must be treated in a dignified and statesmanlike manner if the present agitation, so distasteful to manufacturing interests, is ever to be set definitely at rest.

CLASSIFYING LOANS.

According to current reports, Comptroller Murray of the Currency Bureau is planning a rather important change in one phase of bank examination that has required much time on the part of bank examiners heretofore. The change consists in abandoning the classification of loans now given in the official blank which has thus far always had to be filled out by the examiner. Examiners are to be cautioned that the time saved in this way is to be spent in more thorough study of the paper and generally in toning up the examination at all practicable points. Mr. Murray has submitted the proposed change to the examiners, and it has been approved by nearly all, although a few have dissented and submitted suggestions in lieu of his plan. All, however, are practically agreed that the present mode of classification is not satisfactory.

Two reasons are given by Comptroller Murray for the change he proposes. One is that the banks in making reports to the comptroller have to follow this classification in any case, so that there is no use in duplicating it, since the banks can be relied upon to furnish a sufficiently accurate grouping of loans. The other is that the examiner's time can more profitably be spent on something else, as classification has not the importance ascribed to it. Regarding the first point, it may fairly be doubted whether the grouping of the loans on the present system, according to the different classes of security protecting them and the time for which the notes are to run, will be very accurately carried out if the checking up of the work by examiners is dispensed with. It is understood that many banks at the present time, in making reports simply put down the amount of loans of the various classes held by them in round numbers or from general recollection, without making an actual compilation or computation for themselves. If the government did not think enough of the classification to oversee it, probably it would become even more nominal than it is at present. The real question, therefore, suggested by the proposed change is whether such classification is desirable at all or not.

Examiners who dissented from the suggestion of Comptroller Murray usually offered a substitute classification of their own which they said would be useful in exhibiting the actual state of the paper held by the banks they examined. It is an interesting fact that none of them defended the present classification. But it is also of much interest that the proposed classifications differed materially from man to man. This was due to the fact that the paper of the several communities is not uniform and calls for grouping to bring out its special nature in every case. Of course, if the grouping varies from district to district, no uniform statistics for the whole country could be obtained and the returns as to classification would in that case be of no interest except for the purposes of the Currency Bureau itself, which might find them suggestive of conditions in the several districts from which returns are made. This makes it seem as if the comptroller would act wisely in doing away with this classification, so far as the examiners are concerned. He can call for a special grouping for his own information in the case of a particular bank, and the time of the examiners will be better spent in studying the paper. The loss will be found in the lowered accuracy of the general returns for the country as a whole, in so far as relates to the grouping of loans under the old standard headings.

AMERICAN WRITING PAPER.

(Continued from page 1329.)

Within the last few years, several men whose mills went into the combination have started competing mills with new machinery, their contracts with the American Writing Paper Company having expired.

One of the policies of the American Writing Paper Company has been to generally refuse to sell their product direct, that is, big corporations and large users of paper, such as the life insurance companies who in instances are as large publishers and as large users of paper as any of the general magazines,

CANNOT BUY DIRECT

from the American, and if they want the American Writing Paper Company's product have to deal with the middle man, paying the middle man's profit. Of course, most of these large users do not use the product of the combination.

The annual reports of the American Writing Paper Company are not too enlightening. In the first place, the net earnings year by year have not materially bettered the average net earnings of $1,250,000 of the constituent mills for the ten years preceding the organization. On a total issue of securities as given above, the plant and real estate is carried at nearly $17,000,000, or about the full bond issue. That might be a fair valuation of the plant as a going paper manufacturing corporation if the promises of the promoters were being realized, but this may be contrasted with the valuation set upon independent plants with new and up-to-date machinery which are continuing to make good. The value of good will, trade-marks, etc., is carried at over $18,000,000. The statements used to show the plant carried at over $35,000,000 with no item of good will and trade-marks, but within the last few years the item of plant and real estate placed at nearly $17,000,000, has brought that item nearer to the actual facts and the good will set as $18,000,000. As a matter of fact, when the American Writing Paper Company was formed, the item good will was a substantial one, but to-day it would be hard to find an independent paper manufacturer who would set that item at 1 per cent of $18,000,000, because in the trade the American Writing Paper Company is not feared as a competitor or as a manufacturer, and the little progress which the company has made must certainly have militated against the success of their salesmen. The annual statements show nothing of consequence marked off for depreciation. As a matter of fact, several millions of dollars would be necessary to put the American machinery in first class condition.

The company has on its board of directors

ONE PAPER MANUFACTURER

who is said to be a leader in that line of effort. He was originally the superintendent of one of the constituent mills, but now his work is wholly in an advisory capacity with continual visits to the various mills of the company. His position would be much easier and more productive of results if the company were in a position to furnish him with the necessary money for replacing worn-out and out-of-date machinery, but the American has not kept in the lead so far as purchases of new paper-making devices are concerned. The president of the company was not a paper manufacturer, but rather a paper salesman. Necessity of a strong salesman to such a company as the American is admitted, but since this great group of mills was brought together and the present president located at the manufacturing centre, rather than in the selling department, twenty-eight mills making up the American Company have not increased their sales in thirteen years, and on the country's total production of paper they have fallen way behind.

Many times since the American Company was formed rumors and predictions of a reorganization have been frequent. Some years ago, a bank changing hands was discovered by its new owners to hold about $500,000 of the bonds of the American Company. The new owners of these bonds found that a whole string of banks in the Connecticut valley were also well loaded up with American Writing Paper Company bonds which were then marketable at about 60. They feared that the American Writing Paper Company was going to the wall and that with it would go many of these Connecticut Valley banks. Taking part in the affairs of the American Writing Paper Company by virtue of purchases of their low-priced securities, the American Writing Paper Company

WAS PRODDED ALONG

and a better market made for the bonds which allowed this larger bank and the Connecticut Valley banks to get rid of their holdings. This done, the first mentioned bank interest retired as rapidly as possible from the affairs of the company.

The American Writing Paper Company is not nearly as strong, so far as their position in the trade is concerned, as at was when first promoted. The earning power of the company is now little if any larger than the earning power of the constituent mills in 1899, which over a period of ten years had been placed at $1,250,000 a year. There is no one in the manufacturing or selling end of the American Company to-day who is stronger than were the original owners of the independent mills. Not one of them has the incentive for profit-making which direct personal ownership gave to the original owners. The combination has keener competition now than ever before. It has to compete with papers of lower quality, but of equal popular service. The bonded debt demands the payment of $850,000 a year. The preferred stock which is 7 per cent cumulative has paid since issuance a total of 5 per cent, namely, 2 per cent in 1908 and 1910 and 1 per cent in 1909 and up-to-date accumulated dividends aggregate 79 per cent. The total present dividend and interest payments call for $1,100,000, within $200,000 of their average net earnings.

The American Writing Paper Company has had its chance to prove a money-maker, that is, during the past thirteen years it has met with every condition and every chance to make good which it will meet in the next thirteen or more future years. It has been unable to prevent an accumulation of 79 per cent of unpaid dividends on its preferred stock, and has not made good. It has not been able to wipe out the ridiculous

ASSET OF GOOD WILL,

$18,000,000, it has not been able to conserve its monopoly of the writing paper business nor to train in its own organization any one man who stands out as a premier paper executive, manufacturer or salesman of the country.

A leading New York City certified public accountant who went over the last two annual statements with me predicts that in 1919, when the bonds mature, a reorganization will be necessary, as he does not believe it possible to refund the bonded debt of $17,000,000 for the retirement of which scant provision is being made. How can a reorganization be prevented? There is at the present time due 79 per cent accumulated dividends on the preferred stock, a mere matter of $9,875,000, and if the company goes ahead as at present, paying only two per cent on the preferred, by the time the bonds mature eight years from now, this item will have increased to 119 per cent or the sum of $14,875,000. To-day, however, the obligations of the company include the bonds and stock and accumulated dividends the sum total of $48,875,000.

The last annual statement shows quick assets of about $5,000,000 against plant carried at about $17,000,000 and good will carried at about $18,000,000, a total of $35,000,000. If liquidated, it would be necessary

TO SELL THE PLANT

for nearly $12,000,000 to take care of the bonds alone. As a matter of fact, paper manufacturers say that a fair valuation of the plant is $9,000,000.

Before All Else

there is found in every Union Mutual Policy the first and strongest Purpose of Life Insurance.

Protection

Clear, Faithful Reasonable Contracts Ask for Particulars.

Union Mutual Life Insurance Co.
Portland, Maine

Fred E. Richards, President.

JANUARY 1, 1911
Insurance in force more than $140,000,000
ASSETS - $36,327,0[illegible]3.03
LIABILITIES 33,371,841.25
SURPLUS - $ 2,955,237.78
1910 MOST PROSPEROUS IN HISTORY OF THE COMPANY

North American Accident Insurance Co.
CHICAGO

Net Surplus & Capital..$ [illegible]
Income 1910..... 1,151,[illegible]
Will aid good men in Establishing Agencies.
Best Policies — Largest Commissions or Profit Sharing Contract.
A. E. Forrest, Vice-Pres. & Sec'y. Chicago

Digitized by Google

When the American Writing Paper Company was formed, the promoters had as good tools to work with as any journeyman ever had, and the result looks like the work of an apprentice.

But there is another side. Mr. Hine is president of the First National Bank—the First National Bank crowd—and they have recently become interested largely in writing paper. Back of them is the unlimited capital of the members of this interest, and with them the keenest business minds of the country. No one knows why the First National people became interested in paper, or how they went in. They are not wreckers, but they might very well become the largest owners of the bonds and take the property upon the maturity of the issue. They can, perhaps, point out the way to bolster up and strengthen the operating and selling end of the business and make it profitable and make their large preferred stock holdings very profitable because of future increased market value. The fact that these people are interested is a good omen for the present overloaded stockholders, of whom there are 1,200, with an average holding of $18,300. The past record of the American Writing Paper Company through thirteen years promises little for the preferred stock, nothing for the common and perhaps an ultimate reorganization, although the future may produce something much better through the entry of the above-named interests to an activity in the business of writing paper.

P. DE MEDICI.

FINANCIAL INQUIRY.

American Can Preferred.

21268. (Parkersburg, W. Va.) Kindly give me information on American Can preferred.

Ans.: American Can preferred is a 7 per cent cumulative issue which has never paid that rate, but which has distributed 5 per cent per annum uninterruptedly since 1903. To date, 31 per cent deferred dividends have accumulated, which must eventually be provided for in one way or another. If we deduct this arrearage from the present selling price of 88, we have a net cost of 57 for an issue with a dividend record of 8 consecutive years behind it and a seemingly better future before it. For the year ended December 31, last, the company earned 6.85 per cent on the preferred as compared with 6.68 per cent in 1909, 6.56 per cent in 1908 and 6.43 per cent in 1907. It will be seen that earnings showed no pronounced variation in good years or in bad, the trend, however, being shown in a sustained, if limited, improvement year by year. Competition has increased, but the company's sales have more than kept pace with this growth and new lines of output are being constantly developed. Current prices, 88¾, represent the highest of the year, and for that matter in the history of the company. Since January 1, 1911, the low mark has been 77, which compares with 71½ in 1910, 44 in 1909 and 34 in 1908. The amount of the preferred stock authorized is $44,000,000, of which $41,233,300 is outstanding.

RICHMOND, VA.—An application to organize the Central National Bank of Richmond, with a capital of $250,000, has been received from Chas. Hutzler, W. H. Schwarzschild, J. F. Grimal, B. B. Bowles and W. C. Schmidt.

Telephone or Sugar Common

An Inquirer Who Owns Both Telephone and Sugar Common Desires to Know Whether She Had Better Sell the Latter and Invest the Proceeds in Telephone.

A United States Investor subscriber writes as follows:

Brookline, Mass., July 26, 1911.

ED. UNITED STATES INVESTOR:

I own 20 shares of Sugar common, which cost 133⅝. It is now quoted at about 119. I also own 20 shares of Bell Telephone, including rights to buy 4 shares of Telephone stock at par. I want to recover my loss on Sugar. Would you advise me to sell Sugar at present quotations and invest the capital thus obtained in Telephone stock or what would you advise? I want my principal safely invested to yield at least 5 per cent. S. H.

From the standpoint of yield, the above two stocks do better than the requirements of their owner. Telephone at 137 paying 8 per cent nets 5.81 and Sugar at 119 paying 7 per cents nets 5.84. The only reason for changing these investments is to recover the loss shown on Sugar and to secure the profit in increasing market value which I believe following the outline I give will insure. Between Sugar common and Telephone at present prices I do not believe there is a great deal of choice. They both yield about the same, and if anything I believe that Sugar may advance more than Telephone, because the Sugar company is having a good year, and the stock is now selling under its liquidating value.

If you have available funds, you might buy Western Union stock and add the money secured from the conversion of

YOUR TELEPHONE RIGHTS

for this purpose, but without extra funds for investment, and as the telephone rights are quoted at around 7, your 4 rights would not furnish the capital for recovering your loss on Sugar by an investment in Western Union. Without this surplus for investment, the desire then is with your present investments to sell advantageously to reinvest in some good security which will by advancing recover your past loss and give you a return on the total investment of at least 5 per cent. This could be done by selling 5 shares of Telephone at 137 and 5 of Sugar at 119, which would give you $1,270. This would buy at present quotations 16 shares of Western Union. You would then have 15 shares of Telephone quoted at 137 and netting 5.81 or better than $118 per annum; 15 shares of Sugar common quoted at 119 netting 5.84, or better than $104 per annum, and 16 shares of Western Union quoted at 80 netting 3.75 or better than $47 per annum, or a total investment of $5,100 netting $270 or 5.3 per cent. Your Telephone rights are not considered here, but in this plan would be converted into cash.

I do not believe for your purpose a better purchase could be made than Western Union, and believe that in the next five years or so it will advance 50 points with a corresponding increase in dividend payments and that ultimately as an investment and profit-making corporation it will rank equal with Bell Telephone and that also ultimately it will be merged with the Telephone Company, the business of both corporations being conducted as one.

During the present generation, at least, Western Union has never had a fair show. Its ownership has made it only one of a long list of controlled companies, and never a corporation handled for the benefit of all of its owners, but perhaps the

TOOL FOR PERSONAL PROFIT

and advantage. If the dominating influence of its old management was to further the interests of all of its owners, that management was changed none too soon.

Under the same management given the efficient Telephone Company doing a similar business, but now cooperative rather than competitive, Western Union cannot help but seek the same plane occupied by the Telephone Company. In fact, these two companies must so work together that they must advance together with the advantage on the side of the Telegraph, because the Telephone Company is a perfected organization and cannot advance so rapidly as the Telegraph which is being perfected. What Western Union has needed most during past years is efficient management. It has that to-day in the heads of the Telephone Company, than whom no greater organizers and profit-makers exist. With them every available source of income is discovered and used, and operating efficiency is maintained at its highest point. With similar conditions ruling in Western Union, advances in earnings and in security values must follow.

Operating heads of the Telephone Company who have shown to best advantage in particular lines of work are being loaned to Western Union that their genius may affect the Telegraph Company. The telephone itself is making business for the telegraph. Every telephone subscriber now has in his own office and home a telegraph instrument. I had occasion recently to get into quick communication with a relative in a little backwoods Maine village. The nearest telegraph station to that village was 15 miles away. The relative is not a telephone subscriber, but from my desk in New York I got by telephone the Western Union office, dictated my telegram which by telegraph was sent to the larger town in Maine, telephoned 15 miles to the postmaster at the backwoods village and delivered immediately by him. Before the

ENTRY OF THE TELEPHONE

interest into the Western Union this telegram would have been received at a telegraph office in New York, forwarded to the larger town in Maine and thence by mail to the backwoods village, taking at least 24 hours for transmission. Under old conditions in this case telegraphing was no quicker than mail. This is only one of the ways in which the value of the West-

Digitized by Google

ern Union is being enhanced and its earnings increased.

How much the Western Union was affected by its loss of race track and pool room service I cannot guess, but whatever is lost in that way has certainly been more than made up if not doubled or trebled by the night letter and the day letter service which for business and social purposes are being largely used and transmitted at a time when the telegraph wires are least busy, and must add materially to the earnings without materially increasing operating expenses. This letter service, while it has not reached its largest proportions, is so applicable to the needs of every business and social requirement, that its use embraces the whole country, whereas the gambling fraternity, a minor portion of the country's population, were alone interested in the race track and pool room service. The keen desire on the part of the telephone people to further the telegraph business, is perhaps suggested by the abpve, because the night and day letter must have superseded to a great extent the low rate night service which the Telephone Company inaugurated some two or three years ago.

While the telephone service has been in the memory of this generation always most efficient, still, the telephone could not

REACH ITS PERFECTION

without the service which the Western Union now offers it. The Western Union Company with its lines covers the United States, and practically every town in every state wherever there is business for its wires. The Telephone Company is strongest in the Atlantic and Middle states, with smaller, but a growing service west of Mississippi, and along the Pacific seaboard. Working by itself, construction of new telephone lines and the rejuvenation of inefficient, competitive service by combining with the Bell system was necessarily slower than it will be in the future with the lines of the Western Union at its service The telephone can be extended by using the equipment of the Western Union, its rights of way, wires, poles, etc., but at the same time, the physical property of the Telephone Company can also be made use of by the Western Union, so that not only is the existing service of the telegraph made more usable, as outlined above in the Maine message, but its future service is increased without a large increase in the physical property by bringing it in communication with towns unserved by telegraph by giving it the use of existing telephone wires.

The service of both telephone and telegraph will be increased and made more economical by the joint sharing of not only equipment, but of offices. There are towns now supporting the

TELEGRAPH OR THE TELEPHONE

alone which will have both by its sharing of offices and employes. There are individual telephone and telegraph stations which now have day service, but by the sharing of force and office will have a 24-hour service, increasing the earnings of both companies. In Florida, for instance, the state is well covered for telegraphic communcation, but the telephone extensions have not been made there. Working together, the telephone will have much wider and quicker distribution, and the entry of the telephone will increase the earnings of the telegraph.

The Telephone Company has always been most efficiently and economically conducted. The Telegraph Company was not. For instance, the small net profit-making Telegraph Company has its headquarters on a most expensive Broadway corner. The Telephone Company is building its headquarters on a side street. Working together more closely, these extravagancies of operation on the part of the Western Union will be wholly superseded by the more efficient and economical telephone management. By

A JOINT WORKING

of the two companies, the not wholly satisfactory messenger boy service will be made most satisfactory by a closer co-operation of the telephone instrument in delivering messages, giving the telegraph more profitable and satisfactory service in that respect.

When the Western Union reaches that point in advanced earnings, dividends and net profits which the telephone management must give it, the two companies will be merged. Then will increase most largely the savings due to one management, one set of books, a full management of a unit rather than of two corporations as at present.

I cannot help but believe that Western Union will go up 50 points in the next five years or so, and that the best purchase you could make would be as above outlined, with a certainty of recovering your Sugar losses in the money profits of Western Union by its certain increase in efficiency and service to the public. P. De Medici.

FINANCIAL INQUIRY.

Underwood Typewriter Co.

21278. (New York, N. Y.) Please advise us with reference to the Underwood Typewriter Company, giving all the statistics concerning that company that your files show.

Ans.: The Underwood Typewriter Company was organized under the laws of Delaware, March 5, 1910, and acquired the entire $3,500,000 capital stock, assets, property and business of the Underwood Typewriter Company, of New Jersey, which company was incorporated in January, 1903, as a consolidation of the Underwood Typewriter Manufacturing Company, and the Wagner Typewriter Company. In April, 1910, the capital of the New Jersey corporation was reduced to $10,000, now held in the treasury of the Delaware Company. This New Jersey company is now operated as a sales agency of the Delaware corporation. The company manufactures and sells a standard typewriting machine in addition to which it does a large business in typewriter supplies duplicating machines, etc. The products are manufactured in a large plant at Hartford, Conn., in addition to which the company has about 100 branch offices and about 30 agencies in the principal foreign countries. The Underwood Typewriter Company of New Jersey owns the entire capital stock of the Underwood Typewriter Company of Philadelphia, Underwood Typewriter Company of Pittsburgh, Underwood Typewriter Company of Scranton, Pa., Underwood Typewriter Company of Michigan, Underwood Typewriter Company of Massachusetts, and the Underwood Typewriter Company of New York. It also owns 500 out of 7,000 shares of stock of the Underwood Computing Machine Company of New York and 270 out of the 1,000 shares of preferred and 500 out of the 1,000 shares of common stock of the Underwood Automatic Typewriter Pay Station Company.

The Delaware corporation has an authorized capital of $5,000,000, 7 per cent cumulative preferred, and $9,000,000 common stock; of this,

THERE IS OUTSTANDING

the entire preferred issue, and $8,500,000 of the common. The preferred has preference as to assets and is subject to call at any time on three months' notice at 125. No mortgage to be placed upon the property, except with the consent of at least three-fourths in amount of the owners of each class of stock, both preferred and common, given separately. The charter provides that a sinking fund of not less than $100,000 per annum shall be set aside out of the net profits before any dividends shall be paid on the common stock, and after three years this fund shall be used annually in the redemption of preferred stock at the lowest market price, at public or private sale. After this fund has been set aside, the common stock is entitled to receive dividends, but not in excess of 4 per cent per annum until $1,000,000 has been set aside in this fund either in cash or its equivalent. The fund may be used to pay dividends on the preferred stock if no other funds are available for the purpose, but all encroachments upon it must be made good out of future earnings. The preferred stock has no voting privilege in the election of directors, unless two consecutive quarterly dividends are in default. Thereupon, they will vote to the exclusion of the common until arrears have been paid, when the

EXCLUSIVE VOTING POWER

will be once more lodged in the common.

Dividends at the rate of 7 per cent per annum have been paid quarterly on the preferred since July 1, 1910, and the common is now paying 4 per cent per annum, the first quarterly dividend of 1 per cent having been paid July 1, 1911. Last March, both preferred and common shares were listed in the New York stock exchange. Since that time, the preferred has ranged between 103 and 113⅞. Common stock when it was first listed sold around 63, but three months ago, this issue began to attract attention and the result was a remarkable rise to 111 a few weeks ago. Since that time, the stock has shown a reactionary tendency and is now quoted around 99. The advance has been accompanied by evidence of strong manipulative operations, supported by evidence of material prosperity on the part of the company. It is anticipated that earnings for the current fiscal and calendar year will amount to about 15 per cent on the common shares. This condition of affairs has given rise to a prediction of an early increase in the common dividend rate, but in this connection, the above mentioned $1,000,000 special capital reserve, as provided for in the articles of incorporation should be taken into consideration.

KANSAS CITY, KAN.—The Security State Bank has recently opened with a capital of $10,000 and a surplus of $2,000. The directors are: Dr. Geo. M. Gray, Lee Vaughn, M. J. Manning, N. Bayns, Willard Breidenthal and John L. Holland. M. L. Breidenthal is cashier.

Digitized by Google

Growing Optimism Toward Copper

Big Men Are Not Worrying Over the Future Course of the Market Beyond Discouraging Hopes For a Temporary Boom—Former Senator Clark Says That From Fourteen to Fifteen Cents Is a Fair Price For Copper—Market Now Under Thirteen Cents—Conditions Abroad Are Excellent, and Those in This Country Are Improving—The Copper Producers' Association Supports Its Export Figures Against Outside Criticism—An Apparent Discrepancy Explained.

That the copper metal market is making progress towards the condition of prosperity which has been predicted for it by more than one authority whose opinion is assuredly deserving of careful attention, is admitted even by many observers to whose interest it is to have prices maintained at as low a level as possible. There is no justification, of course, for any assumption that the market is in aboom condition, nor is such a condition likely to prevail in the immediate future. Indeed, it is far from certain that such a rapid change for the better is desired by those who have the lasting good of the market at heart. There has been a growing realization, inside of the last four years, since the 1907 copper boom began to evaporate, that it would be best for the peace of mind of buyers and sellers alike if prices could be held within a comparatively limited range, thereby eliminating the extremes which have been reflected in the decline from above 25 cents in 1907, to a point close to the 12-cent mark since the beginning of the present year.

GROWING OPTIMISM EVIDENT.

Certain it is that the big men in the trade are expressing themselves more optimistically than for a long time past, yet even in their growing optimism they show studied care not to express hopes for a runaway market, fearing, no doubt, that such a development might prove to be little more than a mushroom growth, which would not dovetail very well with the general desire for greater stability. Former Senator Clark is one of these big men who are anxious, of course, to see an upward tendency to prices, but who are fearful lest the progress, once a fair start is made, be too rapid for the lasting good of the market. Mr. Clark has been in Europe recently, and therefore, has been in a position to study the situation from more than one point of vantage. He believes that the outlook is good, and that it certainly promises to be better in the United States, but hopes that there will be no inordinate rise in prices, as that would cause consumers to withhold buying orders even when they needed supplies of the metal. He believes that 14 or 15 cents per pound would be a fair price for consumers to pay for the metal, and would like to see it reach that figure and remain there.

This opinion as to what should constitute a

A FAIR PRICE

for copper should be a matter of general interest to all holders of copper shares, particularly as it is an opinion which, I believe, is shared by a very great number of men of influence in the trade, both producers and consumers. More than that, 14 or even 15 cents is not far enough removed from the present quoted price to seem at all improbable. As I have pointed out more than once in the past, 15-cent copper would be a boon to a large number of producing companies which are unable to make much, if any progress in the face of a market under 13 cents. This applies particularly, of course, to the deep-vein propositions, where the costs are greater and the margin of profit correspondingly smaller, but the same advance in prices would place such low cost producers as Nevada Consolidated and Utah in line for substantially greater earnings and larger disbursements to the holders of the shares.

As far as copper conditions abroad are concerned, it is no misstatement of facts to say that they are excellent. The exports from the United States to England for the month of June exceeded 30,000 tons. The foreign consumption is absorbing and reducing the reserve in this country at the rate of about 10,000,000 per month. The signs of improvement in the steel trade are significant, for copper and steel usually move together, as they seem to be doing in this particular instance. In the domestic market, conditions, though rather quiet, reflect growing strength, and even though new buying has not made its appearance in large volume as yet, it is a fact worthy of note that there has been a free movement on contracts placed last month. The crops are another factor of importance in determining the future course of the metal market, and no doubt it is because there has been a general disposition to await further news about the crops that consumers have been so slow to place new orders in greater volume when there is growing justification for the belief that the longer they wait, the more they will have to pay as the price of their procrastination. No doubt, too, as Former Senator Clark suggests, it might help domestic conditions more than a little if Congress would "stop shouting and adjourn", since the copper metal industry, like other lines of industry, has been afflicted with an overdose of politics. Leading producers continue to ask 12¾ cents per pound for electrolytic, although some cash sales have been reported as low as 12½ cents, and other transactions, on a 30-day basis, at 12¾ cents per pound. Considered from every point of view, the days of a lagging copper market seem to be numbered, and increased consumption should be accompanied by a strengthening of prices.

DISCREPANCIES EXPLAINED.

For some time past there has been a persistent attempt to throw doubts on the accuracy of the Copper Producers' Association reports by calling attention to an apparent discrepancy existing between these statistics and the government figures. For instance, it was found that the reports of exports in 1910 did not coincide with the government returns, and at once, there began to be intimations of a juggling of figures for the sake of influencing market conditions. With the knowledge and approval of the Bureau of Statistics at Washington, the Producers' Association has now issued a statement, explaining these seeming discrepancies. This, in fact, is the second and final statement of the kind, covering the last calendar year's operations, the first having been issued on March 8, last.

The first statement showed that a difference in time explained away 17,902,305 pounds of the 27,268,594 pounds, which separated the two sets of figures, and this latter statement is designed to clear the confusion regarding the remainder of 9,366,288 pounds.

The government reported, in 1910, exports of 695,162,900 pounds of copper; the association reported 722,431,494 pounds. The government figures cover from the 26th to the 26th of each month, and note port clearances only. The Producers' Association reports on copper actually loaded to the last day of the calendar month, although some of that may not be cleared for several days later. This difference of 5 to 12 days was found to throw the association figures ahead of the government's in the first half of the year, and behind the federal figures in the last half when exports were decreasing.

In the government's final statement to the association, it is stated that at New York an omission of 2,640,000 pounds had been found in the federal figures, and at Baltimore, an omission of 13,209,500 pounds. These corrections place the government figures at 4,000,000 pounds above the association statistics, which is accounted for by the fact that the federal reports include copper scrap and copper delivered to domestic buyers or agents who then independently export it. Neither of these items are taken cognizance of by the association.

P. De Medici.

BANK ITEMS.

ASHERVILLE, KAN.—F. O. Wells is to be cashier of the recently organized Asherville State Bank, which has a capitalization of $12,000. Others interested are: W. J. Herdrick, S. S. Pearson and J. O. Evans.

EDDYVILLE, ILL.—Application has been made by Will S. Barger, M. T. Chaney, Geo. S. Barger, J. S. Barger and J. Stone to organize the First National Bank of Eddyville, with a capital of $25,000.

PHILADELPHIA, PA.—The Ridge Avenue Bank has increased its capital from $150,000 to $200,000.

SPRINGFIELD, ORE.—Application to organize the Commercial National Bank has been made, the bank to have a capital of $30,000. The incorporators are: A. J. Perkins, M. M. Peery, Chas. Rivett, Welby Stevens and J. A. Seavey.

Digitized by Google

EAST BUTTE A PURCHASE.

Higher Grade Ores and Decreased Operating Costs Constantly Adding Value to the Shares—Prospect of Exercising Option on the Pittsmont Copper Company Properties.

For the quarter ending June 30, the East Butte Copper Mining Company reported a production of 17,205 tons of first-class ore and 7,473 tons of second class, with average copper contents respectively of 7.3 per cent and 2.9 per cent, or a total of 24,687 tons of ore mined, with an average copper contents of 6 per cent. This is at the rate of 98,712 tons per annum, which compares with 85,876 tons of ore mined for the year ending March 31, 1911, and the copper contents of 6 per cent compares with copper contents of 5.51 per cent last year. Thus, it is apparent that this company, of which much can be expected in the next few years, is showing a steady and sure progress. For the quarter the company reports 3,512,219 pounds of copper shipped, 107,782 ounces of silver and 4,481 ounces of gold. These latter figures do not, of course, mean that these were the results of operations for only the quarter mentioned, but it is evident that the management found it an opportune time to market some of the copper which it had in store.

Although these results are pleasing to the stockholders, yet, as a matter of fact, the management of the East Butte are not working for production, since the present condition of the metal market would not justify such a procedure. They are, however, pushing development work forward rapidly, and are making great progress, and have been very successful in opening up new and valuable ore bodies. They are also putting into effect many economies in operation, which, with the high grade of ore which is being found, is accountable for the improvement shown in the lower cost of copper, and in the increased earnings of the company.

As a matter of fact,

THE OPPORTUNITY

for appreciation in the stock of the East Butte Mining Company is good at this time. The stock at the present time is quoted around 14. It has, as a matter of fact, sold as low as 10⅛ on April 25 of this year, but regardless of this advance of almost $4 per share, the stock still has opportunities for advancing during this year, which are not to be looked askance at by those interested in the copper shares. In the first place, if the management are to exercise their option upon the Pittsmont properties, which they have been operating since October, 1909, they will probably do this some time before January 1, when the present option expires. This option was, of course, taken in 1909, when the East Butte increased its capital from $3,000,000 to $6,000,000 by an increase of 300,000 additional shares, the par value of which is $10. This additional stock has been held in escrow with the Pittsmont securities since that time, but there has never been an opportunity to market the new stock from the fact that the metal market has never shown sufficient strength to warrant so doing.

For the first time in six months, however, according to the Copper Producers' Association, American stocks in copper have shown a decrease, and as a matter of fact, the decrease in both American and foreign supplies for the month of June was 14,560,000 pounds, and brought the world's surplus stock down to 314,000,000 pounds, which amount, excepting only the statement as of January 1, 1911, is the lowest world's surplus supply of copper since August, 1909.

IT IS TRUE

that stocks at the present time are at about the same figure as two years ago, yet, with this difference, namely, that whereas for the six months ending July, 1909, they showed an increase of 58,000,000 pounds, within the last year there is shown a decrease of 87,000,000 pounds. This would make it apparent that copper statistically is in a strong position, and that upon the adjournment of Congress, chances will be improved for advances to stocks all around, including the coppers.

It is very likely, however, that this new stock will not be issued at less than $20 per share, so that under these considerations, it is highly probable that before the turn of the year East Butte will touch $20, thus giving to the present purchaser a profit of about $6 per share, or a profit of about 40 per cent upon his investment.

Leaving this feature out entirely, however, East Butte is a purchase from the fact that its assets and prospects are such that the stock cannot help but sell much higher when once the management are in a position to purchase the Pittsmont properties and get the property producing at capacity. As a matter of fact, the net quick assets alone in the statement, as of March 31, 1911, show an increase of over $181,737, or from March 31, 1910, which showed $540,531, to $725,268 on March 31, 1911.

The East Butte property itself consists of about 132 acres in the southeast of the Butte camp, also about 300 acres at Limespur on the main line of the Northern Pacific Railroad. This latter property contains excellent lime quarries, from which the company not only secures lime for its own smelter, but supplies it to other smelters as well. The Pittsmont property consists of about 267 acres near Butte, and about 400 acres near Austin, Mont. and the Swissmont mine near Elkhorn, these properties including a reduction plant and a smelter. It is on these latter properties which the management is now at work, and on which they are pushing development work and effecting economies, with production as a secondary idea, owing, as previously stated, to the low prices which can be received for the metal.

During the past year, the work discovered a new vein of high-grade ore, which is about 30 feet wide, and extends for about a thousand feet, and this has given to the stock a value which it did not have previous to this discovery, from the fact that the higher the grade of ore found, the lower will be the cost of production. A number of important extensions and improvements were completed last year, and others are

NOW UNDER CONSTRUCTION

at the present time. In fact, it is estimated that when the new furnace is installed at the East Butte smelter, the company will be in a position to produce about 2,000,000 pounds of copper per month, which compares with about 1,100,000 pounds during the month of June, last.

The East Butte Copper Mining Company is now making its copper at less than nine cents per pound, delivered in New York. Although they are operating only two furnaces, which are simply enough to pay expenses with a small profit, yet the cost which this company gives is the real cost of their copper, for the management has a reputation of giving the cost only, as they charge everything else up to their proper accounts. Figuring a production, therefore, of 2,000,000 pounds of copper per month, or 24,000,000 pounds per year, and keeping their costs down to nine cents per pound, this company upon 14-cent copper would be able to show net earnings of $1,200,000, or $2 per share, and each additional cent which they received for their copper would add 20 cents per share to it. It is not the intention of the management, however, to run their smelter to full capacity upon the prevailing prices of copper, so that 24,000,000 pounds of copper would not by any means be its limit, and its earnings would even show up better, and naturally, the stock would improve. The company now has a very large amount of ore blocked out. Improvements are constantly being made, consequently reducing the cost of copper, and with the purchase of the Pittsmont property and smelter and a good metal market, there is no reason why the stock will not eventually sell for double its present market price.

PORCUPINE

Get in RIGHT or keep out. THE BOSTON DEVELOPMENT COMPANY, LIMITED, is operating along the right lines. Large acreage; conservative capitalization. For prospectus, engineer's reports, etc., address

A. S. FULLER & COMPANY
CANADIAN INVESTMENTS,
407-8-9 Old South Building, Boston, Mass.

SIX NUMBERS FREE

Financial Converse (published every two months) answers more questions on mines than any periodical published. S. F. Campbell, of Chicago, says: "This paper is worth more than any other mining publication in the United States." Cut this out and send for six copies free covering the next year.

FINANCIAL CONVERSE
339 Monadnock Block, Chicago, Ill.

EMNAHA COLD MININC COMPANY

Incorporated under the laws of the State of Idaho. Capitalization, $500,000, divided into 500,000 shares. Par value $1.00 per share. Of which 80,000 shares have been placed in the Treasury, for the development of the property.

This Company owns and controls nine claims on Battle Creek, Imnaha, Willowa Co., Ore., on which there are three well defined parallel veins, carrying very rich gold quarts. A limited amount of the shares of the stock have been sold.

For full particulars, address

JOHN SENNETT, Treasurer
79 Milk Street, Room 602 Boston, Mass.

Digitized by Google

The Best Purchases on the Industrial List

As Indicated by the Two Standards of Comparison: of Present Investment Yield on Basis of Current Dividends and Prevailing Market Price, and on Basis of Present Earnings on Prevailing Market Values

The average net yield of the 50 industrial stocks quoted in the following table was 5.99 per cent on August 1, as compared with 6.16 per cent on July 25, 6.30 per cent on January 3, and 5.76 per cent on January 2, 1910

As has been the case for some time past, the fertilizer and chemical stocks are attracting more than their share of market interest, which has simply been intensified by the action of the directors of the Virginia-Carolina Chemical Company, in reducing the dividend from 5 to 3 per cent, and the fear that similar action may be deemed necessary in the case of the American Cotton Oil Company, though the directors of the latter company do not meet again to take action on the question of dividends before fall, the last distribution on the junior stock issue having been made on June 1. It will be recalled that the Virginia-Carolina Chemical Company presented an annual report which was a poor exhibit, as compared with its predecessor President Morgan has since that time mailed to the stockholders a circular dealing at some length with the company's position and prospects. He states the earnings of the company for the 12 months to the end of May were the worst they have been for some time, owing to the disastrous year of the Southern Cotton Oil Company, a subsidiary. This company sold its products about as rapidly as it could, and increased its business, particularly its foreign sales in high-grade edible oils. This is shown by the fact that while the total increase of exports of cotton oil from the United States last year amounted to about 8 per cent over the previous year, the increase by the Southern Oil Company was 33 per cent greater than the previous year. The heavy losses by the Southern company this year of more than $600,000 are almost entirely accounted for by the tremendous decline in the price of cottonseed products between the time of the purchase of the seed and the marketing of the products. The general business of the Virgina-Carolina Chemical Company, aside from that of its principal subsidiary, has been satisfactory under prevailing conditions, the fertilizer and mining departments showing a slightly larger profit than last year. The phosphate mining department has had a very satisfactory year, mining a little more rock than last year, and making larger profits. It has all of its plants in operation, and working up to their present capacity. More than that, the products of all of these mines have been entirely sold up for two years, outside of the requirements of the Virginia company. The German potash properties are in good condition, and will probably make more money than they have ever heretofore done. The company has arranged for its supplies of potash salts for five years on satisfactory terms, and it is stated by President Morgan that the recent disturbing conditions in the potash matter have not been of material interest or consequence to the company.

STOCKS SHOWING BEST INVESTMENT YIELD.

Present rank.	Stock.	Present dividend.	Price.	Yield on present price.
1	U. S. Cast Iron Pipe, pref...	5%	52	9.61
2	Am. Cotton Oil, com.....	5%	56	8.92
3	United Dry Goods, com.....	8%	108	7.83
4	U. S. Rubber, 1st pref.....	6%	77	7.79
5	American Woolen, pref.....	7%	91	7.69
6	Republic I. & S., pref.....	7%	94	7.45
7	Central Leather, pref.....	7%	100	7.00
8	Ry. Steel Spring, pref.....	7%	101	6.93
9	Pressed Steel Car, pref.....	7%	103	6.79
10	Union Bag & Paper, pref...	4%	59	6.78
11	U. S. Realty & Imp.....	5%	74	6.76
12	Inter. Steam Pump, pref.....	6%	89	6.74
13	Crex Carpet	5%	75	6.66
14	Am. Writing Paper, pref.....	2%	30	6.66
15	Va.-Carolina Chem., pref...	8%	120	6.66
16	American Locomotive, pref..	7%	105	6.66
17	People's Gas	7%	106	6.60
18	Am. Smelt. & Refg., pref ...	7%	107	6.54
19	Laclede Gas	7%	107	6.54
20	National Lead, pref.	7%	108	6.48
21	U. S. Steel, com.	5%	80	6.25
22	American Tobacco, pref.....	6%	97	6.19
23	Am. Beet Sugar, pref.....	6%	98	6.12
24	Corn Products Refg., pref...	5%	82	6.10
25	American Sugar, pref	7%	117	5.98
26	Am. Car & Foundry, pref...	7%	118	5.93
27	American Sugar, com.	7%	118	5.93
28	Westinghouse, 1st pref.	7%	118	5.93
29	Pacific, com.	6%	102	5.88
30	Am. Ag. Chem., pref.	6%	102	5.88
31	American Tel. & Tel.	8%	136	5.88
32	U. S. Steel, pref.....	7%	120	5.83
33	Mackay Companies, com. ...	5%	87	5.75
34	Distillers Sec. Corp.	2%	35	5.71
35	American Can, pref.	5%	88	5.69
36	Inter. Harvester, pref.	7%	125	5.60
37	National Lead, com.....	3%	56	5.36
38	National Biscuit, com.	7%	134	5.22
39	Va.-Carolina Chem., com....	3%	58	5.17
40	Am. Smelt. & Refg., com....	4%	79	5.06
41	General Electric	8%	162	4.94
42	Sears, Roebuck, com.	7%	142	4.93
43	Am. Malt Corp., pref.	2%	42	4.76
44	Inter. Paper, pref.	2%	48	4.17
45	Consolidated Gas	6%	146	4.11
46	Inter Harvester, com.	5%	123	4.06
47	Underwood Typewriter	4%	99	4.04
48	Western Union	3%	80	3.75
49	Am. Car & Foundry, com. ...	2%	57	3.51
50	Amalgamated Copper	2%	68	2.94

STOCKS SHOWING BEST EARNINGS.

Present rank.	Stock.	Price.	Earning on present price.
1	Inter. Merc. Marine, pref.....	17	23.53
2	Bethlehem Steel, pref.	66	20.35
3	Am. Beet Sugar, com.	54	20.20
4	American Linseed, pref.	31	18.90
5	Westinghouse, com.	78	17.90
6	Am. Ag. Chem., com.....	59	17.65
7	Ry. Steel Spring, com.	37	16.20
8	Pressed Steel Car, com.....	37	14.95
9	United Fruit	192	14.10
10	Crex Carpet	75	13.50
11	American Woolen, com, ...	32	12.65
12	U. S. Realty & Imp.	74	12.65
13	Am. Car & Foundry, com.	57	12.30
14	Inter. Harvester, com.	123	12.10
15	Am. Cotton Oil, com.	56	12.10
16	Colo. Fuel & Iron, com.....	34	11.60
17	Allis-Chalmers, pref	28	10.30
18	Sears, Roebuck, com.	142	10.80
19	Am. Ice Sec. Co.	21	10.50
20	United Dry Goods, com.....	106	10.35
21	General Electric	162	10.30
22	Republic I. & S., com.....	30	9.65
23	Inter. Paper, pref.	48	9.50
24	Union Bag & Paper, pref.....	59	9.40
25	Corn Products Refg., pref.....	82	8.60
26	People's Gas	106	8.50
27	Nat. Enam. & Stmpg., com.	20	8.35
28	Am. Smelt. & Refg., com.	79	8.05
29	American Can, pref.	88	7.75
30	National Lead, com.	56	7.70
31	U. S. Cast Iron Pipe, pref.	52	7.45
32	National Biscuit, com.....	134	7.35
33	American Tel. & Tel.	136	7.25
34	U. S. Steel, com.	80	7.15
35	Utah Copper	49	7.05
36	Distillers Sec. Corp.....	35	6.85
37	Western Union	80	6.25
38	American Sugar, com.....	118	6.00
39	N. Y. Air Brake	75	5.95
40	Mackay Companies, com.	87	5.90
41	Amalgamated Copper	68	5.80
42	Tennessee Copper	40	5.55
43	Va.-Carolina Chem., com.	58	5.40
44	U. S. Rubber, com.....	41	5.40
45	Inter Steam Pump, com.....	40	5.30
46	Consolidated Gas	146	5.10
47	Central Leather, pref	100	5.00
48	Sloss-Sheffield, com	50	4.05
49	Am. Steel Foundries	38	3.60
50	Americana Locomotive, ...	40	3.35

Digitized by Google

The Best Purchases on the Railroad List

As Indicated by the Two Standards of Comparison: of Present Investment Yield on Basis of Current Dividends and Prevailing Market Price, and on Basis of Present Earnings on Prevailing Market Values.

The average net yield of the 50 railroad stocks quoted in the following table was 5.05 per cent on August 2, as compared with 4.99 per cent on July 26, 5.34 per cent on January 4, and with 4.71 per cent on January 2, 1910.

Now that the new fiscal year is a month advanced, those interested in railroad securities are beginning to look forward with more than a little interest to the publication by various railroads of the country, of the annual reports giving detailed information regarding the results attained during the twelve months to the end of last June. Of course, the monthly reports of earnings give a fair idea of the trend of earnings, but very few of the roads in these reports enumerate charges and other items which are likely to change from month to month and which, of course, vary, frequently showing a pronounced change from one year to the next. The more uniform system of reports submitted by railroads of the country to the Interstate Commerce Commission likewise fails to take bond interest and like subjects into account, so that the actual result for the year, so far as the amount earned on the stock is concerned, must be left to the annual report. From the incomplete reports thus far seen, the Atchison, it is evident, earned in the last fiscal year in the neighborhood of 10 per cent on its common stock, as compared with 8.98 per cent earned in the 1910 fiscal period. These figures do not fully represent the increased earnings during the twelve-months' period, inasmuch as the amount of common stock outstanding on June 30 was considerably larger than at the close of the preceding fiscal year. There has been more or less talk of new financing by the Atchison, but if action of this kind has been actually contemplated, there is certainly little indication that the insiders have made definite plans to offer new securities in the immediate future. An increase in public participation in the investment market would doubtless result in a substantial increase of offerings by a number of the leading railroad systems of the country, and Atchison might naturally be expected to take a part in this financing movement, but for the present it is hardly likely that any definite announcement to this end will be made, particularly as the system is not in present need of new funds since payment on the company's convertible bonds furnished a sum sufficient to cover the expenditures made by the company during this period for new construction and improvements.

Illinois Central, for the twelve months ended June 30 last, reports gross earnings of $61,448,522, as compared with $58,346,975 in 1910. The gain in net earnings was even more noteworthy, the showing for the last fiscal year being $14,393,048, as compared with $12,004,674 in 1910. This reduction in operating expenses from 79.4 per cent of gross in 1910 to 76.5 per cent in 1911 is largely accounted for by a reduction in expenditure for maintenance charged to the operating account. It is expected that the forthcoming annual report of Illinois Central will show about 9 per cent, perhaps a little more than that figure, earned on the outstanding capital stock.

STOCKS SHOWING BEST INVESTMENT YIELD

Present rank.	Stock.	Present dividend.	Price.	Yield on present price.
1	Toledo, St. L. & W., pref...	4%	47	8.51
2	Detroit United	5%	74	6.76
3	Chesapeake & Ohio, com....	5%	81	6.17
4	B. R. T.	5%	81	6.17
5	M., K. & T., pref.	4%	67	5.97
6	K. C. Southern, pref.	4%	68	5.88
7	St. L. & San F., 1st pref....	4%	69	5.82
8	St. Louis, S. W., pref.	4%	69	5.83
9	Lehigh Valley	10%	175	5.71
10	N. Y., N. H. & H.	8%	140	5.71
11	Baltimore & Ohio, com.	6%	106	5.66
12	St. Paul, com.	7%	127	5.51
13	Twin City R. T., com.	6%	109	5.50
14	Atchison, com.	6%	111	5.40
15	Northern Pacific	7%	130	5.39
16	Colo. & Southern, 2d pref...	4%	75	5.33
17	K. C., F. S. & M., pref.	4%	75	5.23
18	C., C., C. & St. L., pref.	5%	94	5.32
19	Union Pacific, com.	10%	188	5.32
20	Delaware & Hudson	9%	172	5.23
21	Great Northern, pref.	7%	134	5.22
22	P., C., C. & St. L., com.	5%	96	5.21
23	N. Y., C. & St. L., com.	3%	60	5.00
24	M., St. P. & S. S. M., com...	7%	140	5.00
25	Southern Pacific, com.	6%	121	4.95
26	C., St. P., M. & O., com.	7%	143	4.90
27	Illinois Central	7%	143	4.90
28	Colo. Southern, 1st pref.	4%	82	4.88
29	Atchison, pref.	5%	103	4.85
30	Pennsylvania	6%	125	4.80
31	Chicago & N. W., com.	7%	147	4.76
32	Western Maryland, pref.	4%	85	4.70
33	Louisville & Nashville	7%	150	4.66
34	Norfolk & Western, com.	5%	108	4.63
35	Atlantic Coast Line	6%	129	4.65
36	N. Y., O. & W.	2%	43	4.65
37	N. Y. Central	5%	108	4.63
38	St. Paul, pref.	7%	153	4.57
39	M., St. P. & S. S. M., pref....	7%	156	4.49
40	Baltimore & Ohio, pref.	4%	90	4.44
41	Norfolk & Western, pref. ...	4%	90	4.44
42	Buffalo, R. & P., com.	5%	115	4.35
43	Central of New Jersey	12%	280	4.28
44	Union Pacific, pref.	4%	94	4.26
45	Canadian Pacific	10%	243	4.11
46	Reading, com.	6%	158	3.80
47	Boston & Maine	4%	107	3.74
48	D., L. & W.	20%	536	3.73
49	Colo. & Southern, com.	2%	55	3.63
50	Southern Railway, pref.	2%	73	2.74

STOCKS SHOWING BEST EARNINGS

Present rank.	Stock.	Price.	Earning on present price.
1	St. L. & San. F., 2d pref.	48	20.85
2	Erie, 1st pref.	56	20.46
3	M., K. & T., pref.	67	20.35
4	Detroit United	74	16.65
5	Hocking Valley, com.	128	14.90
6	Southern Railway, pref.	73	14.20
7	K. C. Southern, pref.	68	13.85
8	K. C. Southern, com.	34	11.20
9	Buffalo, R. & P., com.	115	11.15
10	P., C., C. & St. L., com.	96	10.80
11	C., St. P., M. & O., com.	143	10.05
12	Colo. & Southern, com.	55	9.50
13	Atlantic Coast Line	129	9.35
14	Southern Pacific, com.	121	9.40
15	Atchison, com.	111	9.40
16	Norfolk & Western, com.	108	9.10
17	Union Pacific, com.	188	9.10
18	St. Louis S. W., pref.	69	8.75
19	Louisville & Nashville	150	8.65
20	Twin City R. T., com.	109	8.30
21	Central of N. J.	280	8.20
22	C., C., C. & St. L., com.	58	7.30
23	Baltimore & Ohio, com.	106	7.30
24	Erie com.	36	7.20
25	B. R. T.	81	7.15
26	M., K. & T., com.	35	7.10
27	D. & R. G., pref.	57	7.00
28	Delaware & Hudson	172	6.75
29	N. Y., N. H. & H.	140	6.70
30	D., L. & W.	536	6.60
31	Chesapeake & Ohio, com.	81	6.30
32	Illinois Central	143	6.25
33	Canadian Pacific	243	6.20
34	Lehigh Valley	175	6.10
35	Northern Pacific	130	5.95
36	M., St. P. & S. S. M., com.	140	5.80
37	Chicago & N. W., com	147	5.70
38	Great Northern, pref.	134	5.70
39	Pennsylvania	125	5.40
40	St. Paul, com.	127	5.30
41	Toledo, St. L. & W., pref.	47	4.85
42	N. Y. Central	108	4.85
43	Reading, com	158	4.75
44	Chicago & Alton, pref	52	4.70
45	N. Y., O. & W.	43	4.35
46	Chicago Gt. Western, pref.	44	4.20
47	Western Maryland, pref	85	3.90
48	Wabash, pref.	35	2.40
49	Boston & Maine	107	2.20
50	Missouri Pacific	50	0.65

Digitized by Google

PROPOSAL FOR BONDS.

PLYMOUTH, CONN.—Sealed bids marked "Proposals for Bonds", addressed to Jonathan Starr, town treasurer, Terryville, Conn., will be received until August 11, for seventy-five $1,000 4½ per cent coupon bonds of the town of Plymouth, Conn., dated, August 1 1911, and payable August 1, 1936. The bonds will be engraved under the supervision of and certified as to their genuineness by the Old Colony Trust Company of Boston, who will further certify that the legality of the issue has been approved by Messrs. Storey, Thorndike, Palmer & Dodge, and a copy of this opinion will accompany bonds, when delivered without charge to the purchaser. All legal papers incident to this issue together with an affidavit certifying to the proper execution of the bonds will be filed with the Old Colony Trust Company, where they may be referred to at a moment's notice. The town had assessed valuation October 1, 1910, of $3,295,485 and has no previous funded indebtedness. Its population as of 1910 is 5,021.

We regret to announce the sudden decease last night at his home in Lexington, Mass., of Albert E. Pennell, one of the most valued members of the business staff of the United States Investor and well known to bankers and brokers throughout the United States. He had been ill for quite a long time with a complication of diseases and failed to recover from a recent operation. Mr. Pennell was 59 years of age although he appeared much younger, and his high character, amiable disposition and broad experience had given him a host of friends. He leaves a wife and daughter.

YUKON PORCUPINE NEVADA UTAH

Our weekly market letter mentions the above, also East Butte, Tonopah Divide Dalv, Goldfield Consolidated, McKinley Darragh, Bay State Gas and "Coppers" and Curb stocks in general. Mailed free upon request.

"Coppers" and Curb Stocks bought and sold for Cash or Carried on Margin

H. A. BROWN & CO.

Members Boston Curb Exchange

60 State St. Boston — 74 Broadway New York

FOR

Oil and Gas Land Leases

WRITE

C. W. DEMING & D. C. ACOSTA, Inc.

Tulsa, Okla.

Almoloya Mining Co.

60 Wall St., NEW YORK

BOSTON STOCKS AND BONDS

For the Week Ending Thursday Evening, August 3, 1911.

Names.	RANGE FOR WEEK Low	RANGE FOR WEEK High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911. Lowest		RANGE FOR YEAR OF 1911. Highest		RANGE FROM JAN., 1879, TO JAN., 1911. Lowest	RANGE FROM JAN., 1879, TO JAN., 1911. Highest
Railroads.										
Boston & Albany	221	222½	221	211	[illegible]	May 1	226	Feb 15	29	1879
Boston Elevated	129	130½	130½	864	127	May 5	137	Aug 2	52½	1886
Boston & Maine	106	106½	106½	119	101	May 16	122½	Feb 15	66½	1879
do. pref.	...	...	151	...	150	Jan 17	154	June 5	110½	1891
Cent. Verm't 4s	...	...	...	...	87½	Jan 2	92	Mar 24	75	1904
C. R. & Q. Jt. 4s	96½	97½	96½	10,000	96½	Jan 5	96½	June 2	82½	1907
Chic. June. R...	...	...	115½	...	160	Aug 1	...	...	50	1893
do. 5s	101½	101½	101½	1,000	101½	July 28	101½	July 28	89½	1911
Fitchburg pref..	125½	126	126	47	125	July 22	130	Jan 9	66½	1889
K.C. Ft.S &M 6s	...	...	116½	...	115	Mar 21	116½	Jan 6	76	1895
K.C.M.&B.new6s	92	92	92	500	91¼	Jan 19	93½	Jan 3	125½	1894
do. inc. 5s....	...	...	88	.....	88	Apr 6	90	Mar 14	8	1896
N.Y., N.H. & H.	139	140¾	139	888	139¾	July 21	151½	Feb 22	127	1907
Old Colony	187½	187½	187½	54	183	Mar 15	189	June 14	96	1879
Rutland pref....	29	29	29	5	32	Jan 26	33	Feb 21	65	1879
West End.....	89½	89	89	408	87	July 11	95	Feb 6	43	1894
do. pref.	102½	103	102¾	28	101¼	July 20	105	June 22	78	1888
Miscellane's.										
Am. Agri. Chem.	59½	60¾	59½	1,575	46½	Jan 6	60½	May 18	9	1903
do pref.	103¾	104¼	104	374	99	Jan 6	106½	Mar 1	66½	1903
Am. Pneu. Ser.	4¾	4¾	4¾	165	4¼	Apr 25	6½	Jan 31	3	1903
do. pref.	15¼	15¼	15¼	443	14	Apr 21	19¼	Jan 31	9¼	1903
Am. Tel & Tel.	136½	136¾	136¾	4,886	133½	Aug 2	153¾	June 9	83	1907
do. 4s	91¼	91½	91¼	70,000	89½	Mar 23	92	May 25	71	1907
do cons. 4s..	...	...	106¾	....	106¾	Jan 13	111¾	June 19	80½	1908
Am. Woolen....	31½	32	31½	200	31	June 26	36¼	Mar 30	7⅞	1903
do pref.	91½	92½	91½	500	88¼	Apr 1	98½	June 15	66	1903
B. & Wor. Elec	...	...	12	.....	6	Feb 15	13	July 12	8	1910
do. pref.	52	52	52	40	38½	Jan 27	58	July 1	36	1910
Cumberl'd Tele.	137½	137½	137½	10	146	Jan 19	158	June 2	93½	1907
Dom Ir. & St'l	...	...	63¾	...	...	...	...	...	6½	1902
Dom. Coal 5s....	...	...	95½	.....	90	Jan 4	96¾	Mar 21	90	1908
E Boston Land.	11½	11¾	11½	1,235	7¾	Jan 18	12	May 1	2¾	1893
Edis Elec. Ill..	285	287	286	76	281	July 5	292½	Feb 3	16	1893
Gen'l Elec. Co..	161	163	161	415	145¾	Mar 3	167¾	May 29	50½	1896
Mass. Elec.....	21½	22¾	22¾	50	16	Apr 24	24	June 2	6½	1903
Mass. pref.....	92½	93	92½	202	83¾	Jan 9	95	July 11	37	1907
Mass Gas	96	96¾	96¾	1,283	87¾	Jan 3	98½	July 12	50	1903
do pref.	97½	98	97¾	165	91½	Apr 13	98	June 6	74½	1903
Mergenthaler ..	259	265	265	123	211	Jan 3	260	July 31	115¾	1897
N E Cot. Y'n	113	113	113	5	110	Apr 22	119	Mar 10	40	1898
do. pref.	100½	100½	100½	2	100	Jan 3	116½	Mar 15	24¾	1903
do 5s	102¾	102¾	102¾	1,000	100¾	Jan 12	103	June 20	93	1908
N. E. Telephone	146	147½	146½	87	117	Jan 17	150½	June 10	78¾	1879
Pullman Car....	180	181½	181½	315	158½	Mar 10	182	Jan 30	55½	1901
Reece But. H...	14	14	14	10	12	Jan 5	16¾	May 22	7¾	1884
Torr'g'n Co.Cl.A	31	31½	31	25	30	Apr 24	36	Jan 7	18	1906
do pref.	29	32	29	15	27	Mar 31	36	July 26	20	1903
U'ted Fruit Co	150	150	150¾	157	140	Mar 24	157	June 12	73	1901
U'ted Fruit 4½s	96½	96¾	96¾	2,000	96½	Apr 17	97½	Jan 6	86	1910
Un. Shoe Mac'y	46½	48½	46½	2,013	16½	July 27	56⅞	Feb 15	25	1906
do pref.	27½	28	27½	210	27½	Aug 2	29½	Mar 7	22	1903
West. Tel. & T.	2	2¼	2¼	6	1¾	Apr 18	2¾	Feb 6	4	1908
do pref.	90	100	90	35	89	Jan 23	100	July 28	80	1907
do 5s	99¾	100	99¾	6,000	96¾	Jan 5	100	June 23	73	1907
Mining.										
Adventure	6¾	7	6¾	65	4½	Apr 24	7½	May 18	2	1903
Allouez	30	30	30	40	30	May 19	39	Jan 4	3	1894
Amalgamated ..	67½	67¾	65¾	3,811	56¾	Apr 18	71½	June 29	23¾	1903
Am. Zinc.....	28	29¾	28¼	2,435	23	Apr 25	30¾	June 14	5	1901
Arizona Com ..	14½	15½	14¼	1,26	11¾	Apr 24	18¾	June 14	6	1907
Bos & Corbin..	13½	14	12¾	26	10¾	Apr 24	15	June 6	6	1907
Butte Bal'kl'n	4¾	5	5	400	4½	July 24	6¾	Jan 4	4½	1910
Butte Coalition..	18	18½	18	1,661	16¾	Apr 24	20½	May 24	10	1907
Calumet & Ariz.	85	87½	85	304	46	Jan 10	93	June 14	41¾	1910
Calum. & Hecla.	465	480	475	51	415	Aug 3	545	Jan 4	125	1884
Centennial	11	11	11	10	11	July 22	16	Jan 3	10	1886
Copper Range...	59½	60¼	59½	1,020	58¾	Apr 24	64¾	Feb 2	37	1903
Daly-West	6¾	6	6¾	350	3	Feb 18	6¾	June 21	3½	1910
East Butte.....	14½	14¾	13¾	2,325	10¾	Apr 25	14¾	June 26	8½	1903
Elm River.....	...	...	11	...	10	July 24	20	Jan 5	06	1899
Franklin	11¼	11¾	11	688	7	Feb 8	14	June 14	4	1879
Giroux	56	60	58	1,425	56	Aug 3	81	Feb 6	25	1907
Granby	4	4¾	35	50	30	Apr 12	43½	June 21	20	1910
Greene Cananea	6¾	7¼	7	1,105	5 5-16	Feb 9	8	June 26	5	1903
Hancock, Con..	27½	28	25½	271	17¾	Apr 24	29¾	June 19	13	1907
Helvetia	1	1	1	130	99	Apr 26	2	Mar 4	1	1910
Isl'd C'k Coal**	37½	39	38	1,117	29¾	May 8	49¾	June 3	26	1910
do. pref.** ..	88	88¾	88	246	87	Mar 29	91	June 11	64	1910
Isle Royale	16	17	16	195	12	Apr 22	19¾	June 19	8½	1903
Kerr Lake ...	5 15-16	5 5-16	5¼	1,775	4 15-16	June 28	7⅞	Jan 31	5	1910
Keweenaw	2¾	3	2¾	1,100	1¾	May 19	4⅝	June 13	1½	1903
La Salle.....	3¾	3¾	3¾	10	3¾	June 6	6	Jan 4	3	1903
Lake Copper	25	25	24½	1,100	24½	Apr 28	30	June 14	4	1903
Mass Cons.....	...	...	5	...	5	May 27	10	June 13	2½	1903
Miami	21¾	21¾	21¾	185	18¼	Apr 21	25¾	June 22	4¾	1903
Michigan	2¾	2¾	2¾	2	1¾	Apr 25	4¾	May 6	1	1903
Mohawk	48	48	46	16	36	Apr 24	50	June 15	11½	1903
Nev. Cons	19¾	20¼	20¼	85	17¾	Apr 24	21¾	June 13	6¾	1907
New Arcadian..	37½	...	37½	100	21	Mar 9	43¾	May 17	11	1903
Niplsing	8¾	8 17-16	8½	1,775	6½	Aug 2	11½	Feb 15	5	1903
North Butte ..	32	32¾	31	2,775	25½	Apr 24	36	June 14	18¾	1903
North Lake	7¾	8	7½	150	5	Apr 18	8¾	June 3	4	1903
Old Dominion..	17½	16	45½	10	26	Apr 22	49	June 23	10	1903
Osceola	97	100	98	21	96	Apr 24	124	Jan 4	7	1885
Parrot	11¾	11¾	11½	17	11	May 2	14	May 22	5	1903
Quincy	72	72	71	65	65	Jan 10	78	July 24	10	1903
Rhy Copper'fd	17	17½	17	175	13½	Apr [illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Santa Fe	1¾	1¾	1¾	4	1¾	Apr 25	2¾	June 12	1	1903
Shannon	10	10¼	10¼	50	9¾	May 16	12¾	Feb 6	4	1903
Superior Copper	31	31½	32¼	10	30	Apr 24	34½	June 14	7	1903
Sup. & Boston ..	5	5	5	12	2 15-16	Apr 7	7¾	June 13	2¾	1903
Tamarack	84	86	84	70	74	Jan 4	94	Jan 4	35	1903
Tennessee	...	...	12	...	12	Feb 1	18	Jan 4	7	1907
Trinity	45	45	45	5	42½	Apr 3	50	June 20	22	1903
U. S. Smelting.	57	57¾	57	75	52	Apr 3	63¾	Jan 4	27	1903
do. pref.	69	69	68	60	65½	May 16	73	Jan 4	45	1903
Utah Cons	7	7	7	60	5½	Jan 3	8¾	Jan 4	3½	1903
Utah Apex	2¾	2¾	2½	57	2½	Apr 28	3¾	Jan 4	1¾	1903
Victoria	1¼	1¼	1¼	4	1	Feb 3	1¾	Jan 7	1	1903
Wilcox	1	1	1	50	1	May 2	1	Jan 4	1	1903
Wolverine	138	139	138	7	107	Apr 26	170	Jan 4	100	1903

* Ex dividend † Assessment paid ‡ Rights off § Auction ‖ Sold at odd lots ¶ Sold at ... ** Temporary certificates.

Digitized by Google

BOSTON & CORBIN.

Convertible 6s to Be Issued to the Amount of $300,000—Developments on the Twelfth Level Prove Conclusively the Presence of High-Grade Ore on the Lower Levels.

At a meeting on August 17, the stockholders of the Boston & Corbin, Copper & Silver Mining Company, will be asked to authorize an issue of $450,000 of 6 per cent twelve-year bonds which will be convertible into stock at $15 per share. While they will be asked to authorize this amount, only $300,000 of the bonds will be offered at this time and they will be offered to stockholders of record August 26 at 95, each 150 shares of the stock carrying the right to subscribe for one $500 bond in which denomination the bonds will be issued. Payments on the bonds are to be as follows: $175 per bond on September 15, $150 per bond on January 15, 1912, and $150 per bond on May 15, 1912, and accrued interest. According to the sinking fund requirements $50,000 will be retired each year, commencing with September, 1914, with the provision, however, for a pro rata reduction on such payments in the event of partial redemption, conversion or issue.

For the purpose of conversion the capital will be increased from 100,000 to 130,000 shares, and the convertible privilege will run for the entire life of the bonds which may, however, be called at 105 and interest at any time on sixty days' notice, within which time the bondholders will have the right to convert the bond into cash or receive $7.25 per bond in cash plus interest.

A 300-TON CONCENTRATOR.

With the $300,000 which will be received from the sale of these bonds which have been underwritten for a 5 per cent commission, rights to expire on September 15, the management will be enabled to construct the 300-ton concentrator which has been planned for and to carry on at least two years' development work.

This is one of the most important steps which the management have taken for some time, and marks the first new financing since November 25 1905, when interests connected with the management showed their faith in the property by purchasing 30,000 shares of treasury stock at $25 a share.

At first it was proposed to issue the whole $450,000, but

THE RECENT FINDING

of over 5 feet of high-grade ore in the face of a cross-cut below the twelfth level leads the management to believe that they need issue only $300,000, thus saving $9,000 yearly in interest charges alone. This recent discovery is important from the fact that it proves the management correct in believing Boston & Corbin ore values would increase with depth. Active development work has been going on all the year which is shown by the fact that a raise has progressed from the 900-foot level to the twelfth level during the year.

The Boston & Corbin has a capitalization of only $5 a share, of which $450,000 is issued, which is a very small capital as compared with many properties which have not as bright a

NEW YORK STOCKS AND BONDS

For the Week Ending Thursday Evening, August 3, 1911.

Names.	RANGE FOR WEEK Low	RANGE FOR WEEK High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911 Lowest		RANGE FOR YEAR OF 1911 Highest		RANGE FROM JAN., 1878, TO JAN., 1879, TO Lowest	RANGE FROM JAN., 1878, TO JAN., 1879, TO Highest
Atch. & T. R.R	106⅝	107⅝	106⅞	45,400	103⅝ Jan 3		116⅝ June 5		3 1-16	1894 152¼ 1899
Atch. & Top pf	102⅞	103⅛	102⅞	900	100⅝ Jan 3		105¼ June 12		14	1896 107½ 1901
Atch. & Top 4s	99	99⅛	99	72,000	98 Mar 23		99⅝ Jan 4		61	1894 106⅛ 1902
do. adj. 4s....	90⅛	90⅝	90⅛	7,000	90⅜ Mar 29		92½ Jan 26		26	1894 99⅛ 1905
At'tic C'st Line	116	116⅛	116	300	117 Jan 3		120½ July 22		58	1907 170 1905
B. & O. Gold 4s	98	98	98	23,000	98 June 6		99⅛ Feb 21		83	1907 108⅜ 1985
B. & O. S. W. 3½s	90⅛	90⅝	90⅛	1,000	90⅜ Feb 28		93 Mar 11		80	1907 96 1899
Balt. & Ohio..	101	101⅛	101	7,400	100 Feb 24		109⅝ July 22		9	1897 125⅛ 1916
do. pref.	87	87	87	100	87 Aug 3		91 Jan 4		67½	1889 100 1905
Brooklyn R. T	74⅜	74⅝	74⅜	2,200	74⅜ Jan 3		85⅝ July 20		18	1896 137 1899
B. & T. conv't 4s	83	83	83	22,000	82⅜ Apr 19		93⅝ Jan 26		56	1907 102⅛ 1905
Canadian Pac...	242½	246	244⅝	17,900	235⅝ Jan 3		247 July 21		33	1898 208⅜ 1910
Canada South..			62		62 Mar 3		68 May 12		23	1886 97 1902
Canadian Con.5s.	104⅞	104⅞	104⅞	7,000	103¼ Jan 13		110 July 26		85	1907 120⅛ 1931
do. 1st inc....	97	97	97	10,000	96 July 27		114½ Apr 12		30	1899 102 1910
do. 2d inc.....			96		95 Mar 1		108¼ Apr 5		9	1899 101 1910
do. 3d inc.....			85		85 Feb 24		107 Apr 4		4	1899 100 1910
Central N. J....	270	270	270	10	270 Mar 13		295 June 21		31	1885 312 1910
C. C. C. Pac. 3½s	97	98	97	1,000	97½ July 10		92 Mar 9		75	1907 91 1910
Ches. & O. gen 4½s	101	101	102	2,000	101½ Apr 13		102 May 19		61	1892 111 1905
Chesapeake & O	76½	77⅛	77	17,400	77 Apr 24		86⅝ Feb 10		1	1858 133⅛ 1881
Chic. & Alton...			90		85 Apr 24		81¼ May 23		8¼	1907 74⅝ 1909
do. pref			52		53 Mar 17		53 Jan 27		47	1908 85⅛ 1908
Chic. G'r't West	20	20⅝	20	1,000	20¼ Apr 19		25¼ June 5		9⅝	1897 37⅝ 1910
do. pref. A..	41⅜	41⅝	41⅜	200	42 Apr 25		49⅛ Feb 6		15½	1908 80⅛ 1907
Chic. M. & St.P	124⅜	124⅝	124⅜	28,400	117¼ Apr 19		132½ Feb 7		34⅝	1879 159⅝ 1900
do. pref.	146	146	146	500	147 Jan 3		156½ June 15		74⅝	1879 218 1906
Chic. & N. W...	140⅜	140⅝	140⅜	1,700	142½ Jan 19		150½ June 12		49⅝	1879 271½ 1902
do. pref	200	200	201	300	200 Aug 3		207 June 2		123	1890 274½ 1902
Chi. St. P. & Om.			144		130½ Apr 20		144 June 12		18½	1886 235 1905
do. pref.			155		152 Feb 18		152 Feb 18		66	1885 220 1905
Chi. Ter. Trans									1⅝	1908 21 1901
do. pref.			36⅞						8⅜	1908 67¼ 1901
Chic. Un. Trac..	2⅞	3⅛	3⅛	5,000	2 May 11		5 June 2		⅝	1908 22 1902
do. pref.	6	6	6	200	5¼ May 2		7⅝ Feb 6		3	1908 60 1902
C. C. C. & St. L	87	87	87	100	86⅜ Apr 27		96 Jan 18		19⅛	1896 111 1905
do. pref.			94½		96⅜ June 16		98 Feb 1		63	1897 126⅛ 1902
Colo. & South'n	54	54⅛	54	100	51¼ Apr 19		60 Jan 18		4⅝	1888 68⅛ 1879
Col. & So. 1st pf	89	89	89	200	74½ Mar 27		84⅜ July 10		35	1899 86 1909
do. 2d pref			77		73½ Apr 19		73 June 7		12⅛	1899 64⅛ 1909
Del. & Hudson..	170⅛	172	172⅛	600	164¼ Jan 3		175⅞ June 8		23	1879 240⅜ 1906
Del., L'k & W.	636	636	636	100	630 Feb 17		660 June 5		68	1879 630 1909
Den. & Rio G'de	27⅛	28	27⅝	500	25⅜ June 22		35 Feb 21		4⅝	1885 88½ 1886
do. pref	63⅜	63⅜	63⅜	400	59½ June 22		74 Feb 21		24	1894 103⅛ 1901
Det. So. Sh. & Atl			11		11 Jan 6		15¼ May 1		2½	1895 34 1902
do. pref.	33½	34	30	300	30 Aug 7		25⅝ Apr 8		5	1898 48⅜ 1906
Erie 1st gen 4s			73⅜		73⅜ Jan 9		79⅜ July 19		55	1908 95 1905
Erie	37⅜	37⅝	37⅜	2,200	36¼ Jan 11		38⅝ June 30		8⅝	1894 52⅜ 1897
Erie 1st pref....	44	44⅛	44	7,400	43⅝ Jan 17		47¾ July 1		15	1893 85 1881
Erie 2d pref.	44	44⅛	44	1,700	43 Jan 17		49¼ July 3		13	1896 78⅜ 1906
Evans. & T. H			60		60 Feb 1		58 July 24		20	1897 152 1892
do. pref.			90		85 June 5		90 July 24		73	1904 104⅜ 1972
Ft. W. & Rio G.			17		17 July 31		15¾ Jan 25		3½	1898 27⅛ 1903
Ft. Northern pf	120	124⅝	121	25,700	122 Feb 24		140 June 8		44½	1890 148 1906
Hocking Valley			129		129 May 24		134 Apr 29		22	1899 140 1910
do. pref.			125						53½	1889 161½ 1916
Illinois Central..	146	147	146	2,200	132 Jan 3		147 July 20		79⅛	1879 184⅛ 1906
Inter-Met (w.i.)	13⅞	14⅛	14	1,400	13⅛ Aug 2		20⅜ Feb 15		4⅝	1907 55⅛ 1906
do. pf (w. i.)	50	50⅜	50	5,700	47⅜ Apr 27		65⅜ Feb 17		14	1907 67⅜ 1906
Iowa Central ..	19	19	19	600	17 May 11		19⅞ Feb 7		2	1898 51⅜ 1907
do. pref	37	37	37	100	28 Apr 27		37 Aug 2		12	1898 93⅜ 1903
Kan. City & So	32⅜	32⅝	32	1,400	32 Jan 3		34⅛ June 15		7	1900 50⅛ 1910
do. pref.			64½		64½ Jan 3		70 May 26		27½	1900 76⅛ 1909
K. C. Ft. S. & M. pf			78		77 Apr 1		76 May 2		58	1908 88 1902
Lake E. & West			15		14¾ May 19		16¼ Feb 1		1⅜	1895 76⅛ 1911
do. pref.	40	40	40	300	37½ July 21		40 Jan 17		24	1895 132 1902
Louis. & Nashv.	142⅛	142⅝	142	1,400	142¼ Jan 25		156⅛ July 19		22	1895 142⅛ 1979
Manhattan Elev			134		134 Mar 24		142 July 19		64½	1894 175 1905
Metrop. St. Ry			17						15	1910 182 1900
Mex. Central ...			21						4	1886 33 1892
do. 1st 4s			56⅞						32	1886 80⅛ 1910
do. 1st inc....			21						8	1903 46 1894
do. 2d inc			14						4	1896 35⅝ 1900
Minn. & St. L..	31	31	31	400	31⅛ Apr 26		41 July 10		3½	1889 115 1902
do. pref.			47		45 Mar 15		48 July 21		7⅜	1889 127⅜ 1902
M. St. P. & S. S. M.	138	140	138	2,000	133⅜ Jan 4		152½ Mar 30		6	1895 164 1908
do. pref.			116		114⅜ Jan 6		126 July 21		10	1895 160⅜ 1908
M. K. & T. 1st 4s	66⅜	67⅛	66	17,400	66⅛ Apr 22		96 Jan 21		50	1898 104⅛ 1905
do. 2d 4s.....	50⅛	50⅝	50⅛	4,000	50⅛ Jan 5		68⅛ Feb 17		27	1893 92⅜ 1906
M. K. & T. of T 5s	102	102	102	1,000	101½ Jan 6		108⅜ July 10		72	1898 114⅛ 1909
Mo., K. & Tex..	21	21	21	2,400	21 Apr 24		29⅛ June 14		6⅜	1879 54 1921
do. pref.	61	61	61	1,400	62½ Jan 16		69 June 12		13⅜	1883 78⅜ 1909
Mobile & Ohio..	47	47	47	400	47 Aug 2		62 Feb 15		10	1897 125⅛ 1902
N. Y. Central..	107	107	107	1,000	106⅛ Apr 24		115⅜ Feb 3		31⅜	1885 174⅛ 1901
N. Y., C. & St. L.			32⅜		32⅜ Apr 3		37 Jan 30		9	1896 73⅛ 1906
do. 1st pref. ..			77		76½ Feb 21		104⅜ Mar 20		4	1895 124⅛ 1907
do. 2d pref. ..			57		57 Apr 17		90 Jan 30		18	1892 100 1902
N. Y., O. & W.	40⅜	40⅝	40⅜	400	40⅜ Apr 20		46⅞ July 22		6⅝	1895 64 1905
Nor. & W. 4s	94	94	94	1,000	94 Jan 3		99⅞ Feb 9		74	1898 105 1905
Norfolk & West	104⅛	104⅝	104⅛	1,000	104⅛ Jan 3		111 June 26		⅝	1896 108⅝ 1910
do. pref.	91⅜	91⅜	91⅜	100	91⅜ Apr 28		91 May 23		4⅛	1896 98 1902
Northern Pac. 4s	96⅜	96⅜	96⅜	1,000	96⅜ Jan 3		100⅜ Feb 6		94⅜	1938 106 1899
Nor. Pac. & Mon. 6s	114	114	114	1,000	114 Mar 27		121 July 26		67	1898 79 1905
Pac. Coast....			108		108 Jan 11		109 Jan 10		11	1897 1000 1901
do. 1st pref.			107						34	1878 142 1906
do. 2d pref....			100		100 Jan 17		101 Jan 17		85	1897 105 1910
Penn. R. R.....	130	130⅛	130	1,000	130⅛ May 31		139⅜ Feb 1		94⅛	1879 170 1912
Peo. & Eastern									3	1895 50 1901
do. 1st pref.			94		93⅛ May 31		100 Jan 17		10⅛	1894 176½ 1902
do. 2d pref.					91 May 20		100 Feb 17		42	1895 129 1902
Pittsburg con 4s					97⅜ Mar 16		100 July 26		77	1896 104⅛ 1905
Reading			170		170 Apr 24		180⅜ June 5		48	1896 173⅜ 1909
do. 1st pref..			93		93 Mar 21		100 July 24		26	1896 97 1905
do. 2d pref....			87		87 Apr 24		93 May 4		17⅜	1896 117½ 1909
Rep. I. & Steel			23		23 Apr 24		31⅜ June 14		11⅜	1907 81 1909
do. pref.			87		87 Apr 27		95⅛ June 14		28½	1907 94⅜ 1909
Rock Island Co.			14		14 Jan 3		17 May 4		6⅝	1907 38⅛ 1907
do. pref.			30		30 Apr 24		35 July 25		9⅜	1879 135 1907
do. 1st pref..			70		70 Mar 21		77 July 24		41⅜	1879 84½ 1887
do. 2d pref....			57		57 Jan 9		63⅞ June 26		13	1893 110¼ 1905
St. L. & S. F. gen. 4s.			76		76 Jan 9		83 July 7		50	1893 110¼ 1905
St. L. & S. W.			14		14 Jan 3		17 May 4		6	1896 38⅜ 1907
do. pref.			30		30 Jan 3		36 May 4		13	1896 90⅝ 1907
St. L. & San Fran.			1		1 Jan 3		2 May 4		½	1896 6 1907
do. 1st pref.			3		3 Jan 3		5 May 4		1	1896 15 1907
do. 2d pref.			2		2 Jan 3		4 May 4		½	1896 10 1907
St. L. S. W. 1st g. 4s.			75		75 Jan 3		83 May 4		66	1907 98⅛ 1907
do. 2d pref.			50		50 Jan 3		60 May 4		30	1907 70 1907
Seaboard Air L.			9		9 Apr 24		12 July 25		3	1907 13⅝ 1907
do. pref.			21		21 Apr 24		27 July 24		4⅜	1879 84⅛ 1887
Southern Pac.			93		93 Jan 9		103⅜ July 7		50	1893 110¼ 1905
Southern Ry.			24		24 Jan 9		29⅛ June 26		13	1893 90⅝ 1907

Digitized by Google

NEW YORK STOCKS AND BONDS

For the Week Ending Thursday Evening, August 3, 1911.

Names.	SALES FOR WEEK Low	High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911. Lowest		Highest		RANGE FROM JAN., 1878, TO JAN., 1911. Lowest		Highest	
St. L. Southw...	30	32½	30	200	24	Jan 13	34	Feb 4	1	1897	39¼	1901
do. pref.	68	70	69	1,600	59¾	Jan 3	72	June 27	21½	1900	80	1902
St'b'd A.Ladd'ds	78	81¾	78½	105,000	75	Mar 15	82	July 19	69¾	1910	77¾	1910
San.Ant.&A.P'ss	87½	87¾	87½	2,000	86¾	Apr 8	88	May 16	45	1896	92½	1909
So. Pac. rfd. 4s.	94¾	95	94¾	122,000	94¼	Jan 3	96	May 8	94¼	1906	98½	1906
South'n Pacific.	119¼	122⅛	119⅝	25,065	113¾	Apr 24	126⅝	June 26	12	1898	139¼	1909
do. pref.	....	....	71¾	.....	.....		.....		94¾	1900	107	1909
Southern	30⅝	32¼	30⅝	17,900	25½	Mar 6	33⅝	July 22	12	1894	1263	1902
do. pref.	72	73	72	2,250	61¾	Jan 11	75¾	July 20	112	1894	105	1906
Texas & Pacific	27⅜	28½	27⅜	1,000	26¼	Apr 24	30½	June 9	4⅝	1893	72½	1881
Third Avenue..	10⅝	10⅝	10⅝	250	8⅝	Mar 2	26	Mar 2	5½	1910	242	1888
Tol.Rys.& Light	....	....	7	.....	6¼	Mar 27	8½	Jan 17	8½	1910	38	1902
Tol., St. L. & W	20¾	21¼	20½	500	19	May 9	24⅝	Feb 8	10⅝	1901	54¼	1909
do. pref.	47	47½	47¼	850	46	July 1	53¾	Feb 8	22⅝	1900	74⅝	1909
Twin City R. T	107½	107½	107½	100	107	July 11	111	Feb 3	94	1897	129	1902
U.P.cvt 4s. 1887	103½	108½	107⅝	667,000	103¼	Feb 24	109¾	June 27	78¼	1907	124¼	1909
Union Pacific..	185⅝	189⅞	185⅝	352,800	169¾	Jan 3	192⅝	July 22	3	1898	204⅝	1910
do. pref.	94	96¼	94½	1,000	91	Mar 22	96	July 21	67	1898	118¼	1909
Wabash 1st 5s..	108	108½	108½	4,000	106	June 7	110	Mar 30	93	1896	121	1902
do. deb. B's..	....	....	111	.....	.....		.....		19	1903	101	1909
Wabash	15⅛	15⅝	15⅛	3,700	13¾	Aug 2	18⅝	Feb 22	2	1885	66	1881
do. pref.	32⅜	34½	32⅜	2,600	32¼	Aug 2	46⅝	Feb 22	9	1884	98⅛	1881
Wheel. & L. E	3	3½	3¼	300	3	July 26	6¼	Feb 3	½	1896	63⅝	1887
do. 1st pref.	7½	8½	8½	300	7½	July 22	17⅜	Feb 3	2⅝	1896	80½	1892
do. 2d pref..	4	4	4	200	4	July 5	8	Feb 22	4	1910	42⅝	1892
Wis. Central...	65	67	65	500	57	Jan 3	73¼	May 1	40	1900	64	1900
do. pref.	....	....	88½	.....	.....		8	Feb 22	20c	1899	91¾	1900
do. 1st 4s.....	92¼	93½	92¼	59,000	92¼	Aug 3	95¾	July 5	27	1896	99¼	1899
Miscel. St'ks.												
Adams Express	....	....	190	.....	235	Jan 26	243	June 13	97½	1898	318	1907
Allis Chalmers	6½	8	6¾	1,900	6½	Aug 2	9¾	May 31	4	1907	27½	1906
do. pref.	22	28¾	22¾	4,000	25	Apr 21	34	Feb 3	14	1906	87½	1906
Amal. Cop.....	65⅝	67	66	15,400	59¾	Apr 18	71⅝	June 19	33⅜	1909	130	1901
Am. Car & F'd	55½	57	55½	3,500	50¼	Apr 24	64¼	July 19	10⅝	1899	76½	1909
do. pref.	....	....	113½	.....	114¾	Mar 13	120	May 22	51	1899	134⅝	1909
Amer. Cot. Oil	55⅝	57	56⅝	3,410	49¾	May 2	62⅝	Feb 28	8	1898	79½	1902
do. pref.	100	100	100	100	100	June 27	106¾	Mar 21	27¼	1899	107⅜	1908
Amer. Express	....	....	227	.....	223	Jan 20	245	Mar 17	109	1898	301	1910
Am. H. & L..	4⅜	4½	4½	2200	3⅜	Jan 28	5	July 21	2¾	1903	37⅝	1890
do. pref.	24	24½	24	300	20	Jan 10	26⅝	June 14	10	1907	83½	1890
Am. Ice Sec...	21	23	21½	1,500	17⅝	Jan 18	25⅞	July 12	8⅛	1907	96	1907
Am. Linseed Co	....	....	11¼	.....	10¼	Apr 21	13⅝	Feb 17	5	1903	30⅝	1901
do. pref.	30	30½	30	300	30	Apr 22	34	Feb 14	16½	1907	66	1891
American Lead	39¾	40⅝	39⅝	900	35⅝	Apr 21	43¼	May 22	11½	1903	78¼	1906
do. pref.	....	....	40	.....	104	Apr 22	110⅝	Mar 1	67⅛	1900	122½	1905
Amer. Malt Co	....	....	10⅝	.....	9⅝	Feb 17	5⅝	July 11	2½	1907	30⅝	1898
do. pref.	40	41¼	41¼	600	32½	Mar 3	47⅝	July 22	14½	1903	59	1909
Am. Smtl. & Ref	76⅝	79⅛	76⅝	22,000	71¼	Apr 24	83⅞	June 15	30	1899	174	1906
do. pref.	106	106	106	200	103¼	Mar 10	109¾	June 15	77½	1899	137	1888
Am. St'l F'dry	38⅝	39⅝	38⅝	500	36	July 7	43¼	Feb 9	3½	1904	68⅝	1909
do. pref.	....	....	89	.....	.....		.....		20	1907	70	1902
Am. Sugar Ref	117½	119¼	117½	800	113	Jan 6	121⅝	June 14	155	1889	182	1899
do. pref.	....	....	119¾	.....	111	Jan 5	119¾	Feb 14	68½	1893	118	1901
Am. Tob. pref	94	97	96¾	5,175	93½	Jan 4	102	May 22	60	1907	151½	1902
Anaconda[‖]	36	38¼	38	1,000	36¼	Apr 24	41¾	June 20	1125	1907	302½	1907
Br'k Un'n Gas.	143½	144¼	143½	200	125	Jan 3	145¼	June 8	60	1907	253	1902
Central Leather	23½	25⅝	23⅝	1,500	20¼	Apr 24	33⅜	Feb 2	11¾	1907	61⅜	1909
do. pref.	99⅝	100	99⅝	600	85¼	Apr 29	105	Feb 10	63	1907	111	1909
Colo. Ind. 1st..	76½	77⅜	76½	54,000	75½	May 31	79¼	Feb 22	35	1907	98½	1906
Colo. F'l & I'n	31¾	34	31¾	2,300	28½	Apr 24	36⅝	Feb 6	14	1907	136½	1901
do. pref.	....	....	94½	.....	110	July 8	110½	Jan 9	30	1907	142½	1901
C.&H.V.Co'l&I	14½	14⅝	14½	100	4	Feb 9	4	Feb 9	⅝	1896	92½	1910
Consolid'd Gas	142¾	145¾	142⅝	6,100	128⅝	Jan 3	148½	June 6	67	1887	241⅞	1897
Con. Tobacco 1s	86⅛	89	86⅛	42,000	81⅛	Jan 12	89⅝	July 10	61¼	1903	85⅝	1904
Corn Prod'ts R	14⅝	14⅝	14⅝	500	13½	Apr 24	15⅝	May 17	8	1907	28	1906
do. pref.	81	82	82	200	74⅛	Jan 10	85	May 29	46	1907	93¼	1909
Dist. Secur.....	34½	35½	34½	1,210	32⅜	Jan 11	38¼	June 8	19¼	1904	78	1907
Fed. M. & Smlt	....	....	28½	.....	17⅜	Jan 25	36	Feb 16	18½	1904	199	1906
do. pref.	64½	64½	64½	100	48¼	Jan 11	66¼	May 19	47	1907	112¾	1906
Goldfield Con...	5⅝	5⅝	5⅝	5,600	5½	July 10	7⅜	Jan 3	3⅜	1907	10	1910
Internat. Paper	....	....	11	.....	9¼	Apr 27	13⅝	Feb 3	7⅛	1907	68¼	1899
do. pref.	48¼	48¼	48¼	380	44⅝	May 16	56⅝	Jan 21	67	1899	95	1899
Inter. Power...	....	....	23	.....	.....		.....		23	1908	100	1902
Inter. Stm. P'mp	39	41	39	1,300	38½	Apr 27	44	Feb 10	7⅜	1907	60	1906
do. pref.	....	....	93¾	.....	94¼	Jan 26	99½	June 15	50	1907	85	1907
Nation'l Biscuit	133	134½	133	800	117¼	Jan 16	141	Apr	23	1900	120	1909
do. pref.	....	....	127½	.....	124	Jan 26	130	Feb	79¼	1900	130	1900
Nat. En. & St'p	19	20¼	19	300	15¾	May 29	22	July 24	6⅞	1907	36	1903
do. pref.	97	99½	97	800	85	Jan 6	103⅜	July 22	70	1904	99¼	1909
Nat. Lead.....	54½	55¾	54½	400	50¾	Apr 25	63⅝	Mar 15	110¼	1903	95⅝	1906
do. pref.	....	....	106½	.....	105¼	Mar 24	109¼	May 22	46	1903	115	1899
N.Y. Air Brake	....	....	75	.....	68	Apr 27	76	June 19	14	1898	168¾	1902
North Amer. Co	....	....	74½	.....	64	Jan 10	74½	May 22	2½	1892	134	1887
Pacific Mail....	29¾	31½	30	4,400	23¼	Apr 24	30	July 22	8½	1893	70	1899
P'ple's G.L.& C	106	106½	106	700	103	Apr 8	109	Jan 19	39	1893	128¼	1899
Pressed St'l Co	36	36½	36	600	30¼	Jan 3	37¾	July 22	15⅝	1907	65¾	1902
do. pref.	102¾	103½	103½	200	92¼	Jan 3	102⅜	June 16	52½	1907	111⅜	1902
Ry. Stl. Spring	36	36¾	36	200	31	Jan 11	39	June 14	15⅞	1894	63¾	1905
do. pref.	....	....	101¼	.....	92	Jan 3	102¼	May 24	67	1902	109	1905
Rep'b Ir. & St'l	29	29⅞	29	2,100	29	Aug 3	35¼	Feb 6	5	1904	49¼	1904
do. pref.	94	94¾	94	1,400	92¼	Apr 26	99¾	Mar 14	36⅜	1903	111⅜	1902
Sloss-Sh. S. & I	48¼	48¼	48¼	100	49	July 25	58¼	Feb 6	17¼	1900	119⅝	1907
do. pref.	....	....	112	.....	112	Feb 15	112	Feb 15	59¾	1900	120	1902
T. Pac. Ld. Tr	....	....	90½	.....	87	Mar 3	92	Jan 24	5	1898	96	1910
Un. Bag & Pap	....	....	7⅝	.....	6¾	July 17	9	Feb 10	3⅜	1904	45	1899
do. pref.	....	....	59	.....	56¾	Apr 29	59¼	Jan 10	26	1900	89	1899
U.S.Cast IP & P	15⅜	15⅝	15⅝	100	15	Jan 11	18	Feb 24	6	1908	53	1906
do. pref.	53	53¾	53¼	300	50	Jan 19	59¾	Feb 24	32	1907	97⅜	1906
U. S. Express..	....	....	96¾	.....	95	Jan 3	104	Feb 1	35	1906	160	1902
U.S.R'lty & Imp	73½	74	73½	300	65¾	Jan 25	75¾	May 29	26	1907	94½	1906
U. S. Rubber...	39	41	39	5,500	36	Jan 6	47¾	Mar 1	7	1907	69⅝	1897
U. S. Rubber pf	113¾	113¾	113½	700	109¼	Jan 21	115¾	July 7	30½	1907	121½	1902
U. S. Steel.....	77⅞	80	77⅞	217,100	71⅝	Jan 3	82¾	Feb 6	38	1904	91	1910
do. pref.	117¾	120	117¾	5,000	116¼	Jan 3	120¾	Feb 4	45⅝	1907	125⅝	1910
do 5s	105⅝	105⅝	105½	207,000	103⅝	Jan 4	106¼	May 27	65	1903	105¼	1910
Utah Copper....	47¼	49¼	47¼	17,600	42⅝	Apr 19	53	June 14	13	1907	67¼	1906
Virg Car Chem	57½	58⅝	57⅝	5,600	55	July 5	70⅜	Feb 28	12⅝	1907	72	1901
do. pref.	122	123	122	600	122¼	Apr 22	128½	Mar 15	76	1907	131⅜	1902
West. Un'n Tel	78	79⅜	78	5,100	71⅜	Mar 30	84¼	May 24	41	1900	137⅜	1881
West. Mfg. Co.	72	74½	73	2,750	64¾	Apr 19	79	May 29	20¼	1898	154	1907
do. pref	115¼	116¼	115¼	400	116	Jan 14	122	Jan 6	48¼	1898	160	1907

* Ex-dividend. ** New. † Assessment paid. ‡ Ex-rights. § Price bid. ‖ Price asked. ¶ Old securities. ¶ Certificates. x Ex-interest. ||| Par value basis. *** Receipts.

ture. The stock is now selling around $12 a share, and under the progressive and experienced Amster management, and taking into consideration what has already been done to the property, there appears to be very good reason for believing that the stock will more than double itself before the bonds which are to be issued fall due, a fact which makes these bonds appear to be a very attractive purchase.

WALPOLE RUBBER COMPANY.

Has Earned More Than Its Yearly Dividend Requirements During the Past Six Months.

When a company is able to earn more than its full dividend requirements in the first six months of its fiscal year, investors usually consider the stock of that company a pretty good investment. Yet that is what the Walpole Rubber Company of Walpole, Mass., has been able to do from January 1 to July 1 of this year. Last year, the company earned considerably more than its dividend requirements, but if we can judge from the statement of the past six months, they are going to show much better earnings for this year.

During the past year the company has completed the large four-story brick construction plant in which it now conducts the manufacture of its products by the fusible core process and another large building of cement construction in which its reclaiming plant is established, in all, a total of some 100,000 feet of floor space. This additional floor space, by the way, permits a production of at least 2,500 hot water bottles per day.

It manufactures and makes a specialty of high-class rubber coats, and is the largest manufacturer of electric tape in the world, making from 18,000 to 20,000 pounds per day. At the present time, the company is turning out between 24,000 and 25,000 pairs of rubber heels per day, and between 1,500 and 2,000 pairs of horseshoe heels per day.

Everything about the Walpole Rubber Company plant is

MODERN AND UP TO DATE,

and its mangement is thoroughly practical. At the present time, the company is building a large power house addition and is putting up a chimney which is to be 150 feet high. Other power additions, we understand, are also being planned. The management has also contracted for a large storehouse, the dimensions of which are to be 120 by 90 feet, by which its storage facilities will be largely increased. Everything has been done at the plant which tends toward economy, and the management has installed a fine cost system.

The preferred stock is now selling around 105, and it seems to us ought to be a good purchase at this price, while the common stock which is 60 bid is an especially good stock not only to hold in anticipation for future profit, but even at the present time it is paying 4 per cent, and thus yielding close to 7 per cent on the investment.

CAMPBELL, TEX.—The First State Bank has been organized with a capital of $10,000.

Digitized by Google

UPON PRESENTATION

at the Office of

THE MIDDLESEX BANKING COMPANY

OF MIDDLETOWN, CONN.

DEBENTURES of Series E13, maturing October first, and Series E14, maturing November first, WILL BE PAID at par with interest to the date of payment.

OUR NEW INVESTMENT PROPOSITION

is as

Sound and secure as a good bank and pays large dividends.

First class representatives wanted; must be men of good standing in their community

SECURED INVESTMENT TRUST

92 STATE STREET, BOSTON

WANTED

Norton & Taunton 5's
York Haven Water & Power 5's
Ouray County, Colo., 4's
Fresno City Water Co. 5's
Citizens G. & E. Loraine & E. 5's
Des Moines Water Co. 4's

H. C. SPILLER & CO.

Specialists in Inactive Bonds

27 STATE STREET BOSTON

Corporation Organizers

Delaware charters are inexpensive and perpetual, and permit stockholders and directors to hold meetings anywhere. The law is more stable, and grants greater powers than other states. $1,142,434,400 of capital organized in Delaware during 1910—double that of New Jersey or elsewhere. In selecting an agent to organize and represent your company, get the best—it will be cheaper and safer in the end and will add prestige to your enterprise. Lawyers' and Brokers' business a specialty. Corporation Law and forms sent on request.

MERRICK SECURITY & TRUST CO.

Wilmington, Del.

YOUR MONEY

Is worth much more than double the rate you are now getting for it. Its safety will be beyond question—the best security in the world—

New York City Real Estate

Send for full particulars of our

PROFIT SHARING COUPON GOLD BONDS

which, with interest payments and PROFIT SHARING additions, have averaged over 17 per cent per annum for the past nine years. These Bonds are issued in denominations of from $5 to $1,000 and upwards, complete with interest coupons

INTER BOROUGH REALTY COMPANY

(ASSETS OVER $1,105,000.00)

10 WALL STREET. NEW YORK CITY

FOR HIGH GRADE OIL STOCKS

WRITE

EQUITY BOND & SECURITY CO

37 WALL STREET, NEW YORK CITY

FOR SALE

Hudson River Wtr. Pwr. 5s 1929
American Glue Pfd.
Sealshipt Oyster Pfd.
Draper Mfg. Com.
U. S. Bobbin & Shuttle Com.
Lamson & Hubbard
Buffalo & Susquehanna 4s 1951
Boston Securities Com. & Pfd.
Oregon Lt. Ht. & Pwr. 6s 1945
Louisville & Southern Ind. 5s 1923
Maverick Mills
Lynn Realty Com. & Pfd.
Hudson River Elec. Pwr. 5s 1944
Rocky Mt. Bell Telephone
Metropolitan Coal Pfd.
Walpole Rubber Pfd.
with 20% of common as bonus
Jacob Dold Packing Pfd.
Youngstown & Southern 5s 1923
American Inv. Sec. Pfd.
Pere Marquette 6s 1912
Arlington Mills
Atlanta Birm. & Atl. 5s 1926.
Douglas Shoe Pfd.
El Tiro Copper 6s 1917
Lackawanna Coal & Land 5s 1958
Hutchinson W. Lt. & Gas 5s 1935
Citizens Gas & Elec. 1st 5s 1921
U. S. Whip Com.
Alaska Steamship Co. stock
Edison Portland Cement 6s 1926.
Quincy Gas Elec. & Htg. 5s
Rome Gas Elec. Lt. & Pwr. 5s 1931
National Casket Co.
Laramie Irrigation 6s
Leavenworth City & Ft. Wtr. 4s 1927
Bingham Cons. Min. & Smelting 6s 1914
Nat'l Lt. Ht. & Pwr. 5s Series A 1928
Buffalo & Lk. Erie Tract. 5s 1936
Detroit & Suburban Gas Co. 5s 1935
Harper Bros. Pfd. Stock.
International Cotton Mills Pfd.

WANTED

Detroit Ypsilanti A. A. & J. 5s 1926.
St. Johnsbury & Lk. Champlain Pfd.
York Haven Wtr. & Pwr. 5s 1951
Cleveland & Erie 5s 1929
Maine Wtr. Co. 5s 1931
Northwestern Pa. R. R. 5s 1941
Sedalia Lt. & Tract. 5s 1935
Yankee Fuel Co 5s 1926
Cleveland Painesville & A. 5s 1922
N. H. Elec. Rys. Com. & Pfd.
Hutchinson Wtr. Lt. & Pwr. 4s 1928
Buffalo, Lockport & Roch. 5s 1945
Appleton Wtr. Wks. 5s 1926.
N. E. Brickyard 5s 1926
Idaho Oregon Lt. & Pwr. 6s 1946
Nevada Calif. Pwr. 6s 1927
Glen Falls Gas & Elec. Co. 5s 1919
Madison County Gas Elec. 5s 1919
Seattle Tacoma Pwr. Co. Com.
Omaha Wtr. Co. 1st & 2d pfd.
Portland Elec. Co. Pfd.
Santa Fe County N. Mex. 5s & 6s
Utah Lt. & Pwr. 4s 1930
Middleboro Wareham & B. Bay 4s 1921
Central Colo. Pwr. 5s 1945
American Axe & Tool Co.
Great Northern Pwr. 5s 1925
Fairmount Coal Co. 4s 1919
Adrian Mich. Wtr. 5s 1931
Lewiston Brunswick & Bath 5s 1919
Michigan Lk. Supr. Pwr. Rcts.
Peoples Gas & Elec. Co. (Oswego) 5s
Bodwell Wtr. Co. 5s Rcts.
Florida Southern Ry. 4s 1926
Palatka Wtr. Wks. 6s 1918
Wheeling Tract. 5s 1921.
Spokane & Inland Empire Pfd.
Brockville Westport & N. 5s 1923
Whitman & Barnes Mfg. Co.
Library Bureau Pfd.
Amer. Inv. Sec. Com.
Middlesex Banking Co.

HOTCHKIN & CO

Cable Address "TOCKIN"

Specialists in Inactive Securities
Correspondence Invited
53 STATE ST., BOSTON.

Telephone 400 161 482 3321 Main

8% and sure
SHORT TERM INVESTMENT

We are offering for investment a short term note, principal payable in one year and bearing interest at the rate of 8% per annum. These notes are issued by a prominent electrical manufacturing company, doing an international business, are fully secured, and the interest is payable in advance. Besides this, upon maturity, all or part of the notes may be converted into stock in the company, at the option of the holder. Consequently, your investment is sure of 8% return during the year, and if then converted into stock, may earn 10%, 20% or even more; or you can take your cash, just as you like.

Write today for full information.

George W. Fowler & Company

20 BROAD STREET :: NEW YORK

Digitized by Google

GENERAL LIBRARY,
UNIV. OF MICH.
AUG 24 1911

United States Investor

Volume XXII. BOSTON, NEW YORK AND WASHINGTON, AUGUST 12, 1911 Number 32

Lyons, Iowa, is not a large place, and the First National Bank of that town ranks, therefore, among the institutions of moderate size, but it has recently been able to persuade the comptroller of the currency to grant it a privilege which many far larger banks in more substantial centres would give a great deal to have accorded to them. It has been allowed to change its charter number from 2733 to 66. The advantages it derives from the change is apparent to every banker. Possession of this low number gives it unquestioned right to stand among the oldest national banks of the country. Seasoned age is an asset for any bank. The value of it is not purely sentimental. Prospective customers fancy the thought of having their deposits in the hands of a bank which can lay claim to almost half a century of continuous existence. There is a sense of security in the minds of patrons of such an institution which a newer bank cannot inspire so readily. The interesting question, therefore, arises—and it is of more than passing interest to that little number of national banks which are entitled to the privilege which the First National Bank of Lyons has obtained and yet are not aware of the fact—how this modest bank was able to persuade the comptroller to grant it this boon. What evidence did it have to present? Was the process of satisfying him a difficult one? Let us see.

A Fortunate Bank

To answer very briefly the last of the above questions, it is actually possible to state that the comptroller was already persuaded before the bank made its request. He knew all the facts in the case and the precedents of his office indicated in advance what his decision would be. Numerous other banks have made the same request in the past. To some a favorable answer has been given. The First National Bank of Philadelphia, for instance, which is very proud of its right to Charter No. 1, and makes its possession of this number a conspicuous feature of its advertising, had to acquire its right to the number in exactly the same way as this Iowa bank has done. It had to obtain authority from the comptroller to give up a charter number which ranked in the thousands and to receive instead its present symbol of priority. The First National Bank of Davenport, Iowa, now possesses Charter No. 15 as the result of the same process. On the other hand, there have been instances where a national bank has set its heart upon obtaining a very low charter number by such appeal to the comptroller, and has found the comptroller entirely unwilling to sanction the change of charter number. The single requirement of the comptroller is that the bank shall show a practically continuous existence from the time when that smaller charter number was first granted. In short, it must demonstrate that it is the actual and direct successor of an institution which in 1863 took out a charter for a national bank. In the office of the comptroller of Washington is a complete list of all national banks to whom favorable answer would be given if they should request one of those low charter numbers. A few banks now doing business, and they are very few, will be allowed, at any time, to make the change any time they desire because they are on this list. To all other national banks the answer will be in the negative.

Getting Low Charter Numbers

A curious story lies back of all this. Every one of the banks to whom the privilege to have the low charter number has been, or will be, granted, must actually date back for its origin to a time when the present national bank act had not yet been enacted. To many this will come as a surprise, but their surprise will be dissipated when they are informed that Congress passed during the war, not one, but two national bank acts, and that one of these acts antedated the national bank act under which we are now living by several months. The original act was made law in February, 1863. The present national bank act did not become a law until June, 1864. The earlier act was faulty in several particulars, and only a comparatively small number of banks, about 150 in fact, were organized under its provisions. These continued to do business, however, for some years after the second act was passed, but with many of them the early months of 1882 saw their liquidation. The reason for this was that this first national bank act made the mistake of limiting the charter life of banks created under it to 20 years from the date of the approval of the act by the President. Consequently, any bank organized one month after the passage of the act could have corporate existence for only 19 years and 11 months; one organized two months afterward could have corporate life for only 19 years and ten months.

The Story

Moreover, in the act there was no provision for extension of a bank's charter. If no legislation were to be enacted to cure this unfortunate fault, every bank organized under this original act must liquidate its affairs on or before February, 1883. As a matter of fact, most of the banks organized early in 1863 had to liquidate in 1882, for they had arranged to have their charters run but 19 years each. It seemed to them ridiculous to take a charter for 19 years and 8 or 9 months. The round number of 19 years struck them as more rational. The First National Bank of Philadelphia and the banks of Davenport and Lyons in Iowa were in this class. Consequently, when 19 years had passed and their old charters had come to termination, they liquidated their affairs and started up again with charters obtained under the second National Bank Act. In consequence, they had to accept the new charter number of far higher figure which the date of their application under the present or second national bank act would entitle them to receive.

Provision for Extension

Of course, this enforced liquidation of really solvent banks was a highly ridiculous proceeding. There was no more reason why these banks should cease to exist in one corporate form and assume another when they were quite competent to continue in business. The institution which succeeded them under the second national bank act took over the assets and liabilities of the older institution and its officers and directors as well. There wasn't the slightest sense in putting the institutions to the bother of liquidating and reincorporating. The new institutions

Must Prove Continuous Existence

Digitized by Google

were simply the old institutions with new charter numbers. Consequently, Congress, in July, 1882, awoke to see its proper course in the premises and passed an act which it ought long before to have made a law, allowing extensions of charter to these banks incorporated under the act of 1863, which had not already gone through the tedious process of reincorporating under the second act.

Several banks had, of course, already obtained their new charters, and for the time being, were content to leave matters as they then were. As years have passed, however, and the value of the lower charter number has become more obvious, they have been applying to the comptroller for power to assume their old charter number, and in several instances, their requests have been granted. The requirement of the comptroller is not drastic. The bank must prove only that when the institution incorporated in 1863 was liquidated, and the new bank was formed, substantially the same body of stockholders organized the new institution. Any bank, therefore, which can show that its present charter number was obtained by substantially the same men who were in control of a liquidated bank that bore a charter granted in 1863, can lay claim to the low number which that earlier bank had. There are very few banks, however, as we have already said, who are in line for favorable action by the comptroller, of this sort. Of the less than 150 banks organized under the earlier national bank act, many passed out of existence without leaving lineal successors.

Chicago and Southern Accounts

Men in close touch with the banking situation in the South report a disposition among the banks there to make larger use of the banks at Chicago as reserve agents than has been their custom. For some reason or other, the banks of Chicago seem to be succeeding in toling accounts away from the banks of New York. The reason for their success is a subject of much debate. Some allege that the Chicago banks have obtained this business merely by being more aggressive. Others assert, and you naturally find many New York bankers joining in this assertion, that the cause is a greater liberality on the part of Chicago banks in the matter of advances to these southern correspondents. Which ever of the two assertions is correct, the fact remains that any bank which obtains a great number of southern accounts has taken on a business which calls for genuine banking skill in its management. Accounts of southern banks stand in a class by themselves. They are radically unlike those which a New York or Chicago bank obtains from any other part of the country. They have none of the qualities common to accounts obtained from New England banks. The balance which a New England bank maintains in New York has the largest possible degree of stability. Its variations in volume are at the minimum. It isn't drawn down to the finest possible point at one season, and then swelled to the highest possible figure at a later date. It varies, but the limits to its variation are well defined and not so very far apart. As for any borrowing by a New England bank of its New York reserve agent, the mere suggestion of such a thing is classed among the most remote possibilities. Your New England banker doesn't have crops to harvest or other unusual demands that changing seasons bring.

The banker of the West needs more attention from New York. His balance with his New York reserve agent does show fluctuations. There are times, too, when he must be provided with advances of money by his New York correspondent in order that he may be able to perform for the benefit of the whole country his normal function of financing the harvest. The western banker is, however, regular in his habits. He uniformly calls for aid at about the same seasons each year, and with almost equal uniformity he commences to return money to New York at about the same season each year. In other words, his needs can be foreseen and provided for with reasonable foresight.

A Less Dependable Factor

The southern banker, on the other hand, is a less dependable factor. Perhaps the use of the word, "dependable" is not entirely happy, for no reflection upon his responsibility is to be understood. That which is not dependable about him is the time when he will need advances and the extent to which he will need them. It is a common belief among those not familiar with southern accounts that the needs of banks in a cotton country are seasonal, that is, they arise at those periods when the cotton crop movement must be financed and they disappear when that financing is accomplished. It is true that with the larger and more firmly founded southern banks, this has been all along and still is the case. With a large number, however, of southern banks this is not true, and the ranks of those who need help at all sorts of periods seem to be swelling rather than thinning.

The notion is firmly rooted in the minds of several New York bankers, as well as bankers in other places, that of the large number of small banks which have been established in the South of late years, and are still being added to, the purpose in the minds of the founders has been to provide their banks with the minimum of capital of their own and then to fall back frequently on their New York, or other northern correspondent for advances. There is more than a little evidence to substantiate this notion. At any rate, it is a well-proven principle that the New York banker who has obtained southern accounts for his bank must know them well, because they are almost bound to develop borrowing propensities at an early date.

Some of the Precautions

It is because of this deep-grounded notion that many northern banks follow the practice now of requiring southern banks who borrow of them to obtain the endorsement of all or a substantial portion of their directors upon the note. The director of the southern bank may be loathe to become surety in this fashion for its debts, but he finds it hard to refuse to be responsible for the doings and the condition of an institution which he is supposed to direct. He usually acquiesces, therefore, and becomes an endorser. Thereby the northern bank obtains not only additional security, but an increased probability that the loan will be paid at maturity and not be allowed to drag on as the management of the bank might be inclined to have it do if the estates of its directors were not so closely involved. A director whose name is on the obligations of his bank is pretty likely to force that bank to make provision for meeting its obligations. In addition to this, those New York banks which have a substantial volume of southern accounts try to keep in very close touch with that part of the country. One big New York bank keeps an expensive and very intelligent official of its staff constantly traveling in the South, not half so much for the purpose of getting new accounts as for keeping his institution posted on the standing and condition of the southern banks whose accounts it always has. He attends bankers' conventions, fraternizes with everybody and keeps careful record of what he learns. A retentive memory for faces and names and an ability to mingle as a good fellow with bankers everywhere are

Digitized by Google

his two great assets, and they stand him in exceeding good stead. As a result of his painstaking work, the huge business which his bank does in the South has brought it scarcely any losses. Other New York banks have followed the policy of employing southern bankers to join their staff and thus bring to them an intimate knowledge of that part of the country. They recognize the need of knowing accounts from those parts more thoroughly than any other accounts they have.

New York Banks Alert

But it must not be supposed that because of these features that southern accounts are not welcomed by New York banks as eagerly as are other deposits. On the contrary, many New York banks are keen on the hunt for more southern business all of the time. They feel that they have learned how it should be handled, and that therefore they may well be on the search for it. Consequently if Chicago is getting business away from them, it is having to battle right lustily for all it gets. It is safe to predict, too, that the movement will not assume alarming proportions. The New York banks are awake to the situation. They mean to hold their business. Just at this minute those New York banks who have traveling men acquainted in the South are having them remain in New York. The reason for this is not sympathy for the traveling man, to whom the heat of the South might prove oppressive, nor is it any waning interest in southern business. On the contrary, the deliberate purpose is to have these men in the place where they can be most useful.

At this time of year, many southern bankers arrange to spend some time in the North, partly on vacations where the climate will be more refreshing, partly for the sake of attending to business matters. As they pass through New York they generally arrange to call upon that institution which holds their reserve accounts and they find the traveling man of the bank, who has visited them at their southern domiciles, awaiting them. He proceeds to take charge of their entertainment, and by the time they leave the city he has bound them more closely to the bank by ties of friendship than ever before. There is no part of the country where the bankers like to have relations of personal friendship with their reserve agent more keenly than the southern bankers; and once a southern bank president or cashier has established relations of friendship with a New York bank, his continued patronage of that institution is almost certain. That is why those Chicago banks who purpose to compete with New York banks for southern business most certainly have their task cut out for them.

PHŒNIX, ARIZ.—The comptroller has received an application for the organization of the Citizens National Bank. The proposed capital is $100,000, and among the organizers are: H. P. De Mund, C. E. Cope and H. R. Belm.

THE
Chatham and Phenix
National Bank
NEW YORK

Capital and Surplus
$3,000,000

All business under direct supervision of the officers.

LOUIS G. KAUFMAN, President.

GEO. M. HARD, Chairman of the Board
F. J. HEANEY, Vice-President.
W. H. STRAWN, Vice-President.
A. M. BULL, Vice-President.
BERT L. HASKINS, Cashier.
H. L. CADMUS, Assistant Cashier.
N. P. GATLING, Assistant Cashier.
W. B. BOICE, Assistant Cashier.
H. C. HOOLEY, Assistant Cashier.

Your Account Solicited.

Western National Bank
PHILADELPHIA

Capital	$600,000.00
Surplus and undivided profits	234,136.92

GEORGE E. SHAW, President
EDWARD J. DURBAN, Vice-President
SIDNEY LABE, Vice-President
E. E. LINDEMUTH, Vice-President
CHARLES F. WIGNALL, Cashier
JOHN BAUMGARTNER, Asst. Cashier

A conservatively managed bank invites your correspondence.

CAPITAL, SURPLUS AND PROFITS
$3,300,000
THE NATIONAL BANK
of the
REPUBLIC
OF CHICAGO

offers to conservative bankers its facilities developed and perfected by twenty years of close personal relations with correspondents in all parts of the country.

JOHN A. LYNCH, President,
W. T. FENTON, Vice-President,
R. M. McKINNEY, Cashier,
O. H. SWAN, Assistant Cashier,
JAMES M. HURST, Assistant Cashier,
WM. B. LAVINIA, Assistant Cashier,
W. H. HURLEY, Assistant Cashier.

A Secure Investment Netting 4.80%

We own and offer at a price to net 4.80% a first mortgage underlying 4½% bond of a prosperous public utility company operating in one of the largest cities in the United States. These bonds mature August 1st, 1921, more than twenty years before the company's franchises expire; and the proportionate earnings of the property covered by this issue are about five times the interest requirements. We will be glad to furnish upon request detailed information concerning this investment.

Ask for our Circular S-240

Guaranty Trust Company
of New York
28 Nassau Street

Capital and Surplus,	$23,000,000
Deposits	163,000,000

Franklin National Bank
PHILADELPHIA

Capital	$1,000,000.00
Surplus and Undivided Profits	2,780,181.17

INCORPORATED 1900.

OFFICERS:
J. R. McALLISTER, President.
J. A. HARRIS, JR., Vice-President.
E. P. PASSMORE, Cashier. L. H. SHRIGLEY, Assistant Cashier.
J. W. HARDT, Assistant Cashier.
Foreign Exchange Department.
WILLIAM WRIGHT, Manager.

Chartered 1836
GIRARD TRUST CO.
PHILADELPHIA
Capital and Surplus, $10,000,000

OFFICERS

E. B. MORRIS	::	::	President
W. N. ELY	::	::	Vice-President
A. A. JACKSON	::	::	Vice-President
C. J. RHOADS	::	::	Vice-Pres. & Treas.
E. S. PAGE	::	::	Secretary
G. H. STUART, 3d.	::	::	Asst. Treas.
S. W. MORRIS	::	::	Asst. Secretary

Portland National Bank
PORTLAND, MAINE
Union Mutual Life Insurance Co. Bldg.

Accounts received on the most liberal terms consistent with sound banking.
Collections receive prompt attention

WM. W. MASON ..... President
EDWARD W. COX ..... Vice-President
CHAS. G. ALLEN ..... Cashier
EDWARD L. PIPER ..... Asst. Cashier

Directors:
Fred E. Richards, Charles G. Allen,
Henry B. Cleaves, George F. West,
William W. Mason, George Westcott Beyer,
Lyman M. Cousens, Roswell C. Bradford,
Edward W. Cox.

ed by Google

UNION EXCHANGE NATIONAL BANK, NEW YORK
CLEARING HOUSE No. 100
CAPITAL AND SURPLUS $2,000,000 Organized 1903 DEPOSITS $10,000,000
SITUATED IN THE NEW COMMERCIAL AND MANUFACTURING DISTRICT, 5th AVE. AND 21st STREET
Banks that can handle to advantage the items payable in their locality are invited to correspond with us

Brooklyn Rapid Transit

Opposition of Pennsylvania Railroad to Award of Subway Operating Contracts to B. R. T.—The Brooklyn Co. Will Compete With Pennsylvania Tunnels and L. Y. R. R.—Even Loss of Subways Will Help B. R. T.

Brooklyn Rapid Transit to-day and Brooklyn Rapid Transit as it will be when the subway leases are made and signed, represent two different conditions and studies, and until the lease of the subway is signed and the financing arrangements of the new subways completed, and in actual operation, the latter story can only be told now as an imagery rather than as a fact, and ultimately told fully only after those subways are in operation. So that a present story on Brooklyn Transit can only deal with existing conditions.

It is interesting to note, however, that not only must the Brooklyn Rapid Transit hereafter meet the opposition of the Interborough and Mayor Gaynor to their securing leases on new subways, but to that opposition has been added the strong influence of the Pennsylvania Railroad. It is true that a moral contract has been made between the City and the B. R. T. for many miles of new subways, but the Rapid Transit law provides that these subways can only be leased for the best advantage of the city. That does not mean to the company or operator whose bid from the standpoint of figures alone is most favorable, but to the company or operator whose bid is for the greatest advantage of the city, a phraseology which is open to various translations, but it also must be as the result of public bid. From this it is apparent that the final step between the city and the B. R. T. has not been taken. Beyond the final public bidding which may affect the new subway contract, is the fact that the New York State Legislature is yet to be heard from.

A new city charter is to be drawn up and passed upon by the legislature, and

THE FINAL AWARD

of subway operating contract may not come until after the new charter becomes a law, which may affect the methods of granting these operating contracts, placing it more fully, or to be more exact, wholly, in the hands of the mayor, and if that condition arises, the common belief that the present mayor is more likely to act in favor of the Interborough than for the B. R. T., it may come about that the former company will secure the new subways rather than the Brooklyn company. Further, with the next meeting of the legislature, three strong interests will be at work on the subway situation, namely, the B. R. T., in its efforts to secure absolutely the subways which the city is now morally obligated to lease to them, and on the other side, the Interborough and the Pennsylvania Railroad, working in favor of the present subway operating company.

The interests of the Pennsylvania Railroad in the present subway situation is said, by their spokesman, to be due to the fact that under the B. R. T. plan enough recognition is not given to the new Pennsylvania Railroad terminus, that is, that sufficient passenger carrying subway routes for serving the Pennsylvania station have not been outlined, but as a matter of fact, it is probable that the Pennsylvania interests in championing the Interborough dig deeper than that and has to do with their present control of the most profitable passenger traffic and commutation traffic from Jamaica, L. I., and thereabouts, which is interesting to the Pennsylvania Railroad, because of their control of the Long Island Railroad, of passenger

TRAFFIC EAST OF JAMAICA

on Long Island, and for the traffic of their new Pennsylvania tunnel connecting Manhattan with Long Island. It is mainly because of the Pennsylvania ownership of the Long Island Railroad that the Pennsylvania itself is interested in seeing the Interborough secure control of the new subways, rather than to have them go to the Brooklyn Rapid Transit.

The interest of the Interborough has been always largest on Manhattan Island, and their subway has develop-

THE
SEABOARD
National Bank
of the City of New York
Capital - - - $1,000,000
Surplus and Profits (Earned) $2,050,000
Accounts Solicited
S. G. BAYNE.....President
S. G. NELSON.....Vice-President
C. C. THOMPSON.....Cashier
W. K. CLEVERLEY.....Assistant Cashier
L. N. DEVAUSNEY.....Assistant Cashier
J. C. EMORY.....Assistant Cashier
O. M. JEFFERDS.....Assistant Cashier

MARINE NATIONAL BANK BUFFALO
Capital and Surplus Earnings, - - - $3,500,000.00
Resources, - - - - - - - - - $33,000,000.00
INVITES YOUR CANADIAN BUSINESS

New York State National Bank
ALBANY, N. Y.
Capital, $500,000 Deposits, $13,000,000 Surplus, $500,000
LEDYARD COGSWELL, President
LEDYARD COGSWELL, JR., 2nd Vice President LAURENCE H. HENDRICKS, Cashier
GEORGE A. WHITE, Asst. Cashier.
OVER 800 BANK DEPOSITORS IN THE UNITED STATES.

NATIONAL METROPOLITAN BANK
OF WASHINGTON, D. C.
Oldest National Bank in the District of Columbia
GEO. W. WHITE - - - President
CUNO H. RUDOLPH - - Vice-President GEORGE O. WALSON - - - Cashier
O. H. P. JOHNSON - - - Vice-President J. CALES MOORE - - - - Assistant Cashier

The Merchants National Bank Indianapolis Indiana
ESTABLISHED 1865
CAPITAL :: :: $1,000,000 SURPLUS FUND AND PROFITS, $900,000
Superior facilities for handling items on Indianapolis and State of Indiana.

FIRST NATIONAL BANK, Denver
Capital and Surplus .....$2,000,000.00 Resources $26,125,124.89
OLDEST BANK IN COLORADO.
A. V. HUNTER, President
THOMAS KELLY, Vice President J. C. HOUSTON, Asst. Cashier
F. C. MOFFAT, Vice President W. J. DENISON, Asst. Cashier
CHARLES [illegible], President D. H. [illegible], Asst. Cashier
[illegible] C. M. [illegible], Cashier

Digitized by Google

ed the Bronx and neighboring sections of Upper Manhattan. The Pennsylvania has a liking for further developing the Bronx and further developing of the 5-cent fare on Upper Manhattan Island and Westchester County, rather than in a development of the 5-cent fare from Manhattan around 59th street, to Jamaica or thereabouts. If the subway contracts are made with the Interborough, of course the Interborough will get into Brooklyn, and run out through Brooklyn in the direction of Coney Island, Bay Ridge, and in that neighborhood, but it will not reach out on Long Island as will the B. R. T. That is, if the Interborough gets the new subways it will not take away with a 5-cent fare, the short haul passenger traffic from Jamaica, as will the B. R. T., if they secure the subway.

Jamaica, L. I., is to-day a distributing point for all the passenger traffic of Long Island. At the Jamaica station, all the lines leading toward New York City from points east of Jamaica meet, and from Jamaica, three lines bring the great army of Long Island commuters to their work either through the Pennsylvania tunnel to the new Pennsylvania station, at 33rd street, or to the old Long Island City station, and thence by ferry to Manhattan, or by the third and last line to Flatbush avenue, Brooklyn. By any of these three routes, from Jamaica to New York City the single fare is twenty cents or more, lower, of course, on monthly commutation tickets. To-day the B. R. T.

GETS NONE OF THAT TRAFFIC

from Jamaica, because none of their lines, except surface lines, reach Jamaica, and the shortest time for making that trip by trolley is an hour and twenty minutes.

The Pennsylvania Railroad, through its ownership of the Long Island, is of course, interested in maintaining for itself, that most profitable short haul business. If the B. R. T. gets the new subways, and "L" leases, they will serve Jamaica, and with a single 5-cent fare, land a great part of the passenger traffic from that section for Manhattan below 59th street.

The B. R. T., with its existing lines as feeders, and as connections for future subways with a 5-cent fare, would do more for the Jamaica section than would the Interborough without a large network of trolley feeders in that section. That is, the former company would be able to secure all of that Jamaica traffic direct to New York City, while the Interborough, with its connections, is more strongly committed to an upbuilding of Upper Manhattan and neighborhood, so that the latter, in possession of new subway lines, would not compete with the Pennsylvania Railroad and the Long Island Railroad as will the B. R. T., hence the interest of the Pennsylvania Railroad in the present fight.

As to the Long Island Railroad it cannot compete more than at present with the B. R. T., as there is an agreement between the two companies that the Long Island will not encroach upon the territory of the B. R. T., and the B. R. T. is not to encroach upon the territory of the Long Island Railroad east of Jamaica and Flushing. With the B. R. T. in control of the new subways the future growth of New York City will be largely transferred to Brooklyn and neighboring outlying stations. To-day transportation facilities are such that practically all through regular traffic on the Brooklyn Rapid Transit is within the 5-cent limit and that covers practically the whole system, as the 10-cent fare is for passengers way out in the Coney Island section, and that is by no means except in the summer and then mainly Saturdays, Sundays, and holidays a great part of the regular B. R. T. traffic. The 5-cent fare on the B. R. T. and the volumes of the people using it ends at Brooklyn Bridge. That is, the passenger transportation work of the B. R. T., so far as its carrying workers to Manhattan is concerned, consists wholly of those people whose destination is within walking distance of the New York side of the Brooklyn Bridge, or of those who are willing to pay an extra 5-cent fare for further transportation. If the B. R. T. secures the subway leases, it will mean that practically every bit of Brooklyn, and the western end of Long Island is within a 5-cent fare of every part of Manhattan Island below 59th street. This will mean that the great area of Brooklyn and neighborhood, which is now built up, will become populated. The crowded sides of Manhattan, and particularly the east side, from the Battery to Harlem, will be offered better living quarters and conveniences in the open air in Brooklyn and neighborhood and

The Fourth National Bank

OF THE CITY OF NEW YORK

OFFICERS

JAMES G. CANNON, President
SAMUEL S. CAMPBELL, V. Pres.
CHARLES H. PATTERSON, V. Pres.
DANIEL J. ROGERS, Cashier.
E. W. DAVENPORT, Asst. Cashier.
CHARLES E. MEEK, Asst. Cashier.

DIRECTORS:

James G. Cannon	L. F. Loree
Cornelius N. Bliss	Eugene Delano
Robert W. Stuart	M. Orme Wilson
William S. Opdyke	Elbridge G. Snow
T Frank Manville	Welding Ring
Thos. H. McKittrick	Morton F. Plant
Mortimer L. Schiff	Samuel S. Campbell

CAPITAL AND SURPLUS - $10,000,000

CAPITAL $1,800,000.00 SURPLUS $2,000,000.00

Second National Bank

OF

PITTSBURGH, PENN'A.

HENRY C. BUGHMAN, President
WILLIAM McCONWAY, Vice President
THOMAS W. WELSH, JR., Vice President
JAMES M. YOUNG, Cashier
BROWN A. PATTERSON, Ass't. Cashier

Utah National Bank SALT LAKE CITY UTAH

CAPITAL AND SURPLUS $240,000.00

W. S. McCORNICK, President. T. R. CUTLER, Vice-President.
R. T. BADGER, Cashier. C. H. WELLS, Asst. Cashier.

UNUSUAL FACILITIES FOR COLLECTING ITEMS IN THIS TERRITORY.

ORGANIZED 1864 **German National Bank** OF PITTSBURGH, Pa.

CAPITAL and SURPLUS :: $1,200,000.00

OFFICERS

F. ERNY, President C. A. FAGAN, Vice President
F. W. EVERSMANN, Cashier A. FRAUENHEIM, Vice President
ROBT. E. REED, Asst. Cashier

ACCOUNTS SOLICITED

Atlantic National Bank, Providence, R. I.

Direct connections with every Town in R. I.

SEND US YOUR COLLECTIONS. MINIMUM RATES.

FIRST NATIONAL BANK
EUCLID AVENUE CLEVELAND

CAPITAL $2,500,000 Surplus and Profits $1,250,000

ACCOUNTS OF BANKS AND BANKERS, MERCHANTS AND CORPORATIONS, SOLICITED

SPECIAL ATTENTION TO COLLECTIONS

DEPOSITS :: :: :: :: :: $25,000,000

Planters National Bank RICHMOND VA.

ORGANIZED 1865.

Capital $300,000 Surplus and Profits (earned) $1,160,000

Deposits $5,500,000

SUPERIOR FACILITIES FOR COLLECTING VIRGINIA ITEMS

Digitized by Google

MELLON NATIONAL BANK, PITTSBURGH, PA.

Offers perfect service on attractive terms to other banks and bankers

CAPITAL $6,000,000 **SURPLUS $1,300,000**

all of the advantages which a perfected rapid transit system offers will work toward increasing the

NUMBER OF PASSENGERS

carried by the Brooklyn Rapid Transit. But if the B. R. T. does not secure those subways, the earning capacity of its existing lines ought not to be minimized but ought to be increased For if ultimately the Interborough should secure those new subways, they ought and will probably increase the number of passengers to be furnished the B. R. T.

No matter which company is successful on the subway leasing, Brooklyn and the points served by the B. R. T. will be built up. The elevated and subway lines of the Brooklyn company will in the future be the long distance carrying routes. Surface lines will be the feeders. Under present conditions there is a comprehensive transfer privilege in Brooklyn, the surface lines conveying the passenger to existing elevated lines, all of which work together to convey passengers to Manhattan or to Brooklyn downtown. If the Interborough secures the subways it will, of course secure much of the present and a great deal of the future passenger traffic from Brooklyn to Manhattan, but those subways will also increase the population of Brooklyn, increasing the earnings of the present Brooklyn surface lines as feeders and increasing the amount of local or downtown business which the B. R. T. would be called upon to perform although the Interborough secures the subway privileges. The Brooklyn Company will, of course, make its largest gain operating the future subways, but in any event that company is bound to secure increased earnings by the opening up of Brooklyn and neighborhood and by the increase of traffic which the subways are bound to bring about.

The problem of the B. R. T. is not for increased earnings alone, for those are sure to follow, but for decreased expenses, that is, for

INCREASED NET EARNINGS

available for dividends.

The advancement in this direction has been steady and consistent. Ten years ago the B. R. T. in its own territory was reviled and not respected by the people upon whom it depended for its earnings. The rolling stock and rails were in wretched condition and the operating schedule of cars problematical. To-day all that is changed. The rolling stock is in good order, and after spending immense amounts of money in renewing equipment, Brooklyn is well taken care of so far as transportation facilities are concerned. The rails extend through all of the outlying sections, the only thing lacking being direct communication with all parts of Manhattan. If the B. R. T. secures control of the new subways, its earnings will be greatly enhanced, but its capitalization must also, with its operating expenses and fixed charges, be largely increased. With the new subways it is not absolutely certain that net earnings available for dividends will be any more largely increased than will those same earnings be increased under the present order of things as the road is now progressing. In control of the new subways, the B. R. T. will increase largely the population of the country it serves and increase the number of passengers carried, but it will practically all be done on a 5-cent fare. If the Interborough secures the new subways, the population to be served by the B. R. T. will be largely increased without a corresponding necessary increase in transportation facilities on the part of the B. R. T. so far as miles of road bed necessary for taking care of the increase of population is concerned, because the B. R. T. with its present network of tracks covers the field to be opened up by the new subway, so that if the Brooklyn road is called upon only to feed the new subways with its existing equipment, although it will lose the added short haul traffic which it would secure as an operator of Manhattan subways,

WILL BE COMPENSATED

by not having to take care of the added long haul less profitable business under a 5-cent fare from the remote sections of Brooklyn to 59th street, Manhattan, and at the same time it will have the added profits which it will secure as a feeder of the new subway operated by its competitor.

The increase of net earnings per mile in the last nine years is nearly 70 per cent. The proportion of gross earnings used in doing business, that is the percentage of fixed charges, conducting transportation and general expenses has decreased from nearly 85 per cent in 1901, to less than 75 per cent for the last year. That is, the proportion of gross earnings available for dividends has increased regularly and consistently. During all of the past few years immense amounts of money have been put into the property, so that in addition to satisfying a critical public, as such a public service corporation must, the B. R. T. has been and is being put in a stronger position for earning dividends and for keeping operating expenses down. Every method of decreasing expenses is being seized upon as rapidly as possible. For instance, the company had a power plant at 39th street, Brooklyn, on the water front. Alongside of this was a municipal ferry slip. When the ferry slip was widened the company gave up that power plant and elsewhere built a sub-station of the main power plant, furnishing the same amount of power as was

First National Bank
San Francisco, California

Capital - - - $3,000,000.00
Surplus and Profits - 1,865,492.48

OFFICERS
RUDOLPH SPRECKELS, President
JAMES K. LYNCH, Vice President
J. K. MOFFITT, Cashier
I. H. SKINNER, Asst. Cashier
C. H. McCORMICK, Asst. Cashier
GEO. A. KENNEDY, Asst. Cashier

Invites your business and places at your disposal facilities developed and perfected during forty years of successful banking.

THE
People's State Bank
DETROIT, MICH

Capital, $1,500,000.00
Surplus, 1,500,000.00

Collections a specialty
Correspondence Invited

OLDEST BANK IN AMERICA
Chartered by Congress, 1781.
The
Bank *of* North America
(NATIONAL BANK)
PHILADELPHIA, PA.

Capital	$ 1,000,000.00
Surplus	2,250,000.00
Undivided Profits	424,000.00
Deposits	15,269,000.00

HARRY G. MICHENER.....President
SAMUEL D. JORDAN.....Cashier
WILLIAM J. MURPHY.....Asst. Cashier
RICHARD S. McKINLEY.....Asst. Cashier
Accounts Solicited
Correspondence Invited

Home Savings Bank
Toledo, Ohio

Capital and Surplus, $400,000

Is a State Bank authorized to conduct a **General Banking Business,** and is operating strictly within the laws of the State governing Banks.

Collections given especial attention, for which remittances are made promptly at a reasonable charge.

The National Park Bank
OF NEW YORK
Organized 1856.

Capital	$5,000,000.00
Surplus and profits	12,941,415.18
Deposits, June 7, 1911	108,964,675.64

Digitized by Google

generated at the older station, but at a saving of $80,000 a year.

As above stated the amount of gross earnings available for maintenance, improvements, and dividends, has increased from less than 16 per cent in 1901, to more than 25 per cent in 1910. During those intervening years

THIS CHANGE FOR THE BETTER

has been progressive. Of course, this measure of improvement over the year 1901 must reach its ultimate in due course, but the net earnings are going to increase as roads and properties continue to be put in better shape allowing for all manner of small economies which total large, and with the districts which the company serve, well covered from a physical standpoint, that is, so far as the ability to do business is concerned, the earnings of the company ought to increase with the certain increase in population and the cost of doing business not increase in proportion with the receipts. The proportion of gross earnings available for dividends ought also to increase and the B. R. T. arrive at the point where if 6 per cent rather than 5 per cent be not paid upon the stock, still the credit and standing of the company due to the assurance of continued dividends and the financial credit of the company enhanced by increased earnings so it can secure at reasonable rates all necessary financing, the slower paying 5 per cent ought to be quoted at nearer the same basis as other 5 per cent railroad securities and not under 80 as at present.

P. De Medici.

NEW YORK LANDMARK TO GO.

The big marble and granite structure, known as the "Old Mutual" Life Building on the southeast corner of Broadway and Liberty street, is being demolished by house wreckers to make way for the new home of the Guaranty Trust Company of New York

The old building was erected by the Mutual Life Insurance Company during the Civil War in 1864, and is one of the few remaining land marks on lower Broadway. It is but a stone's throw from the historical Trinity Church and diagonally across the corner from the lofty Singer Tower. At the time of its erection it was known as one of the handsomest and costliest buildings in New York City. The Mutual Life Insurance Company occupied it until 1884, when their present building on Nassau street was erected.

The property was purchased a few weeks ago by the Guaranty Trust Company of New York, and the purchase price is said to have been nearly $2,000,000. This is at the rate of about $175 a square foot.

The new home of the Guaranty Trust Company will be four stories in height, raising from the sidewalk about 120 feet, and will be for the exclusive use of that institution. Its main banking room will, with one exception, be the largest in New York City. It is expected that the building will be completed in the summer of 1912.

Bonds and the Small Investor

Catered To in Bonds of Small Denominations—Bankers Cannot Handle With Profit and Field For Them Contracted—Investors Don't Want Small Denomination Bonds.

The issuance of bonds in small denominations, that is, or $100, is comparatively a new thing. Government bonds in small denominations have been procurable for several years, but leading industrials and railroads have issued one hundred dollar bonds only within the past few years. The theory has been that bonds of small denomination would be readily absorbed by investors of small means. It was contended that the smaller investors, men of moderate capital, were, in a considerable number, eager for opportunities for investing their surplus funds and savings in corporation securities where the yield was moderate but satisfactory and the safety of the investment assured. Because of the theoretical demand for bonds of that character, a considerable number of public service and industrial corporations have in recent years issued bonds in $100 denominations, and $1,000 bonds which may be divided into $100 parts. So the investor of small means has been given the opportunity of placing his money where the investment yield is satisfactory and the security absolute, but these investors have not absorbed bonds of this character to such an extent as to assure the continued issuance of securities in that denomination nor have they proven so profitable for bond houses and bankers that they are always willing and ready to deal in those smaller bonds, because no business of any considerable proportion in bonds of $100 worth has developed.

The large banking houses are not desirous under present conditions of handling bonds of small denominations. There are many reasons for this, chief among them being the fact that bonds are

SOLD BY PERSONAL SOLICITATION

by advertising and by other methods as are other commodities, and it costs as much for the bond salesman to visit the buyer of the single or a few one hundred dollar bonds as it does for the same salesman to visit the large bond buyer, including the banks and large investors. The increase also in clerical work attending the issuance of say for $1,000,000 is much greater where that million dollars is divided into hundred dollar units than where it is in thousand dollar units. That is, the clerical work during the issuing of the bonds includes the checking up and entering records in something like forty accounts, and as these bonds are handled by the banker, just as the manufacturer or selling house in other lines handle any commodity, and as the cost of selling must be kept at a minimum, any increase in fixed charges, such as clerical work is deprecated.

Not only are the bonds hard and expensive to sell to the private investor, but when the investor owns such bonds and wishes to dispose of them, because of the fact that they are not dealt in or listed, the owner of the bond has to await the market, that is, until some other small investor desires one or more of the bonds of small denominations, and then when the sale is made, the seller has to accept from one-half to one full point below the market price. That is, the bonds dealt in on the New York stock exchange are of $1,000 denomination. If the small investor has worked out the plan of buying one one hundred dollar bond once a month or once in three months, or in any other manner, until ten of these bonds are secured, and then

HE DESIRES TO SELL

the ten bonds at the par value of $1,000, he can in some cases make a good delivery of those bonds, because of the fact that they are convertible or changeable into a single one thousand-dollar bond of the issuing company, but in many cases, the one hundred dollar bonds are not so convertible, and although the thousand dollar bonds of the same issue are quoted and dealt in, still the owner of the ten or one hundred dollar bonds totalling a thousand dollars, par value, has to accept up to one point less than the market price of the thousand dollar bond.

The fact that bankers do not care to handle these smaller bonds is not any large item in the total fact that they have not become popular, because there is one bond house making a specialty of dealing in hundred dollar bonds, but the market for them is so small that it is no considerable portion of their business.

The fact is that there is no considerable demand for bonds of this denomination. One reason for this is that savings banks offer a safe depository for accumulations in small amounts, and pay a rate of interest on such deposits which does not make the ownership of a one hundred dollar bond more attractive. Beyond this, guaranteed securities of several railroads, for instance, could be purchased to better advantage than bonds of small denominations and are much more marketable. But probably most important is the fact that men of small means who are not satisfied with savings bank interest payments on deposits and who place

THEIR SURPLUS CASH

with the idea of having it work for them are more enthused over the chance of large earnings than they are in the placing of their capital for safety and fair dividend payments alone. Although the sum total of the savings deposits of the country is immense, the temperament of the general public is not for the investment of small sums as implied in the purchase of small denominations, although these bonds are available, as the following list shows. In lieu of an active demand for the smaller bonds is the fact that they are hardly ever called for and banking houses make no ap-

Digitized by Google

preciable effort of trying for or taking care of business in these small bonds, warranting the assumption that the small investor is not yet ready to share in the financing of public service corporations and large industrials.

BONDS IN DENOMINATIONS OF $100.

Name.	Character of bond	Maturity.	Denomination.
American Ice Securities	Collateral 6s,	1925	$100
American Gas Co. of Philadelphia, Pa.	Collateral tr. 5s,	2007	100
American Light & Traction Co.	Collateral tr. 6s,	1909-12	100
American Steel Foundries	1st mtg. gold 6s,	Oct. 1, 1925	100
American Tobacco Co.	Deb. gold 4s,	Aug. 1, 1951	100
American Tobacco Co.	Deb. gold 6s	Aug. 1, 1951	100
American Tobacco Co.	Deb. gold 5s,	Oct. 1, 1944	100
Atlantic Coast Line Co. of Conn.	5% deb. ctfs. of ind.,	Jan. 1, 1945	100
Atlantic Coast Line, L. & N. R. R.	Stock collateral		100
Boston Mexico Mines Co.	1st mtg. conv. gold 6s,	Apr. 1, 1918	100
Brandram-Henderson, Ltd.	1st mtg. 6s,	Oct., 1936	100
Buffalo General Electric Co.	1st mtg. 5s,	Feb. 1, 1939	100
Buffalo & Southwestern R. R.	1st mtg. gold 4s,	July 1, 1498	100
California Gas & Electric Corporation	Unify. & ref. gold 5s,	Nov. 1, 1937	1 0
Carolina, Clinchfield & Ohio Ry. Co.	1st mtg. gold 5s,	June 1, 1938	100
Central Home Tel. Co. of Louisville, Ky.	1st gold 5s,	Jan. 1, 1937	100
C., B. & Q. (Denver Ext.) R. R.	Sinking fund 4s,	Feb. 1, 1922	100
Commercial Cable Co.	1st coll. gold 4s,	Jan. 1, 2397	100
Consolidated Tel. Co. of Pa.	1st mtg. gold 5s,	Oct. 1, 1931	100
Cuba (Republic of) Interior	Loan of gold bonds,	Mar. 1, 1944	100
Colorado & Southern	Ref. & ext. mtg. 4½s,	May 1, 1935	100
Electric & Peoples Traction Co.	4% gold st'k tr. ctfs.		1 0
El Paso Electric Co., conv.	6% gold notes,	Jan. 15 1907	100
General Electric Co.	Gold deb. 3½s,	Aug. 1, 1942	100
Genesee Consolidated Mines Co.	1st mtg. conv. 6s	Mar. 1, 1918	100
Hudson County Gas Co.	1st mtg. gold 5s,	Nov. 1, 1949	100
Ind., Bloomington & Western Railway Co.	1st preferred 4s,	Apr. 1, 1940	100
Instn for Encouragement of Irrigation Works and Dev. of Agr. S. A.	Sinking f'nd gold 4½s,	Nov. 1, 1943	100
Interstate Railways Co.	Coll. trust gold 4s,	Feb. 1, 1943	100
Kans. City, Ft. Scott & Gulf Railroad Co.	1st mtg. 5s,	June 1, 1928	
	(Ext. at 5% int. to	June 1, 1938	100
Keokuk & Des Moines Ry. Co.	1st mtg. 5s,	Oct. 1, 1923	100
Lachde Gas Light Co.	1st mtg. gold 5s,	May 1, 1919	1 0
Lachde Gas Light Co.	Ref. & ext. gold 5s,	Apr. 1, 1934	100
Maine Central R. R. Co.	Consol. mtg. bonds,	Apr. 1, 1912	100
Mexican Electric Light Co., Ltd.	1st mtg. gold 5s,	July 1, 1935	100
Michoacan, Mex. Power Co.	1st mtg. gold 6s,	July 1, 1933-35	100
Missouri, Kansas & Texas Railway Co.	1st & ref. gold 4s,	Sept. 1, 2004	100
Missouri, Oklahoma & Gulf Ry. Co.	1st mtg. gold 5s,	Nov. 1, 1944	100
Montreal Street Ry. Co.	Debenture 4½s,	Nov. 1, 1922	100
Morris & Essex R. R. Co.	1st mtg. 7s,	May 1, 1914	100
Morris & Essex R. R. Co.	1st cons. 7% bonds.	June 1, 1915	100
Mortgage Bond Co. of New York	4% 10-20 year mtg. gold bonds series 2,	Oct. 1, 1926	100
National Railways Co. of Mexico	Pr. in. S. fd. gold 4½s,	July 1, 1957	100
New York Air Brake Co.	Conv. 6% gold bonds,	May 1, 1928	100
New York, New Haven & Hartford R. R. Co.	Conv. 3½% deb. ctfs.,	June 1, 1956	100
Norfolk & Western Ry. Co.	1st cons. gold 4s,	Oct. 1, 1996	100
Northampton Traction Co.	1st mtg. gold 5s,	Jan. 1, 1933	100
Pere Marquette R. R. Co.	Debenture 6s,	July 1, 1912	100
Peoria & Pekin R. R. Co.	1st gold 5s, ser. 1&2,	Jan. 1, 1918	100
Philadelphia Electric Co.	Coll. tr. gold 5% ctfs.,	Apr. 1, 1948	100
Presb. Cons. Coll. Co.	1st mtg. SF. gold 5s,	July 1, 1967	100
Richmond & Danville R. R.	Cons. gold 6s,	Jan. 1, 1915	100
Richmond & Danville R. R.	Debenture 5% bonds,	Apr. 1, 1927	100
Rio de Janeiro Tram, Light & Power Co.	1st gold 5s,	Jan. 1, 1935	100
Robb-Mumford Boiler Co.	1st mtg. gold 6s,	Jan. 1, 1925	100
St. L. & S. Fran. Chic. & E. Ill. R. R. Co.	Pref. stock 6% gold trust certificates	July 1, 1942	100
Santo Domingo (Republic of)	Customs Administration SF. gold 5s.	Feb. 1, 1958	100
Seaboard R. R. Co.	Prior lien gold 5s.	Apr., 1949	100
Stockton Cal. Gas & Elec. Corporation	1st mtg. gold 6s,	Jan. 1, 1934	100
Twin Falls, Salmon River Land & Water Co.	1st mtg. gold 6s, due serially from June 1, 1911, to	June 1, 1920 inc	100
United States Government Panama Canal	2% loan, due,	Aug. 1, 1961	100
United States Government Panama Canal	2% 10-30 year bonds	Aug. 1, 1938-38	100
Virginia Midland Ry Co.	Serial 5s and 6s, due va- rious dates,	Mar. 1, 1911-31	100
Welsbach Co., Winona Light & Power Co.	Coll. tr. gold 5s,	June 1, 1930	100
Winona & St. Peter R. R. Co.	1st mtg. gold 7s,	Dec. 1, 1913	100

* Due at option of Union Traction Company on or after October 1, 1915.

P. DE MEDICI.

HUDSON RIVER POWER.

Few re-organization plans that have come to our attention show more merit than the plan for the re-organization of the Hudson Power Companies, so called, recently submitted to the bondholders by the Boston Bond Holders' Committee. This committee in its general calibre has been a remarkable one. At its head is James R. Hooper, one of Boston's foremost bankers, and the actuary of the New England Trust Company. He has had associated with him John P. Reynolds, and Edward S. Webster, both of Boston, one a man of high executive ability, and the other a member of the firm of Stone and Webster, and one of the leading electrical engineers of the country; John S. Sculty, formerly a director in the Westinghouse Electric & Manufacturing Co.; W. A. Shaw, president of the Bank of Pittsburg, N. A.; and Chas. E. Willock, head of the Fidelity Title & Trust Co., also of Pittsburg.

Nothing other than favorable comment is heard on the plan, and as a matter of fact, in taking the eight companies which had been linked together in a combination, either practical or legal, and which was already in receivers' hands, they have bought order out of chaos, and all bond holders of the company or those who had a lien on the property one way or another have been satisfied and received par for their former holdings. Not only have the earnings of the company been in excess of the interest charges which will develop under the re-organization plan, but it is also known that the committee feels assured that the state plans for the creation of great storage basins on the Hudson above the company's plant are inevitable, something which means that during all the year contracts for the delivery for power can be made

---

LITTLE TAIL, OKLA.—A charter has been issued for the Commercial National Bank, which has a capital. Hogan J. Wyatt is president, while A. O. Johnson is cashier. The bank is the successor of the [illegible] Bank of Checotah.

DIRECTORS FAVOR CONSOLIDATION

The board of directors of the West End Street Railway have sent only this week a circular letter to the stockholders of the road in which they strongly recommend the acceptance of this act. In this letter they state that Hon. Richard Olney has rendered his opinion that the points urged by the objecting stockholders claiming that the act is unconstitutional and void are not well taken. In this opinion the counsel of the road concurs. Upon the question as to whether it is wise to accept this and authorize the sale now or to reject the act on the chance of securing better terms from some future legislation, they state that all of the directors of the road with the exception of Charles M. Faker, who is out of the country, are strongly of the opinion that it is wise to accept the act and authorize the sale. With the directors taking such action as this, it is hard to see how any of the stockholders can wish to place themselves in a wrong light by failing to act in the same way.

NEW CHECK COLLECTION RULE.

The Philadelphia Clearing House has recently taken a step which is attracting marked interest in banking circles in deciding to put in force, beginning September 1, next, a new rule governing the collection of out-of-town checks. This move, it is anticipated, will simplify and make more uniform the handling of this branch of the business and the computing of interest on time allowance. The new rule divides the county into districts, beginning with sight items for nearby districts, and ending with seven days in the case of the extreme western states. This means, of course, a uniform time allowance on interest-bearing accounts in order to cover loss of time in collecting such checks. Heretofore Philadelphia banks have given immediate credit for these items, and the margin of profit had become so small that some such ruling as this had become imperative. Following is the schedule of time allowances provided for by this order, for the violation of which a penalty is imposed:

Discretionary:—Albany, Baltimore, Boston, Newark, New York City, Philadelphia, Jersey City, Providence, Hoboken and Camden, N. J.

Three days:—Connecticut, Delaware, District of Columbia, Illinois, Indiana, Maine, Maryland, Massachusetts, Missouri, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Vermont, Virginia, Canada.

Five days:—Alabama, Arkansas, Florida, Georgia, Iowa, Kansas, Kentucky, Louisiana, Michigan, Minnesota, North Carolina, Oklahoma, South Carolina, Tennessee, West Virginia, Wisconsin.

Seven days:—Arizona, California, Colorado, Idaho, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oregon, South Dakota, Texas, Utah, Washington and Wyoming.

Contrary to recent reports, the Philadelphia banks have not been considering the question of a uniform charge for collection.

Digitized by Google

What West End Should Do

The Wisest Course For Stockholders of This Boston Street Railway is to Vote to Consolidate With the Boston Elevated Railway—The Second Preferred Stock of the Elevated Authorized By Recent Law. Has Elements of Desirability Which Should Not Be Overlooked—An Ominous Amendment to Act Should Be Given Due Consideration.

Altogether, it is distinctly advisable for every stockholder of the West End Street Railway to become at once acquainted with the terms of the act which the Massachusetts Legislature has recently passed relative to his property. During the next few months plenty of people will be anxious to act as his advisers. Some of them will make the very plausible plea that their ownership of West End stock makes them especially fit to receive his confidence. Unfortunately, however, some of these aspiring advisers will be about as poor leaders for any West End stockholder to follow as can well be imagined. They will come to the problem with certain notions so fixed in their minds that they cannot act for the small stockholder with quite that openness of mind which any proxy of his should possess. Consequently it behooves him, as I have said, to know just what the new law does provide and just what is the most desirable course to follow under its provisions.

The general purpose of the act is clearly stated in its title: "To authorize the consolidation of properties and franchises of the Boston Elevated Railway Company and the West End Street Railway Company." The consolidation is made conditional upon a majority vote of the stockholders of the West End Street Railway at a meeting to be held prior to September 15 next. To my mind, an overwhelming majority of West End stock should be cast

ON THE AFFIRMATIVE

side of the question. I am convinced that any individual or committee who advises differently is either intentionally or unintentionally the worst possible counsellor for any West End stockholder to consult. May I point out why I belive this to be true?

Let me say at the outset that I am not unaware of the claim some have made that the West End stockholders have already taken a stand against swapping the common stock of their company for a seven percent second preferred stock of the Boston Elevated Railway Company. I recall as clearly as they do that back in 1909, 209,669 shares were voted in favor of an attempt to get more than this and that only 40 shares opposed such an endeavor. But I have always had a belief and time has only served to fix that belief more strongly in my mind, that that vote was not due so much to a feeling of dissatisfaction among stockholders with a seven percent return upon their investment, as it was by certain other factors.

For instance, there was some feeling of pique in the minds of prominent West End stockholders that they

HAD NOT BEEN CONSULTED

either by the Boston Elevated Railway Company or by the Legislature in the drafting of the terms of the consolidation act of 1908. Again, there was no provision in that act that the issue of Elevated second preferred stock should ever be closed. Hence if the Elevated had obtained consolidation under that act, it could have issued quantities of new second preferred stock for payment of its additions to plant and track and the security of the West End stockholders who had accepted the second preferred would thereby have been impaired. Finally, there was a feeling among some West End stockholders that certain assets of the West End, particularly its real estate, ought to be turned into cash and the cash given to the West End stockholders instead of to the Elevated treasury. So you see, take it all in all, there were numerous issues upon which a stockholder might find fault with that act of 1908.

I have referred to these issues one by one because it has seemed to me that the framers of this new consolidation act of 1911 have been far more considerate of the West End stockholders. To begin with, it is a mistaken notion that all that is promised the common stockholders of the West End under the new act is a seven percent preferred stock. The fact is that a prospect is offered that this second preferred stock will bear more than seven percent, perhaps as much as

EIGHT PERCENT.

If the West End stockholders vote now for consolidation they will have an opportunity early in 1922, several months before the lease which guarantees them seven percent until that year expires, to join in asking for arbitration on the question of giving them more than seven percent. If only so small a body as ten percent of the common stockholders of the West End Street Railway shall ask him to do so, no less fair a person than the chief justice of the highest judicial body in all Massachusetts, the Supreme Judicial Court, shall appoint three disinterested arbitrators to pass upon this very question. The most obstinate critic of the new law will hardly declare that three arbitrators thus chosen will be prejudiced against the West End point of view.

On the contrary the usual experience with commissioners appointed by Massachusetts courts has been that they are too considerate of the vendor of property rather than otherwise. Certainly they will be more considerate than any legislature is likely to be, and West End stockholders should not forget that sometime between now and 1922 the legislature is certain to settle this problem of a consolidation of the West End with the Boston Elevated one way or the other if it is not settled now. In any event the arbitrators are required to allow this second preferred stock at least seven percent.

It follows, therefore, that by deciding now in favor of consolidation the West End stockholders are

NOT THROWING AWAY

any possible improvement of their chances for getting more than seven percent that some fortunate event between now and 1922 might give them if their corporation remains independent. Instead they are protecting themselves, as I shall presently show, from the consequences between now and 1922 of such unfortunate possibilities as a hostile legislature or a public opinion which clamors against the payment of even so much as seven percent.

This provision for arbitration in 1922, if desired by not less than ten percent of the West End common stockholders, is only one of the respects in which the proposition now offered West End stockholders is far and away better than the opportunity given them in 1908. Another advantageous new feature is the virtual closing of the issue of second preferred, and first preferred, as well. The management of the Elevated Railway will not be able now to get the West End stockholders to consolidate and then proceed to impair their security by issuing more of it, even though that management were disposed to do so ungenerous a thing. Under the terms of the new act the Elevated must obtain the consent of two-thirds of the second preferred or first preferred stockholders to any new issue of their stock. This is an effectual safeguard. This preferred stock will be so widely distributed that to obtain the assent of two-thirds of its holders to additional issues will be well nigh impossible. Certainly it cannot be obtained unless there is the strongest argument in favor of such issue. For my part, I set a good deal of store by this provision and, although I am no biased partisan of the present West End Stockholders Protective Committee, I do accord them the credit for having got into this new law

THIS SAFEGUARD

that the act of 1908 unfortunately lacked.

Moreover, I set no insignificant store by two other provisions of the new act. One of these is the specific stipulation that every West End stockholder, who receives either first or second preferred stock of the Elevated for his West End shares, shall have the right at all times to swap his preferred for Elevated common. For the moment, very likely this is no great boon. The common stock of the Elevated is not so desirable a security as the West End stock is or the new Elevated preferred will be. The prospects that it will eventually become worth more than either of these new preferred issues I do not attempt to estimate. I do know, however, that substantial West End stockholders have all along argued that an exchange of

Digitized by Google

Smith & Wesson Established in 1856

The Funds of Your Bank will be Secure

because the cashier can rely upon a

Smith & Wesson every time

SMITH & WESSON
Manufacturers of Superior Revolvers
49 Stockbridge Street, Springfield, Mass.
17 Market Street, San Francisco, Cal.

The Smith & Wesson .38 Perfected Five Shot Revolver is *the Best Small Arm.*

Send for booklet "The Revolver" You will be interested in it Mail a postal today.

West End common for Elevated second preferred means the bestowal upon the common stockholders of the Elevated of values which ought to be retained for the West End stockholders. If this be true, then the right of exchange of the new Elevated preferred for Elevated common is a very real and a valuable right. The act has even gone so far as to permit exchange of West End stock for Elevated common now or at any time prior to 1922, as well as any time thereafter. I do not set great store by this additional provision but it is worth remembering.

The other of these two provisions is the creation of

A PERMANENT MARKET

for Elevated second preferred, if at any time after 1922, holders of it shall desire to convert their shares into cash This is accomplished by the formation of a trust fund of substantial proportions. Perhaps it is not generally known that the West End Street Railway owns numerous parcels of land which it no longer needs for use in its business, if it ever did need them. One of these parcels, by the way, is the Huntington Avenue baseball grounds, located in a part of the city where each new year adds to its value. I have seen these properties given different values by various estimaters. Some put an aggregate value of considerably more than one million dollars upon them. I know of no one who believes them to be worth less than that figure. The act very wisely provides that such real estate as is not needed by either company in the transportation business shall be sold. It is no part of the proper function of a street railway company to be speculating in real estate and that is what such a company unquestionably is doing when it continues to own real estate which it doesn't need

The proceeds of this sale are to constitute

THE TRUST FUND

and this fund is to be invested and allowed to accumulate until 1922. By that time it may equal as much as two and one-half million dollars. The annual income of this fund is to be used in the purchase and retirement of Elevated second preferred. A public invitation is to be given each year by the Elevated to holders of the second preferred to offer their stock for sale to it and the Elevated cannot use this income for any other purpose than for such purchases. It follows, therefore, that from this source and from that genuine investment demand there always will be for so good a stock, no West End stockholder who accepts Elevated second preferred, will ever be without a good opportunity to cash his stock on a fairly broad market. He won't be in that unfortunate position in which holders of some of the less active investment stocks, like mill and bank shares and guaranteed railroad stocks, have occasionally found themselves, when they have actually had to sell for much less than intrinsic worth, because they didn't have time to hunt for some one who happened to desire their stock at its proper figure. There will always be some one ready to buy Elevated second preferred. Morever, the steady retirement of Elevated second preferred by the operation of this trust fund will decrease its volume so that by and by it will have that additional desirability which decreasing volume always gives a high grade stock.

These are the positive advantages which the act affords. I trust that the West End stockholders will not overlook what I may call one

NEGATIVE ADVANTAGE

of voting for consolidation under the terms of this act. This negative advantage consists in that freedom which consolidation will give West End stockholders from the danger of hostile legislation. I have no hesitation in saying that the West End stockholders should for their own good ponder long before they give the Massachusetts Legislature any impression that they mean to be obstinate or greedy in their attitude toward consolidation with the Boston Elevated Railway. It is an open secret among the well informed that there was a very pronounced disposition on the part of powerful factors at the State House to put in this act of 1911 what has sometimes been referred to as the "Revocation Clause." Indeed, such a clause had actually been drafted, and the Governor of the Commonwealth and a considerable portion of that group of citizens who follow the lead of Louis D. Brandeis were strongly in favor of the insertion of such a clause in the act.

This clause provided for absolute revocation of the right of the West End to do business after 1922 in any street whatever and the immediate transfer of these rights to the Elevated at that time if the West End stockholders did not vote in favor of consolidation now. Were such an occurrence to obtain, the West End stockholders would be obliged to dispose of their cars and tracks to the Elevated for just about what the Elevated was willing to pay, and no more. They would be absolutely under the whip hand of the Elevated, for in Massachusetts no street railway has any vested right in the streets. It can be ousted from them at any time by the railroad commissioners, or the legislature. In no other state in the Union do traction companies hold such

PERILOUS TENURE.

I dare say that the Elevated would be fairly considerate but it could come very near getting the West End property for little more than the par value of its bonds. The stockholders surely would not realize much. To the credit of Governor Foss and Mr. Brandeis be it said that cooler heads on Beacon Hill and outside were able to persuade them that the revocation clause should not be in the bill. They were persuaded reluctantly, however, and never admitted freely that this clause really ought to have been left out.

And this circumstance is what gives really ominous character to an element in the situation which does not appear right on the surface of the act. It will be noted in Section 1 of the act that the meeting of West End stockholders to pass on the matter of consolidation must be held before September 15. In the original draft of the act the date set was later, October 1. The purpose of advancing the date to September 15 was to make it possible for the Elevated to know fifteen days before October 1 whether consolidation is to be had. If it were not to know until October 1st whether consolidation is to occur,

Digitized by Google

it would not be ready to say until some time thereafter whether it will be in position to lease certain new subways which the city of Boston intends to construct. Would you like to know why the legislature wished to have the Elevated answer by October 1, whether it is willing to lease these subways? Because, if the Elevated answers on that date that failure of the West End to vote for consolidation makes the Elevated unwilling to undertake a lease of the new subways, the legislature wishes Gov. Foss to be in position to call

A SPECIAL SESSION

of the legislature to deal with these recalcitrant West End people. It is conceded, I think, on every hand that the Elevated cannot afford to lease these new subways which the people of Boston so anxiously desire if its relations with the West End have not been fixed forever. The legislature will therefore assemble in a mood of downright anger at the West End and no one else, for having prevented construction of the new subways.

They will assemble, too, at a time when any feeling of sympathy for the West End stockholders will be forgotten in the anxiety of both legislators and the governor to do that which will make the most votes for them at the election soon to be held. The people of Boston will be especially put out if they learn on October 1 that the West End stockholders, by declining consolidation, have prevented the construction of the much desired new subways. They will clamor before the legislature for acts of reprisal upon these "unfeeling capitalists." The legislature is altogether too likely to give ear to this clamor rather than to any plea of the West End stockholders for an assurance of more than seven percent. What form the acts of reprisal might take I do not venture to say. Certainly they will not be such as to enhance the value of the West End stock or increase its prospects of larger return as years go by.

So, I am inclined to remind the West End stockholders that they never will have a better opportunity for assuring the future of their investment beyond 1922 than is now offered them. The declaration of some of the wealthier West End stockholders that the stock is

REALLY WORTH EVEN MORE

than eight percent has never appealed strongly to any disinterested tribunal to which discussion of the matter has come. Even those five commissioners who joined last winter in a recommendation that the second preferred stock under a consolidation receive eight percent rather than seven did so on arguments of expediency rather than of principle. They were not impressed with the wisdom of the West End stockholders in asking for eight percent, but were impressed rather with what seemed then the necessity of giving them eight percent. I do not believe in the light of all the popular objection that has been raised to such a rate as eight percent in the newspapers and elsewhere during the last few months they would favor more than seven percent now.

My advice, therefore, to West End stockholders would be that they do not allow any one to mislead them into thinking that their lot will be improved by provoking Governor Foss to call a session of the legislature next October. He has so frequently stated that he will not stand for more than seven percent that he is certain to send in a ringing message to the legislature which would flog them into making things unpleasant, even though their own political premonitions were not urging them actively to the same opinion as that which the governor expressed.

P. DE MEDICI.

RURAL RETREAT, VA.—The First National Bank has been organized with a capital of $25,000. L. H. Shumate, A. B. Handricks, J. S. Etler, J. S. Brown and J. W. Bell are interested.

Kidder, Peabody & Co.
115 Devonshire St.
Boston
56 Wall Street
New York
INVESTMENT SECURITIES
FOREIGN EXCHANGE
LETTERS OF CREDIT
Agents and Attorneys for
Baring Brothers & Co., Ltd.
LONDON

Hodenpyl, Hardy & Co.
BANKERS
7 Wall Street, New York
6% PREFERRED STOCKS A SPECIALTY

DOMINION BOND COMPANY
LIMITED
MONTREAL TORONTO OTTAWA
LONDON, ENGLAND
Dealers in HIGH-GRADE CANADIAN BONDS
List on Application

Assets Realization Company
Capital $10,000,000
Purchases Estates in Liquidation at any point in the United States
NEW YORK PHILADELPHIA CHICAGO

WE TRADE IN
Western Power Common
Western Pacific
United States Worsted Pref.
United States Worsted Com.
Detroit & Mackinac Com. & Pref.
Binghas Company of America
Wells Fargo Express.
E. BUNGE & CO. 20 BROAD STREET, NEW YORK
Cable Address, 'Ernestus, New York' Long Distance 'Phone 4735-4736 Rector

GEO. D. COOK & CO.
BANKERS
71 BROADWAY, NEW YORK
We make a Specialty of
Mexican Government and State Bonds

McCOY & COMPANY
Municipal and Corporation Bonds
181 LA SALLE STREET
CHICAGO

Boody, McLellan & Co.
111 BROADWAY, NEW YORK
MEMBERS OF NEW YORK STOCK EXCHANGE
Orders Executed for Investment or on Margin

6% SEATTLE INVESTMENTS 7%
For particulars and further information write us.
WM. D. PERKINS & CO., Bankers
No. 211 Cherry St., Seattle, Wash.
Established 1893
Oldest Bond House In Washington.

BODELL & CO.
PROVIDENCE, RHODE ISLAND
Boston Office, 35 Congress St.
Bonds and Preferred Stocks of Proven Value

5% BONDS
Guaranteed by
National Light Heat and Power Co.
A. H. BICKMORE & CO.,
30 PINE ST., NEW YORK

6% Timber Bonds
Carrying With Them An Exceptionally Attractive Feature.
American Finance & Securities Co.
5 Nassau Street New York

H. C. Gibbs & Co.
Gas and Electric Light Bonds
To yield 5% to 5 1-2%
60 State Street BOSTON

CIRCULAR ON MISCELLANEOUS UNLISTED MILL AND MANUFACTURING SECURITIES
SENT UPON REQUEST
HORNBLOWER & WEEKS
60 CONGRESS ST., BOSTON

Digitized by Google

Eleven Smaller Industrials

Earnings, Yield, Net Quick Assets Compared—Assured Dividend Earners For Investment Only—With Various Individual Appeal Dependent Upon Local Knowledge and Nature of Product Consumption.

Some months ago, we compared in these columns eight preferred stocks These stock values were analyzed in various ways, and the individual standings from various standpoints were brought out. The stocks compared at that time were of large issues of leading industrials, all listed, and largely dealt in from an investment and speculative standpoint. We have been asked since that time to compare several generally smaller, and not so well-known industrials, which we now take up.

These smaller industrials have all been brought out within the last year or so by better known investment banking houses. They all may be termed local concerns, but with two exceptions they do a national business.

None of the following stocks are to any considerable extent speculative securities, because in practically ev ery instance, they are callable at a few points above par, which prevents their being quoted at any time materially above the callable quotation. Further than this, these securities are for investment only, for, although they are all more or less readily convertible into cash, that is, a holder of these securities would not find it impossible to dispose of them without loss, and probably with some profit, still they are of that class issued.

TO BE WIDELY DISTRIBUTED

among private investors, with the practical assurance of satisfactory investment yield, and that the original owners buy these securities for the investment yield, and not for future increase in market value. Various conditions may govern the selection by the individual investor of any one or more of these securities. For instance. Barnhart Brothers & Spindler is really a subsidiary company of the American Type Founders Company, the principal and dividend both being guaranteed by the larger company, which has paid 7 per cent regular dividends on its $2,000,000 preferred stock, and for the past 12 years 4 per cent on its $4,000,000 common stock. While the investment bankers who handle these securities have distributing ability to place securities of this nature with investors in every part of the country, still such a stock as the former is more apt to appeal to investors personally familiar with the company itself, a condition which is more or less apt to rule on all of the following securities.

The W. H. McElwain Company, for instance, being a large New England shoe manufacturing corporation, with a stronger original standing in New England than elsewhere, such a security then would appeal more strongly to New England investors generally than would the Barnhart Brother & Spindler, other conditons being equal. The two department store issues, namely, the May Department Stores, and Stern Brothers, would

APPEAL DIFFERENTLY

to investors, perhaps because of the general belief in the large, if not excessive profits of retailers in general. As both of these corporations do a local business, it might appear that local conditions would affect them more than similar conditions would affect a concern such as the Pittsburg Steel Company, for instance, whose business is countrywide, or the Studebaker Corporation, who do a worldwide business, and whose name and

The Test of Time

has been applied to Public Utility Bonds and has demonstrated that they are safe, conservative investments

They are profitable, too, for as a rule they yield a larger return than the bonds of well established steam railroads. They are also more stable than the bonds of industrial corporations, because the only variation in the earnings of the companies issuing them is almost invariably in the direction of larger income.

We investigate thoroughly all the conditions bearing upon the value of the Public Utility Bonds that we offer to investors.

Write for Circular

Meikleham & Dinsmore
ENGINEERS AND BANKERS
25 BROAD STREET, New York City — 60 State Street, Boston

Baker, Ayling & Co.
50 Congress street, Boston

INVESTMENT BONDS

Philadelphia Office, Land Title Building

LUDLOW PATTON & CO.
Established 1848
INVESTMENT SECURITIES.
111 Broadway, New York
53 State Street, Boston.

Offer and recommend a 6% Gold Bond with a 50% bonus of common stock, which may shortly be taken by our regular subscribers Quick application necessary. Send for particulars.

MONATON REALTY INVESTING CORPORATION

Pays

6% COMPOUND INTEREST
On Money Invested in
Its Accumulative Certificates
Running terms of 10, 15 or 20 yr.
Payments may be made annually, semi-annually, quarterly or monthly.

SECURITY
OWNERSHIP OF NEW YORK INCOME PROPERTY
Affording
Immediate returns on investments and Opportunity for increase of valuation.
For Illustrated Booklet, inquire:

Publicity Department
Times Building
Broadway & 42nd Street, New York City

CONSIDERING SECURITY

high grade industrial bonds pay the *highest income* and offer the best chance for rising profits. Send for circular "M".

BEARDSLEY AND COMPANY
Henry Shedd Beardsley, President
Pullman Building, Madison Square New York

American Industrials Co.
Broad Exchange Building, New York.
INVESTMENT SECURITIES.
6% Twenty Year First Mortgage Gold Bonds.
7% Preferred Stocks.
9% Preferred Stocks.

Diversify Your Investments

The purchase of bonds in small denominations permits you to distribute your money among different classes of security instead of placing it all in any one issue.
I offer bonds of a number of issues in denominations of One, Two and Five Hundred Dollars, yielding from Four to Seven per cent.
Lists on request.

GILBERT H. CARR
80 Congress St., Boston

INVESTMENTS
Bonds and Stocks
WM. F. CROSBY,
Tel. 4090. 311 Main St.
WORCESTER, MASS.

Digitized by Google

product have been a household word for at least a generation.

The eleven stocks considered yield from 5.74 per cent to 7.18 per cent, an average yield of 6.75 per cent. An analytical comparison of these securities from the standpoint of the calculating investor brings out some interesting features. For instance, the International Agricultural Chemical Company, which some might consider, has not had the time to prove itself, it being a new corporation, is quoted to-day at 105, and yields 6.67 per cent. Last year, its percentage of earnings available for preferred dividends was 10.05 per cent, and the net quick assets per share $26.60. Compare this with the Brunswick-Balke-Collender Company, which is also quoted at 105, yielding 6.67 per cent, and has net quick assets of $132 per share. This latter company has a

PROFIT-MAKING RECORD

covering some 60 years, and during the past six years, has averaged 24.5 per cent of earnings available for preferred dividends.

The security quoted highest, that is, the May Department Stores, at 113½, paying 7 per cent, yields 6.20 per cent, has net quick assets of $49.39 per share and for the last six years has averaged 17.9 per cent of earnings available for preferred dividends, while the McCrum-Howell Company quoted at 97, nets 7.18 per cent, has net quick assets of $71.18 per share, and for the past six years has averaged 21.37 per cent of earnings available for preferred dividends. That is, on a statistical showing, the security with the best statistical record sells nearly seven points under the one which has not shown so well.

The business done by all these corporations is such as to give a personal interest to the holder of its securities. Barnhart Brothers & Spindler, for instance, manufacturing type and printers' supplies, has a field for operation which covers the whole country, as the smallest settlement is not without its printer, and generally its newspaper. In the new mining towns, for instance, about the first permanent citizen is the local printer and publisher. The W. H. McElwain Company is one of the largest shoe manufacturers in that largest of shoe sections, New England. It is closest to the largest shoe jobbing market in the world, Boston. It has to draw upon the expert shoe operatives in the largest shoe towns of the world, Lynn, Haverhill and Brockton, Mass. The business has been established a good many years, and its sales for 1910 were more than $13,000,000. The company owns large interests in four of the leading wholesale shoe houses, and has in this a control of distributing channels, which in itself is profitable, and the

PROFITS FROM JOBBING

not small. This company occupies a most strategic position in the shoe industry.

The McCrum-Howell Company of the whole list is one which is not least known to consumers of its product, and to investors, as it has been a large consistent advertiser of its vacuum cleaning products, as well as a large manufacturer of porcelain, toilet and bath room wares, and of steam heating boilers and radiators. It controls the basic patents for stationary vacuum cleaning devices, and manufactures vacuum-cleaning apparatus for small dwellings, as well as for the largest office, hotel and public buildings.

The May Department Stores operate large retail establishments in Chicago, Cleveland, St. Louis and Denver selling to the largest class of people in the cities in which it operates because of its catering to the trade most interested in low and medium priced articles. Stern Brothers in New York differ from the May Department Stores in that their goods are of the highest class with a smaller clientel, but with larger profits on the individual sales.

The Frisbie, Stansfield Knitting Company manufacturing cotton underwear, with several mills in New York state ought eventually to prove one of the strongest and most profitable textile manufacturing concerns in the country, and its securities ought in the future to reach the same plane as the securities of old New England, textile mills. In New England, similar corporations have built up individually

A HUGE SURPLUS,

with net quick assets way above $100 per share, and their securities have been bought and closely held by the most intelligent of New England investors. This company, in a way, is comparable with the New England textile leaders, and in a way is much more progressive. While they manufacture underwear lines which may be called staple, still their goods will not be affected by knit goods market conditions in troublesome times, as are general lines because their garments are more or less novelties. They are made on patented machinery, and Frisbie & Stansfield own the patents. The garments are seamless, with the opportunity of almost endless increase in consumption, because the seamless feature is most desired by women who are the consumers of the goods of these mills.

The selling arrangements of this company also are of the best, as their goods are sold direct, at a much lower cost than is charged against similar goods sold through commission houses. One of the directors in this company is the equal of any, if not the peer of all underwear sales managers.

The Studebaker Corporation manufactures about everything which runs on wheels, all kinds of farm wagons, business and pleasure vehicles, as well as pleasure automobiles and business motor vehicles. While the business of carriage and wagon manufacturers generally may be affected by the inroads made by motor propelled vehicles, this company has guaranteed against that by adding the manufacture of the newer lines in their old established factories, and on this end even they

HAVE THE ADVANTAGE

over all competitors of an old-established selling organization.

The International Agricultural Chemical Company is a new entrant in the field of fertilizer manufacture. There is in this industry intense competition which is more than over-balanced by the increase in consumption of fertilizer. The manufacture of fertilizer depends upon potash imported from Germany. This company owns its own potash mines in that country, and although, their own mine may not always supply their needs, still the cost of this raw material to them is controlled by their ownership of this mine.

There is in the above enough information to show that the securities of the corporations considered are of variable indivjdual appeal, because of the nature of the business transacted, which will influence the purchase of these securities, paralleling in a measure the consideration of the investment yield, net quick assets and past records.

Upon the basis of

INVESTMENT YIELD,

the list of industrials considered presents the following:

	Dividend rate.	Market price.	Investment yield.
Barnhart Brothers & Spindler	7%	103½	6.83%
W. H. McElwain Co.	6%	104½	5.74%
McCrum-Howell Co.	7%	97	7.18%
May Departm'nt Stores.	7%	113½	6.20%
Brunswick-Balke-Collender Co.	7%	105	6.67%
Stern Bros.	7%	98	7.18%
Frisbie & Stansfield Knitting Co.	7%	103	6.83%
Pittsburg Steel Co.	7%	105	6.67%
Studebaker Corporati'n.	7%	107	6 61%
Pierce, Butler & Pierce Mfg. Co.	7%	103	6.83%
Inter. Agri. Chem. Co.	7%	105	6.67%
Average yield			6.65%

The axiom that the lower the yield the less the risk attending the ownership of any security has its exceptions, as well as any other rule. For instance, Stern Brothers preferred netting 7.18 per cent is by no means the least certain of the above securities to maintain year after year its earnings record, nor is W. H. McElwain Company 6 per cent preferred to be considered safer than Pittsburg Steel Preferred, because of the fact alone that it nets about 1 per cent less per annum. Andy Carnegie's advice to put all one's eggs in one basket applies, if it applies at all, only to the business man having control of his own business, or to the salaried employe who generally makes a mistake when he tries to serve two masters for two separate salaries The opposite, as a matter of fact, is the rule in investments, such as we are considering, and the safest investor is the one who puts his eggs in many baskets with the item of safety always considered. The average yield of the eleven securities listed above is 6.65 per cent, and a modest investment including securities of all the above, or in any several of them would give a satisfactory yield, and more than a reasonable percentage of safety.

In the following table, is given the total amount of

EARNINGS AVAILABLE

for the payment of preferred dividends on stocks in our list, as well as the surplus remaining atfer the payment of the stipulated dividend rate, for after the question is answer-

(Continued on page 1370.)

Digitized by Google

Municipal Bond Sales

MUNICIPALITY.	Date of sale.	Classification of bonds.	Amount.	Rate of interest. Per cent.	Maturity.	Sales price.	Purchaser.	Income basis.
Bristol County, Mass.	Aug. 1	Loan	$30,000	4	*7	102.566	Bristol Co. Savings Bank, Taunton	3.582
Marlborough, Mass.	Aug. 1	Sewer	15,000	4	**1-15	102.275	Blodget & Co., Boston	3.669
Hawaii	July 27	Improvement	75,000	4	t20-30	104.25	Estabrook & Co.	3.697
New Bedford, Mass.	July 28	Muni. l'n No. 5	30,000	4	*1-10	102.096	Estabrook & Co., Boston	3.745
Hawaii	July 27	Improvement	100,000	4	t20-30	102 275	Breed & Harrison	3.836
New Bedford, Mass.	July 28	High Sch. loan	100,000	4	**1-20	102.095	Estabrook & Co., Boston	3.85
New Bedford, Mass.	July 28	Muni. l'n No. 4	84,200	4	**1-20	102.095	Estabrook & Co., Boston	3.85
New Bedford, Mass.	July 28	Muni. l'n No. 6	19,000	4	**1-20	102.095	Estabrook & Co., Boston	3.85
Hawaii	July 27	Improvement	1,325,000	4	t20-30	101.33	Gavin L. Payne, Hassensall & Co.	3.90
Franklin Co., Pa., W'y'boro S. D.	July 14	Building	60,000	4	t15-30	101.669	Peoples Nat. Bank, Waynesboro	3.91
Sandusky, Ohio	July 24	Wall	4,000	4	*6	100.25	Citizens Banking Co., Sandusky	3.962
Columbus, Ohio, Sch. Dist.	Aug. 1	Building	125,000	4	1931	100.16	Provident S. B. & T. Co., Cincinnati.	3.969
Jefferson County, Ohio	Aug. 2	Hospital	35,000	4	*5½	par	Nat. Exchange Bank, Steubenville	4
Springfield, Ill.	July 1	Pl're d. & p. d.	40,000	4		par	N. W. Halsey & Co., Chicago	4
Stamford, Conn.	July 27	School	340,000	4½	1941	106.31	Estabrook & Co., Boston	4.161
Westchester County, N. Y.	July 11	Bridge	20,000	4½	*21¼	103.6826	Kountze Bros., New York	4.226
Seneca Falls, N. Y.	July 25	Paving	36,000	4½	**3-14	par	Seneca Falls Savings Bank	4.25
Tamaqua, Pa.	July 17	Sew. & refd"g.	45,000	4½	t10-30	101.689	Harris, Forbes & Co., New York	4.29
Oxford, Ohio	July 31	Water works	4,000	4½	t5-10	101.305	Provident S. B. & T. Co., Cincinnati.	4.34
Ligonia, Pa.	Aug. 1	Opt. sew. & ref.	18,800	4½	*10-30	101.205	Farson, Son & Co., New York	4.35
Uhrichsville, Ohio	July 8	Retaining	25,000	4½	1936	102.05	Well, Roth & Co., Cincinnati	4.365
Pana, Ill.	July 28	Water works	40,000	4½	1931	101.34	Harris Trust & Sav. Bank, Chicago	4.39
Grand Rapids, Mich.	July 31	Street imp.	108,000	4½	*3	100.30	Detroit Trust Co., Detroit	4.393
Grand Rapids, Mich.	July 31	Sewer	45,000	4½	**1-5	100 30	Detroit Trust Co., Detroit	4.393
Omaha, Neb.	July 28	Street imp.	379,000	4½	*7	100.53	N. W. Halsey & Co., A. B. Leach & Co., E. H. Rollins & Sons, Chicago	4.413
Ligonier, Pa.	Aug. 1	Ref'nd. & sew.	18,800	4½	t10-30	101 205	Farson, Son & Co., New York	4.428
Fostoria, Ohio	July 27	St. imp. (C. P.)	3,725	4½	*4½	100.187	First Nat. Bank, Fostoria	4.454
Shelby Co., Tenn., Memphis S. D.		Building	250,000	4½	1961	100.84	E. H. Rollins & Sons, A. B. Leach & Co., Chicago	4.460
Alger County, Mich.	Aug. 1	Road	50,000	5	1926	105.656	Farson, Son & Co., Chicago	4.478
Shelby County, Tenn.	July 24	School bldg.	200,000	4½	1941	101.525	Bank of Com'ce & Tr. Co., Memphis.	4.481
Hamtramck, Mich., S. D. No. 8	July 21	Building	35,000	4½	1926	par	Matthew Finn, Detroit	4.50
Klickitat Co., Wash., S. D. No. 71	July 24	Building	2,500	5½		par	State	4.50
Wethersfield, N. Y.	July 6	Road	1,800	4½	1913	par	Lincoln Nat. Bank, Rochester	4.50
Elroy, Wisconsin	Aug. 1	Water & light	6,000	5	**10-15	104 35	Harris Tr. & Sav. Bank, Chicago	4.641
Choteau County, Mont.	Aug. 1	Refunding	60,000	5	1931	106.933	Wells & Dickey Co., Minneapolis	4.645
Fargo, N. D.	July 10	W't. w'ks & fil.	65,000	5	*13	103 88	Minnesota L'n & Tr. Co., Minn'polis.	4.60
Dorranceton, Pa.	July 1	Sewer	36,000	5	**6-16	103 191	Harris, Forbes & Co., New York	4.613
Wilkes-Barre, Pa.	July 1	Sewer	36,000	5	**6-16	103.191	Harris, Forbes & Co., New York	4.613
Pueblo Co., Colo., Sch. D. No. 1.		Building	256,000	4½	1931	98.07	E. H. Rollins & Sons, A. B. Leach & Co., Chicago	4.65
Albany, Oregon	July 26	Refunding	75,000	5	t10-20	101.049	E. H. Rollins & Sons, Denver	4.913
Dorchester Co., Md.	Aug. 1	Road imp.	25,000	5	1921	100.52	Dorchester National Bank	4.933
Greenville, S. C., Sch. D. No. 17.	Aug. 1	Building	40,000	5	1931	103.36	W. J. Thackston & Son	4.766
Jackson, Miss.	Aug. 1	Sch. & st. imp.	150,000	5	1931	102.073	Investors Sec. Co., Des Moines	4.837
Custer Co., Mont., Miles City Sch. Dist. No. 1.	July 29	Building	50,000	5	*19¾	101 90	Wells & Dickey Co., Minneapolis	4.844
Custer Co., Mont., S. D. No. 1.	July 20	Building	20,000	5	t*17¾-19¾	101 81	Wells & Dickey Co., Minneapolis	4.845
East Hampton, N. Y., Sch. Dist.	July 24	Building	17,000	5	*4 1-6	100 488	Adams & Co., New York	4.977
Park City, Tenn.		Imp. & ref.	25,000	5	1941	par	Provident S. B. & T. Co., Cincinnati.	5
Bellevue, Iowa	July 29	Water & light	10,000	5½		par	Local Investors	5.50
Shelton, Wash.	July 20	Sewer	15,000	5½	t1-15	par	State Board of Finance	5.50
Monona County, Iowa	Aug. 1	Wilcox d. d. 13.	7,500	6	**1-5	101.06	Wm. R. Compton Co., St. Louis	5.61
Culbertson, Mont.	July 29	Water	39,500	6	t10-20	101 03	Am. Light & Water Co., Chicago	5.86
Ashland, Ore.	Aug. 1	Street imp.	16,394	6	1921	100 91	Warren Construction Co.	5.875
Gunnison, Colo.	July 7	Water	90,000	6	t10-15	100.555	Robert A. Kean & Co., Chicago	5.94
Bladworth, Saskatchewan, Sch. Dist. No. 87.		Debentures	3,000	5½	1931		Nay & James, Regina	
Cutler May & Co., Chicago.		Refunding	12,000	5	**10-19		Cutler, May & Co., Chicago	
Castor, Alberta, Sch. D. No 2194.		Debentures	8,000	6	1931		Nay & James, Regina	
Dedham, Mass.	Aug. 1	Loan	20,000	3.25	3 mos.		Dedham Inst. For Savings	
Evans Pa., Sch Dist.	July 31	Building	9,800				Local Investors	
Franklin County, Ohio.	July 28	Road	114,500	4½		100 631	Davies-Bertram Co., Cincinnati	
Franklin County, Ohio.	July 28	Road	100,000	4½		100.784	Otis & Hough, Cleveland	
Groesbeck, Texas.	Aug. 2	Water works	7,000	5	t10-40		Cutler, May & Co., Chicago	
Groesbeck, Texas.	Aug. 2	Street imp.	12,000	5	t10-40		Cutler, May & Co., Chicago	
Harrison, Man'ba, S. D. No. 431.	July 15	Building	13,000	5	**1-20		National Finance Co., Regina	
Dickinson Co., Mich., Iron Mt. Sch. Dist.		High School	100,000	5			Unknown	
Jefferson County, Ohio.	Aug. 4	Pike	3,000	4½		104.70	First Nat. Bank, Smithfield	
Las Cruces, N. M.		Sewer	35,000	5	t20-30		Emerson & Hough	
Las Cruces, N. M.		Water	40,000	5	t20-30		Emerson & Hough	
Latah Co., Ida., Kendrick S. D.		Building	15,000	5			Keeler Bros., Denver	
Maricopa Co., Ariz., S. D. No. 46.	Aug. 4	Building	4,000			103	Valley Bank, Phoenix	
Mason, Mich.		Water	24,000	4½			Bumps & Co., Detroit	
Massachusetts (State)	Aug. 1	Loan	500,000	2¾			Unknown	
Melville Saskatchewan		Water works	63,000	5	1941		Nay & James, Regina	
Melville, Saskatchewan		Sewer	5,000	5	1941		Nay & James, Regina	
Melville, Saskatchewan		Electric light	22,000	5	1941		Nay & James, Regina	
Meota Saskatchewan		Debentures	7,000	5			National Finance Co., Regina	
Middletown, Ohio.		Street imp.	30,000	4½		104.276	Provident S. B. & T. Co., Cincinnati.	
Montgomery County, Md.	July 25	Road	12,000	4			Mutual Fire Ins. Co.	
Montgomery County, Ohio.	Aug. 3	Ditch	2,000	4½		100.6825	Dayton Savings & Trust Co.	
Morris Township, Ontario.		Debentures	10,000	5	1926		Wood, Gundy & Co., Toronto	
Mountainview, Tenn.	Aug. 2	Improvement	10,000	5½	1941		Cutler, May & Co., Chicago	
Oroville Wash.		Water works	10,000				State	
Red Springs, N. C.	July 11	Water & sewer	37,000	5½	1941		C. H. Coffin, Chicago	
Rochester, N. Y.	July 31	Exposition P'k	150,000	4	8 mos.		Guarantee Trust Co., Rochester	
Rochester, N. Y.	July 31	Water works	100,000	4	8 mos.		Guarantee Trust Co., Rochester	
Royalton Township, Ohio.	July 10		1,000	6		102 38	Peter Marlatt	
St. Catherine, Ont.		Y'le & T'wne d	2,800	4½	1931		Ontario Securities Co., Ltd., Toronto.	
St. Catherine, Ont.		Collegiate	12,000	4½	1941		Ontario Securities Co., Ltd., Toronto.	
St. Catherine, Ont.		School	30,000	4½	1926		Ontario Securities Co., Ltd., Toronto.	
St. Catherine, Ont.		Water	180,000	4½	1941		Ontario Securities Co., Ltd., Toronto.	
St. Louis Co., Minn., S. D. No. 39.	July 18	Building	60,000	5	**1-6		Minneapolis Loan & Trust Co.	
Sydney, N. S.		School	75,000	4½	1941		G. A. Stimson & Co., Toronto	
Sydney, N. S.		Street imp.	75,000	4½	1941		G. A. Stimson & Co., Toronto	
Wellesley, Mass.	Aug 3	Loan	60,000	3.24	*3 1-3m.		Perry, Coffin & Burr, Boston	
Westmoreland County, Pa.		Building	30,000	5	*13½		H. P. Taylor & Co., Pittsburg	

* Year average ** Year serial. t Year optional.

Digitized by Google

MUNICIPAL SHORT TERM LOANS.

DEDHAM, MASS.—The treasurer has awarded a temporary loan of $20,000, maturing November 6 to the Dedham Institution for savings at 3.25 per cent discount. Other bidders were: R. L. Day & Company, 3.26 per cent; Perry, Coffin & Burr, 3.26 per cent; and First National Bank, 3.30 per cent.

ROCHESTER, N. Y.—The Guarantee Trust Company of Rochester, was the successful bidder for the following 8 months' notes, as 4s: Exposition Park, $150,000, and water works, $100,000.

WELLESLEY, MASS.—A 3½ months' average temporary loan to the amount of $60,000 has been awarded to Perry, Coffin & Burr, Boston, at 3.2(per cent discount. notes maturing as follows: $40,000 November 1, and $20,000 December 1, 1911.

PROPOSAL FOR BONDS.

JOSEPHINE COUNTY, ORE.—The board of directors of School District No. 7, Edward S. Van Dyke, clerk, Grants Pass, Oregon, will receive bids for the purchase of $20,000 refunding and general liability bonds until September 19, 1911. These bonds will be paid at any time after ten years at the option of the district and payable absolutely in twenty years, and draw five per cent interest payable semi-annually. Each bid must be accompanied with a certified check of $2,000, and the right is reserved to reject any and all bids.

The $470,000 Milwaukee school 4 per cent bonds which were recently purchased by John E. De Wolf, were purchased at 99.18, which is on a basis of approximately 4.095.

Poor's Manual of railroads for 1911, the forty-fourth annual number, fully upholds the reputation established by previous volumes as a standard authority on American railroads. It contains 2,690 pages of text exclusive of statistics, introduction, index, etc. As is indicated by the title, the subjects treated are, American steam railroads and street railways. The steam railroad section comprises over 1,800 pages of text including maps of nearly all the important systems and complete information regarding every railway in the United States, and its possessions, as well as those in Canada and Mexico. The street railway section comprises 785 pages of text, the statements being grouped by states. Published by Poor's Railroad Manual Company, 68 William street, New York City. Price $10 per copy.

BANK ITEMS.

DAVENPORT, WASH.—Arrangements have been completed by the Davenport National bank to remodel the Turner building and occupy it for bank purposes. The bank owns the building. Among the directors are: Jacob A. Schiller, Dr. N. Fred Essig, Aaron Kuhn and D. M. Drumheller of Spokane.

EMMETT, IDAHO.—The First National Bank of Emmett has increased its capital from $25,000 to $50,000.

SPOKANE, WASH.—The Title Guaranty Company of Spokane. has increased its capital from $50,000 to $125,000 to comply with the new state insurance code, which requires firms issuing guaranteed certificates of title to maintain a deposit of approved securities in the state treasury for the protection of certificate holders. The money will be invested in first mortgages on Spokane property, netting 7 per cent, to be paid in dividends. J. Grier Long, president of the Washington Trust Company is a member of the board of trustees.

REGAN, N. D.—The First State Bank has been incorporated with $10,000 capital. O. S. Engren, S. G. Wright and J. S. Johnson are interested.

WALLACE, IDAHO.—Receiver Wilson, of the State Bank of Commerce, paid a dividend of 15 per cent to depositors on August 1. when it was also announced that the action of the Federal Court, declaring the Lane Lumber Company a bankrupt, will not affect the liquidation of the claims of the depositors in the bank.

FINANCIAL INQUIRY.

United States Metal Products Co.

21274. (Portland, Conn.) Kindly give your opinion of the preferred cumulative shares of the United States Metal Products Company as an investment. Also what this company's business is, the amount of common and preferred stock with its bonded and other indebtedness and any other information that will enlighten one about the company. Please give the market price of both the common and preferred stock also of the bonds.

Ans.: This company was incorporated January 27, 1911, in Massachusetts, as a consolidation of the John W. Rapp Company and the J. F. Blanchard Company, which companies succeeded to the business conducted by John W. Rapp and J. F. Blanchard. This business consists of the manufacture and sale of metal doors, window frames, interior trimmings and kindred products, turned out from plants located in Long Island City. The authorized capital is $2,000,000 7 per cent cumulative preferred and $6,000,000 common, of which $1,500,000 of the preferred and $5,000,000 of the common has been issued. The preferred has preference as to assets as well as to dividends and in case of liquidation is redeemable at 110.

There are no bonds, and no bond or mortgage can be placed upon the property without the consent of two-thirds of the preferred stock outstanding. This issue has full voting power, and if at any time 7 per cent dividends should be in arrears, the preferred shall elect the majority of the board of directors. No additional preferred stock can be issued without the consent of two-thirds of the preferred stock then outstanding. Average net earnings of the John W. Rapp Company and the J. F. Blanchard Company for three years ended August 31, 1910, were $337,813, exclusive of interest and discounts on borrowed money, etc. At the present time, earnings are reported to be about $600,000, which would mean earnings of about 10 per cent on the outstanding common after allowance for the 7 per cent dividend on the outstanding preferred. The latter is regarded as an attractive industrial investment, and is offered around par ($100). The common is not being offered, but the last private sale recorded was at $55 per share. This issue carries with it attractive speculative possibilities in view of present large earnings, although it is likely that dividends will be witheld for the time being until the company has had opportunity to strengthen its financial position still further. At the present time, net quick assets are nearly equivalent to the entire preferred stock issue.

Bond Certification

Modern conditions make the registration and certification of municipal and corporate obligations desirable and convenient. We have a department maintained exclusively for this purpose.

First National Bank of Boston
70 Federal Street

Have You $100, $1,000 or $10,000 To Invest?

For twenty-nine years we have been investment advisors to thousands of people—some with $100, some with $100,000 to invest—and during all this time not one of our clients has ever lost a dollar of principal or interest.

The Straus Building

Home of S. W. Straus & Co.

First mortgage bonds on improved, income-producing real estate in selected sections of Chicago offer the maximum of safety, because back of them is the ultimate security of every investment—the land itself.

The security in every case is at least double the amount of the mortgage and the property **must be** producing an annual income several times the amount of the interest and all other fixed charges.

These bonds are in denominations of $100, $500 and $1,000 and yield 5½ and 6 per cent. It is and has been our custom to repurchase them at any time on request, less a handling cost of 1 per cent.

Write to-day for Special Circular 100.

S. W. STRAUS & CO.
Mortgage and Bond Bankers
Established 1882
Straus Bldg. CHICAGO

NOTICE

Is hereby given that the undersigned will receive bids for the purchase of $20,000.00 of refunding and general liability bonds of School District No. 7, Josephine County, Oregon, said bonds to be paid at any time after ten years at the option of the district and payable absolutely in twenty years, and to draw five per cent interest payable semi-annually. Each bid must be accompanied with a certified check of $2,000.00 and must be placed with the Board of Directors of said District on or before the 19th day of September, 1911, at 7:30 o'clock P. M., at Grants Pass, Oregon.

The undersigned reserves the right to reject any and all bids.

Signed: BOARD OF DIRECTORS OF SCHOOL DISTRICT NO. 7,
Of Josephine County, Oregon.
By EDWARD S. VAN DYKE, Clerk.

DENVER Bonds Stocks

Denver Union Water — Denver Gas & Electric
Denver Tramway — Cities Service
Denver & Northwestern — Northern Colorado Power
Nevada-California Power

We buy and sell the bonds and stocks of all the above companies.

Nathan Cregg & Company
Century Bldg., Denver.

BOSTON ELEVATED RAILWAY COMPANY.

By the vote of the directors, a dividend of Three Dollars per share will be paid on August 15th to stockholders of record at the close of business Friday, August 4th, 1911.

H. S. WILSON, Treasurer.

Digitized by Google

United States Investor

Published Every Saturday Morning by

FRANK P. BENNETT & CO., Inc.

SUBSCRIPTION RATES

$5.00 per annum in United States and Mexico; $5.50 per annum in Canada.

$7.00 per annum in England, the Continent, Australia and Countries in the Postal Union.

$10.00 per annum for Investor and Inactive and Unlisted Securities Supplement, including privilege of inserting quotations in the Supplement.

ADVERTISING RATES

20 cents per agate line, $2.80 per inch each insertion, $30 per inch three months, $100 per inch one year. There will be no deviation from these rates under any circumstances and all of our advertisers may depend upon being treated alike.

PUBLICATION OFFICE,

530 Atlantic Avenue, Boston.

NEW YORK OFFICE,

2 Rector Street, New York.

JOSEPH L. BARKER, Manager.

Washington Office, 208 Corcoran Building; Philadelphia Office, 308 Chestnut Street.

COPYRIGHT 1910, BY FRANK P. BENNETT & CO., INC.

Entered at the Post Office at Boston, Mass., as second class matter.

The Senate Committee on Interstate and Foreign Commerce has practically decided to open a general inquiry into the trust question not long after the adjournment of the present session. Probably there will be a delay of a month or six weeks before the work is begun, and then hearings will be conducted at a number of different places in succession. The committee thinks of going to New York, Chicago, and probably other points, for the purpose of taking testimony and getting the attendance of witnesses without the delays and difficulties which are experienced when such witnesses are subpœnaed from a distance. The investigation differs from the other congressional inquiries now in progress in that it is carried on for the purpose of perfecting or recommending some important legislation which the committee intends to urge. At present it seems likely that the Newlands Federal Registration bill for interstate corporations will be used as the basis of the discussion.

Besides changing the orders of the bureau with reference to classification of loans by bank examiners, it now seems probable that Comptroller of the Currency Murray will also change the orders with reference to the classification of different kinds of money, relieving the examiners of the necessity of classifying and reporting these forms. Mr. Murray has found that the present system leads to considerable waste of effort, and he favors reduction of all surplus activity on the part of examiners in order that the time of the staff may be devoted to actually necessary work. It is intended that the labors of the examiners in other directions shall be such as will fully make up for the time saved by the elimination of the classification processes.

Experience in the conference committee, which has been attempting during the past week to adjust the wool tariff bill in such a way that it could be passed by both Houses of Congress, has again demonstrated the extreme difficulty that will be found in all future efforts at tariff revision during the life of the present Congress. The insurgent Republicans have clearly shown that they do not dare to accept Democratic ideas on the tariff in full, while Democrats in a similar way have shown that they are not willing to accept the leadership of the insurgent Republicans on tariff questions. While it may be possible to make some adjustment in the present instance, with the knowledge that President Taft intends to veto the bill, whatever it may be, a very different situation will be presented should a sincere effort at tariff revision be made next winter, with the prospect of possible executive approval. Agreement under these conditions will then be found to be very much more difficult.

ROOSEVELT AND T. C. AND I.

Ex-president Roosevelt has furnished some interesting "copy" to newspapers in his appearance before the investigating committee of Congress which is looking into the steel industry. Mr. Roosevelt's testimony related simply to the so-called Tennessee Coal and Iron "deal," which was put through by his assent during the panic of 1907. The investigating committee has been particularly curious to know all about this "deal," and has succeeded in unearthing some details about the transaction that were previously not known, although the bulk of its activity has been productive of no result. As a climax in the minute inquiry into the transaction the committee now at length calls Mr. Roosevelt to the witness stand, and he submits in an unprecedented way to a Congressional review of his acts while in the White House. This apparently, with the information previously gathered, makes the record tolerably complete in regard to the Tennessee Coal and Iron incident.

What President Roosevelt says is practically this: The panic of 1907 was straining all the resources of the federal government in the effort to avoid disaster to the business world so far as possible. Just at the critical moment, there came to him Judge Gary and the other financiers who were engineering the deal and requested his opinion of the legitimacy of the proposed transaction under the Sherman anti-Trust law. Mr. Roosevelt frankly admits that he told the men to go ahead and that they would not be molested for doing so. This was because, in the judgment of himself and his advisers, the assistance of those who were interested in the Tennessee Coal and Iron deal was absolutely necessary in order to avoid the development of the panic into a nation-wide disaster. Had he not granted the permission or assent he actually gave, the result would have been greatly to aggravate the situation.

It was, therefore, necessary to incur the risk of straining or violating the Sherman law, which he actually took in order that the greater danger might be overcome. Doubtless Mr. Roosevelt's analysis of his action is correct. There is no reason to question that he was animated by precisely the motives he describes. But it is perfectly evident now, and ought to have been apparent at the time to those who had good sources of information, that the reasons given for making this deal were decidedly flimsy. On the theory put forward by Mr. Roosevelt, it is necessary to suppose that the saving of the brokerage firm and of the trust company which were most largely interested in Tennessee Coal and Iron stock was indispensable to saving the situation. This in itself is a violent supposition, especially in view of the fact that so many other institutions of equal importance were allowed to go to the wall. But, waiving this point, it would also be necessary to assume that there was no other way of saving the concerns except through the transfer of this particular block of stock—an idea which in itself is an obvious absurdity. Finally, the Roosevelt theory implies that the financiers who were behind the Tennessee Coal and Iron deal would not have taken any other way, even had one been evident, than that which they proposed. In other words, financial magnates, all-powerful in the market, exacted of the government, a straining or violation of the law as the price of their intervention.

Digitized by Google

and the President accepted the hard bargain.

All this is now ancient history, but it is ancient history with a very distinct lesson. President Roosevelt was probably not warranted in giving the pledge he did even upon the supposition that by so doing he could correct the existing evils and relieve the market. But he ought not to have been left in a position that would throw this responsibility upon him. The Tennessee Coal and Iron incident bears eloquent testimony to the danger of allowing large business transactions to be entwined with politics and to the utterly unsatisfactory character of the Sherman anti-Trust law as now administered.

THE NATIONAL CITY COMPANY.

Attorney-General Wickersham and Secretary of the Treasury MacVeagh have been looking carefully into the organization of the National City Company. This concern is a corporation organized in New York under the auspices of the National City Bank. Apparently, its object is to relieve the bank of all those branches of business which would be directly incompatible with the National Bank Act. In this respect, it differs not at all from many other corporations of similar character which have been organized in various states to assist national banks in precisely the same way. There are doubtless some differences of technique, but they are not important. This makes the decision in the case of the National City Company of general importance, since what is done there will necessarily have to be done in the case of many other national banks which are organized in close relationship to trust companies. In some cases, the stock of the national bank with which a trust company is affiliated is tied up with the latter so that a transfer of shares in the one necessitates a transfer of shares in the other. The body of shareholders is permanently identical in the case of the two institutions, and the trust company might to all intents and purposes be a department of the national bank. On some accounts, it might better be so, for the present arrangement subjects the trust company only to the restrictions of state law, while it would otherwise be directly controlled by the federal authorities under national law.

Comptrollers of the currency for a good while past have refused to face this question frankly and squarely. They have not been willing to hold that the plan thus resorted to was absolutely illegal, and on the other hand, they have not seen their way clear to a declaration that the plan was legal. It has been the feeling of the present comptroller that the existence of these trust companies tends to keep the banks out of business which was on the borde- line of illegality, and that to that extent, they were a desirable institution. Other bank experts have entertained the same view. As for the banks themselves, they have in some instances felt compelled to resort to this device because of the fact that they were so hard-pressed by competition by state institutions. Without some means of controlling the business which they must otherwise lose, it has sometimes seemed as if a straightforwardly-managed national bank which kept strictly within the terms of the law, and never did any business outside of the limits of the national bank act, would have hard work to make an adequate profit. But it has been apparent for a long time that the decision of the question could not be permanently postponed. New banking legislation, if adopted, will have to deal with the trust company question and with the general problem, what is to be done in extending the limits of national bank business. It is not possible to evade the issue indefinitely. That makes it imperative to hit on some principle of administrative action now, for the acceptance of a definite policy by the government will undoubtedly stimulate action by Congress as nothing else could. The National City Company has been selected as the subject of investigation merely of its prominence and of its alleged determination to buy and hold national bank stocks. But what is done in this case will have to be done in all others that are similar to it.

AMERICAN TOBACCO PLANS.

In reorganizing the American Tobacco Company pursuant to the decision of the Supreme Court, the financiers who are at work on that task are encountering a problem very different from that met by the Standard Oil group. Standard Oil has announced its intention of simply splitting up into the original constituent companies of which it was composed. But American Tobacco was quite a different organization historically. Moreover, the court's decision was very different in detail from that which was handed down in the case of Standard Oil. Each re-organization, therefore, has to be dealt with as a separate problem and of the two that which American Tobacco is now facing is far the more serious.

According to James C. McReynolds, who represents the government in the American Tobacco case, one of the difficult questions which the concern has to confront is what to do with its good will account. This is said to be more than $100,000,000 in the aggregate. The company, in taking over competing concerns, naturally recognized that one very large element in their value was the worth of the trade names, labels, and so forth, controlled by them. It often had to pay heavily for this "good will" or advertising value, and yet it is doubtful how far the business opportunity thus acquired could be put back into the hands of another concern. This is a different problem from that which existed in the oil business. Oil is a staple product but tobacco is an article which depends largely upon popular taste, advertising, etc. It would be easy enough to say that this good will was worth nothing, and it would also be very easy to over-estimate its influence as an earning factor.

The danger which above all others must be steered clear of in the re-organization process is that of putting the property of stockholders in jeopardy, or reducing their proportionate share in the resulting business, whatever it may be, which is established after re-organization is completed. There is naturally a tendency in the value of tobacco securities to shrink, and the establishment of companies to take over the rights of stockholders and bondholders for the avowed purpose of protecting them has tended to cause alarm in the minds of timid investors. Probably this has led to the sale of more stock than would otherwise have come upon the market, and thus the downward tendency of quotations has been emphasized. It is a large task to bring about the reorganization of a great concern of this sort with $100,000,000 of bonds, $80,000,000 of preferred stock, and a large volume of common shares outstanding. Justice, of course, demands that the stockholders and bondholders of the different classes shall stand in precisely the same relation to one another after the re-arrangement has been carried through that they did before. There should be no relative gains or losses any more than there should be absolute gains or losses among the security holders.

The officers of the government who are supervising this reorganization are emphatically upon trial. They are dealing with an extraordinarily hard problem, but one which they must solve successfully if they expect the public to support the administration in its application of the Sherman anti-trust Act under existing conditions. If the American Tobacco re-organization should turn out to inflict serious hardship upon the innocent holders who have bought the stock in good faith as an investment, the effect will be to increase the unpopularity of the Sherman law even beyond the point it has now reached.

Digitized by Google

ELEVEN SMALLER INDUSTRIALS.

(Continued from page 1365.)

ed as to what any given stock yields on its selling price, the questions considered in the following table are the next natural queries.

	Am't earned on pref. stock.	Surpl. over pref. dividend.
Barnhart Brothers & Spindler	38.5	31.5
W. H. McElwain Co.	28.	22.
McCrum-Howell Co.	26.07	19.07
May Department Stores	25.43	18.43
Brunswick-Balke-Collender Co.	25.	18.
Stern Bros.	19.88	12.88
Frisbie & Stansfield Knitting Co.	19.8	12.8
Pittsburg Steel Co.	18.36	11.36
Studebaker Corporation	18.3	11.3
Pierce, Butler & Pierce Mfg. Co.	17.6	10.6
Inter. Agri. Chem. Co.	13.6*	6.6*

* Two months estimated.

The above table considers the earnings for ten years in the case of Barnhart Brothers & Spindler, three years in the case of W. H. McElwain Company and Pittsburg Steel, and six years in all other cases, except in the case of the International Agricultural Chemical Company, which earned 10.05 for its first and year, and 13.6 for this year, with the last two months estimated. From the standpoint of the above table, Barnhart Brothers & Spindler makes the premier showing, although at least, the next two in the list have made excessive earnings, when only the preferred dividend requirements are considered, and on the basis of the above figuring the future dividends of all are much

MORE THAN ASSURED

for future years.

In our previous article, where the eight preferred stocks were compared, we gave a history of the number of years the preferred stock dividend had been paid runing from three to eleven years on the securities considered. The stocks considered in this article, however, cannot oe tabulated as in our previous article, for while they are all with the exception of the Fertilizer Company old concerns or combinations of concerns long in business, the preferred stock issues are new securities, but the companies considered, with one exception, and that one excepted only because it is a young company, and as shown in the tables above, have made earnings which would have taken care of preferred stock dividends to the amounts issued as shown over a perion of years.

It is interesting in comparisons of this kind and at the same time essential to look up the market price of the common stock and the total amount of the common stock outstanding in order to determine the market value of the common stock equity which, of course, is behind the preferred stock. There is in every case in the securities that we are considering

A COMMON STOCK ISSUE

back of the preferred. For Barnhart Brothers & Spindler there is an issue of $750,000 second preferred and $1,000,000 common; for W. H. McElwain Company, $1,000,000 second preferred and $1,500,000 common; for McCrum-Howell Company, $3,500,000 common; for May Department Stores, $15,000,000 common; for Brunswick-Balke-Collender Company, $6,000,000 common; for Stern Brothers $7,500,000 common; for Frisbie & Stansfield Knitting Company, $1,000,000 common; for Pittsburg Steel Company, $7,000,000 common; for Studebaker Corporation, $30,000,000 common; for Pierce, Butler & Pierce Manufacturing Company, $1,500,000 common and for International Agricultural Chemical Company, $9,304,900 common. None of these companies have any bonded debt and it is generally provided that no mortgage can be placed on the properties except with the consent of 75 per cent of the preferred stock, but it is not possible in this article as in the preceding one to figure the aggregate amount of common stock equity behind the various issues of preferred stock in every instance, because in many of them the common is closely held and does not come upon the market. For instance, in the case of Stern Brothers the common is all held by members of the Stern family. In the case of the Pittsburg Steel Company, it is all closely held, although the last sale was at 200 that cannot be considered as a quotation, but for those on which a

MARKET FOR THE COMMON STOCK

has been made the following table is of interest:

	Com. stock equity behind pref. stock.
Barnhart Brothers & Spindler	$1,77[illegible],000
McCrum-Howell Co	1,78[illegible],000
May Department Stores	12,600,000
Studebaker Corporation	19,200,000
Inter. Agricultural Chemical Co.	7,304,346

These figures are arrived at by considering the present quotations as follows: Barnhart Brothers & Spindler second preferred at 102, common at 101; McCrum-Howell Company common at 51; May Department Stores common at 80; Studebaker Corporation common at 64; International Agricultural Chemical Company common at 78.

The following table shows the amount of the market value of the common share equity as applicable to each share of outstanding preferred stock:

	Common share equity behind each share of preferred
Barnhart Brothers & Spindler	$142.
McCrum-Howell Co.	51.
May Department Stores	240.
Studebaker Corporation	149.6[illegible]
International Agricultural Chem. Co.	14.5

In analyzing any industrial stock from the investment standpoint, if the earnings and dividend returns are satisfactory, another most important consideration is the actual security back of each share of preferred stock, in other words, the net quick assets per share. In arriving at these figures, the only items considered are the current liabilities, bills payable, funded and floating debt, etc., and the assets which can be quickly turned into cash, including cash in hand or in the bank, merchandise in process and manufactured goods on hand, bills receivable and perhaps securities owned at their market value. That is, all of the quick assets minus the funded and floating debt giving the amount of quick assets which are applicable to

Before All Else

there is found in every Union Mutual Policy the first and strongest Purpose of Life Insurance.

Protection

Clear, Faithful Reasonable Contracts. Ask for Particulars.

Union Mutual Life Insurance Co.
Portland, Maine

Fred E. Richards, President.

National Life Insurance Company
MONTPELIER, VERMONT.

Mutual. Organized 850.

This company has increased its dividend scale this year for the third successive year, and the increase applies to all participating policies in force from 1850 to date.

An attractive monthly income policy just placed on the market.

A good agency opportunity for the right man.

Correspondence invited.

UNUSUAL FEATURES
In Life, Accident and Health Insurance

New Methods of Compensation
Short Form Policies Clear—Terse
Easy to Read and Understand
Low Non-participating Rates

The Columbian National Life Insurance Company, Boston, Mass.
ARTHUR E. CHILDS, President
Wm. C. Johnson, Vice-Pres. and Gen'l Mgr

HARTFORD LIFE INSURANCE CO.

Chartered 1866 Hartford, Conn.
OFFERS SPLENDID OPPORTUNITIES UNDER DIRECT CONTRACTS.
All Forms of Policies.

STATE MUTUAL LIFE ASSURANCE COMPANY OF WORCESTER MASSACHUSETTS INCORPORATED 1844

JANUARY 1, 1911
Insurance in force more than $140,000,000
ASSETS - $36,327,078.88
LIABILITIES 33,371,841.25
SURPLUS - $ 2,955,237.73
1910 MOST PROSPEROUS IN HISTORY OF THE COMPANY

THE BOSTON MUTUAL LIFE INSURANCE COMPANY
141 MILK STREET, BOSTON, MASS.

HERBERT O. EDGERTON, Pres. FRANK H. VIELE, Sec'y and Treas.
A corporation operating under the stringent Insurance Law of Massachusetts.
All desirable forms of up-to-date policy contracts issued.
All weekly premium [illegible]s in full immediate benefit.
[illegible]RESPONDENCE SOLICITED.

Digitized by Google

Preferred Stocks Of Proven Merit Yield 7% With Safety

GEORGE H. BURR & CO.

do a general banking business, specializing in Commercial Paper and Investment Securities of the highest grade which they own outright, having been purchased after the most careful investigation and with a full knowledge of their intrinsic worth. With branch offices in the principal cities, they are known to banks and investors throughout the United States.

You can share in the profits of well-established prosperous and carefully managed corporations by investing in the 7% Cumulative Preferred Stocks of the following companies:

Brunswick-Balke-Collender	**Established**	**1845**
Barnhart Bros. & Spindler	"	**1869**
McCrum Howell Company	**Consolidated**	**1904**
American Piano Company	"	**1908**

These companies are amply supplied with working capital and have no bonded indebtedness.

From the standpoint of security of principal, stability of earnings, and marketability we recommend these shares for investment. In several instances the yield and promise of appreciation in value are sufficiently attractive to satisfy the most discriminating investor.

Send for SPECIAL Circulars describing these Issues. Our Booklet "Industrial Preferred Stocks" will aid you in selecting safe and desirable investments yielding 5% to 7%. Edition G on request.

GEORGE H. BURR & CO.

35 WALL STREET BANKERS NEW YORK CITY

CHICAGO Rookery Building · BOSTON 35 Congress St. · PHILADELPHIA Phila. Bank Bldg. · ST. LOUIS 3d Nat'l Bk. Bldg. · KANSAS CITY Commerce Building · SAN FRANCISCO Kohl Building

paying off the preferred shareholders in the event of

WINDING UP THE BUSINESS.

In this figuring, the plant value as given by the management, with the value of trade-marks, good will, etc., cannot safely be considered.

In these securities no funded debt is to be considered, because they are all without bonds. The following table gives the preferred stock outstanding, the excess of current assets over liabilities and the percentage of this excess to the preferred outstanding, the last tabulation showing the amount of the quick assets behind each share of preferred outstanding;

	Pref. stock out-standing.	Excess of cur-rent ass-ets over current lia-bilities.	Per-centage of this excess to pref. out-standing. P. c't.
Barnhart Brothers & Spindler Co.	$1,250,000	1,254,439	100.36
W. H. McElwain Co.	2,500,000	3,149,490	125.9
McCrum-Howell Co.	3,500,000	2,524,511	71.18
May Dep't't Stores	5,000,000	2,469,500	49.39
Brunswick-Balke-Collender Co.	6,000,000	8,240,556	137
Stern Brothers	2,000,000	2,500,200	83.36
Friable & Stanefield Knitting Co.	1,000,000	624,800	62.48
Pittsburg Steel Co.	7,000,000	3,585,400	52.62
Studebaker Corporat'n.	15,500,000	12,080,150	96.89
Pierce, Butler & Pierce Mfg. Co.	1,356,700	1,871,025	137.91
Inter. Agri. Chem. Co.	12,539,500	3,235,507	26.6

This table shows some interesting figures. For instance, the Brunswick-Balke-Collender Company shows by far the largest amount of net quick assets, although the yield on this security is much higher than in the case of the May Department Stores, which shows the lowest yield of the 7 per cent stocks, although its net quick assets are lowest of the 7 per cent stocks, with the exception of the new International Agricultural Chemical Company.

In picking out from this list of stocks one or more securities for investment, the investor must be governed by the personal value placed upon the

VARIOUS STANDARDS

of valuation given. It would generally be considered a handicap, taking into consideration the records of these securities, that they are practically all of them callable at something better than the present market price, because the market price can never go above the callable price, and hence there is the lack of opportunity for a great increase in the figure at which the securities might be sold, regardless of large and continued earnings.

Acquaintance with securities of the above kind, and with the methods of underwriting and distributing them, makes plain the difference between the industrials offered to the investing public to-day, and those which were generally offered a few years ago. Such securities as the above would point out the fact that the day of combining all or a majority of plants in a given line of manufacture, pouring in water until the capitalization is certainly all if not more than the past record of earnings of the constituent companies warrants, and then peddling out the securities to unsuspecting investors is past. The above considered companies in a few cases are combinations of older ones, but none of them are in the nature of trusts or near-trusts, and the element of watered capitalization need not be considered, if it is not wholly absent.

These securities also bring out the position of

THE INVESTMENT BANKER

in the distribution of securities, and as a substantial aid to the private investor. It used to be that the investor asked advice of a broker of more or less intimate acquaintance as to what his investments should be. In many cases, the broker's interest was mainly in commissions, and his answer was generally, "buy so and so, it is good for a rise", or some such answer. To-day, investments are being almost wholly made through investment bankers, who make a thorough investigation and study of the corporations whose securities they underwrite or handle, and for their own protection, if for nothing else, their advice to investors is based upon facts.

The wide scattering of securities, such as the above, also in my opinion wholly wipes out the more or less stupid charge that the control of money in great centres and changes in banking and credit methods makes it hard for the smaller manufacturer or corporation to grow by securing the necessary credit and capital, for not only are the above corporations financed through the great centres, but many more like them have in the past, and will be in the future financed by the same method.

P. DE MEDICI.

Financial Summary of the Week

Allis-Chalmers Co.—The sharp decline in the shares and bonds of the Allis-Chalmers Company is due largely to liquidation on the part of interests who have knowledge of the small earnings of the company. Recently, the business of the company has not been good, and earnings have not been far from interest requirements. However, it is generally known that interest on the bonds was paid July 1 last.

American Glue Co.—Directors of American Glue Company have decided to offer 4,000 shares of new preferred stock to both common and preferred shareholders, who will have the right to subscribe to the new issue at $145 a share until August 21, on a basis of one share of new preferred for each six shares of common or preferred now held. This $400,000 is new preferred, and will bring the outstanding issue up to $2,000,000. Proceeds of the sale should net $580,000 in cash, which will be applied to liquidate the floating indebtedness, which, at the close of last fiscal year, ended May 31, stood at $1,255,060. Recent quotations for the preferred have been about $158 a share, which is about a 5 per cent basis, the stock paying 8 per cent dividends.

American Hide & Leather Co.—This company reports for the quarter ended June 30, as follows: Net earnings $250,458; interest on bonds, $91,830; sinking fund, $78,495; total deductions, $165,375; surplus $85,083. For the twelve months ended June 30: Net earnings, $720,325; interest on bonds, $367,560; sinking fund, $293,940; total deductions, $661,500; surplus, $58,825.

American Light and Traction Co.—The American Light and Traction Company reports for the year ended June 30, last. Gross earnings, $4,042,831; increase, $444,339; operating expenses, $117,957, increase, $7,806; net earnings, $3,924,874, increase, $436,533; surplus, $1,315,670, increase, $974,560. The general balance sheet shows: Cash on hand, $1,663,655; bills receivable, $391,697, and accounts receivable, $48,961.

Atlantic, Gulf & West Indies S. S. Lines.—For the five months ended May 31, the company's net income after charges shows a decrease of $29,673, despite an increase of $417,405 in gross and a decrease of $33,811 in charges. The reason for this is to be found in the operating account, which was $480,890 larger than that for the corresponding period a year ago, the increase wiping out by a very substantial margin the increase in gross. The management is making liberal charges to operating expenses for upkeep of property, which largely explains the failure to show a larger balance after charges.

Bethlehem Steel Corporation.—Charles M. Schwab, president of the Bethlehem Steel Corporation, has returned from an inspection of the plants. Asked whether or not the report was true that the company contemplated paying a dividend on the preferred stock in the near future, he replied: "There is no truth whatever in the report. I have had no knowledge of the upward movement in the stock. It has been due, probably, to manipulation. The matter of resuming dividends on the preferred stock is not up for consideration."

Chicago, Milwaukee & St. Paul Ry. Co.—Earnings of the Chicago, Milwaukee & St. Paul for June, showed a decrease in gross receipts of $385,076 and a decrease in net of $179,139, comparison being made with the same time last year. The Puget Sound extension of the St. Paul reports for June an increase in gross earnings of $92,280, and an increase in net of $53,600. For the year ended June 30, the Chicago, Milwaukee & St. Paul, Puget Sound earnings included, shows a deficit after charges and dividends of $3,294,213.

Chicago Pneumatic Tool Co.—Pneumatic Tool officials say that gross sales, which show considerable decrease for the year, recently showed an upturn, indicating more general confidence in the crop and business situation. Foreign sales are the best they ever have been, and most plants are running to full capacity. The auto-truck department averages about 60 per cent and is regarded as successful, although contributing but a small proportion of total earnings.

Claflin (H. B.), Co.—The semi-annual report of the H. B. Claflin Company for the half year ended June 30 shows net earnings of $207,672, comparing with $206,574 for the corresponding period of 1910. After paying dividends on the two classes of preferred stock, there remained a surplus of $65,546 for the common. As two quarterly dividends of 1½ per cent each on this stock required $114,873, there was a deficit for the half year of $49,326, but there still remains a surplus reserve for the common stock of $1,657,198. President John Claflin briefly reports that "a slight improvement in trade has recently appeared, but normal conditions cannot be expected while important tariff changes are in prospect."

Cleveland & Sandusky Brewing Co.—The Cleveland & Sandusky Brewing Company reports profits, after providing for bond interest, but before charging off for depreciation bad debts, which is done at the end of the fiscal year, of $265,766 for the first half of 1911, an increase of $4,465 over the same period of 1910. Sales showed an increase of 1,378 barrels. The company continued its policy of reducing its debts, its various obligations having been reduced $292,101, as compared with a year ago.

Colt's Arms Co.—At a special meeting of the stockholders of the Colt's Arms Company, the proposition to dissolve the company was approved. This company, incorporated in the state of New York, is a holding company. The business will hereafter be carried on by the Colt's Patent Fire-arms Manufacturing Company, which is the operating company incorporated in the state of Connecticut.

Copper Market.—The copper market is dull. While the large producers and selling agencies are quoting 12¾ cents a pound, this price has been shaded about one-eighth of a cent a pound. Dealers are hoping that the publication of the July Copper Producers' statement next week will be followed by a buying movement of some consequence. However, it is admitted that the operation of the large manufacturing plants depended upon as a source of outlet have been reduced over the last several weeks. In other words, domestic consumption has been reduced somewhat, whereas there are as yet no signs of a falling off in consumption Abroad. The Copper Producers' Association reports stocks on August 1, as 137,738,858 pounds, a decrease of 19,695,306 pounds, as compared with 157,434,164 pounds on July 1. Production and deliveries compare as follows:

	July.	June.
Production	112,167,934	124,551,312
Domestic deliveries	56,982,582	61,655,564
Foreign deliveries	74,880,658	71,460,518
Total deliveries	131,863,240	133,116,080

Corn Products Refining Co.—Bankers purchased from the Corn Products Refining Company $1,000,000 of its first mortgage sinking fund 5 per cent gold bonds, due in 1934. The bonds are issued to pay for improvements and extensions to its Argo plant, near Chicago. Subsequently, the bankers reported that they had sold the entire issue.

General Chemical Co.—This company has issued a statement of earnings for the six months ended June 30, last, as follows: Net profits January to June 30, 1911, $1,193,68; surplus for six months, $456,045; previous surplus, $4,090,759; total surplus June 30, 1911, $4,586,804.

Goldfield Consolidated Mines Co.—Goldfield Consolidated's net earnings for July are placed at $570,000 in preliminary estimates. While the production and earnings for July are smaller than for several months past, they were well in excess of dividend requirements. Payment on July 31 of the regular dividend brought the total payments to shareholders up to $16,388,589. On that date, the company had about $1,985,000 cash in its treasury.

Great Western Cereal Co.—Claiming that a deal is being engineered by which the minority bondholders of the Great Western Cereal Company are to be "frozen out," Levering Moore, a bondholder, served notice on the Continental & Commercial National Bank, Chicago, to prevent the removal of a million dollar fund held there in trust for the protection of the bondholders. The company is said to have the consent of a majority of the bondholders for the transfer of the money and Moore protests against the fund being turned over at the request of a certain number of the bondholders until the holders of all other bonds have been satisfied.

Hall Signal Co.—The Hall Signal Company, which is being reorganized, has closed contracts with railroads aggregating about $125,000. It is understood, and now has unfilled orders amounting to $575,000, the largest for a number of years. As the company has about $100,000 of indebtedness which must be met immediately, however, the reorganization committee, it is said, will shortly ask permission of the stockholders to borrow this sum. It is said to be the purpose of the reorganization committee to negotiate with the other signal companies in regard to forming some sort of amalgamation, so that a standard signal for all companies of the same make and design may be established.

McElwain (W. H.), Co.—The governing committee of the Boston stock exchange has admitted to quotation in the listed department 25,000 unassessable shares of the first preferred stock of the W. H. McElwain Company, of a par value of $100. The company's authorized and issued capital is: First preferred, $2,500,000; second preferred, $1,000,000; common stock, $1,500,000.

Mergenthaler-Horton Basket Machine Co.—Judge Giegerich, of the Supreme Court in New York, has appointed Albert O. Briggs, receiver for the Mergenthaler-Horton Basket Machine Company on the application of Fletcher, McCutchen & Brown, judgment creditors for legal services. Edward H. Parkhurst is president. The company is ordered to deliver to the receiver 31,418 shares of stock of the company, and the receiver is ordered to sell this stock and any other assets of the company at public or private sale.

Nevada Consolidated Copper Co.—This company reports for the quarter ended June 30, last, in comparison with the corresponding period of the year previous:

Total earnings	$886,266	*$394,432
Dividends	749,388	**2,909
Surplus	$136,878	*$397,341
Depr. for Steptoe plant	136,991	**4,089
Deficit	$113	**$401,430

* Decrease. ** Increase.

The number of pounds of copper produced during the quarter was 15,677,965, compared with 18,173,676 for the corresponding period the year previous.

New York Edison Co.—Despite more than $6,000,000 available for dividends it is officially declared that the dividend rate will remain at 6 per cent for 1911, requiring about $3,000,000, or almost exactly one-half the amount available. If the 6 per cent rate is continued, there will be added to the company's previous surplus more than $3,000,000 making final surplus at the close of 1911 above $23,500,000. This is an equity of more than 65 per cent for the Consolidated Gas Company's investment of about $36,000,000.

St. Louis & San Francisco R. R. Co.—The Frisco line's operating revenues in June were $97,023 over those in June last year. Operating expenses decreased $23,118, so that net operating revenue increased $221,141. Operating revenues for the fiscal year ended June 30, last, were $2,652,166 in excess of those for the previous year. Operating expenses increased $1,205,126, leaving net operating revenue $1,587,040 more than that for the previous year.

Southern Pacific Co.—The net income of the Southern Pacific for the 12 months ended June 30, 1911, is only $4,473,406 less than that for the fiscal year ended June 30, 1910. The road's surplus for 1910 was $18,178,546, and its final showing for this year cannot therefore be bad.

Standard Oil Co.—Interests indentified with the petroleum trade are not at all inclined to the belief that the Standard Oil Company will be able to maintain present rate of earnings. As a matter of fact, a very sharp contraction will be experienced, due to severe competition and increased expenses in connection with operating thirty-five separate institutions. The Standard Oil Company has been earning at the rate of over $80,000,000 a year, and paying to shareholders $40,000,000, so that earnings should be ample to meet present dividend requirements. The company has given out no statements of earnings of subsidiary companies, one reason for this, it is said, being that earnings in the past year will not give one an idea as to what the earnings will be over the next twelve months.

Underground Elec. Ry. Co. of London, Ltd.—This company has drawn for redemption on January 15, 1912, at par and accrued interest to that date £868,700 of its 4½ per cent bonds of 1933. Arrangements also have been made for redemption on the same date of £220,000 additional of the same bonds, which in accor-

dance with the trust deed, have been bought, in the open market below par, making the total amount of 4½ per cent bonds to be redeemed on the date mentioned £1,088,700, out of an outstanding issue of £2,818,700. These bonds were issued in 1908.

Union Pacific R. R.—From the figures on the earnings of the Union Pacific for the 12 months ended June 30, it is evident that this company's net income is only $4,311,594 less than that for the previous year. The surplus recorded by this road for 1910 amounted to $19,819,824, and it can be taken for granted that the surplus for the latest fiscal year will also reach substantial proportions.

Union Switch & Signal Co.—Plans for permitting the employes of the Union Switch & Signal Company to participate in the earnings of the company, and details, are being furnished the men so that they may secure the 1,000 shares which are now offered to them at $75 a share. They will be permitted to pay for the shares in monthly installments of 2 per cent, and will have credited to them the regular dividend of 12 per cent on the par value of the stock after 24 per cent of the purchase price has been paid. When that amount is paid, a full year's dividend will be credited to the purchaser. When the stock is fully paid for, "participation certificates" will be issued entitling the purchaser to an extra dividend of 5 per cent a year for five years. After the stock is paid for, it will be transferable, and may be sold in the open market.

Utah Copper Co.—The financial results of the second quarter of 1911 as compared with 1910 follows:

Net milling profits..	$ 983,676	*$200,523
Miscel. income	8,080	*272
Nev. Cons. divs.	375,188	**18,769
Total Income	$1,366,944	*$182,035
Dividends paid	1,177,012	**21,768
Surplus	$ 189,932	*$203,803

* Decrease. ** Increase.

The report says the earnings for the second quarter of 1911 are computed upon the basis of 12¾ cents per pound for copper, while the earnings for the 1910 quarter are computed upon a basis of 12½ cents per pound. At the end of the last quarter no copper due for delivery from refineries remained unsold.

Alcohol Pref. Vs. Dry Goods Common

An Interesting Inquiry From a United States Investor Subscriber, Who Proves Himself No Tyro At The Investment Game—Reasons for Present Low Price and Correspondingly Liberal Yield of These Stocks.

New York City, July 27, 1911.

ED. UNITED STATES INVESTOR:

As between United States Industrial Alcohol preferred at, say, 100, and paying 7 per cent and United Dry Goods common at about 107 and paying 8 per cent per annum on par, which stock would you prefer as an investment for a business man? J. H.

The above inquiry, received from one of the United States Investor's valued subscribers, is, I believe, a very fair reflection of the public attitude towards the stock market at the present time. Despite the lack of sustained speculative interest on the part of the public, indicated by daily markets of 200,000 share proportions or less, there has been a steady undercurrent of investment buying on the part of odd-lot investors, and houses who make a practice of catering to this class of business have, in the majority of instances, I believe, earned a satisfactory aggregate of commissions within the last few months. It is a matter of general knowledge that recent offerings of industrial stocks have been receiving very flattering attention at the hands of the small investors whose operations, when all is said and done, comprise the backbone of the investment situation. It has been noticed, however, that the intending purchaser has exercised discrimination in an unusual degree, and has been much more exacting in his investment requirements than he was wont to be in the "good old days" when most of the big industrial combines were in their infancy, and when professional promoters found it a comparatively easy matter to interest the man with a few hundreds or a few thousands of dollars to invest, in schemes which all too often were based more on hopes and expectations than on actual results. In many instances, it is true, these anticipations were realized, but there were other instances, unfortunately, where the confiding purchaser is still waiting with what patience he may possess, for the discovery of the pot of gold which he was led to expect would be found at the end of the rainbow.

CHANGED CONDITIONS.

Within the last few years, particularly since the 1907 panic and its aftermath of falling prices and bargain displays, investors as a class have shown pronounced indications of growing wiser, and of thinking for themselves instead of depending almost wholly on the judgment of those to whose interest it was to make present conditions, and future prospects appear in as favorable a light as possible. This fine sense of discrimination appears in the above inquiry, a fact which will be appreciated by anyone who looks beneath the surface. The suggestions contained in brief, but pointed communication of this New York subscriber to the United States Investor shows a desire for a reasonably safe investment which at the same time is possessed of the further important advantages of an attractively large yield, and an accompanying possibility or probability of speculative profits at some future date. Both of the issues named, United States Industrial Alcohol preferred and United Dry Goods common, carry with them these interest-creating attributes, and both possess the very important element of ready marketability, being listed on the New York stock exchange.

It will be noted from my correspondent's inquiry that his first and

GREATEST REQUIREMENT

has to do with the investment features of the issues named. He has doubtless considered United Dry Goods common, because he believes it gives him a very attractive rate of return at present prices, and carries with it unmistakable promise of speculative profits at some later date, but no consideration is given to the common shares of the United States Industrial Alcohol Company, for the reason that that issue is not and never has been a dividend payer, and is, therefore, not an investment proposition in the conservative sense of the word. Of course, it is not the easiest matter in the world to make an intelligent comparison between a common and a preferred stock issue, for obvious reasons. In this particular instance, the advantage, so far as current net yield is concerned, lies with United Dry Goods common, which, paying 2 per cent quarterly, and selling at 107, nets 7.48

Almoloya Mining Co.

60 Wall St., NEW YORK

PORCUPINE

Get in RIGHT or keep out. THE BOSTON DEVELOPMENT COMPANY, LIMITED, is operating along the right lines. Large acreage; conservative capitalization. For prospectus, engineer's reports, etc., address

A. S. FULLER & COMPANY
CANADIAN INVESTMENTS,
407-8-9 Old South Building, Boston, Mass.

SIX NUMBERS FREE

Financial Converse (published every two months) answers more questions on mines than any periodical published. S. F. Campbell, of Chicago, says: "This paper is worth more than any other mining publication in the United States." Cut this out and send for six copies free covering the next year.

FINANCIAL CONVERSE
339 Monadnock Block, Chicago, Ill

Utah Copper Stocks

Write for my weekly Market Letter.

WM. H. TIBBALS,
Salt Lake City, Utah.

FOR

Oil and Gas Land Leases

WRITE

C. W. DEMING & D. C. ACOSTA, Inc.
Tulsa, Okla.

FOR HIGH GRADE OIL STOCKS

WRITE

EQUITY BOND & SECURITY CO
37 WALL STREET, NEW YORK CITY

EMNAHA GOLD MINING COMPANY

Incorporated under the laws of the State of Idaho. Capitalization, $500,000, divided into 500,000 shares. Par value $1.00 per share. Of which 200,000 shares have been placed in the Treasury, for the development of the property.

This Company owns and controls nine claims on Battle Creek, Imnaha, Willowa Co., Ore., on which there are three well defined parallel veins, carrying very rich gold quartz. A limited amount of the shares of the stock have been sold.

For full particulars, address

JOHN SENNETT, Treasurer
79 Milk Street, Room 602 Boston, Mass.

Digitized by Google

per cent, as compared with 7 per cent for United States Industrial Alcohol preferred at par.

The last named company has been in existence for a little less than four years, having been organized back in 1906, in West Virginia, under a 50-year charter, to manufacture denatured alcohol under the act of Congress, approved in June of that year, dealing with the manner in which that product could be marketed and handled. The new regulations are much more liberal than those formerly enforced, and have resulted in a more widespread use of the article, and a consequently greatly increased output by the Alcohol company. Among these new regulations which have brought about this growth in the industry, and are calculated to result in further growth in the same direction, are those permitting grocers as well as druggists to sell the product, these retail dealers not being required to keep a record of any kind, as was required of them formerly. Manufacturers may keep the article stored in locked tanks anywhere on their premises, and not keep a record of the goods in the manufacture of which denatured alcohol is employed.

CAPITALIZATION DETAILS.

The United States Industrial Alcohol Company has an authorized and issued capital of $18,000,000, of which $6,000,000 is 7 per cent cumulative preferred, bearing the guarantee, so far as the payment of dividends is concerned, of the Distilling Company of America, which owns a majority of the common stock. In the event of dissolution, the preferred stock is entitled to its full par value, plus all unpaid accrued dividends, and in addition thereto a bonus of $25 per share, before any sum shall be paid or any assets applied upon the common stock. The preferred carries no voting power, except in case of default in dividends, or upon question of merger, consolidation, dissolution, or of the increase or decrease of the preferred issue, or of the creation of a mortgage or lien which would, of course, have precedence over that issue. It is subject to call on any dividend date at $125 and accrued dividends, and cannot be increased without the consent of at least two-thirds of the preferred stock, and a like proportion of the common. No mortgage or other lien, except purchase money mortgage or lien can be placed upon the property without the consent of at least two-thirds of the preferred stock.

As far as the dividend record of this issue is concerned, I may say that it is good, as good, in fact, as the comparatively brief existence of the company would permit, for payment of quarterly dividends was begun within a few months after the organization of the company, and those payments have maintained ever since at the full rate of 7 per cent, which is as much as the issue is entitled to. Moreover, the company has not been compelled to fall back on the guarantee of the parent company, the Distilling Company of America, for the payment of dividends, for in the first three years of its existence it has accumulated a profit and loss surplus of $925,111 as shown in the last balance sheet issued at the close of the fiscal and calendar year 1910. The gross income for that period amounted to $863,599, of which $199,522 was required for expenses, including depreciation, leaving net income of $664,077, amounting to 11.06 per cent on the $6,000,000 preferred and leaving a final surplus for the year of $244,077. The balance sheet showed an excess of current assets over current liabilities of $4,355,203, or $72.50 for each share of preferred, a fact which indicates the strong condition of this comparatively youthful member of the industrial family. Since this issue, along with the common, was listed on the New York stock exchange last March, the market has ranged between 91 and 99¾, so that the price which my correspondent mentions in his inquiry represents the high mark reached within the last few months by a far from active issue.

UNITED DRY GOODS COMMON

is an even more recent arrival in the industrial circle, the company having been incorporated in May, 1909, or a little over two years ago. Here, too, the price mentioned in my correspondent's query is the highest of the year, but in 1910 the issue in question sold up to 122, which, in turn, was 3½ points below the high level of the preceding year. Therefore, if market history is to repeat itself, as it is likely to do sooner or later, the stock is now cheap. The substantial decrease in market value within the last year or two is a matter not easily explained. I am inclined to believe that it comes from the fact that this is a Claflin enterprise, a fact which probably led to a feeling of doubt as to the present prosperity of the company, in view of the fact that the H. B. Claflin Company was forced by reason of declining earnings to reduce its dividend rate from 8 to 6 per cent per annum last year, its reports showing, in fact, that it has failed to earn its full common dividend requirements in the last three seasons. This attitude, however, is unreasonable, for the United Dry Goods Companies depends mainly upon its revenue from retail business. As President Claflin very truly states, "retail trade suffers but moderately in hard times and is pretty sure to go ahead in good times", so the fact that the wholesale end of the trade is finding it rather hard sledding should not have undue influence in one's attitude toward the retail companies, even though the management may be the same, practically, in both instances. And, of course, in considering the investment position of United Dry Goods stock, it should not be forgotten that John Claflin and his associates have shown through many years of experience that they are worthy of public trust in their management of these big dry goods combinations.

DIVIDEND RECORD.

United Dry Goods common has paid quarterly dividends of 8 per cent per annum since within a short time of its incorporation, but as it has been in existence for only two years, it cannot be safely looked upon as a seasoned issue; that is another reason for the low price and the correspondingly large yield, a condition of affairs which is likely to be rectified within the next few years. In the six months ended January 15 last the company earned at the rate of 10.96 per cent per annum on the outstanding common, while the report for the full twelve months ended with that date showed 9.54 per cent earned on that issue and the income account for the seven and one-half months from June 1, 1909, to January 15, 1910, showed 7.40 per cent, or at the rate of 11.84 per cent per annum. Evidently, therefore, the management is not forsaking its reputation for conservatism in paying dividends at the rate of 8 per cent per annum. As a matter of fact, the company's real earning power is underestimated in these statements, as subsidiaries do not pay over all of their profits to the parent corporation.

The inquirer is evidently one of those men of discrimination who "knows a good thing when he sees it," if I may make use of a popular expression, and in this instance he has, it seems to me, picked two such "good things", both of which possess real investment value with very fair chances for speculative profits. A choice between these two issues must depend upon individual requirements, and if my correspondent wishes to lay special stress on the investment side of his contemplated participation in industrial offerings, he would do well, it seems to me, to turn to the preferred shares of the United States Industrial Alcohol Company. The common shares of the United Dry Goods Companies, on the other hand, while giving reasonable safety as to dividends, offer a larger immediate return and greater opportunities for speculative profits, since there is always the possibility of an even greater rate of return to the holder of the shares at some future date. To employ the words of the old circus attendant who was asked by a back-woods visitor to tell which member of the menagerie was the giraffe and which was the zebra, "You pays your money and you takes your choice". P. DE MEDICI.

CLEVELAND UP TO DATE.

Cleveland, August 2, 1911.

ED. UNITED STATES INVESTOR:

Regarding your issue of recent date about clearing house examiners please add Cleveland to the list, as we have had a clearing house examiner since May 1, this year. Cleveland also complimented Comptroller Murray and his force by selecting one of his men for the place, Mr. Francis Coates, Jr., examiner at large, who had examined all the national banks here, and created such a favorable impression of his thoroughness and ability that no other candidate for the place was discussed or considered. SUBSCRIBER.

Edward T. Perine announces the opening of offices in the Singer Building, New York City, with a staff of trained experts to assist him in conducting a business of auditing and reporting upon accounts, and also compiling and publishing statistics and other data not derived from the auditing work. Edward T. Perine was formerly treasurer of the United States Mortgage & Trust Company of New York, later president and general manager of the Audit Company of New York, and until recently, Deputy State Comptroller.

Digitized by Google

The Best Purchases on the Industrial List

As Indicated by the Two Standards of Comparison: of Present Investment Yield on Basis of Current Dividends and Prevailing Market Price, and on Basis of Present Earnings on Prevailing Market Values

The average net yield of the 50 industrial stocks quoted in the following table was 6.14 per cent on August 8, as compared with 5.99 per cent on August 1, 6.30 per cent on January 3, and 5.76 per cent on January 2, 1910.

An Atlanta, Ga., subscriber requests information as to the manner in which our table of "Stocks Showing Best Earnings" is compiled. He calls attention to the fact that, in our issue of July 1, we showed Virginia-Carolina Chemical common stock at 55, and earnings on this price 18.30 per cent, whereas in another column of the same issue we stated that the company's earnings for the fiscal year ended May 31, 1911, were not likely to exceed 5 per cent on the common. Our figures as to earning power on par were taken from the annual report covering the twelve months to May 31, 1910, the report for the 1911 fiscal year not yet having been issued up to that time. In 1910 the company earned 10.06 per cent on its common stock, so that with a later selling at 55 the earnings on that price, based on the 1910 annual report, were 10.30 per cent. Since that time the company has submitted its annual report for the year ending May 31, last, showing 3.11 per cent earned on the common stock, thereby justifying our prediction that the surplus after preferred dividends would be less than half of that of the preceding year. With the publication of these official figures, it has been necessary, of course, to revise our earning power figures, and our Atlanta subscriber will find that the common stock is shown to be earning only about 5½ per cent on the present selling price.

The inquirer wishes to know how nearly up to date are the figures carried under this "earning power table." In other words, he wishes to know if we take the early statements of the various companies and use them for the entire following year, or if we revise them from time to time through the year. Whenever it is possible, basing our action upon official figures, we revise our estimate of earnings as frequently as possible. For instance in the case of the United States Steel corporation, it is possible to figure out the rate of earnings on the stock once each quarter, since the company issue an official report once every three months. A few of the industrial corporations submit semi-annual reports, but the majority report only annually, and for that reason, it is necessary to estimate earnings purely on the figures shown in successive annual reports. Unsatisfactory as this method is, it seems to us that it is the best one to follow for the sake of uniformity, for although frequent estimates are seen as to the rate of earnings on some industrial issue or other, they are too frequently nothing more than guesses or deliberate misstatements by market manipulators who are trying to affect the market value of the issue in question by such methods. It not infrequently happens that an official of a corporation, while withholding complete figures, makes an estimate as to the earning power of the corporation with which he is identified, and we consider such an estimate as this a reasonable ground for changing our previous earning power figures.

STOCKS SHOWING BEST INVESTMENT YIELD.

Present rank.	Stock.	Present dividend.	Price.	Yield on present price.
1	U. S. Cast Iron Pipe, pref..	5%	53	9.43
2	Am. Cotton Oil, com.....	5%	55	9.09
3	U. S. Rubber, 2d pref.....	6%	75	8.00
4	American Woolen, pref.....	7%	91	7.69
5	United Dry Goods, com.....	8%	106	7.55
6	Republic I. & S., pref.....	7%	94	7.45
7	U. S. Realty & Imp.....	5%	71	7.04
8	Central Leather, pref.....	7%	100	7.00
9	Ry. Steel Spring, pref.....	7%	101	6.93
10	Inter. Steam Pump, pref.....	6%	87	6.89
11	Pressed Steel Car, pref.....	7%	103	6.79
12	Union Bag & Paper, pref....	4%	59	6.78
13	Crex Carpet	5%	75	6.66
14	Am Writing Paper, pref....	2%	30	6.66
15	Va.-Carolina Chem. pref...	8%	120	6.66
16	People's Gas	7%	105	6.66
17	Laclede Gas	7%	105	6.66
18	U. S. Steel, com.....	5%	75	6.66
19	Am. Locomotive, pref.....	7%	106	6.60
20	Am. Smelt. & Refg., pref...	7%	106	6.60
21	National Lead, pref.	7%	109	6.42
22	American Tobacco, pref.....	6%	94	6.38
23	Corn Products Refg., pref...	5%	80	6.25
24	Am. Beet Sugar, pref.....	6%	97	6.19
25	Distillers' Sec. Corp.	2%	33	6.06
26	Am. Car & Foundry, pref...	7%	117	5.98
27	American Sugar, com.....	7%	117	5.98
28	U. S. Steel, pref.....	7%	117	5.98
29	American Sugar, pref.	7%	118	5.93
30	Westinghouse, 1st pref.	7%	118	5.93
31	American Tel. & Tel.....	8%	135	5.93
32	Pacific Coast, com.	6%	102	5.88
33	Am. Ag. Chem., pref.....	6%	102	5.88
34	American Can, pref.	5%	85	5.88
35	Mackay Companies, com....	5%	86	5.81
36	Inter. Harvester, pref.....	7%	124	5.64
37	National Lead, com.	3%	54	5.55
38	Va.-Carolina Chem., com...	3%	56	5.36
39	Am. Smelt. & Refg., com...	4%	75	5.33
40	National Biscuit, com.....	7%	133	5.26
41	Am. Malt Corp., pref.....	2%	39	5.13
42	General Electric	8%	157	5.10
43	Sears, Roebuck, com.....	7%	142	4.93
44	Inter. Paper, pref	2%	47	4.25
45	Inter. Harvester, com.....	5%	118	4.24
46	Consolidated Gas	6%	142	4.22
47	Underwood Typewriter	4%	97	4.12
48	Western Union	3%	76	3.95
49	Am. Car & Foundry, com...	2%	54	3.70
50	Amalgamated Copper	2%	65	3.08

STOCKS SHOWING BEST EARNINGS.

Present rank.	Stock.	Price.	Earning on present price.
1	Inter. Merc. Marine, pref.....	16	58.55
2	Bethlehem Steel, pref.....	61	22.00
3	Am. Beet Sugar, com.....	50	21.05
4	Westinghouse, com.	67	19.50
5	American Linseed, pref.	30	19.50
6	Am. Ag. Chem., com.....	58	17.95
7	Ry. Steel Spring, com.....	35	17.15
8	Pressed Steel Car, com.....	34	15.40
9	United Fruit	158	14.25
10	Crex Carpet	75	13.50
11	Allis-Chalmers, pref.....	23	13.45
12	U. S. Realty & Imp.....	71	13.20
13	Colo. Fuel & Iron, com.....	30	13.10
14	American Woolen, com.....	31	13.05
15	Am. Car & Foundry, com.....	54	13.00
16	Inter. Harvester, com.....	118	12.60
17	Am. Cotton Oil, com.....	55	12.55
18	Sears, Roebuck, com.	142	10.80
19	General Electric	157	10.60
20	Am. Ice Sec. Co.....	20	10.60
21	Republic I. & S., com.....	28	10.35
22	United Dry Goods, com.	106	10.35
23	Inter. Paper, pref.....	47	9.65
24	Nat. Enam. & Stmpg., com.....	18	9.40
25	Union Bag & Paper, pref.....	59	9.40
26	Corn Products Refg., pref.....	80	8.80
27	People's Gas	105	8.60
28	Am. Smelt. & Refg., com.....	75	8.45
29	American Can, pref.....	85	8.05
30	National Lead, com.....	54	8.00
31	U. S. Steel, com.....	75	7.70
32	Utah Copper	46	7.60
33	National Biscuit, com.	133	7.40
34	Distillers' Sec. Corp.....	33	7.30
35	American Tel. & Tel.....	135	7.30
36	U. S. Cast Iron Pipe, pref.....	53	7.30
37	Western Union	76	6.60
38	N. Y. Air Brake	70	6.40
39	Tennessee Copper	35	6.35
40	Amalgamated Copper	65	6.05
41	American Sugar, com.....	117	6.05
42	Mackay Companies, com... ...	86	5.95
43	U. S. Rubber, com.....	38	5.80
44	Inter. Steam Pump, com.....	38	5.60
45	Va.-Carolina Chem., com.	56	5.55
46	Consolidated Gas	142	4.95
47	Sloss-Sheffield, com.	49	4.55
48	Central Leather, pref.	100	4.50
49	American Locomotive, com.....	38	3.60
50	Am. Steel Foundries	38	3.60

Digitized by Google

The Best Purchases on the Railroad List

As Indicated by the Two Standards of Comparison: of Present Investment Yield on Basis of Current Dividends and Prevailing Market Price, and on Basis of Present Earnings on Prevailing Market Values.

The average net yield of the 50 railroad stocks quoted in the following table was 5.13 per cent on August 9, as compared with 5.05 per cent on August 2, 5.34 per cent on January 4, and with 4.71 per cent on January 2, 1910.

As a result of the wave of liquidation which has swept over the market within the past ten days, the average return of the fifty divdend paying railroad stocks listed in the following table is once more well above the 5 per cent mark. Such a condition of affairs, of course, is calculated to attract renewed investment buying, and odd lot houses report fresh buying of this variety in a considerable degree. The liquidation of speculative accounts has stimulated the market to a degree of activity which has been lacking for many weeks past, but it should not be inferred that this state of affairs means a widespread selling movement on the part of small investors whose odd lot purchases have been an important though not spectacular feature of market operations on each reaction which has taken place within the past year or so. The remarkable increase in the number of shareholders of the leading railroads and industrial corporations of the country, within the past five years is proof of the manner in which these odd-lot buyers have been operating. Buying of this character, of course, represents real investment acquisitions, and shows that the public generally is not losing confidence in the future of the country and its industries, whatever the immediate effect of the pending political moves and other uncertainties may be. One specialist in odd lots estimates that in this department of the market purchases have exceeded sales by something like 50 per cent since liquidation set in in earnest, affording proof of the soundness of our argument that the small investors were, despite seeming inactivity, keeping a close watch upon market conditions, and ready to operate in a practical way as soon as the proper incentive should be afforded.

Despite the fact that politics are playing altogether too prominent a part in the operation of those who are investigating the various commercial interests of the country, there is no valid reason for sacrificing investment holdings, simply to add to the profits of this gambling clique. The manner in which Canadian Pacific has acted affords an instance of the course followed by these interests. There has been no development of importance calculated to affect adversely the Canadian Pacific property or the companies closely allied with the Canadian Pacific, yet the shares of these companies have been attacked viciously, the movement being aided by the existence of a top-heavy speculative account. Of course, the technical position of the market grows stronger with each successive decline in prices, and there is little in the present outlook to warrant the belief in an indefinite downward movement in values, despite the temporary successes achieved by the bear operators in driving quotations to a lower level. Banking interests, it is evident, are not inclined to worry over the situation, and it is a matter of record that they have been operating in much the same manner as the odd-lot buyers.

STOCKS SHOWING BEST INVESTMENT YIELD

Present rank	Stock.	Present dividend.	Price.	Yield on present price.
1	Toledo, St. L. & W., pref...	4%	45	8.88
2	Detroit United	5%	74	6.76
3	B. R. T.	5%	77	6 49
4	Chesapeake & Ohio, com.....	5%	78	6.41
5	St. L. & San F., 1st pref...	4%	66	6.06
6	M., K. & T., pref.....	4%	67	5.97
7	K. C. Southern, pref.....	4%	67	5 97
8	N. Y., N. H. & H.	8%	136	5.88
9	Lehigh Valley	10%	178	5.88
10	Baltimore & Ohio, com.....	6%	104	5.77
11	St. Louis S. W., pref.....	4%	70	5.71
12	St Paul, com.	7%	123	5.69
13	Northern Pacific	7%	124	5.65
14	Twin City R. T., com.....	6%	107	5.61
15	Atchison, com..	6%	109	5.50
16	Great Northern, pref.	7%	128	5.47
17	Union Pacific, com.....	10%	182	5.44
18	Delaware & Hudson	9%	167	5.39
19	Colo. & Southern, 2d pref.....	4%	75	5.33
20	K. C., F. S. & M., pref.....	4%	75	5.33
21	P., C., C. & St. L., com.....	5%	94	5.32
22	C., C., C. & St. L., pref.....	5%	94	5 32
23	M., St P. & S. S. M., com...	7%	136	5.15
24	Southern Pacific, com.....	6%	118	5.08
25	N. Y., C. & St. L., com.....	3%	59	5.08
26	Colo & Southern, 1st pref...	4%	81	4.94
27	Chicago & N. W., com.	7%	142	4.93
28	Pennsylvania	6%	122	4.92
29	Illinois Central	7%	139	4.90
30	C., St. P., M. & O., com.....	7%	139	4 90
31	N. Y., O. & W.	2%	41	4.88
32	Atchison, pref	5%	103	4 85
33	Norfolk & Western, com ...	5%	104	4.81
34	Louisville & Nashville	7%	146	4.79
35	Atlantic Coast Line	6%	126	4.76
36	N. Y. Central	5%	108	4.71
37	Western Maryland, pref.....	4%	85	4 70
38	St. Paul, pref.	7%	152	4.60
39	Baltimore & Ohio, pref...	4%	88	4 55
40	M., St. P. & S. S. M., pref...	7%	156	4 49
41	Norfolk & Western, pref.....	4%	90	4.44
42	Central of N. J	12%	275	4.37
43	Buffalo, R. & P., com.....	5%	115	4 35
44	Union Pacific, pref	4%	93	4.30
45	Canadian Pacific pref... ...	10%	241	4 15
46	Reading, com	5%	151	3 97
47	Colo. & Southern, com.....	2%	59	3 85
48	Boston & Maine	4%	105	3 81
49	D., L. & W.	20%	536	3 73
50	Southern Railway, pref.	2%	71	2 82

STOCKS SHOWING BEST EARNINGS

Present rank	Stock.	Price.	Earning on present price.
1	St. L. & San F., 2d pref.....	45	22.55
2	Erie, 1st pref.	53	21 60
3	M., K. & T., pref.	67	20 35
4	Detroit United	74	16.70
5	Hocking Valley, com.....	128	15 00
6	Southern Railway, pref.....	71	14.60
7	K. C. Southern, pref.....	67	14.10
8	K. C. Southern, com.....	32	11 90
9	Buffalo, R. & P., com.....	115	11 15
10	P., C., C. & St. L., com.....	94	11.00
11	C., St. P., M & O., com.....	143	10.05
12	Colo. & Southern, com.....	52	10.05
13	Atlantic Coast Line	126	9.70
14	Southern Pacific, com.....	118	9.60
15	Union Pacific, com.	182	9.50
16	Atchison, com.	109	9.20
17	Louisville & Nashville	146	8.80
18	Norfolk & Western com.....	104	8.80
19	St Louis S. W., pref.	70	8.75
20	Twin City R. T., com.....	107	8.45
21	Central of N. J.....	275	8.05
22	Erie, com.	33	7.90
23	C., C., C. & St. L., com.....	55	7.65
24	B. R. T.	77	7.55
25	Baltimore & Ohio, com	104	7.45
26	D. & R. G., pref	56	7.15
27	Delaware & Hudson.	167	6.95
28	Illinois Central	139	6.75
29	D., L. & W.	536	6.60
30	Chesapeake & Ohio, com.....	78	6 60
31	N. Y., N. H. & H	136	6.40
32	Canadian Pacific	241	6.30
33	Lehigh Valley	170	6.25
34	Northern Pacific	124	6.20
35	M., K. & T., com.....	33	6.00
36	M., St. P. & S. S. M., com.....	136	5.95
37	Great Northern, pref.	128	5.95
38	Chicago & N. W., com.....	142	5.85
39	Pennsylvania	122	5.55
40	St. Paul, com	123	5.45
41	Toledo, St. L. & W., pref.....	45	5.05
42	N. Y. Central	106	4.95
43	Reading, com	151	4.95
44	N. Y., O. & W.	41	4.80
45	Chicago & Alton, pref	52	4.70
46	Chicago Gt. Western, pref.	43	4.40
47	Rock Island, pref	57	4.15
48	Western Maryland, pref.	85	3.90
49	Boston & Maine	105	3.20
50	Missouri Pacific	45	0.75

Digitized by Google

Bethlehem Steel, A Purchase

President Schwab, the Dominating and Probably Controlling Owner, Is the Best Steel Maker in the World According to Andrew Carnegie—Bethlehem Company Is the Only Industrial Corporation Which Has Turned Away Orders This Year—The Preferred 7 Per Cent Stock Selling around 60 Is Earning More Than Double Dividend Requirements—Schwab, As the First President of the U. S. Steel Corporation, After His Deposition Acquired Knowledge As to the Disadvantage of Spectacular Things and the Desirability of Actual Achievement Which Will Now Benefit His Associate Owners of Bethlehem Steel Stock.

I am told that when the stock market emerges from its present despondent state, which has naturally been induced by the comprehensive series of governmental assaults against every large enterprise from railroads and industrials to the big banks, that Bethlehem Steel stocks both common and preferred are likely to give as good an account of themselves as any other securities on the New York stock exchange list.

Several of my informants state the case much more optimistically. One of them says that he has it direct from President Schwab's brother that Bethlehem Steel in the next fair weather stock market is absolutely sure to be the one best bet.

The tips which are voluntarily given the newspaper men in Wall street are so numerous that any ordinary memory is taxed to its limit to keep record of them. In this instance, however, I am inclined to concede some possibilities of eventuality, because one of these Bethlehem boomers who is known to have only Schwab

SOURCES OF INFORMATION

some time ago called the turn with remarkable precision on the future course of United States Steel common for several points up and then down.

The official connection of Charles M. Schwab with the Steel Corporation terminated some years ago, and hence this circumstance inclined me to the belief that there still must be in existence an active and effective Schwab speculative party in the stock market, and from this deduction there naturally follows the conclusion that if the Schwab coterie could so accurately forecast the market movements of United States Steel common they must be in touch with the biggest powers that be, and hence, if the Schwab party have decided to give their own stock an upturn this gratuitous tip may be worthy of consideration.

The intrinsic value, present earnings and future prospects of Bethlehem Steel stock in any event argue in favor of such a possibility. The recent progress of the company is best illustrated by the following figures:

Year ending December 31.	Orders booked during the year.	Unfinished orders at end of the year.
1908	$14,450,000	$7,492,503
1909	20,620,647	14,073,971
1910	29,500,562	17,270,650

Compared with the United States Steel Corporation, the capitalization of the company is insignificantly small. According to the last statement there was outstanding of preferred 7 per cent non-cumulative stock $14,908,400, common stock $14,862,000, and bonds and notes $27,358,533.

Both the preferred and common stocks of the company

MADE NEW HIGH RECORDS

last week for the current year when the common sold at 38¼ and the preferred at 66⅜. At the present writing, the market prices on these securities are 33 and 61 respectively, but the recent decline has not affected the intrinsic value or earning capacity nor does it reflect any change in underlying conditions.

No dividends have been paid on the preferred stock since February, 1907, when three-quarters of 1 per cent was disbursed, the annual rate having been reduced from 7 per cent in 1906 to 3 per cent. The net earnings of the company in 1907 amounted to $1,506,979, out of which was paid out only $111,810, representing one quarterly dividend of three-quarters of 1 per cent on the preferred stock at the rate of 3 per cent per annum. That the suspension of dividends was amply justified was proved by the slump in earnings in the following year. The net earnings of 1908 were only $366,864, as compared with $1,506,979 in 1907.

The year 1908 was the poorest in the company's history. In 1909 the net earnings were $800,812, and for the fiscal year ending December 31, 1910, the earnings amounted to $2,001,612. The earnings of 1910 were significant not only because of their amount, but further on account of the fact that $670,000 was charged off for depreciation and renewals as compared with $500,000 in 1909, $370,000 in 1908 and nothing in 1907 and 1906.

The recent advance in the market price of the stock of the company was accompanied by rumors of the early

PAYMENT OF DIVIDENDS

on the preferred stock. In 1910 more than double the amount necessary to pay the full 7 per cent dividend on the amount of preferred stock outstanding was earned, and it is well known that the current year is expected to show as favorable or even a better result. President Schwab, however, on his return from a European trip the other day put all these stories at rest by the statement that the question of resuming dividends on the preferred was not even under consideration and would not be taken up until his comprehensive plans for the improvement and development of the property had been carried out.

When the Bethlehem Company was organized in 1904 it was the intention to specialize in armor plate. At the suggestion of the government, $5,000,000 was spent by the company to increase its armor plate capacity. Instead of receiving orders for 12,000 tons a year of armor plate as was anticipated, the government's requirements amounted to only 5,000 tons. The management of the company, therefore, decided to enlarge and differentiate its capacity by the sale of $10,000,000 of 5 per cent first mortgage bonds and $7,500,000 of 5-year notes for the purpose of erecting and equipping a model plant for the production of pig iron, blooms, structural steel, rails, etc. This programme has been successfully carried out and to-day Bethlehem Steel Company is

IN THE UNIQUE POSITION

of having a larger percentage of its capacity in operation than any other steel concern and also being the only concern which has this year been compelled to turn away orders.

This development came about by reason of President Schwab's recent European trip, on which he secured more orders for armor plate than his company could deliver in the time specified, so that he had to distribute the balance of the order among other concerns.

Some years ago, or at about the time dividends on the preferred stock of the company were to be discontinued, President Schwab made a very significant statement which may now be recalled with interest. This statement was as follows:

"As the owner of 85,000 shares of the preferred stock out of 150,000 shares, one would think that I would be chiefly concerned in the payment of the regular rate of 7 per cent or the maintenance of the present reduced rate. From a business point of view, however, and looking at the question from what I think are the best interests of the company, I believe that while we are expending so much money in improvements and new construction it is best to conserve the funds we have in the treasury. The company would not suffer if dividends were suspending entirely."

Since the date of that statement, a sum approximating

$20,000,000 HAS BEEN SPENT

in developing the Bethlehem Steel Company and in making it one of the largest and most hopeful independent steel-making corporations on the continent.

During the past two years, the company has doubled its business and has proportionately increased its credit. The stock market record of the company's shares during the past five years very fairly reflects its consistent progress. The following figures show the high and low prices of both the preferred and common stock for this period:

	Common. Low.	Common. High.	Preferred. Low.	Preferred. High.
1907	8	20½	23	65
1908	12	27⅛	37	57
1909	18⅜	36⅜	47	69½
1910	21	40⅜	49	67
1911	26⅝	38¼	59	66⅜

It cannot, of course, be regarded as otherwise than significant that during the past few days both the preferred and common stock of the company have sold higher than in 1907 when dividends were being paid.

One of the great assets of Bethlehem Steel is the genius of its president, Charles M. Schwab, who has a

Digitized by Google

dominating if not controlling interest in the stock. Andrew Carnegie, the world's greatest steel magnate, is on record as having said many times that Mr. Schwab was

THE BEST STEEL MAKER

in the world. As the first president of the United States Steel Corporation in which position he received probably the highest salary ever paid any corporation official in this country, Mr. Schwab did a few high jinks in Paris and Monte Carlo on one of his European vacation trips which did not meet the cordial approbation of the conservative bankers and business men on the board of directors of the company. His resignation as president shortly followed. His ability, so far as I have heard, was never questioned, but his eccentricities which developed into the spectacular and invited big front page headlines in the sensational newspapers necessarily made him undesirable as the official head of our country's largest and best-managed industrial institution.

Mr. Schwab's lesson in the United States Steel presidency proved to be effective, because later on when his energies were confined to the Bethlehem Steel Company, he abandoned his expensive suite of New York City offices covering a whole floor and concentrated his energies as well as those of his associates at the base of operations.

The Bethlehem Steel Company is now equipped to compete successfully in all branches of the steel industry, and its ambition to be the

LARGEST INDIVIDUAL STEEL

plant of its kind in the world is rapidly approaching fulfillment.

One of the most important assets of the company is the ownership of an immense supply of iron ore in Cuba through holding all the stock of the Juragua Iron Company. This property is near the city of Santiago and comprises 10,500 acres with a number of fully equipped mines, railroads and shipping piers in the harbor of Santiago. The valuation of this property has been placed at various figures from $10,000,000 up.

The most vital fact, however, is that the ore deposits already disclosed are more than ample to supply the company with its raw material to its utmost capacity during the period of life of any one now existing.

The company has made very favorable long-time coal and coke contracts covering its necessities, and with its present volume of business representing 85 per cent of capacity, it would seem that the preferred stock should appeal to the semi-speculative investor and the common stock to the ordinary speculator.

P. DE MEDICI.

DENVER, COLO.—The comptroller has issued a charter for the organization of the Federal National Bank. The capital is $200,000 and W. T. Ravenscroft is president and J. Mignolet, cashier. This bank is the conversion of the Federal State and Savings Bank.

PASADENA, CAL.—Application has been received at the comptroller's office for the conversion of the Bank of Commerce of Pasadena, into the National Bank of Commerce of Pasadena. The proposed capital is $100,000.

BOSTON STOCKS AND BONDS

For the Week Ending Thursday Evening, August 10, 1911.

Names.	RANGE FOR WEEK		Last Sale	Sales for Week	RANGE FOR YEAR OF 1911.				RANGE FROM JAN., 1879, TO JAN., 1911.			
Railroads.	Low	High			Lowest		Highest		Lowest		Highest	
Boston & Albany	221	231½	221½	62	219 May 15		238 Feb 15		139	1879	*230	1899
Boston Elevated	126½	127½	126½	28	126½ Aug 10		130½ Aug 2		52¾	1898	130	1901
Boston & Maine	104	106½	105	413	101 May 10		122¾ Feb 15		105¾	1879	250	1877
do. pref.	....	....	151	.....	150 Jan 17		154 June 6		134¾	1891	190	1900
Cent. Verm't 4s.	90¾	90¾	90¾	11,000	87½ Jan 25		92 Mar 22		75	1904	94¼	1899
C. B. & Q. Jt. 4s	96⅞	97	96⅞	3,000	96¼ Jan 5		98⅛ June 2		82¾	1907	102	1905
Chic. Junc. R...	164	165	164	338	156 Apr 29		165 Aug 9		60	1893	183	1904
do. 5s	101¾	102	101¾	5,000	101¾ Aug 7		102 Aug 4		89¾	1891	116	1899
Fitchburg pref..	126	127	127	257	125 July 22		130 Jan 9		63½	1889	148	1906
K.C., Ft.S.&M.4s	116½	116½	116½	3,000	114 Mar 22		116¾ Jan 6		76	1895	126	1909
K.C.M.&B.new4s	92	92	92	500	91¼ Jan 19		93½ Jan 3		125¾	1894	§103	1895
do. inc. 5s....	....	....	88	.....	88 Apr 6		90 Mar 14		8	1896	104	1900
N.Y., N.H. & H.	135	139	135	1,490	129¼ July 21		151¾ Feb 22		127	1907	279	1899
Old Colony.....	187½	188	188	8	182 Mar 15		189 June 14		96	1879	221	1899
Rutland pref....	36	45	36	12	33 Jan 26		45 Aug 4		6¼	1879	125¼	1909
West End.....	85½	90	89	456	87 July 11		95 Feb 6		43	1894	103	1905
do. pref.	102⅜	102⅝	102⅝	15	101¼ July 20		105 June 22		78	1885	115¼	1901
Miscellane's.												
Am. Agri. Chem.	55½	56½	56½	603	46¼ Jan 6		60¼ May 18		9	1903	59¼	1899
do. pref.	103⅜	104½	103⅞	62	99 Jan 6		106¼ Mar 1		66½	1903	105	1910
Am. Pneu. Ser...	4½	4½	4½	914	4¼ Apr 25		6¾ Jan 21		3	1903	39	1906
do. pref.	15	15¾	15¾	373	14 Apr 21		19¼ Jan 21		8¾	1903	46	1906
Am. Tel & Tel.	134½	136¾	134¾	11,740	128¼ Aug 2		153¾ June 8		88	1907	156	1906
do. 4s	91	91⅝	91⅞	77,000	89¼ Mar 22		93 May 23		71	1907	101¼	1901
do. cons. 4s....	...	...	106¾	.....	106¾ Jan 13		111¾ June 19		80¾	1908	107¾	1909
Am. Woolen.....	...	...	31	.....	31 June 26		36¼ Mar 20		7¾	1903	48	1906
do. pref.	90	91½	90	897	88¼ Apr 1		96½ June 15		66	1903	110¾	1906
B. & Wor. Elec.	...	...	6	.....	6 Feb 15		13 July 13		3	1910	39¼	1906
do. pref.	...	...	52	.....	35¼ Jan 27		58 July 1		35	1910	90	1906
Cumberl'd Tele..	156⅜	157½	156⅜	61	146 Jan 19		158 June 2		93¾	1907	152¼	1910
Dom. Ir. & St'l	...	...	63¾	.....					6¾	1903	79¾	1909
Dom. Coal 6s....	...	...	95½	.....	90 Jan 4		96¾ Mar 21		90	1908	101½	1906
E. Boston Land.	10¾	11½	10¾	680	7¾ Jan 18		13 May 1		2¾	1893	18¾	1909
Edis. Elec. Ill..	296	297	297	62	281 July 5		292½ Feb 3		10	1893	310	1909
Gen'l Elec. Co..	152	160¾	152	931	145¼ Mar 3		167¾ May 29		20¾	1896	288½	1907
Mass. Elec.....	20½	22	20½	695	16 Apr 24		24 June 3		6½	1907	45¾	1908
Mass. pref.....	91	92½	91	194	83¾ Jan 9		96 July 11		37	1907	99	1903
Mass. Gas.....	94⅝	96⅞	95	1,231	87⅝ Jan 3		96⅝ Aug 4		30	1903	91¼	1910
do. pref.	97⅛	97¾	97½	93	91¾ Apr 13		98 June 6		74½	1902	97	1910
Mergenthaler ...	231	235	234	185	211 Jan 3		250 July 31		118¾	1897	226	1910
N. E. Col. T'n.	....	....	113	.....	110 Apr 22		119 Mar 14		40	1898	125	1909
do. pref.	110	110	110	20	106 Jan 3		116¼ Mar 15		24¾	1903	118	1909
do. 5s	101	101⅜	101	3,000	100¼ Jan 13		103 June 20		93	1908	105¾	1907
N. E. Telephone.	146	150	150	221	127 Jan 17		150½ June 10		78¾	1879	270	1906
Pullman Car....	158	161½	159½	248	158¼ Mar 10		163 Jan 20		55¾	1901	224½	1895
Reece Eut. H....	....	....	14	.....	12 Jan 6		16¾ May 22		7½	1884	163	1907
Torr'g'n Co.Cl.A	31	31½	31	102	30 Apr 24		36 Jan 7		18	1905	37	1910
do. pref.	29	29	29	13	27 Mar 31		30 July 26		20	1907	35	1900
U'ted Fruit Co.	190	192	188	1,107	180 Mar 24		197 June 12		72	1901	200	1910
U'ted Fruit 4½s.	96	96½	96½	4,000	95¾ Apr 17		97¼ Jan 6		86	1910	97¼	1910
Un. Shoe Mac'y.	44½	46¾	44½	2,200	42½ Aug 11		56⅞ Feb 15		*25	1899	95¼	1906
do. pref.	27½	28	27½	124	25½ Aug 17		29½ Mar 7		22	1899	39¾	1907
West. Tel. & T..	19	20	19½	28	17¾ Apr 18		23¼ Feb 6		4	1908	23¼	1909
do. pref.	96½	96⅝	96⅝	4	89 Jan 23		100 July 28		50	1907	106½	1907
do. 5s	99½	99⅝	99⅝	9,000	90¾ Jan 3		100 July 25		74	1907	104¼	1909
Mining.												
Adventure	6	7	6	135	4½ Apr 24		7⅛ May 18		1.62½	1907	33	1901
Allouez	25	30	28	225	20 May 19		39 Jan 5		8c	1884	74¼	1907
Amalgamated ..	61½	64	63	15,000	58¾ Apr 18		71½ June 26		38¾	1903	129½	1899
Am. Zinc.....	....	....	27	1,541	23 Apr 2		30⅝ June 14		5	1901	67	1890
Arizona Com....	....	....	13	2,000	11⅜ Apr 24		15¾ June 14		7¾	1907	61¾	1900
Bos. & Corbin...	13	15¾	11	400	10⅝ Apr 24		15½ June 6		6	1907	25	1908
Butte Bal'k'l'n..	4	5	4	410	4½ July 24		6⅜ Jan 4		4½	1910	13¼	1910
Butte Coalition..	20½	21	21	1,400	16⅝ Apr 24		20½ May 24		10	1907	42	1906
Calumet & Ariz.	71	73	73	2,000	46 Jan 14		83 June 14		44¾	1910	198	1907
Calum. & Hecla.	410	415	410	40	410 Aug 10		545 Jan 4		124	1894	1,000	1907
Centennial	10	11	10	175	10 Aug 9		16 Jan 3		3¤	1885	61	1880
Copper Range....	57	59¼	57½	2,200	57 Aug 9		69⅝ Feb 2		37	1903	106	1907
Daly-West	....	....	20	100	20 Feb 17		6½ June 21		7½	1910	56	1902
East Butte.....	14	15⅜	14	2,100	10½ Apr 3		14¾ June 26		5½	1908	18½	1907
Elm River.....	9	10	10	.....	10 July 24		20 Jan 6		16	1910	7	1901
Franklin	10	11	10¼	400	7 Feb 3		14 June 14		4	1879	30	1890
Giroux	7	7½	7½	2,100	2½ Aug 8		8¾ Feb 6		2¾	1907	13¾	1901
Granby	25	26	25	200	20 Apr 17		43¾ June 21		20	1,450	151	1907
Greene Cananea	6½	7	6¾	1,100	5 5-16 Feb		8 June 27		5	1907	18	1907
Hancock, Con..	23	27½	24	900	17¾ Apr 24		30¾ June 19		13¾	1907	36	1910
Helvetia	1	1	1	100	99 Apr 25		2 Mar 4		1¾	1910	23	1909
Isle R'y'l Cop.**	4	5	4½	1,100	2½ May 2		4¾ June 3		3¾	1910	33¾	1910
do. pref.** ...	37	....	....	....	37 Mar 29		41 June 13		34½	1910	94¾	1910
Isle Royale.....	15	16	15	100	12 Apr 22		19¼ June 13		6¾	1903	75	1899
Kerr Lake.....	6¾	7	7	500	4¾ Aug 10		7¾ Jan 23		6	1910	35	1907
Keweenaw	2	2	2	100	1¾ May 10		3¾ June 14		2½	1909	7¾	1900
La Salle	3½	4	4	200	Aug 9		6 Jan 3		3	1908	23¼	1906
Lake Copper....	22	23¾	23¾	2,450	20½ Apr 25		40 June 10		4	1907	94½	1910
Miss Cons.....	7	8	8	500	5 May 2		10 June 19		2¾	1908	37¾	1901
Miami	20¾	21	20¾	1,100	18¼ Apr 21		23¾ June 21		4¾	1908	39	1910
Michigan	2	2¼	2	300	1¾ Apr 27		4¼ May 5		3	1909	24½	1907
Mohawk	47	49	48	100	46 Apr 24		58 June 15		11	1903	*97	1907
Nev. Cons.....	17¾	18¼	17¾	2,715	17¼ Aug 14		21¾ June 17		6¾	1907	30	1906
New Arcadian...	22½	23	23	100	21½ Mar 9		28¾ May 17		61	1905	195¼	1899
Nipissing	8¼	8¼	8	500	8¼ Aug 10		9¼ Feb 17		5	1906	33¾	1906
North Butte.....	27	28	27½	5,100	27½ Apr 24		36 June 13		18¾	1910	120	1907
North Lake	2	2	2	100	2 Apr 18		3¾ June 3		1¾	1909	11¾	1900
Old Dominion...	34	36	35	700	28 Apr 27		49 June 19		9¾	1903	66¾	1899
Osceola	94½	96	94½	60	94½ Aug 1		124 Jan 4		7½	1889	181	1907
Parrot	11½	12	11½	1,100	11 May 2		13½ May 22		8¾	1907	72¼	1899
Quincy	85	87	85	25	85 Aug 10		94 July 24		10	1879	190	1899
Ray Consol'ted..	17	17	17	800	17 Aug 10		18¾ Jan 7		7¼	1898	27¼	1906
Santa Fe.....	....	....	15	.....	15 Apr 25		17¾ June 13		1	1903	22	1899
Shannon	10	10¼	10	600	9¾ May 16		12¼ Feb 6		8¾	1904	24¾	1907
Superior Copper.	37	38	37	100	37 Aug 10		51½ June 14		7	1907	65¼	1910
Sup. & Boston..	17¾	18	18	900	2 15-16 Apr 7		5¾ June 15		15¾	1908	1¾	1908
Tamarack	60	60½	61	100	58 Aug 4		82 Jan 3		45½	1900	363	1901
Tennessee	10½	11¼	10¾	100	10¼ Aug 9		13¾ June 12		9¾	1901	55¼	1907
Trinity	6	6	6	67	3½ Apr 27		6 June 20		3¾	1901	42¼	1907
U. S. Smelting..	34	37	34	3,300	32 Apr 5		46¾ June 14		24¾	1902	70	1907
do. pref.	43½	45	43	500	40½ May 10		63¾ June 26		27¾	1907	54¼	1907
Utah Cons.....	9	10	10	1,400	8½ Jan 20		11 June 26		12¾	1910	*79	1907
Utah Apex	....	....	....	....	2¾ Apr 28		3½ June 15		1¾	1907	16¼	1906
Victoria	1½	1¾	1¾	200	1¾ July 28		2½ Feb 7		1	1909	12	1901
Winona	7	7¼	7	500	6 May 6		9¼ Feb 6		1	1902	22	1899
Wolverine	108	109	108	30	107 Apr 26		122 Feb 10		75¤	1883	200	1907

* Ex-dividend. † Assessment paid. ‡ Rights off. ‖ Auction. § Old securities. ¤ Old stock ** Temporary certificates.

Digitized by Google

This Week and Next

A Field Day For the Bears, Who Make the Most of Their Opportunities—Crop Conditions A Decided Bear Argument, Though Conditions Do Not Spell Disaster, In Spite of Calamity Howlers.—The Outlook As Compared With Past Results.—The Investigation Game Is Sadly Worked.—A Decided Suggestion of Political Begging.—Investment Conditions Favor the Purchase of Good Dividend Payers.—Proposed Atchison Financing.

The bear successes of last week have been duplicated in the market movements of the last few days, for the operators who have been working for the decline have found each day some new argument ready to be employed as a bludgeon with which to beat down prices, and, of course, they have not hesitated to make use of the weapons thus providentially (from their viewpoint) brought to their hands. General disgust with the bushwhacking tactics of congressional investigators, indications of impending labor difficulties in the affairs of western railroads, a realization of the fact that political uncertainties will constitute an increasingly powerful market influence for the next year and more, and a depressing report on crop conditions from government sources—all these features and others of minor import have served within the last three weeks to transform the market from an inert affair bearing the stamp of conservative bullishness, into a bear pit fairly seething with action.

The

IMMEDIATE DISTURBING FACTOR,

therefore, has been liquidation, forced and voluntary. More than one speculative account, a reminder of recent pool operations, has broken under the strain of public indifference and bear aggressiveness, and the result has been a steady feeding out of stocks beyond the markets' ready powers of absorption. Savaging operations by the "lifesaving corps" with headquarters at Wall and Broad streets, have helped to moderate the force of the blow, but not to an extent sufficient to rob the growing bear party of new converts from the speculative ranks. The passing away of John W. Gates, the bull of all bulls, while not as pronounced a market factor in itself as it might have been in less troubled days, added one more straw to a back-breaking load and made the shadowy side of the market a few shades darker. Had the effect been carefully planned for the occasion, which, of course, was not the case, it would have been difficult to have arranged a more appropriate setting for the death-bed scene of that veteran of many Wall street campaigns.

AS TO CROPS,

I can only repeat what I have said before, that in my opinion Wall street is magnifying its troubles and those of the country generally, so far as this feature of the situation is concerned, and in venturing this statement I am not disregarding the visible evidence of a substantial deterioration in condition during the month of July. Taking the government figures at their face value, the country has in prospect a corn crop of 2,620,000,000 bushels, as compared with an estimate of 2,956,000,000 bushels a month ago, and a final yield of more than 3,000,000,000 bushels last year; a spring wheat crop 35,000,000 bushels below the July indication and only 10,000,000 bushels greater than the low crop of last year, and a winter wheat crop below the estimates and yield of 1910. Taken as a whole, the grain crops, as estimated by the government, are below the average for the last ten years, and so the bears have gone abroad shouting disaster, with such vigor and seeming earnestness that they have drawn to themselves a substantial following from the speculative element which has been prepared for some time past to follow the line of least resistance in market operations.

NO DISASTER IMMINENT.

And yet if, perchance, disaster should overcome the market, it will be the outcome of an unhealthy state of mind on the part of these extremists rather than of an unhealthy condition of the crops, even admitting that, as compared with the bumper crops which have prevailed since 1907, corn this year will be a good deal of a failure. The wheat crop, however, with its promise of about 670,000,000 bushels, will be but little under the five-year average, and to this one may safely add 40,000,000 to 50,000,000 bushels representing the

PHILADELPHIA STOCKS

For the Week Ending Wednesday Evening, August 9, 1911.

Names.	RANGE FOR WEEK Low	High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911. Lowest		Highest		RANGE FROM JAN., 1879, TO JAN., 1911. Lowest	Highest
Amer. Cement..	12	12	12	252	12 July 25		17½ Jan 4		5¼ 1908	46 1909
Amer. Railways.	44¼	44½	44½	84	42 Jan 10		45⅝ Aug 5		21½ 1900	56⅝ 1902
Bell Telephone..	...	...	116½	.....					45 1907	124⅝ 1909
Cambria Steel...	45½	47⅝	45½	752	43¼ Jan 4		48⅝ Feb 13		13½ 1909	49⅝ 1900
do. Iron	44	44	44	253	43⅝ Aug 9		44 Mar 27		43 1907	133 1882
Elec. Co. of Am.	11⅞	11⅞	11⅞	1	11½ Jan 4		12½ Jan 14		5⅝ 1902	35 1899
Elec. Storage....	54⅝	55	54⅝	580	48½ Jan 3		56⅛ June 15		15 1884	194 1899
Gen'l Asphalt...	31½	32½	32½	516	30⅛ July 10		34⅜ Jan 10		3 1907	34⅜ 1910
do. pref.	72⅝	73½	73½	105	72 Mar 10		82⅜ Jan 20		11 1905	84¼ 1910
Hunt. & B. T...	...	...	8	.....	5 June 13		8 June 19		7 1910	42 1899
do. pref.	14¼	14¼	14¼	8	14 July 3		27 Feb 1		7⅝ 1880	58⅜ 1902
Lake Sup. Corp.	27	27	27	510	24⅜ Aug 8		31⅜ Feb 4		⅝ 1908	37⅜ 1900
Lehigh Valley...	87⅛	88⅛	87⅝	2,056	84 Aug 9		90¼ Feb 3		1.⅛ 1897	121⅛ 1910
Lehigh Navig'n.	91	93½	91	457	86½ May 15		93½ July 29		35 1896	131¼ 1904
Marsden	...	...	1⅜	.....					⅝ 1907	23⅝ 1899
Penn. Steel.....	...	...	60	.....					5 1894	90 1881
do. pref.	106	106½	106	20	104½ May 4		108½ Apr 19		10 1897	117½ 1900
Phila. Co.....	55	55	55	87	50¾ Jan 4		59¼ June 5		32⅜ 1907	65⅛ 1906
do. pref.	44½	44⅝	44⅝	77	42 Feb 20		45 Feb 8		14 1900	52 1906
Phil. Elec	17⅞	17⅞	17⅞	2,693	16 Mar 9		18 July 17		2 1900	16¾ 1910
Phil. Rap. Trans	22½	23½	23½	5,320	16⅝ Apr 18		24¼ Aug 4		12 1907	37⅞ 1900
Phil. Traction...	86⅛	86½	86½	49	82¾ May 1		87½ July 14		5 1885	102⅝ 1905
Tonopah Min'g..	5⅜	5⅜	5⅜	2,187	5½ July 18		8⅝ Jan 17		3 3-16 1907	21⅛ 1906
United Gas Imp.	87⅜	87⅝	87⅜	1,757	85⅜ Jan 3		89¾ Jan 9		50 1893	175 1899
Union Traction..	51½	52¼	52¼	11,150	42 Jan 4		52⅜ July 14		8⅜ 1897	65¼ 1906
Warwick Steel..	...	...	10	.....	9⅜ Jan 10		11⅜ Feb 28		2½ 1903	18 1899
W'stm'el'd Co'l.	...	...	80	.....	79 July 7		91½ Mar 20		45½ 1879	114 1905

* Ex-dividend. † Trust certificates. ** Temporary certificates.

CHICAGO STOCKS

For the Week Ending Wednesday Evening, August 9, 1911.

Names.	RANGE FOR WEEK Low	High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911. Lowest		Highest		RANGE FROM JAN., 1879, TO JAN., 1911. Lowest	Highest
Am. Can.....	11	11⅜	11	737	8¾ Jan 27		12¼ May 23		2¾ 1903	31½ 1901
do. pref.	86½	87½	86½	585	76⅞ Jan 7		88⅜ May 23		25¼ 1902	98 1909
Am. Radiator...	...	...	265	.....	265 Jan 9		265 Feb 18		30 1895	260¼ 1910
do. pref.	131	132	131	50	126½ Mar 9		131 Aug 29		98 1899	136 1901
Am. Shipbldg...	55	56	55½	240	55 July 29		79 Feb 6		19 1904	84¼ 1909
do. pref.	...	...	111	.....	110¾ Jan 16		113 May 18		82 1904	112 1910
Chic. City Ry...	...	...	190	.....	185 Mar 22		190 Apr 28		140 1906	476 1892
Chic. Pneu. Tl.	51	51¾	51	290	41 Jan 13		55¼ Feb 22		18 1904	107¼ 1902
Chic. Subway...	3½	3⅝	3½	975	3 Aug 9		6 Mar 1		2¼ 1910	87⅝ 1905
Chic. Telephone.	123	125	123	77	115 Jan 25		124¼ May 17		96 1907	286 1901
Cm'nw'th Edis.	136¾	137⅝	135⅞	769	113 Jan 26		137⅝ July 15		77 1907	126 1910
Diamond Match.	101⅝	102	101⅝	50	90 Jan 16		105½ July 11		82¼ 1910	163 1892
Kan. City Light.	...	...	17	.....	17 May 27		25 May 23		20 1910	63¼ 1906
do. pref.	40	40	40	20	40 Aug 2		72¼ Feb 25		63 1908	90½ 1906
Mat. El.....	...	...	22	.....	19½ Feb 1		26⅝ June 2		12 1899	43 1902
do. pref.	...	...	75	.....	64 Mar 18		***75 July 17		32 1899	93¼ 1901
Nat. Carbon.....	118	119	118	240	112½ July 25		120 June 3		15 1899	145 1910
do. pref.	118½	118½	118½	50	116 July 8		120 Apr 12		72 1899	124 1909
No. West. El....	...	...	29¼	.....	29½ Apr 27		29¼ June 29		13¾ 1908	55 1901
do. pref.	...	...	68½	.....	60 Mar 1		67 Mar 29		44 1904	97 1901
Quaker Oats....	188	190	190	93	165 Mar 17		190 June 29		85¼ 1904	186 1910
do. pref.	...	...	107½	.....	102¾ Feb 8		107¾ July 21		78 1903	109¼ 1905
So. Side E.....	...	...	80	.....	68 Feb 16		80 June 30		40¾ 1897	199 1901
Streets' Car.....	9½	10½	10½	85	8 May 31		12¼ Feb 21		10⅝ 1910	54¼ 1909
do. pref.	...	...	12	.....	10 June 2		20 Aug 7		40 1906	111¼ 1906
Swift & Co.....	102¾	102¾	102¾	970	100¾ Mar 13		104 June 8		75¼ 1902	177¾ 1902
Un. Box Board..	2⅝	2⅝	2⅝	1,400	2¾ July 24		7 Jan 8		⅛ 1908	17½ 1902
do. pref.	...	...	7⅜	.....					1¾ 1908	71 1902
Western Stone..	...	...	19½	.....	19½ July 25		24¾ Jan 26		14 1908	50 1909

* Ex-dividend. † New. *** Receipts. ‖ Assessment paid.

Digitized by Google

amount of supplies now in farmers' hands. Assuredly, there is nothing which spells disaster in a total of 700,000,000 bushels of wheat in sight. Another feature of which the gloom-exuding brethren on the mourners' bench seem to have lost sight is the fact that the government has this year made extraordinary allowances for deterioration, so it is by no means improbable, even now, that the final crop yields will prove to be better than the average.

AN EXPLANATION NEEDED.

Weariness and disgust over political developments have played a part secondary only to the crop outlook in unsettling the market, and I am not at all surprised to find this to be the case. Regulation of corporation activities within proper bounds is advisable, but it is not easy to determine a satisfactory reason for much of the "probing" now being carried on, beginning nowhere and apparently bringing up at the same point. The Stanley probers connected with the investigation of the United States Steel Corporation have done very little, if anything, to justify their activities, and the "disclosures" of the past week or two must have been singularly disappointing to the members of the committee. Ex-President Roosevelt and George W. Perkins testified so frankly and so explicitly that they left a distinctly unfavorable impression behind them, so far as public opinion is concerned. The abruptness with which the New York end of the inquiry was brought to a close suggested that the committee realized that its questions and the answers thereto had come back as boomerangs.

LOOKING FORWARD.

To those who have failed to discover the meaning of this investigation, the introduction of the question of campaign contributions should prove illuminating, as tending to strengthen previous suspicions of "fat frying" operations. In other words, these questions, the relevancy of which is otherwise a mystery, appear to be a more or less gentle hint that the time is approaching when the political game will be in full swing once more and when it will be time to pass the hat in the hope that the corporations will realize the risk attendant upon a miserly policy. The sooner these investigations are shelved in all instances where they are not fully justified, the better it will be for the prosperity of the country and its citizens.

INVESTMENT CONDITIONS.

The irrepressible fears, with victory attending their efforts have done their utmost to create the impression that there has been a very general sacrificing of investment holdings, but I do not believe that this has been the case, the liquidation, whose genuineness at times has been beyond question, having sprung from a shaking out of weak speculative accounts, big and little, rather than from a panicky sacrifice of stocks held for investment. Indeed, when the smoke clears away and brokers examine their records, it will be found that odd-lot buyers have been slow to take advantage of present market conditions,

NEW YORK STOCKS AND BONDS

For the Week Ending Thursday Evening, August 10, 1911.

Names.	Range for Week		Last Sale	Sales for Week	Range for Year of 1911						Range from Jan., 1879, to Jan., 1879, to	
	Low	High			Lowest			Highest			Lowest	Highest
Atch. & T. R.R.	104⅝	105⅛	105⅛	112,600	100⅝	Jan	3	116⅝	June	5	3 1-16	1894 152½ 1880
Atch. & Top. pf.	103½	104⅛	104⅛	1,700	100⅝	Jan	3	105⅝	June	12	14	1896 107⅝ 1901
Atch. & Top 4s.	96⅛	96⅝	96	59,000	92	Mar	23	99⅝	Jan	4	61	1894 103⅝ 1901
do. adj. 4s....	91⅞	91⅞	91⅞	1,000	90⅜	Mar	29	92½	Jan	26	26	1896 99⅛ 1901
Atlic C'st Line.	122⅝	123⅝	123	2,500	117	Jan	3	132½	July	22	58	1897 120 1901
B. & O. Gold 4s.	96⅝	96⅞	96⅝	13,000	96	June	6	98⅝	Feb	21	83	1896 106⅝ 1901
B.& O.S. W.3½s.	...	...	90⅜	.....	90⅜	Feb	28	93	Mar	11	80	1901 96 1899
Balti. & Ohio...	102	104⅜	103⅝	10,300	102	Aug	10	109¾	July	22	9	1857 125⅛ 1901
do pref.	...	...	87	.....	87	Aug	3	91	Jan	4	67½	1880 100 1901
Brooklyn R. T..	76	80	78⅜	25,600	74⅜	Jan	3	85⅝	July	20	18	1896 137 1900
B R T conv't 4s	87⅛	87⅝	87⅝	204,000	82¾	Apr	19	93¾	Jan	28	56	1907 102¾ 1905
Canadian Pac...	240½	241	240⅞	422,450	195⅝	Jan	9	247	July	21	33	1895 202⅜ 1910
Canada South...	...	...	68	.....	63	Mar	3	68	May	12	22	1895 97 1887
Cen of Ga. Con. 5s.	104⅜	104⅜	104⅜	1,000	103¼	Jan	13	110	July	20	86	1907 120½ 1901
do. 1st inc....	96½	96½	96½	50,000	96	July	25	114½	Apr	19	30	1895 102 1911
do. 2d inc.....	...	...	96	.....	96	Mar	1	106¼	Apr	5	9	1895 101 1910
do. 3d inc.....	...	...	90	.....	85	Feb	24	102	Apr	4	4	1895 100 1910
Central N. J....	275	275	275	100	270	Mar	11	285	June	3	21	1885 312 1910
Cent'l Pac. 1st.	...	...	91	.....	91¼	July	10	92	Mar	8	75	1907 91 1910
Ches.O. gen 4½s.	101⅛	101⅛	101⅛	1,000	100⅜	Apr	12	102	May	15	61	1890 111 1908
Chesapeake & O.	74⅞	75⅛	74⅛	.....	72⅜	Aug	10	88¾	Feb	17	1	1885 133⅝ 1887
Chic. & Alton...	25	25	25	100	23	Aug	8	31½	May	13	8½	1907 74⅜ 1900
do. pref.	...	...	52	.....	52	Mar	17	58	Jan	27	47	1896 85⅛ 1906
Chic. Gr't West.	20½	21⅛	20⅛	.....	20⅛	Aug	10	25¼	June	5	3⅝	1897 37⅝ 1910
do. pref. A....	43	43	43	200	42	Apr	25	49¾	Feb	6	15½	1896 90¾ 1907
Chic. M. & St.P.	121	123½	121	70,400	117⅛	Apr	18	133½	Feb	7	24⅜	1879 199⅝ 1900
do. pref.	152	153	152	300	147	Jan	3	158½	June	15	74⅜	1879 218 1898
Chic. & N. W....	141½	141½	.....	.....	140½	Aug	10	150⅝	June	12	49⅜	1879 271¼ 1902
do. pref.	201	201½	201⅜	800	200	Aug	2	204½	Aug	9	128	1883 274½ 1902
Chi., St.P. & Om.	...	...	144	.....	120⅝	Apr	20	144	June	12	18¼	1885 225 1906
do. pref.	...	...	157	.....	153	Feb	18	162	Feb	18	66	1885 220 1906
Chi. Ter. Trans.	...	...	152	.....	.....			.....			1¾	1906 31 1901
do. pref.	...	...	165	.....	.....			.....			8¾	1906 67¼ 1901
Chic. Un. Trac..	...	...	2⅜	.....	2	May	13	5	June	3	⅝	1908 22 1902
do. pref.	...	...	6	.....	5¼	May	2	7¾	Feb	8	3	1908 60 1902
C.,C.,C. & St. L.	55	56	55	300	55	Aug	8	68	Jan	18	19½	1896 111 1905
do. pref.	...	...	94½	.....	90⅛	June	16	98	Feb	1	63	1897 124¾ 1902
Colo. & South'n.	50⅛	53	50⅛	750	50⅛	Aug	10	60	Jan	18	4⅜	1879 68¼ 1909
Col. & So. 1st pf.	73½	81	73½	335	74⅛	Mar	27	84⅜	July	10	36	1899 86 1909
do. 2d pref....	75	75	75	100	73½	Apr	13	75	Aug	8	12½	1899 64½ 1909
Del. & Hudson..	167	170	167	1,170	164¾	Jan	3	175⅜	June	8	22	1879 240⅜ 1906
Del., L'ck & W.	538	545	545	400	510	Feb	17	560	June	5	48	1879 680 1909
Den. & Rio G'de	26	26⅛	26⅛	1,400	26	Aug	10	35	Feb	21	4⅜	1885 84¼ 1907
do. pref.	54⅝	56⅜	55	1,200	54⅝	Aug	10	74	Feb	21	24	1894 103¾ 1907
Det.,So.Sh.& Atl	9⅜	11	10	600	9⅜	Aug	5	15½	May	1	2¼	1896 34 1902
do. pref.	20	21	20	500	20	Aug	10	28⅜	Apr	4	5	1896 46¾ 1906
Erie 1st gen. 4s.	73½	74⅜	74⅜	9,000	73¼	Jan	3	79⅜	July	19	65	1908 96 1905
Erie	30⅝	31⅛	31⅛	64,300	27¾	Jan	11	38⅛	June	30	3⅜	1894 53⅞ 1871
Erie 1st pref....	49⅜	51½	50⅛	14,550	48⅜	Jan	12	61½	July	1	15	1893 95 1881
Erie 2d pref.....	40⅛	41⅛	40⅛	1,250	38	Jan	13	49½	July	3	13	1896 78⅜ 1906
Ev's'le & T. H.	42½	42½	42½	6,300	40	Feb	1	48	July	24	30	1897 163 1899
do. pref.	...	...	90	.....	85	June	6	90	July	24	72	1904 104⅜ 1907
Gr'nc H.& W. deb B.	...	...	120½	.....	.....			.....			3¾	1898 37¼ 1903
Gt. Northern pf.	134½	135⅜	135⅛	57,130	131½	July	26	154¾	Jan	28	44½	1898 248 1900
Hock'g Valley**.	...	...	125⅝	.....	122	May	24	140	June	3	44½	1850 248 1900
do pref.	...	...	128	.....	123	May	24	134	Apr	29	22	1899 140 1910
Illinois Central..	139⅝	141	139⅝	2,800	132	Jan	9	147	July	20	53½	1889 160⅜ 1910
Inter-Met (w.i.).	16	17⅛	16⅛	3,600	16	Aug	10	20⅜	Feb	15	4⅜	1907 55⅛ 1907
do. pf. (w. i.)	43⅜	45½	44¼	12,600	43⅜	Aug	10	55⅜	Feb	10	14	1907 87⅜ 1907
Iowa Central....	18	18	18	1,700	15	May	12	19⅝	Feb	9	2	1885 51⅜ 1903
do. pref.	34	37	34	1,125	28	Apr	27	37	Aug	8	12	1896 97⅜ 1903
Kan. City & So.	29⅝	31	31	2,900	29⅛	Aug	10	38¼	June	15	7	1900 50¾ 1903
do. pref.	66	67	66	1,500	64½	Jan	7	70	May	26	27¾	1900 78½ 1903
K.C.,Ft.S.&M.pf	75	75	75	200	75	Aug	7	76	May	3	58	1908 88 1902
L'ke E. & West.	13	14⅛	13	2,400	13	Aug	9	16¾	Feb	1	1¾	1885 76½ 1891
do. pref.	37	39	37	400	37	Aug	10	46	Jan	17	24	1908 138 1902
Louis. & Nashv.	143	144¾	144	4,700	142¾	Jan	25	176¼	July	19	22	1885 142¾ 1909
Manh'ttan Elev.	135	136⅜	135	600	134	Mar	28	142½	July	19	64¼	1854 175 1905
Metrop. St. Ry..	...	...	117	.....	.....			.....			15	1902 182 1900
Mex. Central....	...	...	20⅞	.....	.....			.....			4	1856 33 1902
do. 1st 4s.....	...	...	69¾	.....	.....			.....			22	1856 76⅛ 1910
do. 1st inc....	...	...	21	.....	.....			.....			8	1856 46 1896
do. 2d inc.....	...	...	20	.....	.....			.....			4	1856 355¼ 1900
Minn. & St. L...	31	31	31	.....	21⅜	Apr	28	32	July	10	3½	1899 115 1902
do. pref.	45	47	45	1,800	35	Mar	10	49	July	21	7⅜	1899 127⅜ 1902
M.S.P. & S.S.M.	132	133⅜	132⅜	4,100	122	Aug	10	152½	Mar	20	6	1897 164 1908
do. pref.	130	130	130	100	126⅜	Jan	6	136½	July	21	10	1899 139⅜ 1908
M.K. & T. 1st 4s	96⅜	97⅜	96⅜	3,000	96⅜	Apr	22	98	Jan	21	50	1901 104½ 1906
do. 2d 4s.....	84⅛	84⅝	84⅛	5,000	83½	Jan	5	89½	Feb	17	27	1891 93⅜ 1906
M.K.&T of T 4s.	...	...	81	.....	81	Jan	6	103⅜	July	10	72	1896 114⅝ 1909
Mo., K. & Tex..	26⅞	27⅜	26⅞	1,100	21	Apr	24	29⅜	June	14	5⅜	1879 54 1911
do. pref.	63	64	63	300	63½	Jan	17	69	June	12	13¾	1891 79½ 1908
Missouri Pacific.	40	41	40	21,100	40	Aug	10	53	Feb	15	10	1880 125⅞ 1902
N. Y. Central...	130	131	130	1,200	128	Aug	10	135½	Feb	3	31⅜	1885 174½ 1901
N.Y.,C. & St. L.	56⅜	56⅜	56	100	53⅜	Apr	17	65	Jan	30	9	1886 77⅜ 1905
do. 1st pref...	...	...	100	.....	100	Feb	21	101⅝	Mar	20	4	1886 124½ 1902
do. 2d pref....	...	...	87	.....	87	Apr	17	90	Jan	30	18	1886 100 1902
N.Y., Ont. & W.	30	31	30	1,400	30	Aug	10	46⅞	July	22	6⅜	1895 64 1905
N. & W. Com 4s.	90⅜	90⅜	90	13,000	90	July	10	96⅜	Feb	3	74	1896 105 1905
Norfolk & West.	104⅜	104⅝	104⅜	1,000	104⅜	Jan	3	110⅛	June	26	⅛	1896 106⅝ 1910
do. pref.	...	...	90⅜	.....	90⅜	Apr	28	91	May	22	4⅛	1896 96 1902
Northern Pac. 4s	99⅜	99⅝	99⅜	2,000	99⅜	July	18	103⅜	Feb	6	90⅜	1900 100 1902
do. gen. 3s....	71	71	70⅜	2,000	70⅜	Mar	27	77	Aug	4	57	1900 79 1905
Northern Pacific	120⅜	121	120⅜	1,000	116	Jan	3	123⅜	June	6	11	1857 106⅜ 1901
Pacific Coast....	...	...	100	.....	100	Jan	31	100	Jan	10	24	1858 142 1908
do. 1st pref....	...	...	.....	.....	.....			.....			65	1867 105 1910
do. 2d pref....	...	...	101	.....	101	Jan	31	101	Jan	31	50⅜	1867 115 1905
Penn. R. R.	129	130	129	10,200	128	Aug	10	135¾	Feb	1	27½	1848 170 1902
Peoria & Eastrn	24	25	24	.....	.....			.....			2	1856 50 1901
P. C. C. & St. L	...	...	94	1,000	93⅜	May	17	100	Jan	17	10½	1891 105⅜ 1902
do. pref.	...	...	111	.....	111	May	26	112	Feb	15	40	1892 125 1902
Reading gen. 4s	88⅛	88⅝	88⅛	7,000	88⅜	Mar	16	...	Aug	7	77	1895 104⅜ 99
Reading	146⅝	147⅜	146⅝	21,500	146⅝	Aug	10	167⅜	June	5	4⅜	1896 173⅜ 1906
do. 1st pref..	98	98⅜	98	100	98	Mar	1	99	July	14	36	1896 97 1906
do. 2d pref..	91	91	91	.....	91	Apr	24	101	May	2	17⅜	1896 117½ 1906
Rock Island new	21⅜	21⅜	21⅜	200	21⅜	Aug	1	31⅞	June	14	11⅜	1900 ... 1906
do. pref.	57	57	57	.....	57⅛	Apr	21	85⅜	June	14	...	1900 ... 1906
St. L. & S. F. 4s	69⅜	69⅜	69	.....	69	Apr	24	69	June	23	36	1896 96⅛ 1906
St. L. & S. F. 2d 4s	44	44	44	.....	36	Apr	21	49¼	June	23	9⅜	1896 ... 1906
St. L. & S. F. 4s	76⅜	76⅜	76	11,000	69⅞	Jan	24	76⅜	Aug	10	50	1893 110⅛ 1906
do. 5d gen. 4s	...	...	81	.....	78	Jan	9	83⅛	June	...	12	1893 90½ 1906

NEW YORK STOCKS AND BONDS

For the Week Ending Thursday Evening, August 10, 1911.

Names.	RANGE FOR WEEK		Last Sale	Sales for Week	RANGE FOR YEAR OF 1911				RANGE FROM JAN., 1879, TO JAN., 1911.			
	Low	High			Lowest		Highest		Lowest		Highest	
St. L. Southw...	28¾	28¾	28¾	100	24	Jan 13	34	Feb 4	1	1897	29¼	1901
do. pref.	68	70	68	1,700	59¾	Jan 3	72	June 27	21¾	1900	90	1902
St'd A.L.adlle.	77	78½	77	30,000	75	Mar 15	82	July 19	69¾	1910	77¾	1910
San.Ant.&A.P.6s	87½	87½	87½	1,000	84¾	Apr 8	93	May 16	45	1896	93½	1909
So. Pac. rfd. 4s..	94¾	95	94½	122,000	94½	Jan 3	96	May 8	94¼	1908	98¼	1905
South'n Pacific..	114	120	115½	109,500	113¾	Apr 24	126¾	June 26	12	1898	139¼	1909
do. pref.	...	...	71¾	.....	.....		.....		94¾	1909	137	1909
Southern	28¾	30¾	28¾	50,000	26½	Mar 4	33¾	July 22	62	1894	2363	1902
do. pref.	63¾	71¾	69	8,300	61¾	Jan 11	75¾	July 20	113	1894	102	1906
Texas & Pacific.	26¾	27½	26¾	2,000	25½	Apr 24	30¾	June 9	4¾	1893	73¾	1901
Third Avenue...	8¼	10¾	8¼	2,250	8¾	Mar 2	8	Mar 2	5½	1910	242	1889
Tol.Rys.& Light	...	...	7	.....	6¾	Mar 27	8½	Jan 17	5½	1910	28	1902
Tol., St. L. & W	19½	20¾	20¾	900	19	May 9	24¾	Feb 8	19¾	1901	54¾	1909
do. pref.	44½	47¾	44½	2,400	44½	Aug 9	53¾	Feb 8	23¾	1908	74¾	1909
Twin City R. T.	106½	106¾	106½	200	106½	Aug 9	111	Feb 3	9¾	1897	129	1902
U.P.cvt. 4s, 1887.	103½	107	104½	515,000	103½	Aug 11	109¾	June 27	78¾	1907	134¾	1909
Union Pacific....	175¾	186½	177¼	759,800	169¾	Jan 3	192¾	July 22	3	1896	204¾	1910
do. pref.	92½	94¾	92½	1,750	91	Mar 22	98	July 24	47	1898	118¼	1909
Wabash 1st 5s...	108	108¾	108¼	13,000	106	June 7	116	Mar 30	90	1890	121	1902
do. deb. B's...	...	...	101	.....	.....		.....		19	1893	101	1909
Wabash	14½	15¾	14¾	2,400	14½	Aug 10	18¾	Feb 22	2	1895	60	1887
do. pref.	21¾	23	23	4,000	21¾	Aug 10	40¾	Feb 22	9	1884	90¼	1881
Wheel. & L. E...	...	...	3½	.....	3	July 26	6¾	Feb 3	½	1897	63¾	1887
do. 1st pref....	...	...	8½	.....	7½	July 22	17¾	Feb 3	2¾	1897	90¼	1892
do. M pref....	...	...	4	.....	4	July 5	8	Feb 22	4	1910	42¾	1902
Wis. Central....	52	62	54	8,700	53	Aug 10	73¼	May 1	4c	1889	64	1910
do. pref.	...	...	89½	.....	.....		4	Feb 22	50c	1890	91¾	1909
do. 1st 4s.....	92¾	95¼	93	22,000	92¼	Aug 3	99¾	July 5	27	1896	99¼	1899
Miscel. St'ks.												
Adams Express..	...	...	100	.....	235	Jan 26	243	June 12	97½	1886	215	1907
Allis Chalmers..	6¼	6½	6¼	400	6¼	Aug 4	9¾	May 31	4	1907	57¾	1906
do. pref.	22	23¾	22	1,800	22	Aug 10	34	Feb 3	14	1908	87¼	1903
Amal. Cop.....	61¾	66¼	63¼	73,500	59¾	Apr 19	71¾	June 19	33¾	1909	120	1901
Am. Car & F'd.	50¾	55¾	52	6,100	50¾	Apr 24	58¼	July 19	10¾	1899	76¼	1909
do. pref.	116½	117½	116½	500	114¾	Mar 12	120	May 23	51	1899	124¾	1909
Amer. Cot. Oil..	53	55¾	53	4,200	49¾	May 22	62¾	Feb 28	8	1896	79¾	1909
do. pref.	...	...	100	.....	100	June 27	106½	Mar 21	27¾	1899	107¾	1909
Amer. Express...	225	225	225	100	225	Aug 9	245	Mar 7	100	1888	201	1910
Am. H. & L....	4	4¾	4	200	3¾	Jan 25	5	July 21	3¾	1903	37¾	1899
do. pref.	23	23	23	400	20	Jan 10	28¾	June 14	18	1907	83¼	1899
Am. Ice Sec....	19¾	21¼	19¼	4,200	17¾	Jan 19	26¾	July 12	8¼	1907	96	1907
Am. Linseed Co.	9¾	10½	9¾	500	9¾	Aug 10	12¾	Feb 17	5	1903	89¾	1901
do. pref.	29	29	29	100	29	Aug 10	34	Feb 14	15½	1907	98	1901
American Lese..	36¾	39¾	38¾	2,800	35¾	Apr 21	43¾	May 22	11½	1908	78¼	1906
do. pref.	104	106	104	200	104	Aug 10	110¾	Mar 1	67½	1908	122½	1905
Amer. Malt Co..	4	4	4	200	3¾	Feb 17	5¾	July 11	2½	1907	90¾	1898
do. pref.	38	40	38	1,300	31¼	Mar 8	43¾	July 22	14½	1908	50	1909
Am. Smtl. & Ref	70¾	77¾	71¾	64,100	70¾	Aug 10	83¾	June 15	39	1898	174	1906
do. pref.	104½	106	104½	1,600	103¾	Mar 10	106¾	June 15	77¼	1899	137	1906
Am. St'l F'dry..	37	38½	37	900	36	July 7	53¼	Feb 9	3½	1904	66¾	1909
do. pref.	...	...	39	.....	.....		.....		20	1907	70	1902
Am. Sugar Ref.	115½	117½	115½	1,300	113	Jan 6	121¾	June 14	855	1889	133	1899
do. pref.	117	118	118	200	111	Jan 5	119¼	Feb 14	66½	1892	143	1905
Am. Tob. pref..	93	96	93	4,700	93	Aug 10	102	May 27	88	1907	151¾	1902
Anaconda[||]	36¾	38	37	1,900	36¼	Apr 24	41¾	June 20	[||]25	1907	302¾	1907
Br'k Un'n Gas..	140	140¼	140	500	135	Jan 3	145¾	June 8	20	1907	253	1902
Central Leather.	24	25½	24½	4,800	24	Aug 10	33¾	Feb 2	11¾	1907	51¾	1909
do. pref.	97¾	99¾	97¾	800	97¾	Aug 10	106	Feb 10	68	1907	111	1909
Colo. Ind. Se....	...	...	76½	.....	75½	May 31	79¼	Feb 22	35	1907	93¼	1905
Colo. F'l & Ir's.	29¾	31½	30	3,200	28¼	Apr 24	36¾	Feb 6	14	1907	136¼	1901
do. pref	110	110	110	100	110	Aug 5	110¾	Jan 9	30	1907	142¼	1901
C. & H. V. Co'l&Ir.	...	...	11½	.....	4	Feb 9	4	Feb 9	¾	1896	92¼	1910
Consolid'd Gas.	138¾	143¾	139¾	11,300	135¾	Jan 3	148¼	June 6	57	1897	241¾	1897
Con. Tobacco 4s.	85¾	85¾	85¾	37,000	81¼	Jan 17	89¾	July 10	51¼	1903	85¾	1904
Corn Prod'ts R.	13	14¾	13	2,700	13	Aug 10	15¾	May 17	8	1907	28	1906
do. pref.	79	81¾	79½	1,600	74¾	Jan 10	85	May 29	46	1907	98¼	1899
Dist. Secur.....	32½	34½	33	3,800	32¼	Aug 5	38¼	June 6	19¾	1904	78	1907
Fed. M. & Smlt.	28¼	29¼	28¾	100	17¾	Jan 25	34	Feb 16	48¾	1904	190	1906
do. pref.	60¾	63½	60¾	200	48¼	Jan 7	66¼	May 19	47	1907	112¾	1906
Goldfield Con....	5½	5¾	5¾	7,100	5¼	Aug 10	7¾	Jan 2	3¾	1907	11	1910
Internat. Paper.	10¾	11	10¾	1,400	9¼	Apr 21	13¾	Feb 3	7½	1907	63¼	1899
do. pref.	46	48¾	46½	1,000	44¾	May 15	56¾	Jan 21	47	1909	95	1899
Inter. Power....	...	...	29	.....	.....		.....		22	1903	100	1902
Inter. Stm. P'mp	36½	39	36½	1,600	36½	Aug 10	44	Feb 10	7¾	1907	60	1906
do. pref.	87	87¾	87	600	84¾	Jan 26	90½	June 12	50	1907	95	1902
Nation'l Biscuit.	132¾	134¾	132¾	12,500	117¾	Jan 16	141	Apr	23	1900	120	1909
do. pref.	128¼	128¼	128¼	200	124	Jan 21	130	Feb	79½	1900	118	1909
Nat. En. & St'p.	17¾	18¾	17¾	500	16¾	May 29	22	July 24	6½	1907	38	1903
do. pref.	96	97	96	300	85	Jan 6	103¾	July 22	70	1908	98¼	1909
Nat. Lead.....	51	55½	51½	3,500	50¾	Apr 2	60¾	Mar 15	10½	1903	96¾	1909
do. pref.	...	...	108¾	.....	106¾	Mar 24	109¾	May 22	49	1898	115	1899
N.Y. Air Brake.	68	70	68	400	65	Aug 10	76	June 19	14	1886	168¾	1906
North Amer. Co.	71¾	72¾	71¾	800	64	Jan 10	78¼	May 22	2½	1892	134	1902
Pacific Mail....	29¾	31	29¾	4,400	23¾	Apr 24	30	July 22	8½	1893	70	1895
P'ple's G.L.& C.	104½	105½	104¾	1,300	103	Apr 8	109	Jan 19	39	1893	129¾	1899
Pressed St'l Car	32½	35¼	32½	1,400	30¼	Jan 3	37¾	July 22	15¾	1907	65¾	1903
do. pref.	99¾	100	99¾	200	99¼	Jan 3	102¾	June 16	52¼	1907	111¾	1909
Ry. Stl. Spring.	31¾	35¾	32	2,500	31	Jan 11	39	June 14	15¾	1894	83¼	1907
do. pref.	101¾	101¾	101¾	100	98	Jan 2	102¼	May 24	67	1902	109	1909
Rep'b Ir. & St'l.	27	29	27	6,700	27	Aug 10	35¾	Feb 6	5	1904	48¼	1909
do. pref.	92	94	92¾	6,600	92	Aug 10	99¾	Mar 14	38¾	1903	111¼	1909
Sloss-Sh. S. & I.	47¾	49	47¾	500	47¼	Aug 10	56¾	Feb 6	17¼	1906	119¾	1906
do. pref.	...	...	112	.....	112	Feb 15	112	Feb 15	59¾	1906	108	1906
T. Pac. Ld. Tr..	90½	90½	90½	400	87	Mar 3	92	Jan 24	5	1898	95	1910
Un. Bag & Pap.	6¾	6¾	6¾	100	6¾	Aug 10	9	Feb 10	3¾	1904	45	1899
do. pref.	54	54	54	135	54	Aug 7	59¼	Jan 30	26	1900	89	1899
U.S.Cast IP & F	14½	15¾	14½	300	14½	Aug 10	19	Feb 24	8	1908	53	1900
do. pref.	53	53¾	53	600	50	Jan 18	59¾	Feb 24	22	1903	97¾	1905
U. S. Express...	90	97	90	577	90	Aug 9	104	Feb 1	35	1896	160	1902
U.S.R'lty & Imp	70½	72¾	71	1,700	65¼	Jan 25	79¾	May 29	38	1907	98¼	1906
U. S. Rubber....	28	29	27	8,600	26	Aug 10	47¾	Mar 1	7	1903	60¾	1892
U. S. Rubber pf.	111¾	115	111¾	1,300	108¼	Jan 21	115½	July 7	30¾	1903	123½	1909
U. S. Steel.....	70¾	78¾	70¾	370,125	71¾	Jan 3	82¼	Feb 6	8¾	1904	91	1910
do. pref.	116¾	117¾	116¾	7,500	116¼	Aug 9	120¾	Feb 4	49¾	1903	125¾	1910
do. 5s	104½	105¾	105	250,000	103¾	Jan 4	106¾	May 27	65	1903	105¾	1910
Utah Copper.....	44	47	47	22,400	42¾	Apr 18	52	June 14	12	1907	67½	1909
Virg. Car Chem.	54	56¾	54½	12,000	54	Aug 10	70¾	Feb 25	12¾	1907	72	1900
do. pref.	120½	122½	120¾	1,400	120¼	Aug 10	128½	Mar 17	75	1907	132¾	1902
West. Un'n Tel.	77½	79¾	77½	6,100	73¾	Mar 29	84½	May 21	41	1908	137¾	1881
West. Mfg. Co..	69½	71	69	10,600	64½	Aug 7	79	May 29	20¼	1898	154	1907
do. pref	...	...	114½	.....	116	Jan 14	122	Jan 7	48¼	1896	160	1907

* Ex-dividend. ** New. † Assessment paid ‡ Ex-rights. § Price bid. ‖ Price asked. ¶ Old securities. ¶ Certificates. x Ex-interest. ||| Par value basis. *** Receipts.

when stocks are selling from 10 to 15 points lower than the quoted level of mid July, which means that they are yielding in many instances nearly 1 per cent more income than they were three weeks ago. Railroad stocks in the "gilt edged" class can now be bought to yield from 5 to 6 per cent, and it is no wonder that brokers are once more receiving orders in considerable number for such issues as Pennsylvania, Northern Pacific, Great Northern, St. Paul, Union Pacific, Southern Pacific and Atchison. In the industrial list the opportunities are quite as attractive, the average yield, of course, being even greater. The one important announcement of new financing this week has been that relating to the proposed authorization of $100,000,000 of convertible bonds by the Atchison, with a corresponding stock increase. Apparently, the Atchison backers do not see disaster in the crop outlook.

THE FORECASTER.

RESERVE AGENTS APPROVED.

The Franklin National Bank of Philadelphia has been approved as reserve agent of the Citizens National Bank of Ashland, Pa.

The American Exchange National Bank of New York City has been approved as reserve agent of the Bank of California National Association of San Francisco, Cal.

The Fourth National Bank of New York City has been approved as reserve agent of the Des Moines National Bank of Des Moines, Iowa.

The National Commercial Bank of Albany, New York, has been approved as reserve agent of the Florida National Bank of Florida, N. Y.

The Seaboard National Bank of New York City has been approved as reserve agent of the First National Bank of Woodward, Oklahoma.

The Mellon National Bank of Pittsburg, Pa., has been approved as reserve agent of the First National Bank of Bridgeville, Pa.

The First National Bank of Cleveland, Ohio, has been approved as the reserve agent of the Ensworth National Bank of Waterford, Pa.

The Continental National Bank of Indianapolis, Indiana, has been approved as the reserve agent of the First National Bank of Lewisville, Indiana.

The Mechanics and Metals National Bank has been approved as reserve agent of the Fourth National Bank of Cincinnati, Ohio.

The Bank of North America of Philadelphia has been approved as reserve agent of the First National Bank of Centralia.

MARENGO, ILL.—The First National Bank has had its charter extended until August 8, 1931.

Digitized by Google

Inspiration Reserves Expanding

Satisfactory Results of Drilling Operations Maintain Record of Successive Increases—With Metal Conditions Slowly But Steadily Improving, and the Share Market Depressed, This Stock Looks Cheap—An Early Announcement of Mill Construction Plans Looked For—Nine Cent Costs, According to Engineer Krumb's Estimate—This Would Mean 18 Per Cent Earnings on a 13 Cent Copper Market—An Annual Production of Fifty Million Pounds Expected.

It is obvious that the proper time to purchase stocks is at a period when they are depressed because of some condition which is evidently temporary in character, and which, therefore, must sooner or later lose its power as an unsettling market factor. It is equally clear that this is a condition applying just now with exceptional force to the copper shares, which are feeling the effects of market depression at a time when the metal situation, generally speaking, shows a brighter side than has been in evidence for many months, presenting unmistakable signs of the establishing at a comparatively early date of a higher level of metal values than any seen since the remarkable dissipation of "boom" prices nearly four years ago. The strengthening of the statistical position of copper, as reflected in the monthy report of the Copper Producers' Association for July, has missed its mark as a supporting market influence, because it came at an inopportune time, when a wave of liquidation spreading throughout the market left a trail of lowered prices behind it, the copper stocks suffering with the rails and industrials.

It occurs to me as I look at the results reported by some of the leading producers that this anomaly of a decline in prices coincident with an improvement in the statistical position of the metal market and the bright outlook for a gradual strengthening of copper prices from this time on, that here we have the "psychological moment" for the purchase of the shares of the established low-cost coppers of merit. This

IMPRESSION IS STRENGTHENED

by the perusal of the Inspiration Copper Company's report on ore reserves as of August 1, and a comparison with previous reports of the same kind. There is certainly no lack of justification for the opinion that at the present curb market valuation of 7⅞ the shares of this company merit the careful attention of the man who is seeking an attractive speculative medium with which goes a bright promise of a substantial dividend return within the next few years. Inspiration was commented upon in very favorable terms by competent and trustworthy authorities last year when the stock was selling at 10¾, and if it was a good buy at that time it is a much better purchase around the present level. This becomes doubly evident when one considers the ore reserve report to which I have already referred, covering conditions at the property on August 1, when there were 23,018,000 tons of developed ore averaging over 2 per cent copper and 2,516,000 tons partially developed, making a total of 25,534,000 tons of developed and partially developed ore. On March 1, the total ore reserves reported was 22,228,000 tons, averaging 2.006 per cent copper, consisting of 18,738,000 tons of developed ore, averaging 2.024 per cent, and 3,491,000 tons partly developed, averaging 1.907 per cent copper. Up to December 31, 1910, the estimates of ore reserves were as follows: developed ore, 15,994,000 tons averaging 2.02 per cent; partially developed ore, 4,195,000 tons averaging 1.91 per cent; total developed and partially developed ore, 20,189,000 tons of an average of 1.997 per cent. This increase of over 26 per cent within a space of 7 months lends the strongest kind of support to the official statement that "the Inspiration management is continuing the operation of its drills and steadily

ADDING TO ITS RESERVES."

In explanation of these reports it may be said that ore is considered as developed when bounded by either drill holes or underground workings not in excess of 200 feet apart. In blocks with drill holes more than 200 feet apart the ore has been classed as partly developed, but no ore has been allowed where the drill holes were more than 400 feet apart, nor has any ore been allowed in these computations beyond the lines connecting either drill holes or underground workings. Values have been calculated for each block by averaging all samples taken within the block in proportion to the length of drift or drill hole represented by the samples. There is no reason to suppose, therefore, the management has gone to extremes in figuring its reserves, and indeed such a method would not tally with the reputation for conservatism which has been established by Consulting Engineer Henry Krumb and his associates. Further evidence of this is found in the fact that this ore has been developed on about 40 acres out of a total of 581 acres owned by the company.

MILL PLANS PROGRESSING.

The present comparatively low [illegible] of the shares, leaving out of account metal and stock market conditions, is doubtless to be accounted for to some extent at least by the fact that the management is not at the present time pushing active underground work, physical operations having been confined largely to drill work and preparations for the installation of the large concentrator which is to be erected as soon as the best methods of treatment are determined. A small experimental concentrating mill was erected last year, and tests have been carried on with a view to testing different methods of milling in vogue at other places on similar ores. It is to be expected, therefore, that at a comparatively early date an official announcement will be made of the selection of a mill site and the commencement of construction work, which will mean a long stride forward towards the day when the company will be in a position to return to the shareholders in the form of dividends a portion of those profits which, according to the belief of well-informed authorities, are only a matter of time.

When I say that the management has not devoted special attention to underground work for some time past, it must not be inferred that nothing is known of the property except that which has been learned through the drill operations, for the report of Manager Drummond covering the twelve months ended December 31, 1910, showed that since the beginning of operations in February, 1909, 26,961 feet of development, or more than 4.92 miles, had been done, and of this work 12,054 feet have been driven in ore averaging 2.04 per cent copper.

NINE-CENT COPPER.

Of course, the question of costs is one of paramount importance, much more so than it was during the days of 1906 and 1907 when the metal was selling above 20 cents per pound. Engineer Krumb, in a report issued under date of November 1, 1910, made the following statement covering this point: "A number of factors entering into the cost of producing copper cannot be definitely estimated at this time, but after carefully studying the character of the ore deposits, the amenability of the ore to concentration, and the general conditions affecting the cost of mining and treating the ore, I estimate that the cost of producing and delivering copper in New York will be between 9 and 9½ cents per pound when the full plant of 5,000 tons per day is in operation. The production of copper from a plant of the above capacity should be about 45,000,000 pounds per annum."

The possibilities of this proposition are indicated by careful estimates showing that Inspiration, with a production of 45,000,000 pounds per annum, with cost running at 9 cents for copper laid down in New York and copper selling at 12½ cents per pound, would be able to show earnings of $1.57 per share on the 1,000,000 shares outstanding, that is, more than 15 per cent, or on the par value of $10, or more than 20 per cent on the present market value of the shares. On this same basis of costs and production, each advance of 1 cent per pound in the selling price of the metal would mean an addition of 45 cents per share in profits on a capitalization of 1,000,000 shares, so that with copper at 13 cents, the showing would be $1.80 per share, at 14 cents $2.25 per share, and at 15 cents $2.70 per share, or to put it another way, 18 per cent, 22½ per cent and 27 per cent on par respectively.

CHANGING CONDITIONS.

The advent of the so-called porphyry mines has worked a change amounting almost to a revolution in the copper mining world within the last few years. The first of these properties to enter the producing ranks was Utah Copper, closely followed by the Nevada Consolidated, both of which have won their spurs as substantial profit earners and dividend payers, disbursing as they

Digitized by Google

are at the present time a total of approximately $6,000,000 per annum. Two others, Ray Consolidated and Miami, have since begun production, and will be followed very shortly by Chino and Braden. Inspiration will be the next to be admitted to the select circle, and there is reason to believe that it will within the next few years sustain the very enviable reputation established by the first two entries, Utah and Nevada Consolidated. Utah is selling at $46 per share, or 460 per cent of par, while Nevada Consolidated is quoted at $18 per share or 360 per cent of par, and in neither case is this valuation looked upon as excessive in view of the possibilities of much larger earnings and more liberal disbursements to shareholders in the event of an advance of a cent or two in copper prices. Here, it seems to me, we have a hint of the possibilities which attach themselves to a purchase of Inspiration at the prices now prevailing.

P. De Medici.

BANKERS TRUST COMPANY.

The plan for the merger of the Bankers Trust Company and the Mercantile Trust Company was formally approved by the stockholders this week, and the merger became effective August 10, the name of the new company being the Bankers Trust Company. It will be the largest trust company in the United States, with deposits, stated approximately by an officer of the company, $160,000,000.

The two companies of the merger are among the so-called Morgan group. The officers of the new bank are: E. C. Converse, formerly president of the old Bankers Trust, president; Benjamin Strong, Jr., W. C. Poillon, formerly president of the Mercantile Trust, D. E. Pomeroy and F. T. Kent, vice-presidents; F. N. D. Close, secretary, and George W. Benton, treasurer. Two new members were elected to the board of directors. They are Rudulph Ellis, president of the Fidelity Trust Company, Philadelphia, and W. C. Poillon.

The offices of the Mercantile Trust Company at 120 Broadway are to be continued as the Mercantile office of the Bankers Trust Company.

FINANCIAL INQUIRIES.

Detroit, Mackinac & Marquette Land Grants.

21275. (New York, N. Y.) One of our clients owns $5,000 (par value) bonds of the Detroit, Mackinac & Marquette Land Grants, which are due October 1, 1911. We thought perhaps you might be able to advise us in regard to turning these bonds into the Brooklyn Trust Company, who have been made depositaries for them as we understand for a protective committee. Any information you could furnish us would be very much appreciated.

Ans.: The Detroit, Mackinac & Marquette Railroad received from the state of Michigan in 1881, a land grant of 1,326,688 acres in the upper peninsula, covering the counties of Chippewa, Mackinac, Marquette and Schoolcraft, Michigan. These lands, under certain conditions, were pledged as security for an original issue of $4,560,000 land grant incomes, of which there are $1,558,000 now outstanding, the balance having been redeemed. When the Detroit, Mackinac & Marquette was sold under foreclosure 5 years later, and was acquired and reorganized by the syndicate which constructed the Duluth, South Shore & Atlantic, the holders of the land grant bonds retained their lien upon the lands. These bonds are dated 1881, and fall due on October 1, next. Interest payments have been made as follows: From October, 1892 to April, 1902, inclusive, 2 per cent per annum; in October, 1902, 1½ per cent; from April, 1903, to April, 1906, inclusive, 7 per cent per annum; in October, 1906, 1 per cent; April 1908, 1 per cent; October, 1909, 1 per cent; none since. The statement of receipts and disbursements from February, 1879, to January 1, 1911, is as follows: Receipts—Received from trustees, etc., $834,247; Disbursements, salaries, $296,323; expense account, $307,077; road buildings, drainage and improvements, $22,473; land examination, $166,324; Tahquamenon River Improvement Company, $41,010; amount on hand January 1, 1911, $971.

The protective committee to which you refer has been organized for the

BENEFIT AND PROTECTION

of the holders of these bonds in view of the fact that there is no possibility that the $1,358,000 bonds now outstanding can be paid in whole or in part by the trustees. There were on January 1, 1911, 176,681 acres of land still unsold, besides mineral rights on 98,720 acres additional. The committee holds that while these lands are of great and increasing value, especially because of the extensive discovery and development of deposits of iron ore in the vicinity, they are of such a character that they cannot at present find a ready market and would not bring a satisfactory price if sold at public auction. This, of course, would mean, in all probability, a serious loss to the holders of the bonds in the event of a foreclosure sale following the maturity of the bonds a few weeks hence. This being the case, it is evident either that a foreclosure sale is to be avoided or that, if such a move becomes absolutely imperative, steps should be taken to buy in the property for the benefit of the bondholders.

It is proposed, therefore, to organize a new company to take over the property subject to the mortgage and to issue in exchange shares of stock to be distributed ratably among the bondholders who assent to the plan. Under the plan, no other stock and no bonds of the proposed company shall be issued, except for the purpose of providing for the payment of foreclosure expenses or the acquisition through other means of title to the property, and other expenses incidental to the reorganization. This plan, of course, would mean the giving up of a mortgage-secured bond for a stock issue, but in view of the fact that the present state of finances would not permit of the payment of the bonds at maturity, while a sale of the property would in all probability mean a decided loss, the plan as outlined is deserving of the careful consideration of the holders of these securities.

Union Typewriter Co.

21273. (New York, N. Y.) We shall esteem it a favor if you can furnish us detailed information regarding the Union Typewriter Company. If your files contain this information we would like to know its capital, assets, liabilities and the prevailing market for the shares.

Ans.: The Union Typewriter Company was incorporated March 29, 1893, in New Jersey, and reincorporated on May 25, 1909, in New York. It owns the capital stock of the Remington Typewriter Company, the American Writing Machine Company, the Densmore Typewriter Company, the Yost Writing Machine Company, the Smith-Premier Typewriter Company and the Monarch Typewriter Company. It has an authorized capital of $10,000,000 common, $4,000,000, 7 per cent cumulative first preferred, and $6,000,000 8 per cent cumulative second preferred. There is outstanding all of the common and the first preferred and $5,000,000 of the second preferred. Dividends have been paid as follows: On the common, 1902 to 1907, 6 per cent per annum, none since; on the first preferred, in 1893, 3½ per cent and from 1894 to date, 7 per cent per annum; on the second preferred, 1895 and 1896, 6 per cent per annum; 1897, 1898 and 1899, 8 per cent per annum; 1900 and 1901, 16 per cent per annum; 1902 to date, 8 per cent per annum. The stock, which is quoted on the New York curb market, is quoted at 42½ bid, 44 asked for the common, 108 bid, 113 asked for the first preferred and 103 bid, 105 asked for the second preferred. The only funded debt consists of $2,305,000 5 per cent notes due 1913, during the life of which the company can place no lien on the property. The original issue of these notes was $2,500,000, of which $195,000 had been redeemed up to the close of the last fiscal and calendar year. For that period the company reported gross earnings of $1,471,461 after deducting charges (less interest received), $132,174 and depreciation of plants, $208,524.

After the payment of preferred dividends there was left for the common a surplus of $450,763, as compared with $125,653 in 1909 and $84,629 in 1908. The general balance sheet as of December 31, last, showed total assets of $26,156,747, made up as follows: Plants, patents, good-will, etc., $16,418,042; second preferred stock in treasury, $1,000,000; investments, $2,268,822; inventory of material, machines, etc., $1,530,173; accounts receivable, $1,231,989; taxes, insurance, etc., prepaid, $85,285; cash, $622,436. The liabilities side of the balance sheet was made up as follows: Common stock, $10,000,000; first preferred stock, $4,000,000; second preferred stock, $6,000,000; short term notes, $2,305,000; bills and accounts payable, including interest, $183,317; reserves, $400,000; surplus, after deducting dividends, $3,268,430; total $26,156,747.

UNION PACIFIC RAILROAD COMPANY

A Semi-Annual Dividend of $2.00 per share on the Preferred Stock and a Quarterly Dividend of $2.50 per share on the Common Stock

of this Company have this day been declared, payable at the Treasurer's office, 120 Broadway, New York, N. Y., on October 2, 1911, to stockholders of record at 3 o'clock P. M. on Monday, September 11, 1911.

The stock transfer books will be closed at 3 o'clock P. M., on September 11, 1911, and will be reopened at 10 o'clock A. M. on October 11, 1911.

Stockholders who have not already done so are requested to promptly file mailing orders for dividends with the undersigned, from whom blank orders can be had on application.

FREDERIC V. S. CROSBY, Treasurer.

New York, N. Y., August 10, 1911.

SOUTHERN PACIFIC COMPANY
Dividend No. 20.

A quarterly dividend of ONE DOLLAR AND FIFTY CENTS ($1.50) per share, being the twentieth dividend on the COMMON CAPITAL STOCK of this Company, has been declared payable October 1, 1911, to the bearers of DIVIDEND WARRANTS No. 20, annexed to certificates representing such stock, upon presentation and surrender of such warrants to the undersigned Treasurer, at the office of the Company, 120 Broadway, New York.

A. K. VAN DEVENTER, Treasurer.

New York, August 10, 1911.

Digitized by Google

UPON PRESENTATION

at the Office of

THE MIDDLESEX BANKING COMPANY

OF MIDDLETOWN, CONN.

DEBENTURES of Series E13, maturing October first, and Series E14, maturing November first, WILL BE PAID at par with interest to the date of payment.

OUR NEW INVESTMENT PROPOSITION

is as

Sound and secure as a good bank and pays large dividends.

First class representatives wanted; must be men of good standing in their community

SECURED INVESTMENT TRUST

52 STATE STREET, BOSTON

6% NEW YORK CENTRAL REALTY CO.

A Good Investment

To investigate is the six per cent Realty Bond of the New York Central Realty Company issued in denominations of $1,000. $500. and $100.

It offers a high grade of security, a liberal cash availability and an interest earning of 6%.

WRITE for booklet illustrating the methods of the Company, describing its bonds, their redemptive privileges and advantages over other Realty securities. Everybody knows us.

New York Central Realty Co.

Suite 1190, 1328 Broadway, Cor. 34th St., New York City

CAPITAL AND SURPLUS, $1,464,586.34

WANTED

Det., Ypsilanti, Ann Arbor & Jackson 5's
York Haven Water & Power 5's
Ouray County, Colo., 4's
Fresno City Water Co. 5's
Citizens G. & E. Loraine & E. 5's
Des Moines Water Co. 4's

H. C. SPILLER & CO.

Specialists in Inactive Bonds

27 STATE STREET BOSTON

6 PER CENT INTEREST PAID

By Coupon on Bonds Secured by Well Selected New York Real Estate.

"We Deal in No Other Securities"

THE DEBENTURE CORPORATION OF NEW YORK

334 Fifth Avenue New York City

Corporation Organizers

Delaware charters are inexpensive and perpetual, and permit stockholders and directors to hold meetings anywhere. The law is more stable, and grants greater powers than other states. $1,142,434,000 of capital organized in Delaware during 1910—double that of New Jersey or elsewhere. In selecting an agent to organize and represent your company, get the best—it will be cheaper and safer in the end and will add prestige to your enterprise. Lawyers' and Brokers' business a specialty. Corporation Law and forms sent on request.

MERRICK SECURITY & TRUST CO.

Wilmington, Del.

YUKON PORCUPINE NEVADA UTAH

Our weekly market letter mentions the above, also East Butte, Tuolumne, Davis-Daly, Goldfield Consolidated, McKinley-Darragh, Bay State Gas and "Coppers" and "Curb" stocks in general. Mailed free upon request.

"Coppers" and Curb Stocks bought and sold for Cash or Carried on Margin

H. A. BROWN & CO.

Members Boston Curb Exchange

60 State St. Boston — 74 Broadway New York

FUNDING COMPANY OF AMERICA

40 EXCHANGE PLACE, NEW YORK

INVESTMENT DEPARTMENT deals in Government, State, Municipal, Railroad, Public Service and Industrial Bonds and other high grade securities.

UNDERWRITING DEPARTMENT solicits correspondence with Railroad, Public Service and Industrial Corporations desirous of procuring funds, through first mortgage bond issues, for improvement or extension purposes.

FISCAL AGENCY acts as registrar and transfer agent for securities of Municipal, Railroad and other corporations.

OFFICERS AND DIRECTORS

Edward Staats Luther
President

Charles W. Abrams, Treasurer — John. W. Harding, Secretary

Howard S. Kennedy
Vice President Glues, Peabody & Co., Troy, N. Y.

A. H. Phelps, Director First National Bank, New Berlin, N. Y.

James D. Abrams, President Hudson Yacht & Boat Company, Nyack, N. Y.

6% BONDS

For Investing July Dividends

These two forms of 6% Gold Bonds of the American Real Estate Company—

6% Coupon Bonds

For those who wish to invest $100 or more.

6% Accumulative Bonds

For those who wish to save $25 or more a year.

—offer to careful investors a time-tried and conservative plan to increase their income or to place their savings where they will secure the greatest safety, pay the highest interest return consistent therewith, and be convertible into cash.

A-R-E Six's are safe, because they are backed by assets of $23,000,000 and capital and surplus of $2,000,000. They have paid 6% for 23 years, returning to investors more than $7,000,000 in principal and interest.

Booklet describing Bonds and properties on which they are based, map of New York City showing location, and financial statement sent on request.

AMERICAN REAL ESTATE COMPANY

Capital and Surplus, $2,011,247.80

Founded 1888 Assets $23,026,889.67

527 Fifth Avenue, New York

BENNETT'S

INFORMATION AGENCY

INVESTMENT DEPARTMENT

The wisest men in the United States are those who never make a new investment which they consider good, and never get rid of an old investment which they consider bad, until they have made an investigation of the merits of the investment through BENNETT'S INFORMATION AGENCY.

CONGRESSIONAL INFORMATION

We attend to business at the Treasury Department as well as before Congress, the Courts, and all departments of the United States government, through our Washington office, 208 Corcoran Building, and through our staff of Washington correspondents. If you desire any information from Washington, or any business transacted at the National Capital, we shall be pleased to perform the desired service for our subscribers.

PROBATE DEPARTMENT

Information respecting probate matters, in any town or city of the United States, is furnished to our subscribers gratuitously if the inquiry is answered through the columns of the INVESTOR, or for $2.00 if the reply is by private letter.

LEGAL DEPARTMENT

Questions answered by prominent attorneys upon any desired subject for $2.00 each.

MERCANTILE DEPARTMENT

A report regarding the standing and reliability of any firm or individual in the United States furnished for $2.00. Our information goes into the character and individuality of members of a firm and its methods of doing business.

MISCELLANEOUS QUESTIONS

Inquiries of any sort answered for $1.00 each. Send for descriptive pamphlet of the agency.

REAL ESTATE DEPARTMENT

A report upon any piece of property in the United States furnished for $1.00.

Conducted by

Frank P. Bennett & Co., Inc.

530 Atlantic Ave., BOSTON.
308 Chestnut St., PHILADELPHIA.
2 Rector St., NEW YORK.

GENERAL LIBRARY
UNIV. OF MICH
AUG 21 1

United States Investor

Volume XXII. BOSTON, NEW YORK AND WASHINGTON, AUGUST 19, 1911 Number 33

Phila.'s New Rule

The new rule that the Philadelphia Clearing House has adopted on check collections for other banks seems to be meeting with general approval. Even in cities notoriously generous in collection ideas one hears approbation expressed. To be sure, there are some patrons of the banks of Philadelphia who are going to receive somewhat less interest on their balances during the coming year. They may not enjoy the thought that they are going to find their business somewhat more expensive than it has been. But from almost all sides the comment one hears among the banks is one of contentment with Philadelphia's decision. There is no getting away from the fact that the principle involved in the new rule is a thoroughly sound one. For a bank to be paying interest upon checks deposited with it from the very day on which the checks come over the counter, although it may be several days before the bank gets hold of the actual cash which those checks represent, is wholly irrational as every one knows. Only in a generation in which the fierceness of competition has carried rivals to extremes could an anomaly like this one of present-day banking be found. The decision of the Philadelphia Clearing House, by which its members are bound, delays beginning the payment of interest on deposits of other banks for a few days, until the checks in question shall have traversed at least some portion of the route toward their redemption at the bank on which they are drawn, and is, therefore, merely a return to sanity. The example which these banks have set may well be followed by the banks of other centres. We dare say that in more than one place the Clearing House is already considering the wisdom of following the same course that Philadelphia has blazed out.

A Mild Arrangement

It is well for customers of the Philadelphia banks to remember that after all the new rule is singularly mild. Banks who keep accounts at Philadelphia for the purpose of having collections made without cost will still be spared the imposition of any exchange charges. What is more to the point, the number of days of delay before interest starts on any check they send to a Philadelphia bank for collection is much smaller in a very large number of instances than Philadelphia banks would be justified in charging if they were disposed to be as drastic as possible. Let us see how it works out. You know, a bank generally regards another bank's delay of one week in the crediting of interest to it, or in the making of remittances as almost exactly equivalent to an exchange charge of one-tenth of one per cent. That is, when a bank writes you for your terms on collections it cares little whether you reply that your charge upon items will be one-tenth of one per cent or that you will remit once a week at par. Of course, there is one exception to this rule. Yours must be a thoroughly sound bank. Otherwise, the one who writes you would a good deal rather pay you more than one-tenth and have prompt remittance than run the chance that your bank may fail with considerable of its money in your hands. But assuming that you are thoroughly sound, your correspondent will ordinarily reply that he is willing to make either arrangement: to pay you $1 per $1,000 collected for him, or to allow you to retain the proceeds of all the checks you collect for him upon your district for one week before remitting them. His theory is that if he pays you one-tenth of one per cent for prompt remittances, he can lend that money you remit to such advantage that by the time you would have remitted upon it under the old plan, he will have earned one-tenth of one per cent upon it.

Longer Delay Would Be Fair

Translating the new Philadelphia rule into terms of exchange, under the principle laid down in the preceding paragraph, it will be seen at once that the new rule is most modest in its requirements. To begin with, there are about a dozen states which are classified under the head of only three days' delay. This is equivalent to a charge of less than one-twentieth. No bank has a right to expect so modest a charge upon collections covering any state in the Union, outside of New England, where rates are notoriously low. From somewhat bitter experience, almost any transit man handling the collections of a bank in any of our reserve centres will tell you that the usual rate which a bank in your average state charges for daily remittance is one-twentieth of one per cent on items drawn upon banks within its own city, and one-tenth of one per cent upon items drawn upon points in any other part of the state. These charges it looks upon as modest. Down in the South there are many states where any bank will charge you one-eighth of one per cent for items drawn on its own city and not less than one-quarter of one per cent for items on points throughout the state. Philadelphia banks, however, under the new rule, have actually raised no point in the country to more than a one-tenth basis (that is, seven days), and most states it has put on a basis of less than seven days, or one-tenth. It is a fair statement that under its new rule Philadelphia is exceedingly liberal with its customers, and is able to be so only because it has become so pre-eminently the collection centre for all America. The volume of business a Philadelphia bank can offer any bank is so substantial that that bank can well afford to make a rate upon collections in its vicinity and state at the very lowest logical figure. Hence, the Philadelphia banks are in possession of hundreds of collection arrangements which could not be duplicated anywhere else in the country, and the benefit of these arrangements they have still placed at the service of the country under the new rule.

Mr. Perrin's Address

Some few weeks ago in these columns we expressed a fear that the National Monetary Commission in its proposal for currency reform, the so-called Aldrich plan, had made no adequate provision for forcing the new Reserve Association's notes to contract as they should do in periods of business lassitude. We were presently in receipt of a letter from John Perrin, of Indianapolis, calling our attention to the argument covering this very point in an address he recently made before the Tennessee bankers. The address took a view in conflict with our own, but its whole tone was so temperate and its reasoning so lucid that we sent for another copy. Our request brought

Digitized by Google

both the address and the following letter:

Indianapolis, August 8, 1911.

ED. UNITED STATES INVESTOR:

In compliance with your request of August 5, I take pleasure in sending you additional copies of the address which I delivered before the Tennessee Bankers' Convention.

The candor with which you discuss all matters in your valuable journal gives it a special influence which is most important in molding opinions in regard to the various features of the so-called Aldrich Plan. I am, therefore, particularly desirous that the point about which I wrote you should have your special consideration. I would not have the temerity to assert that the view which I have expressed with regard to the automatic adjustment of the volume of currency under the proposed plan and the impossibility of redundancy or scarcity is the correct and only proper view. We are all searchers for the real truth and I hold myself open to conviction.

I make no claim of originality in the view which I express upon this point. It seems to me that there is very little about the main principles of the Aldrich Plan for which any claim of originality can properly be made. They appear to me to be simply those which have been thoroughly tried and proven sound in the experience of other nations. I do not doubt that many ways other than those outlined in the Aldrich Plan could be devised for successfully incorporating these principles into our banking system. But if the plan for such incorporation as proposed in Senator Aldrich's suggestions seems practical, there is great advantage in our all uniting in an endeavor to enact this plan into law.

To suggest a tentative plan as Senator Aldrich has done, is a very much simpler thing than writing the law itself, and in carrying out this greater task, I have no doubt that a good many departures must inevitably be made from the tentative suggestions, and also that further changes will develop from the discussions which will follow the presentation of a bill. The main point is, of course, to keep the fundamental principles intact.

Yours very truly, JOHN PERRIN.

Mr. Perrin's letter, it will be noticed, is of the same temperate tone as we have declared his address to be. But the address is more than that. It presents the features of the Aldrich plan in a painstaking, analytical fashion that would gain it considerable circulation if there had not been so much written on currency during recent years, good, bad and indifferent, that the minds of many of us are jaded and refuse to read more. But Mr. Perrin is no novice in currency discussions. His service on the Currency Commission of the American Bankers' Association, on the one hand, and the practical common sense he has acquired in his banking career, on the other, have enabled him to present a helpful contribution. For instance, he has had the good sense to realize that he must not try to evade discussion of the weak points of the Aldrich plan, just because he happens to be friendly disposed to it, and would like to have it gain the widest possible popularity. His discussion, therefore, of those features of the proposed law which aim to prevent permanent inflation of the currency from the issues of the new Central Bank, by bringing its notes in for redemption, is illuminating. Perusal of it is to be commended to everyone who is troubled with fear that the new central bank means permanent inflation. Your doubts and fears along this line may not be dissipated by what Mr. Perrin has to say. We confess that ours are not. But, we confess, too, to a belief that he has stated the problem of note movement under the Aldrich bill in clear, simple terms, as few students of the plan have done.

A Helpful Contribution

His idea is, briefly stated, that when business commences to slacken and a diminishing need for the circulation of the new Central Bank or Reserve Association is experienced, the notes will begin to come in of their own accord. The merchant who receives the notes in the course of the day's business will deposit them in the bank which he regularly patronizes, except for what notes he needs for making change with customers. The bank which receives the notes would pay them out and thus keep them in circulation if business required it, but since business is slack, it includes them in those shipments of currency which it makes to its reserve agent, in order to get the 2 per cent interest which its reserve agent pays upon balances. The reserve agent, in turn, will include these notes in a slack time in its shipments to New York or Chicago, the central reserve cities, where it can get 2 per cent upon deposits. In Chicago or New York, the bank which receives the notes will present them to the branch of the Central Bank for redemption. Business being slack, that branch will cancel the notes instead of paying them out again over its counters, as it would do if business were brisk and in need of much paper currency. Thus, says Mr. Perrin, in substance, will the necessary contraction of the currency be accomplished which the slackening of business warrants. The notes will not remain out in circulation because they are not needed.

Come in of Own Accord

There is much to be said for the accuracy of this line of reasoning. The banks will act to a considerable extent, as he argues. Now, he continues, let it be noticed that at no stage in this course has the existence of a tax by the government on the notes, or the rate of that tax, had any effect either to impede or to advance the movement of the notes in toward redemption. Why, then, should the tax be provided? To Mr. Perrin's mind, it is a burden that the business men of the country ought not to have to bear, this necessity of paying so high a rate for money in times of brisk business as shall recoup the Central Bank for the tax it has to pay upon its excess notes. No individual deposits the notes with a bank one whit sooner because the notes are taxed. No bank forwards them to its reserve agent because there is a tax upon the notes. These people do not have to pay the tax, anyway, and what need for a tax when it spurs no one to push the notes in for redemption.

The Tax on Circulation

But, we fear that Mr. Perrin reveals by this very line of argument a slight misunderstanding of the purpose of the tax. There never has been in the mind of those who intelligently advocate this tax any idea that its existence will bring the notes back to the Central Bank a moment sooner that they would come back where they are not taxed. The effect of the tax is expected to be upon the Central Bank itself, not upon the country at large. By its existence that Central Bank is to be given a distinct incentive to reduce its outstanding circulation, just as rapidly as the slackening of business warrants to cancel that which it receives of notes instead of reissuing them. So long as business is brisk enough to cause a rate upon money to prevail which makes the issuance of notes by the Central Bank profitable, it will keep a large volume of notes out. Let the activity of business diminish and money rates decline in consequence, however, and the effect upon the bank will be to cause it to make its note issues shrink. It will desire to save the money it would pay in taxes if it kept its notes up to the maximum figure. Our idea is that, just as this device of taxation has given the notes of the Imperial Bank of Germany an elasticity that is most desirable, through the very channel of influencing the bank itself to cancel notes when they are redundant, so in this country, the same device will coerce the new Central Bank to contract its issues when they should be contracted, yet it will not prevent it from expanding its issues when they ought to increase in volume.

What Tax Aims to Do

There are other grounds, too, upon which the tax is to be justified. For example, it may prove a distinct aid to the management of the new central institution. No matter how great the prestige which the directors and officers of the Reserve Association bring to their novel work, they are not likely to be free from tremendous pressure

May Help Directors

Digitized by Google

THE NATIONAL CITY BANK OF CHICAGO

CAPITAL :: :: $2,000,000.00
SURPLUS & PROFITS 500,000.00
DEPOSITS :: :: $29,259,966.56

United States Depository — *Accounts of Banks and Bankers solicited. Correspondence invited.* — Organized 1907

for loans from all parts of the country. If their relations with prospective customers were exactly the same relation which our present banks have with their patrons, one need not waste sympathy on these new directors and officers of the Reserve Association. They would be quite capable of turning down requests for loans which did not appeal to them, without a particle of compunction. They do it every day now, and they are reasonably hardened to the work. With the Reserve Association for their charge, they will feel less freedom of judgment and action. That association will be much in the public eye, and its doings will be much commented upon in the press. Hence, when its management turn down requests from any part of the country, they are likely to be subjected to some unfriendly newspaper criticism from that part. Frequently, the management of the association may dread to turn down requests from influential quarters, because of their very fear for the ultimate effect of such hostile newspaper criticism upon Congress. It is not inconceivable that Congress will be swayed by what the newspapers say about the new institution, quite as readily as it is swayed by press comments to-day, and the board of directors will at least be strongly tempted to anticipate any hostile behavior of Congress, by giving the newspapers as little reason for complaining at their treatment of particular loans as is possible. Let the directors have, however, a tax upon their note issues which requires them to exact a high rate upon new loans at any juncture and much of this demand for money may be deterred. In brief, it will be much easier to drive away business through high rates for money, caused by a tax, than to drive it away by process of rejection of applications.

A Political Argument

So much for the economic arguments for the tax. There is a pronounced political argument in its favor too. There are many people who believe that no bank ought to issue notes, that this power should be reserved for the government. They take offense at the very thought of allowing a bank to make a profit out of the circulation of the people's money. If there shall be a profit from this source, they declare that profit should inure to the whole people, and, therefore, to the government, not to any group of stockholders banded together under the name of a bank. Those who hold this view are not few of number, nor are they entirely absent from the ranks of the National Monetary Commission itself. As for Congress, it is full of them, for this is the sort of argument that appeals to the populace, and when was Congress ever free from a numerous membership of men who were ready to take any stand so long as it was popular? Some of them must be won over to support of bill of the National Monetary Commission, the Aldrich plan, or that plan can never take fruit in law. If they can be won over by the device of a tax on the note issues of the new institution, it is far better that there shall be such tax than that the work of the commission shall result in no currency reform legislation.

A Possible Obstacle

Nor, is Mr. Perrin wholly free from error, in our judgment, in his argument that as business slackens the notes of the Central Bank can be counted upon to work back to the bank which issued them as surely as gravity may be relied upon to

Portland National Bank
PORTLAND, MAINE
Union Mutual Life Insurance Co. Bldg

Accounts received on the most liberal terms consistent with sound banking.
Collections receive prompt attention.

WM. W. MASON ..... President
EDWARD W. COX ..... Vice-President
CHAS. G. ALLEN ..... Cashier
EDWARD L. PIPER ..... Asst. Cashier

Directors:
Fred E. Richards, Charles G. Allen,
Henry B. Cleaves, George F. West,
William W. Mason, George Westcott Beyer
Lyman M. Cousens, Roswell C. Bradford,
Edward W. Cox.

Chase National Bank
NEW YORK

Capital ..... $ 5,000,000
Surplus and Profits (earned) ... 8,382,871
Deposits 115,548,799

A. BARTON HEPBURN, Chairman of the Board
ALBERT H. WIGGIN, President
SAMUEL H. MILLER, Vice-President
HENRY M. CONKEY, Cashier
CHARLES C. SLADE, Ass't Cashier
EDWIN A. LEE, Ass't Cashier
WILLIAM E. PURDY, Ass't Cashier
ALFRED C. ANDREWS, Ass't Cashier

DIRECTORS
Henry W. Cannon
James J. Hill — George F. Baker
Grant B. Schley — Albert H. Wiggin
A. Barton Hepburn — George F. Baker, Jr
John I. Waterbury — Francis L. Hine
FOREIGN EXCHANGE DEPARTMENT

Ladd & Tilton Bank
PORLAND, OREGON.
Established 1859.
Capital $1,000,000.
Surplus & Undivided Profits $700,000.

OFFICERS
W. M. LADD, President
EDWARD COOKINGHAM, Vice Pres.
W. H. DUNCKLEY, Cashier
ROBERT S. HOWARD, Asst. Cashier
J. W. LADD, Asst. Cashier
WALTER M. COOK, Asst. Cashier

DIRECTORS:
EDWARD COOKINGHAM — J. WESLEY LADD
WILLIAM M. LADD — S. B. LINTHICUM
HENRY L. CORBETT — FREDERIC B. PRATT
CHARLES E. LADD — THEODORE B. WILCOX

THE
OLD NATIONAL BANK
OF SPOKANE
OFFERS ITS CORRESPONDENTS
Better Banking Service

The Largest Number of direct connections of any bank in the Inland Empire.

Send us your Washington, Oregon, Idaho and Montana Items.

Franklin National Bank
PHILADELPHIA

Capital $1,000,000.00
Surplus and Undivided Profits 2,790,181.17
INCORPORATED 1900.

OFFICERS:
J. R. McALLISTER, President.
J. A. HARRIS, JR., Vice-President.
E. P. PASSMORE, Cashier. — L. H. SHRIGLEY, Assistant Cashier.
J. W. HARDT, Assistant Cashier.
Foreign Exchange Department.
WILLIAM WRIGHT, Manager.

Central National Bank
of DENVER, COLO.

Capital - - - - - $ 200,000
Surplus and Undiv. Profits - - - - 40,000
Deposits - - - 2,250,000

B. F. SALZER, President
W. M. MARSHALL, Vice-President
J. B. LAZEAR, 2d Vice-President
W. H. TRASK, Cashier
D. H. STALEY, Asst. Cashier
AUG. SCHMIDT, 2d Asst. Cashier

Prompt and Careful Attention to all Business sent us

The National Park Bank
OF NEW YORK
Organized 1856.

Capital $5,000,000.00
Surplus and profits 12,941,415.18
Deposits, June 7, 1911 ..... 108,964,575.64

Digitized by Google

ANGLO & LONDON PARIS NATIONAL BANK
SAN FRANCISCO
Capital, Surplus and Profits, $5,700,000.00 Deposits, $23,500,000.00 Cash and Sight Exchange, $10,300,000.00
Issues Travelers' Letters of Credit, available in all parts of the world; buys and sells Foreign Exchange, and issues Drafts and Cable Transfers
ACCOUNTS OF BANKS, BANKERS, CORPORATIONS, FIRMS AND INDIVIDUALS INVITED

pull falling bodies to the earth. There are some banks which are by no means certain to ship the central bank notes to their respective reserve agents as rapidly as the slackening of business shall warrant. Take the trust companies of the country. Take the state banks. There is nothing in law to prevent from retaining the issues of the central bank as reserves against deposits. There is no particular reason why the trust company, therefore, should ship the bank notes it has to a reserve agent, and there is every reason why it should use these notes in its reserve as a basis for deposits created by loans. Mr. Perrin's rejoinder that the slackening of business will diminish its incentive to do so, is correct only with reference to a portion of the country. In some parts of the land, banks are not troubled with redundancy of cash at any time. The two per cent interest their reserve agents offer does not cause them to make shipments. They have a market for all the money they can get. Last week, in these same columns, we pointed out the growing number of small banks in the South whose balances are now-a-days so attenuated that no reserve agent cares much for them. They not only keep their own money constantly employed at home, but are ever looking to the reserve agent for further advances. It is our honest belief that there are great sections of the country where the new currency, which the new central bank puts out, will have a strong disposition to resist redemption, because banks will not ship it in.

The Federal National Bank of Denver, Colo., which has just received its national charter is the successor of the Federal State and Savings Bank of that city, and was organized two and one-half years ago by W. T. Ravenscroft, who will continue as president of the new institution. The additional capital, the capital having been increased to $200,000 on July 1, and the conversion into the national system will broaden the bank's field of operations, and enable it to care for business which is offered to it, and which it was not in a position to accept as a savings bank. The bank will maintain its commercial savings, investment bonds and safe deposit departments. All of these departments will, undoubtedly, receive an impetus from this change along sound conservative banking lines which the officers of this bank have always followed. The bank has a capital and surplus of $200,000.

JOHN PERRIN RETIRING.

John Perrin, chairman of the board at the Fletcher American National Bank, and, previous to the merger last fall, president of the old American National, has announced to the board of directors of the Fletcher American his intention to withdraw as an active figure at the bank, and to establish his residence in California. It is understood that no one will be selected to fill the gap created by his leaving.

Mr. Perrin states that his withdrawal is merely a part of the programme he mapped out a year ago when negotiations first were opened for the consolidation of the banks. His family has established a home in California, and he has decided to join them there.

"I have not disposed of my interest in the bank, and I shall be there for some time," explained Mr. Perrin, following the session of the board.

The Fourth National Bank
OF THE CITY OF NEW YORK

OFFICERS
JAMES G. CANNON, President
SAMUEL S. CAMPBELL, V. Pres.
CHARLES H. PATTERSON, V. Pres.
DANIEL J. ROGERS, Cashier.
E. W. DAVENPORT, Asst. Cashier.
CHARLES E. MEEK, Asst. Cashier.

DIRECTORS

James G. Cannon	L. F. Loree
Cornelius N. Bliss	Eugene Delano
Robert W. Stuart	M. Orme Wilson
William S. Opdyke	Elbridge G. Snow
T. Frank Manville	Welding Ring
Thos. H. McKittrick	Morton F. Plant
Mortimer L. Schiff	Samuel S. Campbell

CAPITAL AND SURPLUS - $10,000,000

RUEL W. POOR, President
JAMES McCUTCHEON, Vice-President ARTHUR W. SNOW, Cashier
W. L. DOUGLASS, Second Vice-President RALPH T. THORN, Asst. Cashier

The Garfield National Bank
OF NEW YORK CITY
Capital and Surplus - - - $2,000,000
Offers to Banks, Bankers, Corporations and Firms the services of a thoroughly equipped and conservatively managed bank.
YOUR BUSINESS SOLICITED

The Commercial National Bank OF WASHINGTON D. C.
Capital $500,000 Surplus and Undivided Profits $296,000
ASHTON G. CLAPHAM, President
ELDRIDGE E. JORDAN, First Vice-pres. N. H. SHEA, Second Vice-pres.
T. K. SANDS, Third Vice-president
JOHN POOLE, Cashier HERBERT V. HUNT, Asst. Cashier.

THE DEXTER HORTON NATIONAL BANK of Seattle maintains a department organized for the especial care of the accounts of banks and bankers. Our officers will be pleased to correspond with bankers contemplating the establishment of relations in the Pacific Northwest. CAPITAL & SURPLUS $1,440,000

FIDELITY TRUST CO. TACOMA, WASHINGTON
CAPITAL AND SURPLUS, $900,000
General Banking
Oldest Trust Company in the State of Washington.

CITIZENS NATIONAL BANK BALTIMORE, MD.
CAPITAL, $1,000,000 SURPLUS, $2,000,000

Digitized by Google

IF YOU HAVE NO CORRESPONDENT
IN CINCINNATI
WE WILL WELCOME THE OPPORTUNITY OF PROVING TO YOU THE BENEFITS WHICH WILL ACCRUE FROM FORMING A CONNECTION WITH US.
RESOURCES
TWENTY-FIVE MILLION DOLLARS
And every facility for the satisfactory handling of Bank Accounts.
THE FIFTH-THIRD NAT'L BANK CINCINNATI O.

Reciprocity and Paper Stocks

New Canadian Treaty Not Liked By Paper Manufacturers—Misconceptions Corrected, It Hurts International—Least Harmful To Union Bag and Paper Co.—U. S. Envelope Co. Securities Highest In the List On Actual Showings.

We have at hand the following inquiry from a subscriber:

Burlington, Iowa, August 7, 1911.
ED. UNITED STATES INVESTOR:

Now, in so far as the paper trade is concerned, that we have reciprocity with Canada, and because that will give to paper manufacturers in this country Canadian pulp and pulp-wood free of duty, ought not this to be the time to buy International Paper preferred at present quotations or some other paper stocks? F. H. A.

In the above case, our subscriber has put the cart before the horse, as the new treaty with Canada, which affects paper and paper manufacturers, will not have any immediate good effect upon the large paper manufacturing and distributing corporations, although there may be small paper manufacturers who will get a benefit from free pulp. Particularly is the International Paper Company affected by the new treaty, and the effect upon the International will be felt more than it will be by any other company whose securities are publicly held. Our subscriber apparently presumes upon the theory that such manufacturers as the International Paper Company are going to get pulp from Canada more cheaply, owing to the fact that this pulp will come in free, but does not take into account the fact that certain papers manufactured in Canada will also come in free, competing with the International and other companies, and does not consider the finding of the tariff commission which reported to the President that paper can be manufactured from five to eight dollars a ton more cheaply in Canada than in this country. As a matter of fact, paper manufacturers, including the International officials and officials of similar concerns, are very much disturbed because of the new Canadian treaty and are fearful of the result of this treaty upon their future operations.

In citing International Paper particularly, our subscriber is probably aware of the fact that the International Paper Company has

EXTENSIVE TIMBER RIGHTS

in Canada, and expects that from those rights the company will ship pulp-wood to this country, but that is not the fact. When the new treaty on pulp, pulp-wood and paper is taken into consideration, its bearing on the International and similar companies is more readily understood. The regulations relative to the importation of wood pulp and print paper are lengthy and technical, but in few words are as follows, so far as they affect the International and similar paper companies: Pulp-wood and pulp or paper manufactured therefrom, which is the product of crown lands, that is, from timber limits, still pay the duty. Pulp-wood or pulp or paper manufactured from pulp-wood taken from free land, that is, land owned in fee, come in free of duty. In certain parts of the dominion, pulp-wood cut on crown lands, that is, on timber tracts, must be by law manufactured into paper in Canada. The product from such mills from such pulp-wood is not admitted free of duty by this government, neither is the pulp-wood itself procurable in this country, because of the dominion laws.

The International Paper Company has timber limits in Canada, that is, it does not own the land in fee, but merely has a lease on it, from the Canadian government. It cannot make use of the pulp-wood on those timber limits in their American mills and be free of duty on it because under the new regulations pulp-wood cut from such timber limits pays duty. The only use to which the International Paper Company can put those Canadian timber rights is to either manufacture the paper in Canada, or sell the pulp or pulp-wood to Canadian manufacturers, and if that paper or pulp is shipped to the United States, the

DUTY MUST BE PAID

in either event. The International can only continue their lumbering, not pulp-wood operations, in the future, as in the past, on the Canadian timber limits. So far, then, as reciprocity affects the International Paper Company, its effect is harmful rather than otherwise, because it does not give

Cleveland National Bank
CLEVELAND, OHIO
Can handle your Ohio business to your advantage and satisfaction.
WE INVITE CORRESPONDENCE

THE
Chatham and Phenix
National Bank
NEW YORK
Capital and Surplus
$3,000,000
All business under direct supervision of the officers.
LOUIS G. KAUFMAN, President.
GEO. M. HARD, Chairman of the Board.
F. J. HEANEY, Vice-President.
W. H. STRAWN, Vice-President.
A. M. BULL, Vice-President.
BERT L. HASKINS, Cashier.
H. L. CADMUS, Assistant Cashier.
N. P. GATLING, Assistant Cashier.
W. B. BOICE, Assistant Cashier.
H. C. HOOLEY, Assistant Cashier.
Your Account Solicited.

The MECHANICS and METALS NATIONAL BANK
OF THE CITY OF NEW YORK
OFFICERS
GATES W. McGARRAH, President
ALEXANDER E. ORR, Vice-Pres.
NICHOLAS F. PALMER, Vice-Pres.
FREDERIC W. ALLEN, Vice-Pres.
FRANK O. ROE, Vice-Pres.
WALTER F. ALBERTSEN, Vice-Pres.
JOSEPH S. HOUSE, Cash.
ROBERT U. GRAFF, Ass't Cash.
JOHN ROBINSON, Ass't Cash.
CHARLES E. MILLER, Ass't Cash.
Capital, Surplus and Undivided Profits, $14,000,000

METACOMET NATIONAL BANK
OF FALL RIVER, MASS.
Capital, $750,000 Surplus and Undivided Profits, $333,000
SIMEON B. CHASE, President
MILTON REED, Vice-President CHARLES B. COOK, Cashier
Special attention given to the handling and collecting of cotton drafts, sent direct from the South

Digitized by Google

NATIONAL BANK 3rd OF ST. LOUIS

CAPITAL $2,000,000
SURPLUS $2,000,000
DEPOSITS $35,000,000

NATIONAL BANK 3rd OF ST. LOUIS

them any advantage over competing American or Canadian mills in raw material, although they may secure, as may others, pulp-wood and pulp from lands owned in fee on which no duty is necessary. But the treaty also lets in the product of Canadian mills free provided the pulp-wood originates on lands owned in fee. It wipes out the value of the International Company Canadian timber rights, so far as the manufacture of paper is concerned, because all paper material taken from these rights must pay duty. And the Canadian manufacturer who can use raw materials which make it possible for him to ship his goods into this country free of duty has a decided advantage, as shown in the tariff commission's report of from five to eight dollars a ton in manufacturing costs.

Of course, the admission of wood pulp and pulp-wood from free lands, that is land held in fee in Canada, will have a tendency to increase the value of these lands, and of the growth thereon, but the value of such lands will not increase immediately to such an extent as to balance the decrease in the value of such land owned in this country by the International and other paper companies, so far as pulp-wood and wood pulp is concerned. That is, by this new treaty, the lands in this country of these companies are decreased in value, and the product of such lands is at the same time decreased when the production of free Canadian pulp-wood, pulp and paper is taken into account.

The International Paper Company has been in existence for about thirteen years. In that time it has had an opportunity to prove itself, but has not done so in any large way. Of course, on incorporation it was woefully overcapitalized. And during the first eight or ten years of its existence it did not have the conservative,

PROGRESSIVE MANAGEMENT

which now rules it.

Until recent years, International Paper was highly speculative, and the manipulators in its management were responsible for the fact that International Paper common sold as high as 68½ in 1899, while to-day the preferred is quoted around 17, and the common around ten. To-day, the management is interested in the International Paper Company as a manufacturing proposition and not as a vehicle for rigging or playing the market. Naturally, and of course, this management is interested in the quotations of its securities, but more with a desire to see them bettered through intrinsic worth and actual value back of those quotations, but aside from doing their best as manufacturers and financiers, they are not interested in the market. At the time when the International was incorporated, it was presumed to dominate a great deal more than 50 per cent of the business in which it was engaged. To-day, it actually does probably less than 40 per cent, and although the demand for its and a similar product is increasing continually, the proportion of the business taken care of by the International is not increasing so rapidly.

The policy of the present management is to get as near 100 per cent as possible of their property's production rather than to increase the theoretical productive capacity of their plant. The present management on coming into power, in the International Paper Company, assumed some heavy loads. The past management had saddled the company with long-time contracts for the sale of paper at prices which could not in any case during past years have represented much profit, and which, as a matter of fact, in the past few years, represented

DISTINCT LOSSES.

The company now makes no long-time contracts, and is only making annual contracts at prices which show a fair profit, although the new Canadian treaty may affect that policy or the ability of the management to enforce that policy. It is true that the largest user of print paper in the United States had contracts with the International made under the old management, which showed the company a distinct loss, but these contracts were renewed on the general basis at a price which showed the company a profit, the increase in price, not taking into account the past loss, or the increase in cost of production, but just the increased receipts by the International Company on the users' requirements, are large enough, it is said to pay 3 per cent on the whole outstanding preferred stock. During the past three years, ending June 30, the International has earned on its preferred stock 2.67 per cent, 4.54 per cent and 5.29 per cent, respectively. The company is paying 2 per cent dividends on the preferred, and there are accumulated dividends on the preferred of 12 per cent.

The management of the International Paper Company is conservative, and although the earnings for the last year are much greater than necessary for the 2 per cent dividend requirements, there are several things which ought to be done before that 2 per cent dividend rate is increased. It is probable that the 2 per cent is a fixture for some time to come. It has been stated that if the International Paper Company

SHOULD BE LIQUIDATED,

and plenty of time given to those who were winding up its affairs to dispose of all property, including woodland, that the full 100 per cent could be paid off on the preferred and very near that to the common stockholders. That, however, is taking a most rosy view of the situation. It is certain that the plant, woodlands, etc., of the company are carried at a very high figure. It may be that the property could not be reproduced at figures better than the $100,000,000 at which they are now carried, but conservative financing would not take that into account to any great extent, and out of earnings would mark off a considerable percentage every year before the net earnings were arrived at. That is, if the bookkeeping of the International Paper Company coincided with the bookkeeping of some of the better regarded industrials, the value of plant, woodlands etc., would have decreased, year by year, including the twelve months just passed, and the accumulated dividends be much larger than they are to-day.

If the new Canadian treaty affects adversely the International Paper Company as much as its friends and others fear it will, it is probable that the new few years, under the same treaty, will show the company not operating to as good an advantage as at the present time. If the pool board of Canada prevails, and it [illegible] that Canada can produce paper from fee to great dollars a ton more cheaply than the International and similar companies, this company cannot make as good a

SHOWING IN THE FUTURE

under that treaty as it has in the past under a protective tariff.

An opinion on that matter would be that the International Paper has before it its hardest years, but as a matter of fact, a year or two must be given to the company to learn the effect of Canadian competition. It is stated authoritatively, however, that the officials of the International Company are now considering several expedients for meeting the Canadian situation. One of these, to secure cheap labor, is the erection of mills in Canada. To do this, it would be necessary to increase the bonded indebtedness of the company to a considerable extent, that is, to increase the securities coming ahead of the preferred stock. If mills should be built in Canada it is not probable that they would immediately offset any disadvantages under which the company is now about to work, or that they would become immediately profitable because it is the experience of manufacturers in all lines that a brand new mill, while it can be operated more profitably as a general thing than an older property, still it does not strike its gait for two or three years and begin to operate at a profit until the passing of about that time.

The company owns about 200,000-horse power on good water powers in various parts of the eastern section of the country, much of which would be available for hydro-electric development and the sale of power in the market. It is said authoritatively that the management has considered that step.

This latter possibility does not look inviting, so far as the interests of the preferred stockholders are concerned. It would mean to develop such hydro-electric stations that an immense amount of money would have to be

Digitized by Google

put into such work. Of course, the company now has powers developed or partially developed, but has nothing in the way of power transmission lines. Creating a subsidiary company for the distribution and sale of power utilizing the water-power plants of the International Power Company may be compared for instance with the development of 200,000-horse power on the Mississippi River now underway by the Mississippi River Power Company. Of course, this latter company is starting with nothing beyond a site. It has no dam or other development, but it has its available power all at one place, while the power of the International Paper Company is located in different sections of the country, although both can deliver about the same amount of power, namely, 200,000-horse power.

As indicative of the amount of money necessary to develop such a power plant, it is of interest that the Mississippi River Power Company is capitalized at $47,000,000, of which $25,000,000 is in 5 per cent bonds, $6,000,000 in 6 per cent cumulative preferred stock and $16,000,000 of common.

Paper manufacturers in and around New York and directors in such companies are naturally conservative if not "standpatters." They generally agree that the

PRESENT CANADIAN TREATY

cannot stand and look forward to the time when Congress will be old-fashioned Republican and the present treaty wiped out. It may be that they fail to take into account the present temper of the people for tariff revision; and the fact that strong influences generally are satisfied with the present Canadian treaty allowing paper, and that the largest users of paper such as the International Paper Company makes, have no protection so far as tariff is concerned, and will exert an influence to prevent in the future the change in the Canadian treaty which the paper manufacturers desire, and which they assert will come. This treaty, then, is apt to have a strong effect on the operation and earnings of the International Paper Company, and an effect upon the future dividend payments on the preferred stocks. While the future effect of this Canadian treaty can only be guessed at, and if guessed at the decision being that it will be harmful to the International, the preferred stock at present prices and on a 2 per cent basis, with the past record of the company before the investor, is not an investment purchase, although on the same record the future may justify the acquirement of it.

The preferred stock of the

UNION BAG & PAPER CO.,

at 54 paying 4 per cent, is a much better security than International Paper Preferred, and although this corporation at its organization some twelve months ago was largely overcapitalized, it is in the hands of a strong and conservative management and carries strong connections. The company has authorized and outstanding $11,000,000 of 7 per cent cumulative preferred stock and $16,000,000 of common stock, and $3,200,000 of bonds. The company is paying 4 per cent on the preferred stock, and there are accumulative dividends of something over 16 per cent. Of the above bond issue a recent issue of $1,000,000 handled by the National City Bank of New York adds the prestige of that name.

During the past four years the company has earned on its preferred stock 7.45 per cent for the year ending June 30, 1908; 6.21 per cent for 1909; 5.39 per cent for 1910; and 5.54 per cent for the last year. As above stated, 4 per cent is being paid which is altogether too high when it is taken into account that in the balance sheet under assets, the cost of properties is carried at nearly $30,000,000, and this is not showing any considerable decrease year by year, as the depreciation charge for the last year was less than one half of one per cent, being $120,000, and during the past several years has never been as much as one per cent.

When the Union Bag & Paper Co. was organized its total capitalization was in $11,000,000 of preferred and $16,000,000 of common stock. There were no bonds. In 1905, a $5,000,000 5 per cent bond issued was authorized, of which $3,200,000 have been issued. When the company was organized it owned little, if any, woodlands, except that which belonged to the constituent companies, a meagre amount. At that time the plant, machinery and real estate of the company was carried at about $25,000,000, but within the past years the company has purchased about 2,550 square miles or nearly

2,000,000 ACRES OF TIMBER LAND

in Canada. This Canadian property includes saw-mills, wood preparing mills, terminals, shipping and distributing facilities, so that not only does the company secure practically all of its pulp-wood from this property but it also owns sawmills, and engages largely in the manufacture of lumber.

The company started off paying 7 per cent for the first few years of its existence, but such payments, if justified, were justified only by expectations. Soon after the incorporation of the Union Bag & Paper Company, the Continental Paper Bag Co. was organized, and at this time with a production of 15,000,000 bags a day is right where the Union Bag & Paper Company started with its production of 15,000,000 bags a day. The latter company has increased that production about 25 per cent or a little more. During the past six years the Union Bag & Paper Co. has earned about 6 per cent on the preferred stock, so it is not probable that the 4 per cent present payment will be increased, and the 7 per cent for the future does not look promising.

At the present selling price and on a 4 per cent basis, the yield is nearly 7⅓ per cent, and the past record of the company warrants the certain expectation of nothing less than 4 per cent in the future. The Union Bag & Paper Co. is less affected by the new Canadian treaty than any other company, or than the International Paper Co., because the former owns in fee all of its lands in Canada, and so its pulp-wood comes in free when cut from those tracts. The company has

MAGNIFICENT WATER-POWERS

in Canada, with its pulp-wood growing tributary to the powers, so that in the event of the continuation of the present Canadian treaty, and if it affects adversely the manufacture of the Union Bag & Paper Co.'s product in this country, with their holdings of Canadian lands in fee, they are in a position to reap whatever benefits may accrue to Canadian manufacturers through the treaty by the building of plants in Canada, the product of which would be free of duty to this country.

Of course the company has not charged off to depreciation during its operation as well-managed industrials do and should do. That is not the fault of the management but of lack of earnings sufficient for large depreciation charges, but the management has put a great deal of money into new machinery, and timberland, and is in a strong position. Its working capital is ample, and in its selling arrangements it has a strong asset. Seven distributers, well located throughout the country, take care of the product of the Union Bag & Paper Co. Each one of these distributing agencies is an old established paper dealing concern, and in nearly all instances the head of these distributing agencies is a large stockholder in the company and a director.

In the sale of its bag products the Union Bag & Paper Co. is not troubled by the fear of actuality of bad accounts, because all of the sales are guaranteed by the selling agent. The competition of the Union Bag & Paper Co. is in the Continental Co., which is owned by the International. If any one is to be hurt by the new Canadian treaty, it would be the International Paper, and if any one is to gain by it, or be not hurt, it will be the Union Company. That is, if the cost of manufacturing, or in other words, the net profit of either company is decreased by the Canadian treaty, it will be the profits of the Continental and not of the Union. That is, by the Canadian treaty the Union Company is put

IN A STRONGER POSITION

than any of its competitors. The Union Bag & Paper Company has met everything in the way of competition, that it possibly will be called upon to meet, as competition is not increasing faster than consumption, and consumption increases rapidly.

There has been a great change in recent years in as much as many articles are now sold in cartons which used to be sold in bags, but many articles are now distributed in bags, which a few years ago were not so packaged, so that the Union Bag & Paper Co. has a ready and practically staple market for its product.

Another paper company formed along in 1898 is the

UNITED STATES ENVELOPE CO.,

which company is capitalized with $3,750,000 7 per cent preferred stock and $750,000 common, with about $2,000,000 of 5 per cent bonds. The preferred is not paying the full 7 per cent, as there are accumulated

Digitized by Google

dividends of about 10 per cent. Quotations on the common are 73 bid, and on the preferred 115½ bid, that is, comparing these quotations with the quotations on the U. S. Steel, both preferred stocks are quoted about the same price, although Steel pays its full 7 per cent dividend and issues to the public an exact and understandable statement of its condition. Steel common pays 5 per cent and is quoted about the same as U. S. Envelope common which pays nothing

There isn't much doubt about the money making powers of the U. S. Envelope Company. When this company was first started it had a capacity of about 20,000,000 envelopes a day. The property at that time, that is, plants and machinery, was carried as it is to-day at something over $6,000,000. As a matter of fact, the productive powers of the United States Envelope Co. have in the past twelve years increased

AT LEAST 50 PER CENT

if not 100 per cent. The plants are in much better shape, having been increased largely in size and in the machinery employed, but are still carried at something over $6,000,000. The net profits as shown by the annual statements have increased from $485,000 in 1902 to at least $752,000 in 1910. The company has charged off for depreciation during the past nine years an average of something over $86,000 a year on their plant investment of $6,000,000, which is equivalent to less than one per cent, but the method of handling accounts is shown in the fact that in 1909 over $100,000 was deducted from the surplus, and in 1910, $500,000 was deducted from the total surplus.

A great amount of money has been spent every year by this company on their plant, so that while it is a practice with some leading industrial corporations to charge off 8 per cent or 5 per cent yearly for depreciation, this company, although not doing that in its bookkeeping, has yearly done that and more in actuality. That is, the plants have been increased every year in productive capacity by more than 5 per cent if not 10 per cent and this is shown by the consistent increasing earnings during the past years. The profit and loss

SURPLUS HAD INCREASED

from $266,000 in 1902 to $771,000 in 1910, although there has been charged off from this $500,000 in the last year, more than $100,000 in 1909, and other amounts during preceding years.

If the United States Envelope Company had gone along from the beginning with its existing plants and had not increased capacity or levied earnings, they could have paid not only the full 7 per cent every year on the preferred, but could have paid a satisfactory rate every year on the common, but as the common is in the minority, the preferred stockholders who are in control have protested against any great good things for the common stockholders. But a hidden value for the common stock is shown in the above bid for it. The president of the United States Envelope Company is the president of a big loom works, and that is his largest business. He has been mostly accustomed to dealing with textile manufacturing corporations and textile mill treasurers, and great successful textile mills are those which hide and bury their earnings, capitalize at a very small part of the actual value of their corporations, pay large salaries to presidents and treasurers. The United States Envelope Co., in the hiding of values, seems to be conducted along the same lines as successful cotton mills.

From the last annual statement, the United States Envelope Co. shows less than $50 of net quick assets back of each preferred share. Here is another similiarity to textile mill accounting, where in the cotton mill for instance, each pound of cotton, although it may cost 16 cents, is carried at one cent, and each yard of cloth, although it may be worth 15 or 20 cents, is carried in the inventory at one cent, although more of them hide assets to show less than $100 of net quick assets per $100 share. There is no doubt of the conservatism of the management of the United States Envelope Co. The owners of the common stock not being in control are certainly not trying to create

A FICTICIOUS VALUE

for it, for the purposes of unloading; the opposite suggestion is that the insiders are trying to hide the earnings from the common stockholders in a desire to secure that stock at a price way below what it would be worth if the common stockholders were being fairly treated. Certainly somebody is anxious for that stock, when numerous offers are being made for it at about 75, without attracting any offers. No one but an insider or one who had a special knowledge of the company's financing and business would bid 75 for a non-dividend paying security, particularly in a company which, during 13 years, had a record of not paying its full dividends on the preferred.

The other large paper manufacturing corporation which was formed at the same time as the three above noted is the

AMERICAN WRITING PAPER CO.

which was discussed in these columns a short time ago. The American Writing Paper Company has made the worst record of any of the four companies, and even its promoters were as well stuck in their experiences in the securities of the company as have been the general public. For the American Writing Company, nothing else is obvious than a reorganization of the company on or before the maturity of its big bond issue. The First National Bank crowd, of New York, have, however, gone into American Writing Paper Company largely not long ago, and it may be that they have gone into it, as the average investor would go in to profit by the enhancement of security values, but it must be remembered that these people could go in with different ideas and objects than the average investor could have and can do things which the individual cannot do, so it is not certain that the entry of the First National Bank's crowd into the affairs of the American Writing Paper Company means that the company is working out towards success.

P. DE MEDICI.

RESERVE AGENTS APPROVED.

The National Commercial Bank of Albany, New York, has been approved as reserve agent for the Old Lowell National Bank, of Lowell, Massachusetts, the Luzerne County National Bank, of Wilkes-Barre, Pa., the National Bank of Liberty, New York, the American National Bank of Newark, N. J., the Cape Ann National Bank of Gloucester, Mass., Farmers National Bank of Deposit, New York, Conway National Bank of Conway, N. H., Ansonia National Bank of Ansonia, Conn., and the Saco National Bank, of Saco, Me.

The National Park Bank of New York City has been approved reserve agent for the First National Bank of Luray, Kansas.

The Bank of Pittsburg National Association, of Pittsburg, Pa., has been approved as reserve agent for the First National Bank of East Palestine, Ohio, and the First National Bank of Freeland, Pa.

The Irving National Exchange Bank of New York city has been approved as reserve agent for the Charleston National Bank of Charleston, W. Va., and the First National Bank of Cuba New York.

The National Bank of the Republic of Chicago, Ill., has been approved as reserve agent for the City National Bank at Galveston, Texas.

The Fourth National Bank of New York City has been approved as reserve agent for the German National Bank at Little Rock, Arkansas.

The Mechanics and Metals National Bank of New York city has been approved as reserve agent for the Commercial National Bank of Chegotah, Okla., the First National Bank, of Pryor, Okla., and the Fourth National Bank of Cincinnati, Ohio.

The Bank of North America, Phila., Pa., has been approved as reserve agent for the First National Bank of Centralia, Pa.

The Mellon National Bank of Pittsburg, Pa., has been approved as reserve agent for the First National Bank of East Palestine, Ohio.

The Anglo, and London, Paris National Bank, of San Francisco, Cal., has been approved as reserve agent for the First National Bank of Juneau, Alaska.

The Seaboard National Bank, New York City, has been approved as reserve agent for the Okemah National Bank of Okemah, Okla.

The Fifth-Third National Bank of Cincinnati, Ohio, has been approved as reserve agent for the Powell Valley National Bank of Jonesville, Va.

Digitized by Google

A Mistake of Our $300,000,000 Bank

The National City Bank of New York, According to the Ambitious Attorney General, Erred in Declaring Its $10,000,000 Dividend of Holding Company Stock—The Distribution Was Made by Endorsement of the Beneficial Interest on Each Certificate of Bank Stock, and Same Result Will Now Be Accomplished If Necessary By a Distribution of Holding Company Stock Certificates—Real Purpose of the Holding Company Was to Facilitate the Growth and Necessities of the Bank's Bond Department.

The big National City Bank of New York, variously known as a Rockefeller or Standard Oil institution, but always recognized as the largest banking institution in the country, with resources of over $300,000,000, seems to have made a tactical or technical mistake in its recent declaration of a 40 per cent dividend, amounting to $10,000,000 for the purpose of organizing a holding company known as the National City Company.

In Washington they believe there was a mistake, but if there was one it was of a most trivial and technical character. The credit for the discovery is due to the man who holds down the Attorney General's chair, and who has already made a world's record as a foolish persecutor of industry and achievement wherever and whenever of substantial proportions.

If there was a mistake made it was in the method and not in the thing done, because the time has hardly arrived in this country when the federal authorities can undertake to supervise the use of legitimately earned and declared dividends.

In the rapid and comprehensive development of the National City Bank, it became necessary and desirable from every viewpoint to handle a class of transactions which were not provided for or contemplated when the national bank law was enacted. As a result the bank officials decided to in effect

SEGREGATE $10,000,000

of the bank's accumulated earnings as the capital of a distinct corporation for the purpose of handling all this business. In this procedure the National City Bank officials did only the same thing as has heretofore been done by something like 300 other national banks throughout the country in organizing separate, subsidiary corporations, the ownership of which was practically identical with that of the bank itself.

The contention of the Attorney General is reported to be that the National City Bank, by this plan, intended to do indirectly a kind of business which the law forbids a national bank to do directly.

What actually happened was that the board of directors of the National City Bank declared a dividend of 40 per cent on its $25,000,000 of capital stock, and every stockholder was advised that he could have this dividend in the form of cash or in a participation endorsement on his stock certificate. To simplify the transaction as much as possible the officials of the bank simply notified all the stockholders as to what had been done and advised them that they could present their certificates for the purpose of having endorsed on the back the statement that each one of them had their pro rata beneficiary interest in the stock of the new $10,000,000 security company, all of the stock of which was to be held by three trustees for the benefit of the stockholders. The conclusion obviously followed that the new company was to be

MANAGED BY THE BANK

officials, and to all intents and purposes, would be simply a department of the bank's activities.

Each stockholder of the bank was given the privilege of taking his 40 per cent dividend in the form of cash or having his certificate endorsed and knowing the successful operations of a similar holding company of the First National Bank of New York, it was not strange that practically all of the National City shareholders promptly sent in their stock certificates for endorsement in preference to taking their 40 per cent dividend in cash. Strange as it may seem, however, a few of the stockholders decided to accept cash, so that as a result the new holding company will not have the full issued capitalization of $10,000,000 which was authorized.

No provision was made for the purchase of any of the stock of the holding company which might not be taken by the bank's stockholders, although everyone who knows anything about the National City Bank would be very glad to secure these unsubscribed allotments and pay more than par for them.

This fact alone, it appears, gave the Attorney General his cue and he thereupon concluded that the connection between the bank and the holding company was so close that in effect the holding company was the bank, and it had, thereby, declared its purpose of doing things which a national bank was not permitted to do

The National City Company is a New York State corporation, legally organized, and unquestionably authorized to do the things provided in its charter from the state of New York. Neither the Attorney General, Comptroller of the Currency, nor any other official of the federal government at Washington has heretofore undertaken to restrict or supervise the operations of a state corporation. In this instance the method employed of distributing stock in a state corporation to owners of a national bank in the form of a dividend has been assailed, because the National Bank itself is under the jurisdiction of the federal government.

No more eloquent commentary on the exigencies of the present political situation can be needed than this incident. There will be a presidential election next year and both political parties seem to be vieing with each other in a contest as to which one can accumulate the most campaign material in the short space of time left. In their opinion the most desirable campaign thunder possible is the best spectacular record in having successfully harassed and sledge-hammered the biggest industries. Both parties and all factions in both parties are engaged in this contest, and each prominent individual official in all factions seems to be endeavoring to make an individual record of his own.

There can be no doubt that Mr. Wickersham has

THE SUBLIME EFFRONTERY

to aspire for the presidency and believes that he is taking the most direct and effective course to that end. A very eloquent definition was recently given in describing politics as the business of handicapping every other business for the benefit of the politician. But the time seems near at hand when the great mass of people who think and understand will revolt and make up their minds that the big men who make the wheels of industry go around have been played the limit and that it is about time to give them and the country at large a breathing spell. The endeavor of the Washington politicians to upset the plan of the National City Bank in my opinion must mark the climax of this strange development in our national affairs. The recent slump in the stock market has been explained on various grounds but I do not think it is necessary to go beyond a consideration of to-day's politics for a full and complete explanation.

The National City Bank had a perfect and absolute right, legally and from every standpoint to do what it did in the organization of a holding company. The Washington sharpshooters think they have discovered a microscopic technicality on which they can get some newspaper headlines and possibly accumulate some thunder for the campaign next year. I am of the opinion, however, that the National City Bank has competent legal advisers, and that every step in the organization of the new National City Company was made in strict accordance with the law. It, of course, may be possible that a construction of the National bank law might be strained to the point where the new holding company in its present status could be regarded as illegal. In this event I will go on record with the prediction that a very simple and easy transformation will result which will be entirely beyond the interference of any federal official in Washington or elsewhere.

The National City Bank people in creating a holding company made the distribution of shares in the way of an endorsement on each bank stock certificate solely because this method was simpler and more convenient. They could have just as well issued and distributed separate stock certi-

Digitized by Google

ficates representing each stockholder's share in the holding company, and it would also have been the easiest thing in the world for them to have absolutely assured control of the holding company, if necessary, by asking the stockholders after they received their holdings of the company's certificates to create a voting trust consisting of the officials of the bank. Had this plan been adopted originally the Washington progressives could not have had a word to say.

I am, therefore, very strongly inclined to the belief that if the federal authorities decree that the new company is not exactly to their liking the immediate result will be that the National City Bank will distribute to each one of its stockholders the amount of stock of the holding company now held for them, in trust, and then it will be necessary to

AMEND THE CONSTITUTION

of the United States if any ambitious Attorney General in Washington is to dictate to corporations of the State of New York in accordance with his desires as well as to decree what investors of all states may do with the dividends which they have received and which have been honestly earned and honestly declared by corporations in which they hold stock.

Some of the sensational newspapers have suggested that the National City's holding company really meant an endeavor on the part of the bank to control most all the other banks in the country, and that the long-heralded money trust was at last in real operation. Any sane person will understand that it is hardly possible to buy very many banks in this country with $10,000,000, even though the whole fund may be used on margin. It has not even been suggested that the National City Bank would be likely to buy securities on margin, so if they spent the entire $10,000,000 in buying stocks of other banks they would not get very far.

As a matter of fact, the real purpose of the holding company was for the purpose of extending operations of the bond department of the bank. In a former article in the United States Investor I referred to the rapidly extending operations of the National City Bank as well as the Guaranty Trust Company in the bond field. The National City Bank has many thousand correspondent banks throughout the country, and all of these banks have at various times of the year various amounts of surplus funds which they like to employ at a better rate of interest than they can get on a balance in any reserve city bank.

The National City Bank has therefore been buying issues of the most desirable bonds and distributing them among their correspondents scattered throughout the country. These correspondent

BANKS HAVE BEEN BENEFITED

not only by a more profitable employment of their surplus funds, but in addition in a great many cases, they have established a bond department of their own in order to sell in small lots at retail the bonds which they buy at wholesale in co-operation with the National City Bank.

As is well known, no national bank can buy or obligate itself to buy any one issue of securities to the extent of over 10 per cent of its capital and surplus. The National City Bank, therefore, has been limited to the purchase of a matter of $5,000,000 of bonds of any one issue. Every bond dealer, notwithstanding, knows that no banking house, banking institution or corporation can buy and dispose of an issue of $25,000,000 or $50,000,000 of bonds with greater ease than the National City Bank, and yet, according to the law it has never been permitted to purchase over $5,000,000 of any one issue.

The incorporation of the $10,000,000 holding company will enable the bank, indirectly, to handle any new bond issue which it may regard as attractive. Of course, it may be said that the bank is getting too ambitious and is going beyond legitimate banking lines, but both the necessity and desirability of a comprehensive bond department have heretofore been well demonstrated by the National City Bank, and its business along this line has developed to a point where the managers cannot stand still or retract but must go ahead.

Many thousand banks all over the country

ARE BUYING BONDS

all the time from the National City Bank, and the National City naturally expects to sell only high-grade bonds and of such class that a future and reliable market can be maintained on them. A small country bank, for example, may want to invest $50,000 for two or three months, and if they buy bonds they want to sell them when they need the money without any loss. To assure this kind of service the National City Bank has to be in a position to take the first pick of bond issues, get them at the right price and distribute them so broadly that a good future market for them is assured. In carrying out this programme the $10,000,000 holding company became necessary, and the holding company idea in my opinion will not be abandoned, regardless of the politically inspired ambition of Mr Wickersham or anybody else in Washington, D. C.

P. De Medici.

Diversify Your Investments

The purchase of bonds in small denominations permits you to distribute your money among different classes of security instead of placing it all in any one issue.

I offer bonds of a number of issues in denominations of One, Two and Five Hundred Dollars, yielding from Four to Seven per cent.

Lists on request.

GILBERT H. CARR

50 Congress St., Boston

CONSIDERING SECURITY

high grade industrial bonds pay the *highest income* and offer the best chance for rising profits. Send for circular "M".

BEARDSLEY AND COMPANY

Henry Shedd Beardsley, President

Pullman Building, Madison Square New York

Kidder, Peabody & Co.

115 Devonshire St.
Boston

56 Wall Street
New York

INVESTMENT SECURITIES
FOREIGN EXCHANGE
LETTERS OF CREDIT

Agents and Attorneys for
Baring Brothers & Co., Ltd.
LONDON

Knauth, Nachod & Kühne

15 William St., NEW YORK — Leipzig, GERMANY

BANKERS

Members New York Stock Exchange

High Grade Investment Bonds

Drafts on all parts of the world.
Letters of Credit and Travelers' Checks
Interest on Deposit Account

Assets Realization Company

Capital $10,000,000

Purchases Estates in Liquidation at any point in the United States

NEW YORK PHILADELPHIA CHICAGO

BODELL & CO.

PROVIDENCE, RHODE ISLAND
Boston Office, 35 Congress St.

Bonds and Preferred Stocks of Proven Value

American Industrials Co.

Broad Exchange Building, New York.

INVESTMENT SECURITIES.

6% Twenty Year First Mortgage Gold Bonds.
7% Preferred Stocks.
8% Preferred Stocks.

Baker, Ayling & Co.

50 Congress street, Boston

INVESTMENT BONDS

Philadelphia Office, Land Title Building

LUDLOW PATTON & CO.

Established 1848

INVESTMENT SECURITIES.

111 Broadway, New York
53 State Street, Boston.

Offer and recommend a 6% Gold Bond with a 50% bonus of **common stock**, which may shortly be taken by our regular subscribers. Quick application necessary. Send for particulars.

Digitized by Google

A Holdup Which Didn't Hold

Promoters of The $100,000,000 Buffalo, Rochester & Eastern Have Been Finally and Unanimously Forestalled by N. Y. State Public Service Commission—Their Plan Was to Parallel The New York Central Across New York State From Albany To Buffalo—After The Scheme Started Five Years Ago the New Haven Railroad Went Into Partnership With the N. Y. Central and the New Haven Was Depended On for the New England Outlet—Names of Stockholders and Directors Do Not Disclose Real Backer of the Enterprise Although the New Haven, Grand Trunk and Canadian Pacific Have Been Suspected.

The final curtain has been rung down on the Buffalo, Rochester and Eastern, the ambitious $100,000,000 project of paralleling the New York Central lines across New York State from Albany to Buffalo.

This scheme, which now seems to be entitled to a rating in the holdup class, had its inception about five years ago, as on April 29, 1907, the company was incorporated under the laws of New York State. There can be no doubt that if the promoters could have foreseen the developed possibilities of the New York Public Service Commission and its honest efficiency in the public interest, even though on several occasions it has been slow to act, they probably would not have had their dream about paralleling the New York Central. In any event, the New York State Public Service Commission of the second district, which includes the entire state outside of New York City, has just unanimously decided that the Buffalo, Rochester and Eastern was not entitled to a permit for the building of their proposed railroad.

The opinion of the commission was written by Chairman Stevens, and as none of the other members dissented to his conclusion, as has happened in some previous cases, it is fair to presume that the Buffalo, Rochester and Eastern must be regarded as an exploded idea, and all those who may have contributed to the estimated

$1,000,000 OF EXPENDITURE

in the exploitation of the idea will have to charge off their disbursement to profit and loss.

In making the adverse decision the commissioners state that in their opinion the existing transportation facilities across the New York State are at the present time adequate. The original estimate of the cost of the proposed line was around $55,000,000, but this was subsequently raised to $85,000,000, and in the opinion of the Public Service Commissioners, the cost would have been at least $100,000,000. On this conclusion the commissioners stated that they did not believe the company would be able to secure enough business to pay any reasonable return upon the capital invested after operating expenses had been taken care of. The summary of the commission was that the road in effect would be bankrupt from the very start, and, in addition, doubt was expressed as to whether the new company would be able to secure the amount of capital necessary to build and equip the proposed road.

During the past four years there have been a large number of hearings before the Public Service Commission on this enterprise, and an immense volume of testimony, verbal and written, has been submitted. The case has been argued with commendable energy at numerous hearings, and between hearings every possible argument in favor of the contention of the promoters has been presented. Some months ago it was known that the advocates of the new road had put in their full case, and that after their four

YEARS OF ENERGETIC EFFORT

they were awaiting the final decision of the commission. This decision has now been rendered, and as it was unanimously adverse I am inclined to presume that this will be the end of the Buffalo, Rochester & Eastern.

Of course the promoters can appeal to the courts for a review of the commission's determination, and in one instance such an appeal has been successfully made and the commission

I. M. TAYLOR & CO.
8 Congress St., Boston
115 Broadway, New York
Members of New York, Boston and Chicago Stock Exchanges
This week's Market Letter summarizes the situation and is especially devoted to
U. S. STEEL
ST. PAUL
UNION PACIFIC
Sent Upon Request

Hodenpyl, Hardy & Co.
BANKERS
7 Wall Street, New York
6% PREFERRED STOCKS A SPECIALTY

WE TRADE IN
Western Power Common
Western Pacific
United States Worsted Pref.
United States Worsted Com.
Detroit & Mackinac Com. & Pref.
Bluegas Company of America
Wells Fargo Express.
E. BUNGE & CO. 20 BROAD STREET, NEW YORK
Cable Address, "Ernestus, New York" Long Distance Phone 4735-4736 Rector

GEO. D. COOK & CO.
BANKERS
71 BROADWAY, NEW YORK
We make a Specialty of
Mexican Government and State Bonds

McCOY & COMPANY
Municipal and Corporation Bonds
181 LA SALLE STREET
CHICAGO

Boody, McLellan & Co.
111 BROADWAY, NEW YORK
MEMBERS OF NEW YORK STOCK EXCHANGE
Orders Executed for Investment or on Margin

We Offer
$100,000.00 of (7%) Cumulative
Preferred Stock of a New Power Plant
Now installing dam for 25,000 horse power. The Company has contracts closed for sufficient business to pay all interest charges, expenses and dividends on the common stock.
WM. D. PERKINS & CO., Bankers
No 211 Cherry Street, Seattle, Wash.
Estab. 1893. Oldest Bond House in Wash.

DOMINION BOND COMPANY
LIMITED
MONTREAL TORONTO OTTAWA
LONDON, ENGLAND
Dealers in HIGH-GRADE CANADIAN BONDS
List on Application

5% BONDS
Guaranteed by
National Light Heat and Power Co.
A. H. BICKMORE & CO.,
30 PINE ST., NEW YORK

6% Timber Bonds
Carrying With Them An
Exceptionally Attractive Feature.
American Finance & Securities Co.
5 Nassau Street New York

H. C. Gibbs & Co.
Gas and Electric Light Bonds
To yield 5% to 5 1-2%
60 State Street BOSTON

CIRCULAR ON MISCELLANEOUS UNLISTED MILL AND MANUFACTURING SECURITIES
SENT UPON REQUEST
HORNBLOWER & WEEKS
60 CONGRESS ST., BOSTON

Digitized by Google

overruled. In the case of this enterprise, however, I am not inclined to believe that there will be any such appeal, because when established railroads are declining to make extensions, and are curtailing their expenditures in every way for improvements, it can hardly be conceivable that a holdup railroad enterprise of such magnitude as this could secure any substantial amount of financial backing.

Who the parties really were who financed this project still remains a matter of mystery, and it is quite likely that the facts never will be known. Whoever they were it has been calculated that their total investment could not have been less than $1,000,000. If this was actually an ambition of a group of individuals they must now charge off a substantial loss, but if, as is generally believed, the scheme was really in the interest of some large transportation system which wanted to get in this way a more advantageous position in the transportation field of New York and New England, that company either has or will have to

MULCT THEIR PROFIT ACCOUNT

to a considerable extent, and make some bookkeeping entries which will tell nothing about the real facts in order to take care of the disbursements.

Regardless of public denials, it has always been believed that the New York, New Haven & Hartford Railroad Company was the sponsor for the Buffalo, Rochester & Eastern enterprise, and there have been in the past a number of items of circumstantial evidence to confirm this view. Some weeks ago, when it was announced that the New York Central had voluntarily given the New Haven road a half interest in its Boston & Albany lease, which development closely followed a preceding announcement that the New York Central and the New Haven were going to handle the Rutland Railroad of Vermont on joint account, I stated in these columns that these two facts spelled doom for the proposed Buffalo, Rochester & Eastern.

The promoters of the Buffalo, Rochester & Eastern had vigorously contended that the facilities of the New York Central were wholly inadequate to handle the traffic from Buffalo and west of Buffalo to New England, and on this account they proposed to build their new and more direct, double-track line. It could not be doubted that at Buffalo they could secure traffic locally, and from the West, but to distribute the freight so secured in New England necessitated a connection with New England lines. From Albany into New England the

ONLY POSSIBLE ROUTE

to use was the Boston & Maine, because the other line was the Boston & Albany under lease to the New York Central.

As long as the New Haven was in controversy with the New York Central about its excessive terminal charges in New York City as well as in a resentful mood because the New York Central, by getting the Boston & Albany lease, had invaded the sacred New England territory, it was only natural that aggressive President Mellen of the New Haven should have been inclined to co-operate with any outside railroad enterprise which would bring traffic to him, and at the same time penalize any group of railroad magnates who proposed to, or who had made incursions into, New England territory. Incidentally, it might be noted that President Mellen is very effectively carrying out his idea that the New Haven road should dominate everything in the transportation line in the New England states whether steam railroad, street railroad or steamboat, and his progress in carrying out this idea in recent years has been nothing short of remarkable.

The theory, therefore, was that Mr. Mellen might have been helping the Buffalo, Rochester & Eastern, but after a partnership between the New Haven and the New York Central was announced in the joint control of the Boston & Albany and the Rutland, there could be no doubt that harmony and co-operation had been established, and further, that the proposed Buffalo, Rochester & Eastern would be unable to get any New England connection at Albany for the large amount of traffic which it expected to haul across New York State.

It would

NOT BE ETHICAL OR PROBABLE

that the New Haven road, after making such a deal with the New York Central, would make any traffic arrangement or do anything else which might help a new line in its plans to parallel the Central.

In the opinion of the Public Service Commissioners the interesting point was brought out by that body that the big state enterprise the barge canal, which will be completed and ready for traffic by 1915, will be a serious competitor for the New York Central, and would be even more so for the proposed new line. The commissioners said: "It is obvious that the capacity to handle 15,000,000 tons through this canal will have a tremendous effect upon the freight situation. A new railroad without feeders designed as a traffic line to carry freight between the same points as the canal would have in the canal a competitor which it cannot overlook or disregard. The canal is well suited for the economical transportation of heavy, slow moving freight. It will compete for the identical freight from which the proposed road is expected to derive nine-tenths of its revenue, and it will be able to transport such freight at a lower rate than the applicant."

It has been suggested at various times that the Grand Trunk, the

MONATON

REALTY INVESTING

CORPORATION

Pays

6% COMPOUND INTEREST

On Money Invested in

Its Accumulative Certificates

Running terms of 10, 15 or 20 yr.

Payments may be made annually, semi-annually, quarterly or monthly.

SECURITY

OWNERSHIP OF NEW YORK INCOME PROPERTY

Affording

Immediate returns on investments and Opportunity for increase of valuation.

For illustrated Booklet, inquire:

Publicity Department

Times Building

Broadway & 42nd Street,

New York City

INVESTMENTS

Bonds and Stocks

WM. F. CROSBY,

Tel. 4090. 311 Main St.

WORCESTER, MASS.

JOHN P. DAVIS, President. WM. M. WELLCOME, Vice-President. BYRON H. DAVIS, Sec'y-Treas.

The Davis Wellcome Mortgage Co.

(Incorporated)

TOPEKA, KANSAS.

Gilt-edge first mortgage loans for sale at 5½% and 6% net to the investor. Security well-selected, improved farm lands, in no case to exceed 50% actual value of the farm. Every loan personally examined by one of our inspectors. No better or safer security for money anywhere.

We point with pride to a record of twenty-five years, loaned over $12,000,000, without foreclosing a mortgage or the loss of a dollar in either interest or principal.

Bank References:

BANK OF TOPEKA

CENTRAL NATIONAL BANK, TOPEKA

Correspondence Solicited

Digitized by Google

Canadian Pacific, as well as the New Haven were the

REAL PARTIES AT INTEREST

in the new road. Whoever they were, a very vigorous and well-conducted campaign has been carried on during the past four years, and it has not been possible for any one to present conclusive evidence that the intention was not a bona-fide one to build the road as soon as permission was granted. The entire route was surveyed and the right of way for a large portion of the line was actually secured In the way of accelerating public opinion it is credibly reported that the supervisor in each town traversed by the proposed line was given a few one hundred dollar bills after he had expressed a favorable sentiment toward the enterprise for the purpose of defraying expenses of a group of the representative citizens of his bailiwick in making a trip to Albany and arguing before the Public Service Commission in favor of the public necessity of the new road as it appeared from their viewpoint.

According to the last statement the officers and directors of the company were as follows: President, R. D. Gillett, Westfield, Mass.; secretary, A. D. Robinson, Westfield, Mass.; treasurer, A. W. Eaton, Pittsfield, Mass.; directors, Joseph Skinner, Holyoke, Mass.; Franklin Weston, Dalton, Mass.; Henry H. Bowmann, Springfield, Mass.; Fred T. Ely, Springfield, Mass.; James H. Caldwell, Troy, N. Y.

That there have been some changes in the board of directors since the date of organization of the company is indicated by a comparison of the above list with the following names which constituted

THE ORIGINAL BOARD

of directors when the company was organized in 1907: Ralph D. Gillett, Westfield, Mass.; Arthur W. Eaton Pittsfield, Mass.; Franklin Weston, Dalton, Mass.; Henry N. Bowman Springfield, Mass.; Henry W. Ely, Westfield, Mass.; Fred T. Ely, Springfield, Mass.; Joseph A. Skinner, Holyoke; James H. Caldwell, Troy, N. Y.; John J. Whipple, Brockton, Mass; James F. Shaw, Manchester, Mass.; Archie D. Robinson, Westfield, Mass.

The original subscribers for the $3,500,000 of stock of the company and the amount taken by each were as follows:

Name and address.	Amount.
R. D. Gillett, Westfield, Mass.	$1,835,000
Arthur W. Eaton, Pittsfield, Mass.	500,000
Franklin Weston, Dalton, Mass.	100,000
H. N. Bowman, Springfield, Mass.	100,000
H. W. Ely, Westfield, Mass.	100,000
F. T. Ely, Springfield, Mass.	100,000
J. A. Skinner, Holyoke, Mass.	370,000
J. H. Caldwell, Troy, N. Y.	10,000
J. J. Whipple, Brockton, Mass.	100,000
J. F. Shaw, Manchester, Mass.	100,000
A. D. Robinson, Westfield, Mass.	50,000
C. J. Little, Westfield, Mass.	25,000
F. R. Masters, New York City.	10,000
J. R. Savery, Pittsfield, Mass.	50,000
J. B. Atwater, Westfield, Mass.	10,000
H. C. Page, Springfield, Mass.	50,000
J. N. Scatcherd, Buffalo, N. Y.	10,000
Total	$3,500,000

No one of the above individuals of the entire group could be regarded as being able to construct anything like a $100,000,000 railroad, and the natural inference was that they were dummies to a considerable extent In the above list of stockholders it will be noted that Mr. Gillett appears as the holder of a majority of the $3,500,000 of stock which was issued. This circumstance suggested the New Haven affiliation with the project since he had for some years been engaged in building street railroads for the New Haven Company.

In this connection one of the interesting features of the endeavor of the promoters to secure their franchise was their attempt to prove to the commissioners that they had ample financial backing without disclosing any names. Ex-Governor Frank S. Black presented the argument, and it is understood received

A FEE OF $25,000.

When the commissioners became insistent in their demand to know who was going to furnish the large amount of money involved, a unique expedient was adopted of having James S. Jackson, former Chairman of the Massachusetts Board of Railroad Commissioners, testify under oath that he was convinced of the financial ability of the company to build and operate the railroad. At one stage in the proceedings the promoters offered to tell their real names, or in other words, disclose their principals on condition that the commissioners hold an executive session and withhold the proceedings from the public. This the commissioners very promptly refused to accede to.

Both the federal and state commissions during the past few years have been loudly condemned by the railroads, and generally not without cause, but in this instance the New York Central can hardly fail to be grateful to the Public Service Commission of the State of New York for having effectually eliminated a possible competitor. Before the days of the Public Service Commission, in order to accomplish such a result, the New York Central would have had to spend more money than the promoters either had or hoped to make in order to side track the scheme. In this case the New York Central only had to have its regular attorneys present the facts and the commissioners did the rest.

The duplication of any going enterprise in the way of inexcusable competition is now generally being recognized as an economic error which should be avoided, and the hopeful suggestion in the Buffalo, Rochester & Eastern incident is that, while governmental commissions may make mistakes in reducing rates, they may be likely to more than offset any loss resulting therefrom by precluding the possibility of competition which must be at some time acquired at high and disadvantageous cost.

P. De Medici.

SPOKANE, WASH.—Edwin T. Coman, head of the Exchange National Bank and the Spokane Chamber of Commerce, has appointed J. P. McGoldrick, a director of the Old National Bank, and R. Insinger, manager of the Northwestern and Pacific Hypotheekbank to act with him as a committee to work out the scope of a bureau of civic affairs, organized by local tax payers to be an adjunct of the Chamber of Commerce.

FINANCIAL INQUIRIES.

American Silk Co.

21270. (Pittsfield, Mass.) What information can you give me regarding preferred and common stock of the American Silk Company of New York and New Jersey? I enclose you a copy of the letter received from them May 20, 1910, in regard to reorganizing these companies. Has this company been reorganized, and are the old shares any good to people who did not participate in the reorganization?

Ans.: The attempt to reorganize this company has apparently failed of success, and it is more than probable that the next step in its history will be foreclosure proceedings, in which event, it is expected that there will be about 25 cents on the dollar for the bondholders, leaving nothing, of course, for the holders of either common or preferred shares. Such an outcome will be a decided disappointment to members of the reorganization committee and others who believe that with proper co-operation on the part of the security holders, it would have been possible to arrange a reorganization which would have been far preferable to foreclosure proceedings.

Cranberry Co.

21276. (Oak Bluffs, Mass.) There is a cranberry producing company, corporate name, I do not know, in the South Carver Swamp, Mass. The treasurer and manager is A. D. Makepeace, Wareham, Mass. Four years ago, the company paid $9,600 in dividends; three years ago $3,600; two years ago, $2,240, and last year nothing was paid. The last year in which a dividend was paid, the bog yielded 1,400 barrels. The dividends have ceased, but an attempt is made to buy out the small stockholders. Please report upon the condition of this company and the reason for the diminution and cessation of dividends.

Ans.: The information you give is vague, inasmuch as Mr. Makepeace is manager of several bogs in the vicinity mentioned, and unless you can tell us to which one you refer, we cannot give you the desired information. We might add that in common, with all properties of this kind, the profits are subject to fluctuations, due to natural causes and in most cases, are beyond the control of the management.

Hart Investment Co.

21279. (Hastings, Mich.) Please advise me from an investor's point of view regarding the Hart Investment Company of Basin, Wyoming; also as to the probable permanence of the irrigating system which supplies the lands that the Company is interested in.

Ans.: This company does a real estate loan business, and is looked on as being a strong corporation, having a good business. The management is regarded as being of the best and our correspondent recommends them highly. The lands are furnished with water from mountain streams, and their permanence is perpetual or as long as the mountains exist.

SPOKANE, WASH.—Counsel for the Old National Bank of Spokane has made a demand for a reduction of $180,000 on its assessment for stock, claiming exemption for money invested in its building, which is assessed for $500,000. Glen R. Creighton, assessor of Spokane County, holds that the bank must own the property in fee, whereas in the case of the bank its interest in the building is represented by stock in the Old National Bank Building Company. He would grant the exception if the bank takes over the building in its own name. An appeal will be made to the board of equalization.

Digitized by Google

Municipal Bond Sales

MUNICIPALITY.	Date of sale.	Classification of bonds.	Amount.	Rate of interest. Per cent.	Maturity.	Sales price	Purchaser.	Income basis.
Beverly, Mass.	Aug. 9	Sewer	23,000	4	*5	101.648	Blodget & Co., Boston	3.633
Indianapolis, Ind.	Aug. 8	Library site	125,000	4	1946	105.65	Meyer & Kiser Bank, Indianapolis	3.71
Saginaw, Mich.	Aug. 1	Street imp.	10,000	4	**1-10	100 6	Various Investors	3.90
South Bend, Ind.	Aug. 10	Refunding	20,000	4	1931	102.375	Jos. T. Elliott & Sons, Indianapolis	3.836
Marion, Ohio.	Aug. 9	Fire appar'tus	15,000	4	*5	100 16	Seasongood & Mayer, Cincinnati	3.97
Marion, Ohio.	Aug. 9	Engine house	22,500	4	*5	100 16	Seasongood & Mayer, Cincinnati	3.97
Hazleton, Pa.	Aug. 8	High School	14,000	4	1930	par	Local Investors	4
Monroe, Mich., Sch. Dist.	Aug. 7	Building	15,000	4		par	Monroe Savings Bank	4
Monroe, Mich., Sch. Dist.	Aug. 7	Building	35,000	4		par	First Nat. Bank, Monroe	4
Morton County, N. D., Sch. Dist No 67	Aug. 8	Building	1,200	4	1931	par	State	4
Oxford, Pa.	July 31	Boro. imp.	12,000	4	*8-12½	par	Farmers Nat. Bank, Oxford	4
Troy, N. Y.	Aug. 1	School	325,000	4½	**1-20	106.764	Troy Savings Bank	4.08
Salem, Ohio.	Aug. 1	Refunding	17,470	4½	**2 2-3	103.30	Hayden, Miller & Co., Cleveland	4.09
Trenton, N. J.	Aug. 2	Refunding	32,300	4½	1921	100.025	Kuhlbrook & Co., New York	4.127
New Castle, Pa.	Aug. 5	Imp. ser. 1911	50,000	4½	11-20	101.247	N. W. Halsey & Co., New York	4.137
Ontario County, N. Y.	Aug. 9	Road imp.	52,000	4½	*1.5½	100.816	A. B. Leach & Co., New York	4.161
Jamestown, N. Y.	Aug. 5	Hospital	80,000	4½	11-30	103.783	O'Connor & Kahler	4.165
Jamestown, N. Y.	Aug. 5	Fire dept.	30,000	4½	11-30	103.783	O'Connor & Kahler	4.166
Galion, Ohio.	Aug. 7	Paving	27,000	4½	*5½	101.61	Hayden, Miller & Co., Cleveland	4.194
Galion, Ohio.	Aug. 7	Sewer	6,000	4½	*1 1-3	101.61	Hayden, Miller & Co., Cleveland	4.194
Galion, Ohio.	Aug. 7	Paving	3,900	4½	*5	101.61	Hayden, Miller & Co., Cleveland	4.194
Fremont, Ohio.	Aug. 7	St. imp. assess	19,000	4½	*5½	101.58	Seasongood & Mayer, Cincinnati	4.21
Summit, N. Y.	Aug. 1	School	80,000	4½	1941	101.599	A. B. Leach & Co., New York	4.228
Perrysburg, Ohio.	July 31	Street imp.	38,500	4½	*5	101.15	Stacy & Braun, Toledo	4.281
Sandusky County, Ohio.	Aug. 5	Rd imp. No. 10	28,000	4½	*2¾	100.512	Seasongood & Mayer, Cincinnati	4.29
Sandusky County, Ohio.	Aug. 5	Rd imp. No 12	17,500	4½	*2¾	100.512	Seasongood & Mayer, Cincinnati	4.29
Sandusky County, Ohio.	Aug. 5	Rd imp. No. 9	18,000	4½	*2¾	100.512	Seasongood & Mayer, Cincinnati	4.29
Sandusky County, Ohio.	Aug. 5	Rd imp. No. 5	13,000	4½	*2¾	100.512	Seasongood & Mayer, Cincinnati	4.29
Sandusky County, Ohio.	Aug. 5	Road	15,000	4½	*2¾	100.59	Croghan Bank, Fremont	4.30
Oyster Bay, N. Y., Sch. Dist. No. 1	Aug. 4	Building	71,500	4½	*27 1-3	102.625	Adams & Co., New York	4.32
Canton, Ohio.	Aug. 7	Parks	7,000	4½	1921	100.801	Stacy & Braun, Toledo	4.346
Canton, Ohio.	Aug. 7	Road roller	2,500	4½	1921	100.801	Stacy & Braun, Toledo	4.346
Canton, Ohio.	Aug. 7	Sewer	1,200	4½	*3 1-6	100.801	Stacy & Braun Toledo	4.346
Canton, Ohio.	Aug. 7	Sewer	1,200	4½	*4 1-6	100.801	Stacy & Braun, Toledo	4.346
Canton, Ohio.	Aug. 7	Street imp.	5,500	4½	*3¼	100.801	Stacy & Braun, Toledo	4.346
Canton, Ohio.	Aug. 7	Street imp.	6,500	4½	*4	100.801	Stacy & Braun, Toledo	4.346
Canton, Ohio.	Aug. 7	St. imp. (c. p.)	1,100	4½	1916	100.801	Stacy & Braun, Toledo	4.346
Canton, Ohio.	Aug. 7	Street imp.	2,500	4½	*3 1-3	100.801	Stacy & Braun, Toledo	4.346
Deer Park, N. Y., School Dist No 1	Aug. 7	Building	53,000	4½	*17	101.673	Spitzer, Rorick & Co., New York	4.36
Rome, N. Y.	July 31	Water	150,000	4½	1931	101.548	N. W. Halsey & Co., New York	4.383
Pleasant Valley, N. Y.	July 29	Bridge	6,000	4½	*7	100.00	Isaac W. Sherrill, Poughkeepsie	4.40
Putnam County, N. Y.	Aug. 2	Road	4,000	5	**2-6	102 16	President S. B. & T. Co., Cincinnati	4.40
Sole wading, Mich.	Aug. 7	Electric light	10,000	4½	**1-5	100.20	S. A. Kean & Co., Chicago	4.428
Southampton and Brookhaven, N. Y., Sch. Dist. No. 11	Aug. 7	Building	10,000	5	*6	102.711	Ferris & White, New York	4.479
Box Elder County, Utah.	Aug. 7	Road & bridge	200,000	4½	†10-30	par	Harris Tr. & Sav. Bank, Chicago	4.50
Minnesota	July 10	P. c't'f. of ind.	500,000	4½	*5 1-3	par	Minnesota Loan & Tr. Co., St. Paul	4.50
Contra Costa County, Cal., Central Sch. Dist.	Aug. 7	Building	20,000	5	**1-20	103.75	B. Fernandez	4.547
Troy, N. Y.	Aug. 4	Cert. of ind'bt	100,000	5	3 mos.	100.185	Manufacturers Nat. Bank, Troy	4.67
Winters, Cal.	Aug. 1	Sewer	25,000	5	**1-28	102.54	N. W. Halsey & Co., Chicago	4.75
Tazewell County, Va.	July 20	Road	125,000	5	*17½	102	John Nuveen & Co., Chicago	4.82
Ocean City, N. J.	Aug. 7	Funding	50,000	5	1941	102.07	Geo. F. Fox & Son	4.953
Stillwater, Minn.	Aug. 8	Refunding	80,000	5	1941	101 11	First Nat. Bank Stillwater	4.928
West Minneapolis, Minn.	July 18	Municip'l bldg.	17,000	5	**2-18	100 14	Union Investment Co., Minneapolis	4.964
Boaz, Ala.	Aug 1	Water works	12,500	5	1941	par	McCrary & Co., Atlanta	5
David City, Neb.	Aug. 6	Water	20,000	5		par	State Treasurer	5
Galveston County, Texas.	Aug. 5	Co'w'y constr.	500,000	5	120-40	97	Spitzer, Rorick & Co.	5.18
Northville, N. Y.	Aug. 8	Road	4,500	5	**1-5	par	Northville Bank	5
Tarboro, N. C.	July 31	Street imp.	25,000	5	1951	par	Townsend, Scott & Son, Baltimore	5
Tarboro, N. C.	July 31	Water works	25,000	5	1946	par	Townsend, Scott & Son, Baltimore	5
Yakima Co., Wash., S. D. No. 26.	July 29	Building	7,500	6	11-20	par	State	5
Ronceverte, W. Va.	July 31	St., sew. & w	16,000	6	1941	105.58	Seasongood & Mayer, Cincinnati	5.418
Mississippi County, Mo.	Aug. 7	Dr'n. D. No. 23	240,000	6	*12½	101 01	Edw. G. Bowling, Charleston	5.54
Coeur D'Alene, Idaho.	Aug 1	Refunding	48,000	5½	110-20	101.501	Parson, Son & Co., Chicago	5.80
Cabool, Mo.	Aug. 7	Water works	9,000	6	1931	101.844	Coffin & Crawford, Chicago	5.842
Bryan Valley, Minn.	Aug. 8	Electric light	10,000	4			State	
Butler, Pa., Sch. Dist.	Aug. 8	Building	25,000	4½		100.63	Hall & Co., Philadelphia	
Clara City, Minn.	Aug. 8	Water works	10,000	4	1931		State	
Emaus, Pa., Sch. Dist.	July 28	Building	9,500	4	*12 1-3	102.36	Local Investors	
Fallon, Nev.	Aug. 1	Sewer	10,000	6	*5½		Nixon National Bank, Reno	
Fallon, Nev.	Aug. 1	Water works	35,000	6	*13½		Nixon National Bank Reno	
Faribault County, Minn.	Aug. 8	Ditch	101,000				State Board of Investment	
Hervin, Ill.	Aug. 3	Water system	32,500				A. B. Leach & Co., Chicago	
Kindersley, Saskatchewan.	Aug. 7	Improvement	18,000	6	**1-18		National Finance Co., Regina	
Memphis, Tenn.	Aug 4	School	250,000	4½	1941		Union & Planters Bank, Memphis	
Mendocino County, Cal., Ukiah Sch. Dist.	Aug. 7	Building	6,500	5		106.67	Thomas & Thomas	
New Albany, Ind., Sch. Dist.	Aug. 8	Building	5,000	4			New Albany Trust Co.	
Newark, N. J.	Aug. 2	Loan	1,500,000	3½			Blodget & Co., New York	
Newark, N. J.	Aug. 2	Renewal	400,000	4			Unknown	
Newport, Ky.	Aug. 11	Street imp.	100,000	4	1941		German Nat. Bank Newport	
Old Forge, Pa.	Aug. 8	Paving & sew.	30,000	5	**1-30		Unknown	
Port of Tillamook, Ore.	July 27	Harbor	450,000	6	1931		Spitzer, Rorick & Co., Toledo	
Portland, Ore.	July 24	Improvement	300,000	6	1921		Various Investors	
Rome, N. Y.	July 31	Water	10,000	4½	1971		Sinking Fund Trustees	
Rush County, Ind.	Aug. 7	Road	7,968	5½	*1 1-5		Gavin L. Payne, Indianapolis	
Rush County, Ind.	Aug. 7	Road	11,000	5½	*5½		Gavin L. Payne, Indianapolis	
Rush County, Ind.	Aug. 7	Road	7,000	5½	*5½		Gavin L. Payne, Indianapolis	
San Patricio County, Texas.	Aug. 3	Special road	100,000	5	†10-40		Cutter, May & Co., Chicago	
Searcy County, Texas.	Aug. 2	Jail	10,000	5	†10-20		Cutter, May & Co., Chicago	
Tacoma, Wash.	Aug. 1	Improvement	5,500	7			Unknown	
Thurston Co., Neb., S. D. No. 11	Aug. 8	Building	15,000	6½	15-20		State	
Tremont, Ill.	July 12	Water works	15,000	5	1925		Cutter, May & Co., Chicago	
Trenton, N. J.	Aug. 2	Paving	63,000	4	1921		Sinking Fund Trustees	
Trenton, N. J.	Aug. 2	Park	47,000	4	1941		Sinking Fund Trustees	
Washington County, Iowa.	Aug. 4	Hospital	27,000	4½	1916		Geo. M. Bechtel & Co., Davenport	
Worcester, Mass.	Aug. 11	Loan	200,000	3	3 mos.		Curry, Coffin & Burr, Boston	

* Year average ** Year serial. † Year ser

Digitized by Google

OLD COLONY TRUST CO.

A special meeting of the stockholders of the Old Colony Trust Co. of Boston will be held on August 25, at which time they will be asked to vote on the recommendation of the directors to increase the present capital of $2,500,000 to $7,500,000. It is proposed to pay a cash dividend of $100 a share or a total of $2,500,000, and stockholders are to be given the right to subscribe at par for one share of new stock for each share of old. This is practically equivalent to a 100 per cent stock dividend. The payment of the cash dividend will reduce the surplus to $7,500,000, and after its payment and the issue of the said $2,500,000 additional capital stock the aggregate of capital and surplus will be the same as it now is, $12,500,000.

THE DIRECTORS STATE

that the right to subscribe to the stock and the dividend payments will be conveniently arranged so that stockholders may use their dividends for full payment of the additional stock to which they will be entitled. The Old Colony Trust Co. is one of strongest among a city of strong banking institutions; under efficient and capable officers its business has been conducted according to conservative, yet progressive and practical banking methods; and its marked growth and success is attested to by a glance at its statement of condition. Its deposits of $82,281,813 by the latest returns compare with deposits of $69,430,676 in May 1910, or hardly more than a year ago, while its surplus and undivided profits have grown from $10,075,689 to $10,948,087, or an increase of $11,851,137 in the former and of $872,398 in the latter. This comparison is a pleasing one to directors, customers and friends of the institution alike, and is an indication of what up-to-date banking methods and managements, combined with courteous and business-like treatment of customers, will accomplish.

BANK ITEMS.

ATLANTA, GA.—The Security State Bank is organizing with $50,000 capital. The officers are: J. Samuel Slicer, president; M. C. King and G. H. Houghton, vice-presidents, and H. O. Graddy, cashier.

CHICAGO, ILL.—The Continental & Commercial National Bank of Chicago has been approved as reserve agent for the First National Bank, Clinton, Ind.

CLARKS HILL, IND.—The State Bank of Clarks Hill has been organized with $25,000 capital. I. D. Shriver is president and Charles M. Coe, cashier.

LOMETA, TEX.—The Lometa State Bank has increased its capital from $20,000 to $40,000

DOUDS, IOWA.—The Iowa Savings Bank has been organized with $15,000 capital. E. Lefever, W. Heger, E. E. Kirkendall and Samuel Adams are interested.

DORCHESTER, NEB.—The Bank of Dorchester has been incorporated with a $25,000 capital. J. W. Byers is president

EL DORADO SPRINGS, MO.—The Cruce Banking Company has been converted into the First National Bank of El Dorado Springs. W. H. Allen is president, B. F. Clark, vice-president; G. W. Hainline, cashier; E. R. Busbee, assistant cashier. The bank has a capital of $50,000.

ELECTRA, TEX.—The First National Bank of Electra has been chartered with a capital of $25,000 J. W. Stringer is president and W. W. Brown, cashier.

KAMIAH, IDAHO.—E. C. Shultz, of Fairmont, Minn., succeeds L. J. Essinger as cashier of the bank of Kamiah.

FAUNSDALE, ALA.—The Bank of Faunsdale is organizing with $25,000 capital.

LEOMINSTER, MASS.—A charter has been issued to the Merchants National Bank, which is to have a capital of $100,000. The officers are: Alfred N. Litch, president; Chas. H. Howe, vice-president, and J. Ward Healey, acting cashier.

MEMPHIS, TENN.—The Metropolitan Bank & Trust Company is organizing here with $500,000 capital. J. J. Williams, G. R. Tolinges, T. Walter Cranshaw, R. W. Finne and R. E. Malden are interested.

MENTONE, IND.—The First National Bank has been placed in voluntary liquidation.

MERIGOLD, MISS.—The Bank of Merigold has been organized. W. B. Sallis and J. P. Thomas are interested.

MERRILL, ORE.—The First National Bank of Merrill has been chartered with a capital of $25,000. J. Frank Adams is president, E. R. Reames, vice-president, and P. R. Merrill, cashier.

WHITEBIRD, IDAHO.—Frank W. Kettenbach, of Lewiston, Idaho, and his associates, have acquired the Salmon River State Bank. A. L. Donaldson, formerly of Spokane, has been elected cashier. The bank is capitalized for $25,000, and has a surplus of $2,600. The deposits amount to $65,000 with $30,000 in cash reserve.

PARKVILLE, MO.—The Farmers Exchange Bank has been organized with $20,000 capital. C. P. Breen, E. N. Breen and Emmet J. Breen are interested.

PHILADELPHIA, PA.—The Farmers Mechanics National Bank is the approved reserve agent of the Texas City National Bank, Texas City, Tex.

TAFT, CAL.—The First National Bank of Taft has been organized with a capital of $25,000. Cyrus Bell, E. D. Gillette, Clinton E. Worden, F. W. Robinson and J. M. Atwell are interested.

WINDOM, TEXAS.—The First State Bank has increased its capital to $25,000.

MUNICIPAL SHORT TERM LOANS.

WORCESTER, MASS.—The treasurer has awarded a temporary loan of $200,000 maturing October 17, 1911, to Perry, Coffin & Burr at 3 per cent discount plus $5 premium.

TROY, N. Y.—The Manufacturers' National Bank, Troy, was awarded $100,000 of 5 per cent certificates of indebtedness, running for 3 months. The price paid was 100.185, a basis of about 4.67 per cent.

BROOKLYN RAPID TRANSIT COMPANY.

New York, August 14th, 1911.

The Board of Directors has this day declared a quarterly dividend of one and one-quarter per centum on the capital stock of this Company, payable on October 1st, 1911, to stockholders of record at the close of business on Saturday, September 9th, 1911.

J. B. BENNINGTON, Secretary.

Bond Certification

Modern conditions make the registration and certification of municipal and corporate obligations desirable and convenient. We have a department maintained exclusively for this purpose.

First National Bank of Boston
70 Federal Street

NOTICE TO HOLDERS OF SHANNON COPPER COMPANY FIRST MORTGAGE GOLD SINKING FUND 7% BONDS.

Pursuant to the provisions of the above-mentioned bonds and of the indenture of mortgage dated March 1st, 1902, made by the Shannon Copper Company with the Boston Safe Deposit & Trust Company, Trustee, notice is hereby given that bonds Nos. 1, 9, 18, 34, 41, 61, 66, 89, 15, 26, 27, 84, 106, 111, 136, 144, 145, 160, 171, 173, 179, 180, 200, 202, 205, 224, 231, 247, 249, 254, 266, 269, 279, 281, 284, 287, 288, 304, 354, 365, 376, 405, 408, 421, 425, 441, 455, 457, 490, 495, 510, 511, 528, 532, 533, 539, 587, 595, of $1000 each, have been drawn for payment for account of the Sinking Fund, being all the bonds remaining outstanding August 1st, 1911, under above mentioned indenture, and that on and after September 1st, 1911, the bonds so drawn will be paid at par and interest accrued to September 1st, 1911, on presentation at the office of said Boston Safe Deposit & Trust Company with all coupons due on and after September 1st, 1911, attached.

Boston Safe Deposit & Trust Company, Trustee.

By CHARLES E. ROGERSON, President.

Boston, August 3rd, 1911.

NOTICE

Is hereby given that the undersigned will receive bids for the purchase of $50,000.00 of refunding and general liability bonds of School District No. 7, Josephine County, Oregon; said bonds to be paid at any time after ten years at the option of the district and payable absolutely in twenty years, and to draw five per cent interest, payable semi-annually. Each bid must be accompanied with a certified check of $2,000.00 and must be placed with the Board of Directors of said District on or before the 19th day of September, 1911, at 7:30 o'clock P. M., at Grants Pass, Oregon.

The undersigned reserves the right to reject any and all bids.

Signed BOARD OF DIRECTORS OF SCHOOL DISTRICT NO. 7,
Of Josephine County, Oregon.
By EDWARD S. VAN DYKE, Clerk.

DENVER Bonds Stocks

Denver Union Water — Denver Gas & Electric
Denver Tramway — Cities Service
Denver & Northwestern — Northern Colorado Power
Nevada-California Power

We buy and sell the bonds and stocks of all the above companies.

Nathan Cregg & Company
Century Bldg., Denver.

THE CONCHO VALLEY LOAN AND TRUST CO.
OF
SAN ANGELO, TEXAS.

Capital stock $200,000.00. Organized and operating under the Texas Banking Laws, offer to investors some high grade paper, netting from 6 to 7%. Secured by first Mortgage on improved farm and ranch lands. Our paper carries our endorsement and guarantee of payment of principal and interest. Write for information.

T. C. WYNN, Pres. C. C. KIRKPATRICK, Sec. & Treas.

Digitized by Google

United States Investor

Published Every Saturday Morning by

FRANK P. BENNETT & CO., Inc.

SUBSCRIPTION RATES

$5.00 per annum in United States and Mexico; $6.50 per annum in Canada.

$7.00 per annum in England, the Continent, Australia and Countries in the Postal Union.

$10.00 per annum for Investor and Inactive and Unlisted Securities Supplement, including privilege of inserting quotations in the Supplement.

ADVERTISING RATES

20 cents per agate line. $2.80 per inch each insertion. $30 per inch three months. $100 per inch one year. There will be no deviation from these rates under any circumstances and all of our advertisers may depend upon being treated alike.

PUBLICATION OFFICE,

530 Atlantic Avenue, Boston.

NEW YORK OFFICE,

2 Rector Street, New York.

JOSEPH L. BARKER, Manager.

Washington Office, 208 Corcoran Building; Philadelphia Office, 308 Chestnut Street.

COPYRIGHT 1910, BY FRANK P. BENNETT & CO., INC.

Entered at the Post Office at Boston, Mass., as second class matter.

One of the most regrettable developments in the field of popular investment is the now unquestionably rotten character of many of the magazine stock-selling schemes that have been so strongly taken up by the public during the past year or two. A few disastrous failures, and the indictment of one of the promoters of a large enterprise of the sort in the middle West, have served to emphasize the dangerous and dishonest nature of many of the schemes thus put on the market. Indications seem to confirm the belief that the magazine stock-selling system developed of late is as dishonest and rotten as many of the mining share "opportunities" which have long served to separate investors from their resources. The situation is infinitely discreditable to a business which has been built up on a reform basis, and which has devoted itself so extensively to the exploitation of scandal—largely, too, of a financial sort.

In passing the wool tariff bill, which has now been sent to President Taft, Congress has accepted a crudely-drawn measure considerably inferior to both of the bills, out of which it was compounded by the compromise worked out between Messrs. LaFollette and Underwood. President Taft, notwithstanding his past indictments of the existing wool and woolens schedule, will be fully warranted in vetoing the proposition. The effort to put through this bill, however, concentrates attention once more upon the unavoidable character of wool tariff revision and indicates the necessity President Taft will feel of recommending some plan of his own for the revision of the duties as soon as he can get a report from his tariff board. Whether he will then find the Democrats and insurgent Republicans ready to assist him in again attempting the alteration of the duties in this schedule is decidedly questionable. They will probably be far too desirous to keep the subject as a basis for campaign controversy.

It is expected that the national association, lately formed for the advancement of the currency reform movement will shortly begin active work for the purpose of pressing its views upon Congress. Some members of the organization have lately taken the view that it will be impossible to secure the adoption of any general legislation prior to the next Presidential election, but there are others who do not share that opinion. At any rate, it is evidently admitted by all that there is urgent necessity for prompt work designed to secure consideration of the subject in Congress. There is reason to believe that an earnest campaign for the consideration of the subject will be opened with the advent of autumn.

END OF MONETARY COMMISSION.

The Senate has at last acted in the case of the National Monetary Commission, by ordering that it shall go out of existence on January 8, 1912, and that all salaries shall stop from and after the passage of the bill itself. There can be little doubt that the House will also approve this measure by the end of the current week and, when it has done so, and President Taft has signed the bill, there will be an end of the organization. The commission is directed to render a report on January 8, or earlier, and there is no reason why it should not. Whether the report will be more than perfunctory, or what it will amount to, is entirely for the commission itself to determine, but it is worth noting that much greater speed than ever before will be needful if any such report is to be handed in, for nothing whatever toward its preparation has as yet been done.

In thus voting to end the National Monetary Commission, Congress will have done an unmistakably popular thing. Intense disgust has been felt and expressed by every intelligent monetary and banking student with the methods of this commission, with its failure to accomplish anything, and with its total indifference to the wishes of the community. Observers of governmental conditions have been revolted by the useless extravagance and disregard of law exhibited by the organization. There is, in fact, hardly anyone who will regret the ending of the commission. It is responsible for the flittering away of the most promising opportunity we have had for many years past for the passage of currency legislation, and it has done nothing to make up for the loss of this chance of better things. Its three years of life have been spent in almost criminal delay, fruitful chiefly in the distribution of government funds to men who did little or nothing to earn them.

Now, however, it is necessary to let by-gones be by-gones. The country wants banking reform, and the commission experience has at least taught it how not to proceed. A beginning in serious earnest should be made before any more opportunities are wasted or the country has to pay the penalty of its neglect in another commercial panic. If there is anything of good in the rough and inaccurate plan prepared by Mr. Aldrich just before he left the Senate, it should, of course, be availed of. The mere fact that it has been prepared under the auspices of the Monetary Commission ought not to discredit it hopelessly. Still, it is obvious that this crude and incomplete plan, even if it were accepted as gospel as far as it goes, is far from providing a satisfactory or adequate basis of work. To the business men's movement for currency reform it will be necessary to look for such practicable working legislation as is to be seriously offered in Congress. Such legislation should be wisely and conservatively drafted, and while not disdaining such suggestions as there may be in the Aldrich plan, it should not adopt them in any slavish manner. The attitude to be adopted toward them should be regulated entirely by their intrinsic merit. There is reasonable ground for doubt whether any legislation on the currency question can be passed before the next presidential election, thanks to the delays, postponements and refusal to work on the part of the Monetary Commission. This, however, ought not to discourage the men who now have charge of the currency movement. They should set themselves vigorously to do their best and to further the preparation and passage of sound legislation at the earliest opportunity. They ought at least to place before themselves the

Digitized by Google

ideal of a law to be passed by the end of the next session of Congress.

WHERE WICKERSHAM HAS ERRED.

Much current comment concerning the attitude of the government toward the National City Company is now going the rounds, but in most of what is being said the real responsibility of the administration has been neglected. Long-winded homilies concerning the necessity of obeying the law, denunciations of the National City Bank, and vague objurgations directed against capital in general are out of place. The immediate question concerns not the abstract construction of the national bank act, but the circumstances under which the opinion now under discussion was rendered.

The facts seem to be that Attorney-General Wickersham has acted both hastily and officiously in what he has done with reference to the National City Company. There is more than a little evidence to show that he was not asked for this opinion either by the Secretary of the Treasury, or by any officer in that department, and that President Taft indicated no desire to have the opinion rendered. That being the case, Mr. Wickersham must have acted spontaneously. Apparently, he did what he did in the belief that the National City Company was an isolated organization of peculiar type, when in reality it is merely representative of general conditions that have sprung up during the past 10 or 15 years. The opinion in this case must be acted upon not merely with reference to the National City, but with reference to all concerns that are organized in a similar way. That greatly increases the responsibility of the officers in charge of the application of the law and places the Secretary of the Treasury in a position quite different from that of the Attorney-General himself.

While fully admitting the general proposition that the National Bank Act ought to be enforced in spirit and in letter, it is evident that the present was not a favorable time to attempt the reversal of a careful precedent made by the Secretary of the Treasury upon good and sufficient reasons, and continued through a series of administrations. The National Bank Act is shortly to be revised, and general banking legislation will undoubtedly be enacted. Something should—indeed must—be done when that revision takes place, to make the enactment more workable, and it would be entirely proper at that time to rectify existing conditions if they call for it. But to step in unrequested, and to enjoin upon the Secretary of the Treasury action which is to him distasteful in a matter over which he has, and always had, full jurisdiction, without first submitting the whole question to him in an unofficial way, or at all events, calling it to the attention of the President, seems both unwarranted and injudicious.

Attorney-General Wickersham has committed an undoubted error out of what seems to be sheer officiousness and a desire to make political capital. This places him upon the same plane with the agitators in Congress who are engaged in berating and abusing the business managers of the country. He has placed President Taft's administration in an embarrassing position, and it is far from clear how the administration is going to work its way out of the difficulty.

THE FALL IN STOCKS.

Anxiety, not to say alarm, has been caused, during the past week or ten days, by a fall in stocks averaging from five to ten points in standard issues. Railways and some of the more popular industrials seem to have suffered most, and while there have been slight recoveries, the decline is evidently something more than the usual "bear raid". Consequently, there has been a plentiful crop of theories, explanations and speculations regarding the causes of this fall in prices.

Abundant explanation of the bad outlook can be drawn from the unfavorable reports of the government regarding crop conditions. Not only is the cereal yield likely to be less satisfactory than had been supposed, but as usual the resulting lack of freight will cause some shrinkage in railway earnings and consequent diminution in the outlook for dividends. The roads have been hard hit by the decisions of the Interstate Commerce Commission, and the long and short haul findings which appeared about a week ago have not made them feel any happier. These findings affect the transcontinental roads very severely, and it will be noticed that precisely these roads have suffered most in the recent slump. Industrials like United States Steel which have lately gone down, usually suffer sympathetically with the railways, but it is also a fact that there are special causes affecting them. Recent government reports have not helped to inspire confidence in their future, and there has been a disposition on the part of timid investors to remain out of the market partly in consequence of these expressions of opinion.

But, behind these various factors adverse to the stock market, is the fact that there is an undoubted development of hostility to corporate effort on the part of Congress. The various investigations and inquiries which the Democrats have undertaken have not revealed anything of novel import, nor have they indicated a disposition to attempt radical or dangerous legislation. But they have shown, and shown conclusively, that the Democratic party, now in control of the House of Representatives, is still wedded to the Bryanistic idea of attacking capital as the shortest and easiest means to popularity. Coupled with this is the evident readiness of insurgent Republicans to aid and abet the Democrats in making political capital for themselves by the adoption of undesirable legislation passed with no notion, perhaps, of its actually taking effect, but for the sake of the temporary advantage that could be made out of it. While there is no prospect of such measures as the Democratic tariff bills, for instance, going into effect, owing to the determination of the President to veto them, there is always the chance that with an unstable situation in Congress and with the controlling factors disposed as they now are to legislative carelessness and radicalism, there is a possibility that something may slip through and cause trouble.

This is more than enough to account for the fall in stocks and for the underlying business depression which it mirrors. It is in some ways encouraging, in others regrettable, that the business trouble now in sight and check to prosperity in prospect is entirely of human devising, and that, although the underlying conditions are sound, they cannot be taken advantage of until the hampering effect of purely political agitation can be removed.

BANK ITEMS.

COLFAX, WASH.—S. A. Kimbrough has succeeded S. H. Hicks, as assistant cashier of the Farmers State Bank at Colfax, Wash. Mr. Hicks has become manager for the Puget Sound Warehouse Company at Ritzville, Wash.

KELLOGG, IDAHO.—W. W. Papesh has been re-elected president of the State Bank of Kellogg. O. M. Greene, of Spokane is vice-president, the cashier being J. A. Walden. Other directors are: William McDougal, D. W. Peoples, D. W. Price, T. R. Mason, E. Z. Seelig and Robert Sterling.

SPOKANE, WASH.—W. J. Kommers, assistant cashier of the Old National Bank and cashier of the Union Trust and Savings Company, has been elected president of the Arion Society of Spokane, composed of 75 prominent German-speaking residents of this city. The society has established permanent quarters at Washington street and Fifth avenue, where a three-story residence with magnificent grounds has been leased for a period of years. Frederick Bruschweiler, who is musical director, is planning a series of concerts for next winter.

Digitized by Google

NEW ENGLAND CASUALTY CO.

The stockholders of the New England Casualty Company of Boston voted this week to increase the capital from $200,000 to $600,000 and add $200,000 to surplus, making a total net surplus of approximately $250,000. The new officers of the company are: Corwin McDowell, president; A. C. Johnson, first vice-president; Allan Forbes, treasurer and secretary; W. D. McLaughlin, comptroller and assistant secretary, and Fred E. R. Piper, assistant secretary. Seven new directors were added to the board, making

TWENTY-EIGHT IN ALL.

Alfred L. Aiken, president Worcester County Institution for Savings; David W. Armstrong, Jr., president Armstrong Agency, Incorporated; Francis R. Bangs, Williams & Bangs, Trustees; William Barbour, president Linen Thread Company; Robert A. Bolt, R. A. Bolt & Company, Insurance; Alex S. Browne, inspector of agencies, New York Life Insurance Company; Thomas K. Cummins, treasurer Edison Electric Illuminating Company; Frederic C. Dumaine, treasurer Amoskeag Manufacturing Company, Manchester, N. H.; Daniel F. Doherty, president New England Whip Company, Westfield; Amory Eliot, trustee; Allan Forbes, vice-president and Actuary State Street Trust Company; Hugh C. Gallagher, president Walter Baker & Company, Ltd.; Francis R. Hart, vice-chairman Old Colony Trust Company; Rowland G. Hazard, trustee New York Life Insurance Company; Hon. John F. Hill, Ex-governor, Augusta, Maine; Henry Hornblower, Hornblower & Weeks, Bankers; A. C Johnson, first vice-president; George E. Keith, president George E. Keith Shoe Company; John S. Lawrence Lawrence & Company, Boston, New York and Philadelphia; Charles S. Mellen, president New York, New Haven & Hartford R. R.; Corwin McDowell, president; Frederic C. McDuffie, treasurer Everett Mills and York Manufacturing Company; Andrew W Preston, president United Fruit Company; R. Paul Snelling, treasurer Saco & Pettee Machine Shops; Lucius Tuttle, director Boston & Maine Railroad; Theodore N. Vail, president American Telephone and Telegraph Company; Eliot Wadsworth, of Stone & Webster; C. H. Whitney, of Wiggin & Elwell, bankers.

The very calibre of these men must give this company the distinction of having a board of directors such as few corporations can boast, and it is proof convincing that this company will be well managed and its business conducted in the most up-to-date manner. As a matter of fact the company has already made

TWO VERY IMPORTANT MOVES

for which the management is to be congratulated. One is the apointment of the old established and favorably-known Boston agency of Robert A. Bolt & Co. as the home office general agency for Boston and vicinity of its liability department. Mr. Bolt has been in the insurance business since 1878, and not only represents six fire insurance companies, two automobile insurance companies, one marine insurance company, but also controls a large volume of casualty business.

The other excellent move was the appointment of David W. Armstrong, Jr., secretary of the National Surety Co. of New York, as general agent of the company for New York City and adjacent territory. Mr. Armstrong has resigned his position with the National Surety Company and has become a director of the New England Casualty Company. He has for many years been prominent in casualty and surety circles, and is well known and highly regarded, and is sure to be a source of strength to the company.

The company is now writing all forms of liability, health and accident insurance, and with the increased capital will engage in fidelity and surety bonding and burglary business throughout the country. There is every indication, therefore, that it has a very bright and promising future.

FINANCIAL INQUIRY.

International Mercantile Marine Co.

21281. (Cincinnati, O.) Please give us report on International Mercantile Marine Company.

Ans.. This company was incorporated June 6, 1893, in New Jersey, as the International Navigation Company, the name being changed to the present style under an amended certificate of organization obtained October 1, 1902. It owns the entire capital stocks of the Oceanic Steam Navigation Company (White Star Line); Atlantic Transport Company, Limited, and Atlantic Transport Company of West Virginia (Atlantic Transport Line); International Navigation Company, Limited, and Societe Anonyme de Navigation Belge-Americaine, (American and Red Star Lines); Mississippi & Dominion Steamship Company, Limited, and the British & North Atlantic Steam Navigation Company, Limited, (Dominion Line), together with a controlling interest in Frederick Leyland & Company, Limited, (Leyland Line), and the shipping business of Ismay, Imrie & Company and Richards, Mills & Company. Control of the National Steamship Company, Limited, is held by the Atlantic Transport Company, Limited. The company possesses valuable terminal facilities at Liverpool, London, Southampton and Antwerp, and at Montreal, Portland, Philadelphia, Baltimore, New Orleans, Galveston and Boston, leases five of the largest piers on the North River, New York, and owns extensive office buildings and shops

AT LONDON AND LIVERPOOL.

As of December 31, 1910, the company had a total bonded debt of $71,462,000, consisting of $52,744,000 mortgage and collateral trust 4½s, due 1922, and $18,718,000 International Navigation Company first sinking fund 5s due 1929. Bonds of constituent companies are £77,000 British & North Atlantic Steam Navigation Company 4½ and 5 per cent debentures, £49,-931 Mississippi & Dominion Steamship Company, Limited, 4½ and 5 per cent debentures and £1,250,000 Oceanic Steam Navigation Company, Limited, 4½ per cent first mortgage debentures.

The authorized capital consists of $60,-000,000 common and a like amount of 6 per cent cumulative preferred, of which $49,931,725 of the common and $51,730,971 of the preferred is outstanding. It is provided that dividends on the common shall be limited to 10 per cent as long as any of the collateral trust 4½ per cent bonds remain outstanding. All of the stock, with the exception of 110 shares of common (directors' shares), is deposited under a voting trust agreement to endure until October 1, 1912, unless a majority of the voting trustees, at their discretion, decide to terminate the trust at an earlier date, as they have a right to do at 60 days' notice. No dividends have ever been paid on either stock issue, the result being that accumulated dividends on the preferred now amount to 52¼ per cent. The annual report covering the last fiscal and calendar year

SHOWED A SURPLUS

for the year after charges, etc., of $1,810,780, equal to 9.37 per cent on the preferred stock outstanding, as compared with 2.28 per cent, so earned in the preceding year. This, however, does not mean an early payment of dividends, for $3,503,640 was appropriated for depreciation of steamships. As a matter of fact, it is not likely that the management will see fit to begin the payment of dividends until further large sums have been diverted for depreciation, as the lack of such appropriations has been the weakest point in the company's position, heretofore. Furthermore, it has been intimated that the directors do not favor disbursements on the stock until surplus earnings reach or pass the $10,000,000-mark per annum. This preferred issue carries with it unusual speculative possibilities, but is at best a long pull proposition. The company's balance sheet for December 31, 1910, showed current assets of $5,362,000 and current liabilities of $5,-329,733, leaving working capital of only $32,267. The statement of earnings above given does not include the operations of the Leyland and National lines, in which this company has important holdings. These lines show a profit of £101,332 for the Leyland lines and £3,016 for the National.

Before All Else

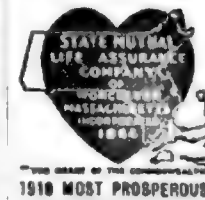
there is found in every Union Mutual Policy the first and strongest Purpose of Life Insurance.

Protection

Clear, Faithful Reasonable Contracts. Ask for Particulars.

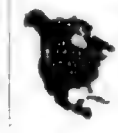
Union Mutual Life Insurance Co.
Portland, Maine

Fred E. Richards, President.



JANUARY 1, 1911
Insurance in force more than $140,000,000
ASSETS - $36,327,078.88
LIABILITIES 33,371,841.55
SURPLUS - $ 2,955,237.78
1910 MOST PROSPEROUS IN HISTORY OF THE COMPANY

North American Accident Insurance Co.
CHICAGO



Net Surplus & Capital..$ [illegible]
Income 1910 ..... 1,151,[illegible]
Will aid good men in Establishing Agencies.
Best Policies — Largest Commissions or Profit Sharing Contract.
A. E. Forrest, Vice-Pres. & Sec'y. Chicago

Digitized by Google

Further Improvement In Copper

Market Far From Active, But Prices Are Steady At 12¾ Cents Per Pound For Electrolytic—Producers' Association Report For July Affords Additional Reasons for Encouragement, With Stocks Showing a Decrease—Exports Still Hold Up Surprisingly Well, In Contrast to Domestic Deliveries—Reason's For This Heavy European Consumption—Canadians Investigate the Use of Electricity on Farms—A Promise of a Wider Market for the Metal—The Question of Supply and Demand.

Further evidence of a steady, if slow, improvement in the copper metal situation was presented in the July report of the Copper Producers' Association. This report shows total stocks on August of 137,738,858 pounds, a decrease of 19,695,000 pounds in accumulated stock of copper in producers' hands, following a reduction in output to the smallest figure since February. It is no wonder, therefore, that the feeling is gaining ground rapidly that with metal conditions and prices showing a tendency towards continued improvement, and with the share market at an unusually low level, as a result of the liquidation which has affected values all through the list, there is an unusual opportunity for profitable investment or speculation, as the case may be, in the shares of the established producers, or those about to enter the producing ranks, especially those which have established their ability to produce copper at a level which would assure a substantial profit, even at the price of the metal, and a striking increase in these earnings, of course, with every advance of a cent per pound in the selling price. It was generally anticipated, as I stated in these columns some weeks ago, that the report, covering conditions as they existed in July, would reflect an improvement worthy of note, but as a matter of fact, the actual results were

BETTER THAN EXPECTATIONS.

With the single exception of February of the present year the production of 112,167,934 pounds is the smallest that has been recorded since February, 1910. This decrease may be due in considerable measure to the fact that activity at the furnaces was greatly impeded during the excessively warm weather of early July. There was a decrease in domestic deliveries of 4,672,979 pounds, the only unfavorable feature of the report, but one which can be as reasonably attributed to abnormal weather conditions as can the smaller production. The most satisfactory feature of the report was the large exports which show no sign of a recession, foreign deliveries increasing 3,420,139 pounds.

The Producers' Association report for the month of July is as follows: Stock of marketable copper of all kinds on hand in the United States, July 1, 1911, 157,434,164 pounds; production of marketable copper in the United States from all domestic and foreign sources during July, 1911, 112,167,934 pounds; deliveries of marketable copper during July, 1911 (domestic consumption, 56,982,582 pounds; export, 74,880,658 pounds), 131,863,240 pounds; stock of marketable copper of all kinds on hand in the United States August 1, 1911, 137,738,858 pounds.

THE IMMEDIATE EFFECT

of this showing has been limited as far as any marked change in the prices, or in the attitude of the buyers is concerned, for it came at a rather inopportune time, the natural caution of consumers of the metal having been increased by the nervous feeling which spread from the share market to business circles. It is a fact worthy of note, however, that some of those critics who, for a year or more past, have maintained a decidedly skeptical attitude towards the future of the metal market, are now showing signs of modifying their views, having been impressed with the fact that the market is, after all, working out its salvation in a manner which is no less encouraging because the growth is gradual. There are still occasional reports of price shading on the part of holders of stocks, as has been the case for a number of weeks past, but the leading selling agencies are still maintaining a price of 12¾ cents for electrolytic, as they have done despite the efforts of those to whose interest it is to cast doubts on the stability of the market in an effort to influence prices in their favor. The market is now in a position where any sweeping tendency towards price shading would result in an influx of orders, since consumers are evidently beginning to realize that the turning point in metal values was reached some time ago, and that there is little hope of their having the opportunity of buying around the 12-cent mark, as they had a few months ago.

EUROPEAN CONSUMPTION.

The continued large consumption of copper by European interests is proving something of a puzzle to those who had no hesitation some time ago in venturing the assertion that it was but a flash in the pan, and that before long the demand from this quarter would dwindle, as the domestic inquiry had done. To the fact that the predicted reaction has not developed, the metal market owes its powers of resistance and its present tendency towards more pronounced strength. As I have already stated in recent issues of the United States Investor, the growing tendency towards the electrification of steam railroads in the progressive European countries is having more than a little to do with the healthy demand for copper, just as the same channel of consumption is bound to have a great deal to do with the progress of the industry in this country, to an even greater degree than it has done in the past. The Ontario government, some time ago, appointed a commission to investigate the use of electricity on European farms, and the results of this investigation, as they appear in a recent consular report, make very interesting reading to anyone who is interested in the future of the electrical industry, or that of the copper trade.

ELECTRICITY FOR FARMS.

The commission referred to found at the electrical exhibition in Munich a model farm fully equipped with electricity and a practical demonstration of electric plowing, where from 25 to 30 acres were being plowed with one plow per day. An opportunity was also afforded at the International Exhibition of Manufacturers at Turin to investigate heavier electric apparatus such as large motors suitable for railways, street cars, etc. The commission found that in practically all European countries electricity is used largely and extensively on farms of 25 to 1,000 acres for both light and power purposes. At the municipal farm at Berlin over 400-horse power is used. The commission's conclusion is couched in the following words: "While we found that the cost of supplying power and light was higher, on the whole, than it will be with us, the cost of distribution of electricity to the farmer is less, as they do not live on their farms as in Ontario, but are grouped in villages. Electricity from an economic standpoint should be of greater value to our farmers, as wages are from 50 to 100 per cent higher, and even at that farm labor is difficult to procure."

We have here not only a practical explanation of the reason for the decidedly encouraging maintenance of the European demand for copper, but also an indication of the possibilities of a remarkable increase in consuming demands from this country and Canada in the operation of agricultural machinery by electricity, and the growth of the latter's popularity as a lighting medium in the rural districts. The field is a wide one and will, I believe, play a very important part in the future course of the metal market. Of course, the growth of production in this and other countries is a matter to be considered, but attention has already being called in these columns to the fact that new ore discoveries have been surprisingly few in this country within the last few years, and there is no apparent reason to believe that the output of the metal will increase any more rapidly than the consumption promises to do.

P. De Medici.

SPOKANE, WASH.—The Second Avenue Business Club has plans for establishing a state bank with $100,000 capital at Washington street and Second avenue. Property owners in the district and one of the established banks in Spokane are interested in the project. The club has appointed a committee, consisting of John Gray, Joseph R. Roberson, M. S. Bentley, J. B. Blalock and Van B. DeLashmutt, to make a canvass of the district. Second avenue is rapidly becoming one of the lively business streets in the city, and the promoters of the bank think there would be a large deposit account from the start.

Digitized by Google

The Best Purchases on the Industrial List

As Indicated by the Two Standards of Comparison: of Present Investment Yield on Basis of Current Dividends and Prevailing Market Price, and on Basis of Present Earnings on Prevailing Market Values

The average net yield of the 50 industrial stocks quoted in the following table was 6.19 per cent on August 15, as compared with 6.14 per cent on August 8, 6.30 per cent on January 3, and 5.76 per cent on January 2, 1910.

International Paper preferred will be found to have improved its position in our earning power table this week, following the publication of the income account for the year ended June 30, last. According to this report, gross earnings amounted to $23,095,746, of which $2,887,402 was left for net and $1,186,256 was shown available for dividends after the payment of bond interest, taxes, insurance and depreciation, as compared with $1,017,065 for the preceding fiscal period. This is equal to 5.29 per cent on the $22,406,700 preferred stock, as compared with 4.54 per cent earned on the same stock in the preceding year. For the year ended June 30, 1909, there was earned on the preferred stock only 2.67 per cent, as against 7.30 per in 1908 and 7.24 per cent in 1907. The company has been paying 2 per cent on its preferred stock since October, 1908, and during the four-year period since the rate was reduced, 13 per cent in back dividends has accrued. The results shown in the fiscal year recently ended afford justification for the hope that it will not be long before the directors will find it possible to increase the rate once more. This, of course, depends very largely upon the outcome of the reciprocity measure and its effect upon the company's earnings in the vent of its being put through.

The Republic Iron & Steel Company is another industrial corporation which has presented a report for the twelve months to the end of June showing results which must be looked upon as decidedly satisfactory in view of the exceptionally depressed condition of the trade as noted during the greater part of the fiscal period. The company shows in its income account net earnings of $3,758,698, and total profits of $3,845,000. Deductions for repairs, renewal of plant and exhaustion of minerals aggregated $836,066, while bond interest amounted to $586,414, leaving a balance for dividends of $2,422,520, a decrease of $480,396. This balance available for dividends is sufficient to pay the full year's 7 per cent dividend on the $25,000,000 preferred stock outstanding, and leave a balance equal to 2.47 per cent on the $27,191,000 present outstanding common stock, as compared with 4.24 per cent available for the junior issue in the year previous. It should be taken into consideration that this is after the payment of interest on new bonds, covering improvements which did not contribute to earnings owing to their incomplete state, but which will increase the company's steel capacity approximately 50 per cent. Charges for maintenance and repairs were in excess of any similar period since 1906, and full charges were maintained for depreciation, extinguishment and general provisional funds. It is interesting to note in this connection that the average annual earnings of the Republic Iron & Steel Company since 1907, covering the period of general disturbance to business, has been approximately 2½ per cent on its common stock, or about $2,500,000 per annum.

STOCKS SHOWING BEST INVESTMENT YIELD.

Present rank.	Stock.	Present dividend	Price.	Yield on present price.
1	U. S. Cast Iron Pipe, pref...	5%	53	9 43
2	Am. Cotton Oil, com.....	5%	55	9.09
3	U. S. Rubber, 2d pref.....	6%	73	8 22
4	American Woolen, pref.	7%	90	7.77
5	United Dry Goods, com.	8%	104	7.69
6	Republic I. & S., pref.....	7%	92	7.61
7	Union Bag & Paper, pref....	4%	54	7.41
8	Central Leather, pref.....	7%	98	7.14
9	U. S. Realty & Imp	5%	71	7.04
10	Pressed Steel Car., pref.....	7%	100	7.00
11	Ry. Steel Spring, pref.....	7%	101	6.93
12	Am. Writing Paper, pref....	2%	29	6.90
13	Inter. Steam Pmpg., pref....	6%	87	6 89
14	U. S. Steel, com.....	5%	74	6 76
15	Lacledo Gas	7%	104	6.73
16	Am. Smelt. & Refg., pref...	7%	104	6.73
17	Crex Carpet	5%	75	6.66
18	Va.-Carolina Chem., pref....	8%	120	6.66
19	People's Gas	7%	105	6.66
20	American Locomotive, pref..	7%	105	6.66
21	Corn Products Refg., pref...	5%	77	6.49
22	American Tobacco, pref.	6%	93	6.45
23	National Lead, pref.	7%	109	6.42
24	Distillers Sec. Corp.	2%	32	6.25
25	Am. Beet Sugar, pref.	6%	97	6.19
26	American Sugar, com.....	7%	114	6.14
27	Am. Car & Foundry, pref....	7%	116	6.03
28	U. S. Steel, pref.	7%	116	6.03
29	American Sugar, pref.....	7%	116	6.03
30	American Can, pref	5%	83	6.02
31	American Tel. & Tel.....	8%	134	5.97
32	Mackay Companies, com.....	5%	84	5.95
33	Westinghouse, 1st pref.....	7%	118	5.93
34	National Lead, com	3%	51	5.90
35	Pacific Coast, com.....	6%	102	5.88
36	Am. Ag. Chem., pref.....	6%	102	5.88
37	Inter. Harvester, pref.....	7%	124	5.64
38	Am. Smelt. & Refg., com....	4%	72	5.55
39	Va.-Carolina Chem., com....	3%	56	5.36
40	National Biscuit, com.....	7%	132	5.30
41	Am. Malt Corp, pref.....	2%	38	5 27
42	General Electric	8%	154	5.20
43	Sears, Roebuck, com.	7%	138	5.07
44	Underwood Typewriter	4%	86	4.71
45	Consolidated Gas	6%	138	4.35
46	Inter. Harvester, com.....	5%	117	4 27
47	Inter. Paper, pref.	2%	47	4 25
48	Western Union	3%	74	4.05
49	Am. Car & Foundry, com....	2%	52	3 84
50	Amalgamated Copper	2%	63	3.18

STOCKS SHOWING BEST EARNINGS.

Present rank.	Stock.	Price.	Earning on present price
1	Inter. Merc. Marine, pref.....	15	62.45
2	Bethlehem, Steel, pref.....	61	22.00
3	American Linseed, pref.....	27	21.70
4	Am. Beet Sugar com.....	52	21.05
5	Westinghouse, com.	66	19.80
6	Ry. Steel Spring, com.....	32	18.80
7	Am. Ag. Chem., pref.....	56	18.60
8	Pressed Steel Car, com.....	32	16.40
9	Allis-Chalmers, pref.	21	14.70
10	United Fruit	184	14.55
11	American Woolen, com.	29	13.95
12	Crex Carpet	75	13.50
13	Am. Car & Foundry, com.....	52	13.50
14	U. S. Realty & Imp.	71	13.20
15	Colo. Fuel & Iron, com.....	30	13 10
16	Inter. Harvester, com.....	117	12.70
17	Am. Cotton Oil, com.....	55	12 55
18	Sears, Roebuck, com.....	138	11.15
19	Inter. Paper, pref.	47	11 15
20	General Electric	154	10 90
21	Am. Ice Sec. Co	20	10.60
22	United Dry Goods, com.....	104	10.55
23	Union Bag & Paper, pref.....	54	10 25
24	Nat. Enam. & Stampg., com.....	17	9.95
25	Republic I. & S., com.....	26	9 50
26	Corn Products Refg., pref.....	77	9.20
27	Am. Smelt & Refg., com.....	72	8 80
28	People's Gas	105	8 60
29	National Lead, com.	51	8.50
30	American Can, pref.	83	8.25
31	U. S. Steel, com.....	74	7 80
32	Utah Copper	45	7.80
33	Distillers Sec. Corp.....	32	7.50
34	National Biscuit, com.	133	7.40
35	American Tel. & Tel	134	7 40
36	U. S. Cast Iron Pipe, pref.....	53	7.30
37	N. Y. Air Brake	65	6.90
38	Western Union	74	6.80
39	Tennessee Copper	33	6.75
40	Amalgamated Copper	63	6.25
41	American Sugar, com.....	114	6.20
42	Mackay Companies, com.....	84	6.10
43	Inter. Steam Pump, com.....	35	6 10
44	U. S. Rubber, com.....	38	5.80
45	Va.-Carolina Chem, com.....	56	5.55
46	Consolidated Gas	138	5.40
47	Central Leather, pref.....	98	4.60
48	Sloss-Sheffield, com.	45	4.50
49	Am Steel Foundries	36	3.70
50	American Locomotive, com.....	37	3 65

Digitized by Google

The Best Purchases on the Railroad List

As Indicated by the Two Standards of Comparison: of Present Investment Yield on Basis of Current Dividends and Prevailing Market Price, and on Basis of Present Earnings on Prevailing Market Values.

The preliminary figures presented by a number of the leading railroad systems of the country covering the fiscal year to June 30, last, bring with them ample confirmation of the testimony of the monthly reports concerning the rising tide of operating expenses. The figures shown afford an explanation of the determination of the roads to contest the demands of labor for higher wages following upon the compliance with similar demands within the past two or three years. It will be recalled that over a year ago there was a general movement among the railroads towards a granting of higher wage schedules to employes, this action being based on the belief that the Interstate Commerce Commission would take these increased expenses of operation into account to such an extent that they would consent to a raising of freight rates. It is a matter of financial history that the contemplated advance in rates was frowned upon by the Commission and as a result the railroads are evidently determined to grant no further wage increases under existing conditions. This policy will have a tendency to point out to employes that their interests and those of their employers are closely knitted together, and that the prosperity and well being of the employer cannot be imperilled without weakening in a corresponding degree the position of the employed

The Harriman lines have presented their preliminary annual reports for the year ended June 30, last, showing results which were just about what had been indicated by the monthly reports previously issued. The figures of the Union Pacific for the twelve months show gross earnings of $88,983,108, a decrease of $1,244,984, and an increase in operating expenses of $3,066,610, notwithstanding the efforts that have been made to keep them down. The result was that net revenue amounted to $35,713,241 as compared with $40,024,835 in 1910. Income from investment and other income brought the total income up to $54,109,237, from which there was deducted for fixed and other charges $14,080,284, leaving a surplus of $40,028,953. The surplus available for common dividends after the payment of 4 per cent on the preferred was $36,047,209, equal to 16.64 per cent on the $216,645,200 outstanding common stock, as compared with 19.1 per cent earned last year. The decrease in income from investments is due to the nonpayment of the Chicago and Alton dividend, the conversion of Southern Pacific preferred to common and the decrease in income from Pacific Fruit Express. Somebody trotted out a story this week of the possibility of a reduction in the Union Pacific common dividend rate to 8 per cent, but it has attracted very little comment because of the opinion generally held that the present ten per cent rate is in no danger whatever. The recent decline in Union Pacific has brought the stock down to a point where it is once more an unusually attractive investment purchase, and good buying of this issue has again made its appearance.

STOCKS SHOWING BEST INVESTMENT YIELD.

Present rank.	Stock.	Present dividend	Price.	Yield on present price.
1	Toledo, St. L. & W., pref.	4%	45	8.80
2	Detroit United	5%	74	6.76
3	Chesapeake & Ohio, com.	5%	75	6.66
4	R. R. T.	5%	76	6.58
5	St. L. & San F., 1st pref.	4%	63	6.35
6	M., K. & T., pref.	4%	66	6.06
7	Lehigh Valley	10%	166	6.03
8	St. Paul, com.	7%	116	6.03
9	K. C. Southern, pref.	4%	67	5.97
10	St. Louis S. W., pref.	4%	67	5.97
11	N. Y., N. H. & H.	8%	135	5.93
12	Baltimore & Ohio, com.	6%	102	5.88
13	Northern Pacific	7%	121	5.79
14	Union Pacific, com.	10%	173	5.78
15	Twin City R. T., com.	6%	106	5.66
16	Atchison, com.	6%	106	5.66
17	Great Northern, pref.	7%	126	5.55
18	Delaware & Hudson	9%	165	5.45
19	N. Y., C. & St. L., com.	3%	55	5.45
20	Colo. & Southern, 2d pref.	4%	75	5.33
21	K. C., F. S & M., pref.	4%	75	5.33
22	P., C., C. & St. L., com.	5%	94	5.32
23	C., C., C. & St. L., pref.	5%	94	5.32
24	C., St. P., M. & O., com.	7%	132	5.30
25	Western Maryland, pref.	4%	76	5.26
26	Southern Pacific, com.	6%	115	5.22
27	M., St. P. & S. S. M., com.	7%	137	5.11
28	Colo. & Southern, 1st pref.	4%	79	5.06
29	Illinois Central	7%	139	5.04
30	N. Y., O. & W.	2%	40	5.00
31	Pennsylvania	6%	121	4.96
32	Chicago & N. W., com.	7%	142	4.93
33	Atlantic Coast Line	6%	123	4.88
34	Atchison, pref.	5%	103	4.85
35	Louisville & Nashville	7%	145	4.83
36	Norfolk & Western, com.	5%	104	4.81
37	N. Y. Central	5%	104	4.81
38	St. Paul, pref.	7%	152	4.60
39	Baltimore & Ohio, pref.	4%	87	4.60
40	M., St. P. & S. S. M., pref.	7%	152	4.60
41	Norfolk & Western, pref.	4%	90	4.44
42	Central of N. J.	12%	275	4.37
43	Buffalo, R. & P., com.	5%	115	4.35
44	Union Pacific, pref.	4%	92	4.35
45	Canadian Pacific	10%	239	4.14
46	Reading, com.	6%	146	4.11
47	Colo. & Southern, com.	2%	50	4.00
48	Boston & Maine	4%	105	3.81
49	D., L. & W.	20%	545	3.67
50	Southern Railway, pref.	2%	69	2.90

STOCKS SHOWING BEST EARNINGS

Present rank	Stock.	Price.	Earning on present price.
1	St. L. & San F., 2d pref.	42	24.15
2	Erie, 1st pref.	50	22.90
3	M., K. & T., pref.	66	20.65
4	Detroit United	74	16.70
5	Hocking Valley, com.	128	15.00
6	Southern Railway, pref.	69	15.00
7	K. C. Southern, pref.	67	14.10
8	K. C. Southern, com.	31	12.25
9	Buffalo, R. & P., com.	115	11.15
10	P., C., C. & St. L., com.	94	11.00
11	C., St. P., M. & O., com.	132	10.90
12	Colo. & Southern, com.	50	10.45
13	Atlantic Coast Line	123	9.95
14	Union Pacific, com.	173	9.60
15	Atchison, com.	106	9.60
16	St. Louis S. W., pref.	67	9.10
17	Louisville & Nashville	145	8.95
18	Norfolk & Western, com.	104	8.80
19	Erie, com.	30	8.65
20	Twin City R. T., com.	106	8.50
21	Southern Pacific, com.	115	8.20
22	Central of N. J.	275	8.05
23	C., C., C. & St. L., com.	55	7.65
24	R. R. T.	76	7.65
25	Baltimore & Ohio, com.	102	7.60
26	D. & R. G., pref.	54	7.40
27	Delaware & Hudson	165	7.05
28	Chesapeake & Ohio, com.	75	6.80
29	Illinois Central	139	6.75
30	Northern Pacific	121	6.60
31	D., L. & W.	545	6.50
32	N. Y., N. H. & H.	135	6.45
33	Lehigh Valley	166	6.40
34	Canadian Pacific	239	6.35
35	Great Northern, pref.	126	6.05
36	M., K. & T., com.	33	6.00
37	M., St. P. & S. S. M., com.	137	5.90
38	St. Paul, com.	116	5.80
39	Pennsylvania	121	5.60
40	Reading, com.	146	5.10
41	Toledo, St. L. & W., pref.	45	5.05
42	N. Y. Central	104	5.05
43	Chicago & N. W., com.	142	4.95
44	N. Y., O. & W.	40	4.90
45	Chicago & Alton, pref.	52	4.70
46	Chicago Gt. Western, pref.	40	4.65
47	Rock Island, pref.	54	4.40
48	Western Maryland, pref.	76	4.40
49	Boston & Maine	105	2.20
50	Missouri Pacific	42	0.80

Digitized by Google

Papers By Bank Examiners

At the recent meeting in Pittsburgh of National Bank Examiners, an interesting paper was presented by one not of their number—a state examiner of Ohio. Mr. Dodge's paper on "Assets Good and Bad" was well written and contributed some new ideas for examination from his Ohio practice which showed that state to be quite abreast of the most advanced methods in bank examinations. Those who remember how comparatively recent has been Ohio's conversion to the idea of real bank examination will find especial pleasure in reading what Mr Dodge reveals as to Ohio's present requirements of her banks. There are even chances for question whether the twice-a-year call upon the banks for lists of unsecured loans which Ohio's alert superintendent of banks is considering may not be too progressive a move even for these times. There is positive danger that more publicity of borrowers' affairs will result than is just fair to them.

The paper by the national bank examiner at Spokane, which is issued by the Comptroller's office at the same time as that by Ohio's Chief Bank Examiner, deals with that question so often discussed of late, the best method of co-operation of state bank examiners with national bank examiners. It illustrates from the store of his own experience the deal of good which such co-operation can bring about. The success he had in eliminating overdrafts from one national bank by being able through a co-operating state bank examiner to eliminate them at the same time from a competing state bank teaches a lesson in itself.

Benefits To Be Derived Through Co-operation of State and National Bank Examiners, and Methods of Co-operation.

[By Frank H. Luce, Seattle, Washington, National Bank Examiner.]

That co-operation between state and national examiners is not only desirable but essential has been strongly impressed upon the writer in consequence of his intimate relations with at least one of your number, extending over a period of two years. These relations have tended toward better banking methods in particular cases, and the general effect has been to subserve the banking interests in this territory.

In the first place, in order to effect the best results through co-operation, the state and national examiners must be in full accord, and work harmoniously for the general good. There must be a generous desire for the mutual good of both state and national institutions in the joint territory In other words, we must feel that we are interested in the welfare of all the banks. As affecting the personal relations I wish to say that I have enjoyed the acquaintance and friendship of the state examiners with whom I have been brought in contact, and have a desire to co-operate with them to the fullest extent. I wish to say, however, that in order to accomplish satisfactory results, there must be a mutual

EXCHANGE OF CONFIDENCE

coupled with good will. There must be no feeling of contention over the respective systems, but rather, as I have already stated, a sincere desire for the betterment of all our banking institutions.

That ways are continually opened for close co-operation cannot be gainsaid. Our work is performed in a territory where in earlier years it was the custom of banks to make many overdraft loans attaining absurdly large proportions. Through continually better methods in banking, and not least through the insistence of the examiners, this practice has been practically eliminated, so far as my knowledge goes, but overdrafts of the ordinary variety are still in evidence, although greatly reduced in amount. At this time there is little excuse for overdraft encumbering the records of a bank, or at least for any overdraft beyond such as might accidentally occur for a brief moment. Where overdrafts are continually in evidence in a bank, it may be said that the management for some reason or other has failed to properly educate its customers in regard to their joint relations. Generally speaking,

THE OVERDRAFT

attains more serious proportions in the smaller city banks. Usually, there are both state and national banks in the same place. A very common excuse for habitually granting overdrafts is that the competitive state or national banks make a common practice of permitting them. That competitive banks cannot get together with reference to a matter of such common interest is absurd, and the statement is not worthy of serious consideration. Where the local banks apparently cannot, of their own volition, bring about concerted action in this matter, the state and national examiners have it in their power to effect the desired result. I will cite

A CASE IN POINT.

A certain prosperous city of about five thousand inhabitants is well supplied with one state bank and two national banks. In earlier years it was the regular practice to make overdraft loans and, naturally, the overdrafts attained extraordinary proportions. During recent years the examiners have, through their insistence, caused a great diminution of this practice, but when I made my last examinations of the national banks in that city the overdrafts were still found in too generous proportions. I was told by the cashier of the larger national bank that the state bank competitor continued to freely grant overdraft loans, and that he, therefore, was obliged to keep up the practice to a considerable extent. I convened the directors of that bank and, after a full discussion of this matter, prevailed upon them to adopt a resolution directing the officers not to grant overdrafts in the future.

They also prepared a letter to be mailed to the bank's customers, stating that overdrafts would not be granted in the future and also stating the reasons why such action had been taken. I then took up this matter with the directors of the second national bank and they promised to take like action. A little later the state examiner visited the state institution and he also took action with reference to overdrafts in that bank. It was interesting to observe that the succeeding reports of condition issued by the several banks mentioned showed not only a very decided diminution in the amount of overdrafts carried, but also practically an elimination of overdrafts. In my judgment, the curing of the overdraft evil provides a fertile field for co-operation.

All of us, undoubtedly, have desired at times to have better information regarding the

LINES OF CREDIT

extended to firms or individuals by banks outside of our jurisdiction. As a national bank examiner, in attempting to schedule extended credits, I have been greatly handicapped by reason of an inability to learn to what extent credits had been granted to certain firms or individuals by state institutions. It would seem that limited credit files might be maintained in the offices of both the state and national examiners which would contain lists of extended borrowers.

In order that the information of state and national examiners should be as complete as possible with reference to loans made to other banks of the opposite jurisdiction, either an open account or otherwise; and to guard against the practice of concealing loans by one or other of the many methods in vogue; it would seem desirable for both the state and national examiners to keep

A TABULATED RECORD

of all borrowing by a country bank; and also by bank officials where, for any reason, it is suspected their loans might be for the benefit of their institution. Such part of this information as might interest the examiner of the opposite jurisdiction could be periodically placed at his disposal.

That the simultaneous examinations of affiliated banking institutions is a wise proceeding is fully borne out in practice. By this statement I do not wish to be understood as being opposed to properly conducted savings and trusted institutions controlled by commercial banking interests, for I could mention a number of such institutions which are conducted absolutely independent of each other, and in a manner as to leave no ground for criticism by the examiner. In fact, such institutions court the fullest investigations by both the state and national examiners. I do not believe, generally speaking, that a secondary banking institution is primarily organized for other than legitimate purposes. I prefer to take this view until I find evidences to the contrary.

That occasionally the existence of

A SECONDARY INSTITUTION

provides a means and a temptation to engage in unsafe practices will be conceded, but it is impossible for such practices to long continue where

Digitized by Google

thorough examinations are conducted simultaneously by the state and national examiners working in complete harmony. The moral effect alone of such examinations tends to prevent lapses which might otherwise occur. It is now the practice, in this district for the state and national examiners to arrange for the simultaneous examinations of all affiliated banking institutions. In the general discussion of this subject I will refer to some practical results obtained through the simultaneous examinations of allied institutions.

I have advanced only a few reasons why, in my judgment, there should exist the fullest co-operation between the state and national examiners, but I hope sufficient has been said to bring out a very full discussion of the matter.

"Assets, Good and Bad."

[By Charles R. Dodge, Chief Examiner of Ohio Dept. of Banks.]

Contrary to an opinion held by a few well-meaning people, a bank examiner is not a mind reader, a detective, or a genius possessed with supernatural power, but experience, I believe, places him above the average individual as a judge of human nature, and human nature is the asset which I will briefly discuss as the most important factor entering into the examination and success of a bank or a business enterprise.

There is no intention on my part to muckrake, or cast reflection upon the integrity of the banking fraternity, for I believe 95 per cent of the bankers are conscientious, high-grade officials, with honest intent and unquestionable character.

Back of every failure can be traced

ONE OF TWO CAUSES,

namely, incompetent management and judgment, or pure cussedness. Back of every solvent bank and successful business is a master mind with a character to maintain and not a reputation to protect, a fixed policy to pursue, with a respect for, and not a fear of the law; extending credit to the worthy and quick to withdraw same when a risk is hazardous and an enterprise is questionable. Study the character and habits of this man and you will invariably find that the assets of his bank reflect his temperament and personality. I believe, gentlemen, that we can class this banker and business man as a good asset. I do not advocate what is known as a "one man bank", but there always must be a managing officer, like an attorney who presents a case to the jury, laying all vital matters before his board of directors for their consideration and approval, and his ability as a pleader will influence more or less their decisions.

On the other hand, if you please, let us discuss the banker and business man whose name is identified with every known and unknown enterprise at home and abroad, whose ability and business sagacity lead him to distant fields of operation, financing a traction proposition at one point and floating a bond issue at another, points so far distant that the moral effect of failure cannot reach him at home. This individual has the ability to make his bank or business solvent or insolvent in 24 hours, according to his standard of honor. This

AEROPLANE FINANCIER

leaves his path strewn with the driftwood and wreckage of dead bond issues and stocks preferred to the promoter only, mute evidence of transactions that the strong arm of the law cannot reach. He has an utter contempt for and an insane fear of the laws which in his mind are so unreasonable as to block the wheels of progress. Give this genius of finance $50,000 of real money and he will pyramid his investments and loans in such a manner as to be rated worth half a million. His assets I would define as "illuminated" by a process of magnifying. He is past master in the art of borrowing money—it is a profession with him. He understands all of those tricks of making straight accommodation paper pass as a piece of bona fide commercial or trade paper. He pays his interest promptly and retires an obligation now and then for the moral effect.

When pressed by creditors he confidentially tells them that negotiations are on foot whereby certain parties are about to close a certain deal that will enable him to pay all of his obligations and leave him a snug fortune besides. This story he has told in years past and will repeat conveniently in the future, and when failure comes he repeats the same old story, that if his creditors had not taken advantage of his unfortunate condition and pressed their claims, or the examiner had not applied the law to his bank, the prospective deal would have been consummated, and with the funds raised he could have paid off his obligation. This individual and his products I will qualify as a bad asset and a hazardous one for a bank, be he an officer, director or borrower. I believe if boards of directors would

INVESTIGATE THE HABITS

and business relations of their officers, customers and employes, there would be fewer defalcations and failures.

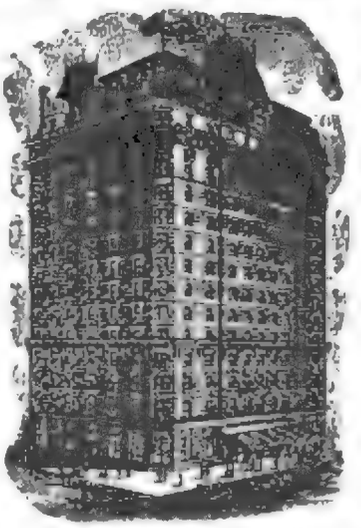
Section 724 of the Ohio law governing the inspection of banks, with reference to the examinations made by the department, reads "Such examination shall be made in the presence of the members of the executive committee or a majority thereof". The intent of this provision is carried out by calling in conference at the close of the examination the entire board of directors or as many members of the finance committee as can conveniently be called together. The affairs of the bank are fully discussed by the examiner with the committee, bringing out the individual opinions of the members present. The examiner will soon be enlightened whether the directors direct or are subordinated by the managing officer. At this meeting all existing overdrafts and cash items are read, and those assets represented by investments and loans are presented to the committee for their inspection and approval. A declaration is presented

FOR THEIR SIGNATURES

which reads as follows:

"We, the undersigned members of the board of directors and officers of the blank bank, have examined all the bills and notes forming a part of the assets of the bank as of the close of business blank date and declare that, to the best of our knowledge and belief, all signatures and endorsements are genuine, that all collaterals pledged as security for any of the aforesaid bills

"In the Heart of Things"
HOTEL
MARTINIQUE
Absolutely Fireproof
B'way, 32d-33d Sts., New York City
ONE BLOCK FROM NEW PENN. R. R. DEPOT
and opposite
HUDSON TERMINAL
connecting with
Erie Lackawanna Lehigh Valley Pennsylvania Railroads
from which
BAGGAGE TRANSFERRED FREE TO AND FROM HOTEL



In the midst of leading Department Stores and Theatres
600 ROOMS 400 BATHS
Rooms with use of bath, - - $1.50 up
Rooms with private bath, - - $2.50 up
CHAS. L. TAYLOR, Pres. W. S. GILSON, Vice-Pres.
WALTER CHANDLER, Jr., Mgr.
Also Proprietors of St. Denis Hotel

THE ALBANY HOTEL IN THE HEART OF DENVER'S
SOCIAL AND BUSINESS LIFE AND ACTIVITIES.

Digitized by Google

and notes are in the custody or control of the bank, that all the notes and investments are good and collectible with the following exceptions:"
"We further declare that we have no concealed assets or liabilities except:"

I am pleased to state that in 95 cases out of 100 this clause of the declaration is answered with the word, "None". At first you may imagine that it is a difficult proposition to secure the signature to this certification, but we have yet to find the first instance of a refusal. The information secured in the declaration and the moral responsibility assumed by the committee by placing

THEMSELVES ON RECORD

is valuable to the department in determining the condition of the assets.

My experience, covering a period of 18 years in bank work, leads me to believe that we, as examiners, do not always grasp the general condition of a bank by confining our efforts to what may be termed a "technical examination", losing sight of those few important essentials such as the personnel of the officers and directors, the policy of the management and the quality of the assets. I believe that the spirit of the federal and state laws that requires two examinations a year would be safely carried out by eliminating occasionally from examination the liability side of the ledger and devoting more time to the assets.

OPPOSES CHANGING EXAMINERS.

You will pardon me for honestly differing with higher authorities when I say that I am not in favor of changing competent examiners from one district to another. I cannot see how an examiner imported from a distant point can, in an examination of a few days' duration, intelligently judge the local conditions and pass upon the securities. There are, however, instances when the services and judgment of another examiner, working in co-operation with the local examiner, would prove valuable.

In view of recent legislation in Ohio, I will digress from the subject and take up the matter of co-operation of the Federal and State departments. The examiners are now privileged, under the Ohio laws, to exchange with the Federal and other State banking departments, information along the lines of mutual interest and protection. I have in mind

THE FOLLOWING SUGGESTIONS:

That the state examiners make a careful record of all rediscounts, bills payable, and other obligations of a national bank found in a state bank, all certificates of deposits issued to and held from a national bank, all stock of national banks pledged by their officers and directors for loans, and that this courtesy be reciprocated by the federal examiners with a similar record of state banks; that a printed form be prepared to cover the above subjects, and when filled out by the examiner to be filed with the comptroller or the superintendent of banks, as the case may be. Or, on the other hand, it might be advisable to mail this information direct to the examiner of that district, the arrangement to be determined by the comptroller and state superintendent or commissioner of banks.

As a further suggestion, I would recommend that the Federal and State departments exchange information regarding the liability of large borrowers, and, when possible, make joint examinations of those national and state banks whose interests are affiliated; and that the comptroller and state superintendent of banks exchange advices regarding the approval of national and state banks as designated depositaries for reserve funds.

A LIST OF LOANS.

Superintendent Baxter of Ohio is considering the advisability of calling on the banks simultaneously, perhaps twice a year, for a list of all unsecured loans over a fixed amount, the information to be compiled in a liability ledger at Columbus, the record to be used to determine what would be an unreasonable risk of a borrower. If found unreasonable, to be followed up by an investigation of the borrower's personal affairs, requiring a property statement if necessary. Information along this line will be exchanged with you in instances of mutual protection without giving the name or location of the holding banks. I would suggest, if possible, that the Federal and Ohio state examiners hold a joint meeting, at least once or twice a year, to discuss conditions in their respective districts.

Credits and the Bank Examiner.

[By E. F. Bardeck, National Bank Examiner, Chicago, now transferred to New York.]

The more credit information an examiner can absorb, the better examinations he will make. This information is gathered from many sources. He may dig it out of the credit dossiers in the banks he examines, he may acquire it in his confidential talks with the bankers, or with his fellow examiners, the agency reports are available to him, financial and trade journals supply detailed information, and the newspapers frequently contain news items that bear on the credit standing of some individual or corporation.

If an examiner's time could be wholly devoted to gathering data on credits in his district, he would be able to equip himself with such first-hand information that his appraisal of a bank's bills receivable would be comparatively easy, and his expert knowledge of considerable value to the bank under examination, but important as it is, this line of investigation is only one branch of his work. The auditing, accounting and clerical duties that he is compelled to perform take up much of the examiner's time, the large number of banks under his charge allows him little leisure for independent investigations, and as the credit standing of borrowers frequently changes between examinations, he is often six months or a year behind in the data he may have accumulated.

However, bad news travels fast, and when a borrower begins to loose caste and his paper to get in bad repute, the examiner is generally made quickly cognizant of that fact. There are many straws which show him how the wind blows. For instance, the banker as soon as he gets uneasy concerning a line of credit, demands payment in full or regular reductions. If unable to have his demands complied with, he calls for collateral, and the character of the collateral the borrower can produce in such an emergency is always an index to the condition of his business. Single name paper is, generally speaking, the most liquid paper in a bank, and the credit of the makers is the highest while among the collateral loans are often found many accounts ancient and moth eaten. The liability ledger is a picture book showing the permanent borrower who does not pay because he can not, the

PERMANENT BORROWER

who does not pay because the bank does not want him to, as well as the borrower whose debt is liquidated regularly when the season's profits have been realized.

And the past due pouch and the suspense account! Here are the sick and infirm! Some are only temporarily disabled, but the majority are chronic invalids, or already dead and awaiting interment.

The personal equation enters largely into the extension of credit by a bank to its customers. The loaning of money is not entirely a cold proposition depending upon the financial statement of the borrower's condition, and the element of good faith is a large factor in helping the banker to decide whether or not he shall risk the funds entrusted to him for investment in the hands of the applicant for a line of credit. A good record showing prompt payment of former obligations, a reputation for successful and conservative management, a healthy and growing business, are all taken into consideration. A moral risk is frequently taken when an analysis of a financial statement shows enough weakness to warrant a refusal of a loan. Nearly every individual or firm or corporation nowadays cheerfully furnishes a financial statement of assets and liabilities to the bank from which it expects to obtain accommodations, but there are cases where such statements are refused, and where the individual or firm is in such good standing that a line of credit is granted regardless of such refusal. On the other hand, there are also cases where the financial statements apparently warrant an extension of credit, but credit is refused, because the banker feels that the moral risk is so unsatisfactory as to counteract the favorable statement.

The relation existing between the bank and the borrowing customer is closer than ever before. The bank insists on knowing all about the borrower's business. It frequently supplements such outside credit information as it may be able to obtain from the trade, from other banks, and from the statements of the borrower, by having its own or an independent auditor make an inspection of the borrower's books. This intimate relationship, once established between the bank and the borrower, proves mutually beneficial. The bank is quick to see and to point out any weak features in a borrower's financial condition, or any wrong tendencies in the handling of the business

Digitized by Google

The borrower, in order to conserve his credit standing with his bank, wisely adopts the suggestions made to him. On the other hand, the borrower

IN SOUND FINANCIAL CONDITION

no longer regards the granting of a reasonable line of credit to him as a favor. The reverse is really the case. Competition in the banking business is so keen that such a borrower is in a position to demand and to get the best terms. Once, however, a cordial, intimate and mutually beneficial partnership has been entered into between bank and customer, neither is prone to sever such a connection.

The examiner, in his work of appraising the bills receivable of a bank is handicapped by not having had personal contact with the makers of the paper. He bases his conclusions upon the evidences of sound financial condition, shown by the books and by the condition in which he finds the paper. Frequently an examiner will call a bank's attention to a loan which appears to have been unwarranted by the financial rating of the borrower, but after the bank official's explanation of the soundness of the risk from a moral viewpoint and learning the circumstances incident to the making of the loan, he is compelled to waive such criticism as he was first inclined to make.

While it is not one of the functions of an examiner to assist the bank in the making of its loans, he should be ready with advice and suggestions where he finds that the general tendency in the extension of credit by the bank is liable to lead to serious losses if continued. Once assured that a bank is using sound judgment, and adopting all necessary safeguards in this feature of its business, the examiner should devote his attention to pointing out the weak features of the loans that have been already made. No matter how carefully the loans are made by the most conservative bank, losses are certain to be sustained. As a general rule, these losses are frankly admitted by the bank, but where a weakness has developed in a loan, and there is even a small hope of its eventually working out, it is human nature for the banker to deceive himself by looking on the bright side only, and the tendency is frequently to nurse along an account in the hope that some toxin will be discovered which will bring the invalid back to a healthy condition. An examiner should always encourage the liberal charging off of paper which has gotten into a suspended condition. The recovery of a loss, already charged off, is like picking the money up on the street, and there is no argument in favor of the plea, so often heard, that an account once charged off is lost sight of, and the collection of the same cannot be as vigorously pushed as though it were carried in the live assets. Examiners should be very careful in their criticisms to avoid causing uneasiness in a banker's mind concerning an account. It is very easy to destroy the credit of a borrower, but after an examiner has made a thorough investigation, and is sure of his position, he should not hesitate to advise the banks in his district of any facts which tend to show that a borrower is in an extended condition, and is being granted unwarranted credit. Examiners

MUST BE REASONABLE

in their demands upon the banks While it is a safe rule to follow in estimating losses, to cut as deep as their consciences will permit—and the hardened examiner has little conscience in such a matter—yet circumstances must alter cases. A crop failure in a community means the depreciation of credit standing all along the line. It gives the farmer a body blow, it cripples the merchant men, it harrasses the jobber, and it causes the banker to lie awake nights. In such a contingency the examiner is warranted in showing mercy—to act otherwise is to destroy all hope of a retrievement which a bumper crop the next year will bring.

In passing on credits the examiner must be guided by the character of the business peculiar to the banks under his supervision. Cotton, cattle sheep, lumber, timber, whiskey, grain, mining, manufacturing and the many other large industries must be studied by the examiner in order to familiarize himself with the safeguards which a bank must throw around the extension of credit to these varied interests. Many of us have examined banks in various sections of the country, a very excellent training to equip ourselves in the handling of credits. Every line of industry and human enterprise is represented by the loans of the banks in the great financial centres, and the broader the examiner's training the more efficient service will be rendered by him to the banks and to his superior. The city examiner insists that the loans in his banks must be everything implied by the word liquid, but the country examiner is not so strict in his analysis. A loan of $200 to Reuben Yapp, running for one year, secured by a chattel mortgage on one sorrel mare, one mulley cow, one spotted red and white calf, one white heifer, three years old, dehorned, one gang plow, one new set of double harness, one hay rake, and one single seated top buggy, would look out of place in the big city bank but what examiner has the courage or right to criticise such a line of credit by the country bank located in the county seat.

Fifty years ago a bank's loans were confined to a restricted territory. Now a very considerable proportion of a city bank's loans, and of many country banks, in fact, consists of paper of firms and corporations scattered all over the country. This paper is purchased on the open market from brokers. It has taken the place, and has practically all of the characteristics, of trade paper given in exchange for some commodity. It bears short maturities and is paid when due. It liquidates itself. Banks utilize paper of this character as a secondary reserve.

At periodical intervals a failure is recorded of a concern which sells its papers through brokers.

EVIDENCES OF FRAUD

are generally unearthed after such a failure, and one of the problems that must be solved by banks which are purchasers of commercial paper is to devise a better check on these borrowers. Every city bank maintains a credit bureau which is daily making inquiries of its correspondents or credit agencies, regarding the credit standing of the makers of paper which is offered to them for purchase over their counters. Answers to similar inquiries are also made, and the city bank acts as agent and adviser for its country bank customers in the purchase for them of a paper of this character. If the financial statements issued by concerns selling their paper on the open market were to be absolutely relied upon, there would be no need for the exchange of this credit information between banks, but there is always the fear that more liabilities than reported exist. The maintenance of these credit bureaus by city banks is a heavy expense; there is much waste effort, and there are as many duplications of the work as there are paper buying banks. Several plans for the concentrating of this credit information have been suggested, but a practical solution is yet to be found. The establishment of a registration bureau is one scheme.

The 1911 Convention of the Minnesota Bankers' Association passed the following resolution:

"RESOLVED, That we re-affirm our recommendation of last year that further safeguards be thrown around the issuance of what is commonly known as commercial paper; that we renew our suggestion that our members confine their purchases of notes to those issued by concerns which provide signed statements, certified to be regular chartered accountants, and, believing that it is both practicable and desirable that all such paper be registered, we ask the Executive Council to arrange a system of registering with some responsible trust company or other approved agency, the notes of those concerns which desire to float their paper, and of providing a proper auditing of the statements furnished by such concerns. We would also advocate that the council furnish a list of chartered accountants whose certificates may be accepted with confidence by the bankers of Minnesota."

MINNEAPOLIS PLAN.

In this connection the plan adopted by the Minneapolis banks in having expert accountants make periodical audits of the elevator concerns, which are large borrowers in that locality, is an excellent one, and the exchange of confidential information furnished by these reports is a valuable guide to the banks in making advances.

The comptroller of the currency has been working on the problem, and consideration has been given to the establishment by him of a credit bureau at Washington, available to the banks of the country. Such a plan is obviously impractical. In the first place he has not the machinery at his command to do the work, and assuming that the national banks would co-operate with him, the state and private banks are not under his supervision, and their co-operation in such a movement at present is not entirely feasible. He has, however, done a great deal with the means at his disposal in assembling at Wash-

Digitized by Google

ington credit information which is available to his own examiners and to state examiners as well. The national bank examiners all over the country once a year forward to Washington the names of makers of paper scattered through their respective districts, and the amount of borrowings of this character. These are lines of unsecured accommodations, and the names of the bankers are not given. Information is

TABULATED IN WASHINGTON.

and is then distributed among the examiners with confidential instructions regarding its use. The difficulty in obtaining effective results in this work is due to the fact that the lines of credit, as reported, are not of a concurrent date, and the information from the state and private banks is only partially included. The good that is obtained is due to the fact that the examiners are establishing credit files for their own use, and are posting themselves concerning credits. The annual meetings which they hold where exchange of information of the character is a feature, are also helping them to become more familiar with the business conditions in other districts than their own, and are tending to make them more efficient in their work.

In the opinion of the writer the clearing house examination system which is being established in every city of any size in the country, will in the near future, develop in these financial centres to such an extent that a practical and efficient plan will be devised to utilize this agency of the banks for the ready exchange of reliable credit information between banks in the same city and between clearing house examining bureaus in different cities. The very fact that the banks have gotten together to such an extent as to permit a joint employe to examine their affairs has meant the sweeping aside of the barricades with which each bank has guarded its business secrets. Why should they not join hands for the common weal by confiding to their joint agency credit information shown by their books, which is beneficial to all alike.

The corporation of Harry S. Lewis & Company, of 181 La Salle street, Chicago, is retiring from business and Harry S. Lewis, its founder and president, has in association with Geo. W. Clawson, of Kansas City, rented all of the ground floor at 45 Adelaide street, East, Toronto, Canada, and under the corporate style of the Standard Canadians Investments, Limited, will transact a high-class brokerage business in Canadian securities and investments. They will pay particular attention to the well-known Porcupine gold camp, and with the years of experience that the management of the company has had, their success is assured from the start.

MORRISON, ILL.—The Morrison State Bank has a capital of $25,000, with Robert Norrish as president.

MOUNT PROSPECT, ILL.—The Mount Prospect National Bank has been chartered with a capital of $25,000. William Busse is president, Ralph L. Peck, vice-president and William Busse, Jr., cashier.

BOSTON STOCKS AND BONDS

For the Week Ending Thursday Evening, August 17, 1911.

Names.	RANGE FOR WEEK		Last Sale	Sales for Week	RANGE FOR YEAR OF 1911.				RANGE FROM JAN., 1879 TO JAN., 1911.	
	Low	High			Lowest		Highest		Lowest	Highest
Railroads.										
Boston & Albany										
Boston Elevated										
Boston & Maine										
do pref.										
Cent. Vermont 4s										
Con. & Jt 4s										
Chic. June. R.										
do 5s										
Fitchburg pref.										
L. S. & M. 6s										
Maine Central										
do 4s										
N. Y., N. H. & H.										
Old Colony										
Rutland pref.										
West End										
do pref.										
Miscellaneous.										
Am. Agricul. Chem.										
do pref.										
Am. Sug. Ref.										
do pref.										
Am. Tel. & Tel.										
do 4s										
do cons 4s										
Am. Woolen										
do pref.										
Boston Elec.										
do pref.										
Dominion Coal										
do pref.										
Edison Elec. Ill.										
Gen. Electric										
Mass. Gas										
do pref.										
Mergenthaler										
Mexican Tel.										
New England C. & P.										
do pref.										
Pullman Co.										
Reece Button Hole										
Swift & Co.										
Torrington										
Union Pacific										
do pref.										
United Fruit										
United Shoe Mach.										
do pref.										
United States Steel										
do pref.										
Utah Copper										
Western Union										
do pref.										
Mining.										
Adventure										
Allouez										
Arcadian Cons.										
Arizona Com.										
Bingham Con.										
Boston Con.										
Butte Coalition										
Calumet & Ariz.										
Calumet & Hecla										
Centennial										
Copper Range										
Daly West										
East Butte										
Franklin										
Granby										
Greene Cananea										
Hancock Con.										
Indiana										
Island Creek										
do pref.										
Isle Royale										
Kerr Lake										
La Salle										
Mass.										
Michigan										
Mohawk										
Nevada Con.										
North Butte										
North Lake										
Old Dominion										
Osceola										
Parrot										
Quincy										
Ray Consolidated										
Santa Fe										
Shannon										
Superior Copper										
Superior & Boston										
Superior & Pittsburg										
Tamarack										
Trinity										
U. S. Smelting										
do pref.										
Utah Con.										
Utah Apex										
Victoria										
Winona										
Wolverine										

* Ex dividend. † Assessment paid. ‡ Rights off. ‖ Auction. § Old securities. ¶ Old stock.
†† Temporary certificates.

Digitized by Google

This Week and Next

Bears Still Rule the Wall Street Menagerie—Increased Activity Fails To Satisfy the Commission—Hungry Brokers—Standard Shares At Bargain Levels—Reassuring Advice to Foreign Investors—Outlook Favors A Quiet Business Year—Foreign Trade Returns Still Encouraging—Will Union Pacific Common Go To 150—A Remarkable Switch in Sentiment, With A Dividend Cut Hinted At, But Discredited By Past Results—At Last London and Berlin Commence To Sell Canadian Pacific, and the Long Predicted Decline Materializes—A Lehigh Valley Segregation Plan—Central of Georgia Directors Change Their Attitude Towards Bondholders.

Despite the fact the long prayed for increase in activity has at last materialized, Wall street is, on the surface, at least, no nearer happiness than it was in those comparatively recent days when total transactions ran around the 100,000 share mark as a general rule. Commission houses have been able to report a better business in the last two or three weeks than has resulted from the operations of any similar period for a long time, but although this increase in business is assuredly very welcome it has not been attended by any noticeable display of exuberance on the part of those who benefit by it. Of course, in times such as the present a doleful expression is a considerable part of a bear operater's stock in trade, and the broker who receives the benefit of bearish convictions in the shape of substantial selling orders is not likely to go out of his way to interfere with the game by giving expression to encouraging sentiments, and thereby doing his part to stem the tide. However, if the mournful attitude, maintained by the professional element in the street within the past fortnight in particular, is not the result of actual, decided conviction, then there are a large number of remarkably efficient actors engaged in stock market operations. It has been said that Wall street is naturally of a bullish temperament, and that when conditions arise which compel the abandonment for a time of that attitude the change is not a pleasant one for the average floor trader, even though it may mean greatly

INCREASED COMMISSIONS.

The "Public," so long a factor of relatively small importance in market affairs, so far as speculative operations were concerned, is still playing the role which it has drawn up for itself, the role of a spectator rather than that of an active participant. Investment purchases have been attracted by the unusually low levels of the last few days, which is as it should be, but it is not this unassuming kind of buying which goes to form the backbone of the aggressive bull market seen in past days. There has been a scattering liquidation of securities by small holders in foolish emulation of pool members, who simply had to unload, but, on the whole, this movement has been small, encouragingly so to one who has come to hold a greater respect for the discriminating powers of the small investor, as a result of the educating processes attending the experience of the past four years. Irrespective of whether or not the bottom has been reached, standard shares are selling at bargain levels today Three weeks ago in these columns, referring to the then active plans for the promotion of a bull market in August, I propounded the following question: "The main question now is, will the public toe the mark and do its part in taking the shares which the big men are willing to turn over to it for a consideration, or will it take cognizance of the fact that

THE AVERAGE POSITION

of active stocks is now between 15 and 20 points higher than a year ago and conclude to stay out of the market on the theory that bargain day has passed?" As it happens, the public has not been forced to make clear its stand on this question, for it is the professional element itself which has gone to work to bring about an adjustment of valuations in the share list, and in so doing it has paved the way for further odd-lot buying. "The outlook warrants cautious buy-

PHILADELPHIA STOCKS

For the Week Ending Wednesday Evening, August 16, 1911.

Names.	RANGE FOR WEEK Low	RANGE FOR WEEK High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911. Lowest		RANGE FOR YEAR OF 1911. Highest		RANGE FROM JAN., 1879, TO JAN., 1911. Lowest	RANGE FROM JAN., 1879, TO JAN., 1911. Highest
Amer. Cement..	...	...	12	....	12	July 27	17½	Jan 4	5¾ 1905	66 1909
Amer. Railways	44	44½	44¾	200	42	Jan 10	46¼	Aug 5	21½ 1900	56¼ 1902
Bell Telephone..	...	...	116	....	....	....	....	....	47 1879	120 1906
Cambria Steel...	44¾	45¼	44	2,050	42½	Jan 4	68¾	Feb 18	17½ 1879	83½ 1909
do. Iron	42½	43	43	7	41¼	Aug 10	46	Mar 27	16½ 1879	44¼ 1908
Elec. Co. of Am.	11¾	11¾	11¾	781	11	Jan 4	12½	Jan 12	... ...	155 1852
Elec. Storage....	...	...	25½	1,625	25	Jan 3	35	June 15	15 1879	25 1899
Gen'l Asphalt...	30	31	30	185	27½	Aug 10	39	Jan 10	4 1900	191 1899
do. pref.	70½	70¾	70½	200	67½	Aug 16	85	Jan 30	11 1900	103½ 1910
Hunt. & B. T...	...	...	5	....	5	June 19	7	June 19	1 1900	8¼ 1910
do. pref.	14	14	14	10	11	Aug 18	27	Feb 1	5¾ 1900	42 1906
Lake Sup. Corp	23	23	23	1,425	21	Aug 16	31¾	Feb 4	5¾ 1900	25¾ 1902
Lehigh Valley...	$1 7-16	$1	$1 7-16	4,700	$1 7-16	Aug 16	4¾	Feb 3	1¾ 1900	12¾ 1909
Lehigh Nav'g'n.	89	90	89½	220	87½	May 15	97	July 29	35 1900	131½ 1906
Marsden	...	...	13¾	.....	.....	.....	.....	.....	¾ 1907	28¾ 1899
Penn. Steel.....	...	...	60	.....	.....	.....	.....	.....	5 1879	61 1891
do. pref.	103	103¾	103¾	2	101	May 4	105¾	Apr 17	15 1900	117½ 1909
Phila. Co.....	37	37	37	200	36¼	Jan 4	42¼	June 5	7¾ 1900	55¾ 1906
do. pref.	43½	43	43	115	42	Feb 20	47	Feb 8	21 1900	57 1906
Phil. Elec.	16¾	17¼	16¾	6,000	16	Mar 9	18	July 17	2 1900	103¾ 1910
Phil. Rap. Trans	22	23¼	22½	2,500	16¾	Apr 18	24¾	Aug 4	12 1900	37¾ 1909
Phil. Traction...	86	86	86	2	85¾	May 1	93¾	July 14	... ...	103¾ 1903
Tonopah Min'g..	3¾	3¾	...	1,400	3¼	Aug 16	5¼	Jan 17	2 1900	11¾ 1906
United Gas Imp.	84½	85	85	4,851	83¼	Aug 10	89¾	Jan 9	20 1901	125 1899
Union Traction..	50	51¼	50½	5,845	47	Jan 4	57¾	July 14	... ...	63¼ 1905
Warwick Steel..	...	...	10	.....	7¾	Jan 10	13¾	Feb 28	2¼ 1901	18 1899
Westmo'd Co'l.	...	...	80	.....	79	July 7	90½	Mar 20	45 1879	111 1905

* Ex-dividend. † Trust certificates. ** Temporary certificates.

CHICAGO STOCKS

For the Week Ending Wednesday Evening, August 16, 1911.

Names.	RANGE FOR WEEK Low	RANGE FOR WEEK High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911. Lowest		RANGE FOR YEAR OF 1911. Highest		RANGE FROM JAN., 1879, TO JAN., 1911. Lowest	RANGE FROM JAN., 1879, TO JAN., 1911. Highest
Am. Can	9¼	10	9¾	600	8¾	Jan 27	13¾	May 23	3¾ 1901	21½ 1901
do. pref.	85¾	87¼	87¼	825	76¾	Jan 7	91¼	May 23	69¼ 1901	96 1901
Am. Radiator ..	...	...	265	.....	260	Jan 4	285	Feb 15	90 1901	264½ 1910
do. pref.	...	...	121	.....	120½	Mar 9	121	Aug 29	98 1901	118 1901
Am. Shipbldg.	54½	58	54½	300	54½	Aug 14	79	Feb 6	14 1901	81½ 1910
do. pref.	...	...	111	.....	110½	Jan 16	113	May 18	82 1901	111 1910
Chic. City Ry....	...	...	260	.....	255	Mar 23	260	Mar 28	141 1900	170 1910
Chic. Pneu. Tl.	65½	69¼	69¾	770	41	Jan 1	85½	Feb 22	18 1900	167¾ 1912
Chic. Subway...	2¾	3	3	610	2¾	Aug 16	5	Mar 1	2¾ 1900	57¾ 1905
Chic. Telephone.	127	140	125	85	115	Jan 27	140½	May 17	100 1901	286 1901
Cin'n'ti & Ham.	100	100¾	100¾	902	112	Jan 23	127½	July 15	77 1901	196 1910
Diamond Match.	103	104	104	475	96	Jan 16	105½	July 31	83½ 1910	162 1893
Kan. City Light	16	16	16	100	16	Aug 10	24	May 23	20 1910	68½ 1906
do. pref.	...	...	90	.....	40	Aug 2	78¾	Feb 25	68 1901	92¾ 1906
Met. El.	...	...	97	.....	89½	Feb 1	98¾	June 28	12 1900	47 1902
do. pref.	...	...	75	.....	61	Mar 16	85	July 17	7 1900	91¼ 1901
Nat. Carbon.....	...	...	113	.....	112½	July 25	120	June 3	25 1899	115 1910
do. pref.	...	...	118½	.....	110	July 8	120	Apr 12	72 1900	124 1909
No. West. El...	...	...	20½	.....	20½	Apr 27	26½	June 20	13¾ 1900	55 1901
do. pref.	...	...	68½	.....	60	Mar 1	67	Mar 30	14 1900	97 1901
Quaker Oats....	...	...	190	.....	165	Mar 17	193	June 29	25½ 1900	198 1910
do. pref.	107	107	107	40	106½	Feb 8	107½	July 24	77 1900	106½ 1905
So. Side El.....	...	...	80	.....	68	Feb 16	80	June 30	40½ 1897	200 1901
Streets' Car	9	9	9	10	8	May 31	13¼	Feb 24	10¾ 1900	54½ 1909
do. pref.	50	50	50	10	40	June 2	58	Aug 11	40 1900	111¼ 1906
Swift & Co.	101¾	102¼	102	1,627	100¾	Mar 13	104	June 8	75½ 1907	122½ 1902
Un. Box Board .	2¼	2¾	2¾	400	2¼	Aug 10	7	Jan 5	½ 1900	17½ 1902
do. pref.	...	...	7¾	.....	.....	.....	.....	.....	1¾ 1900	50 1902
Western Stone..	...	...	19½	.....	19½	July 25	24¾	Jan 24	14 1900	90 1906

* Ex-dividend. † New. ** Receipts. ‡ Assessment paid.

Digitized by Google

ing of really high grade securities." Such is the opinion expressed by reliable authorities generally, even those who see signs of an unsettled market for a year or more. Foreigners have been making frequent inquiries of conservative banking interests here as to the outlook, and in practically every instance the assurance has been given that fundamental conditions are strong, and that while the present outlook favors a rather quite business year, the absence of over-extension among the banks, the limited character of merchandise supplies and the ease of money are important factors to be taken into account in outlining the investment outlook.

FOREIGN TRADE RETURNS

continue to reflect a highly satisfactory condition for the country at large, as was reflected in the excess of exports over imports for the fiscal year ended June 30, last, of over $520,000,000, as against $188,000,000 for the previous fiscal period. The July trade statement shows a maintenance of this encouraging state of affairs, with its excess of exports of $9,529,888 as compared with $2,688,000 a year ago. The total trade of the country was the largest, with one exception, in the country's history. Evidently, therefore, the new fiscal year is setting up to duplicate the returns of 1909 and 1910 under which a favorable trade balance was established.

UNION PACIFIC.

In no direction has the change in market sentiment within the last three weeks been more pronounced than in the movement of Union Pacific common and the trend of market gossip. Prior to August 1, the bulls were talking 225 for this issue; now the bears are predicting a further decline to 150. Three weeks ago, there was no apprehension felt regarding the maintenance of the 10 per cent dividend rate; now Wall street is being treated to the theory that it will be necessary within a year or two to cut the rate to 8 per cent per annum. Bearish as sentiment undoubtedly is, it is not so steeped in gloom that there is a general disposition to believe that it will be necessary to depart from the liberal disbursement policy inaugurated by the late E. H. Harriman, and unless net earnings continue to show a substantial decline it is hardly likely that that expectation will gain a strong foothold. In the last fiscal year, Union Pacific showed 7.38 per cent on the common stock earned from its investments, and, of course, it is quite proper to pay out all of this in dividends, as it represents no part of the principal, but simply the interest or dividends received on the securities owned. Therefore, assuming that the company will be able to show 7 per cent earned on its junior shares from this source, a thoroughly reasonable assumption, it would be necessary to show but 3 per cent earned from actual railroad operations to cover the full dividend requirements at the present 10 per cent rate. If anyone doubts Union Pacific's ability to earn this limited amount, he certainly is in a bad way.

CANADIAN PACIFIC.

Canadian Pacific is another issue

NEW YORK STOCKS AND BONDS

For the Week Ending Thursday Evening, August 17, 1911.

Name.	RANGE FOR WEEK Low	RANGE FOR WEEK High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911 Lowest		RANGE FOR YEAR OF 1911 Highest		RANGE FROM JAN., 1878, TO JAN., 1879, Lowest	RANGE FROM JAN., 1878, TO JAN., 1879, Highest
Atch. & T. & S. F.	104⅛	106⅝	104⅝	86,100	103⅝ Jan 3		116⅝ June 5		3 1-16	1894 152½ 1890
Atch. & Top. pf.	102½	103⅞	103⅞	1,100	100⅝ Jan 3		106½ June 12		14	1896 107½ 1901
Atch. & Top. 4s.	93⅝	93⅞	93⅝	36,000	83 Mar 23		96⅝ Jan 4		61	1894 103⅝ 1902
do. adj. 4s....	91⅜	92	92	12,000	80⅝ Mar 29		92½ Jan 28		26	1896 99⅛ 1905
Atlantic Coast Line.	121	121	122⅜	5,100	117 Jan 3		132½ July 22		58	1896 170 1905
B. & O. Gold 4s.	97⅞	98⅛	97⅞	28,000	88 Aug 16		99⅛ Feb 21		83	1896 108⅜ 1905
B. & O. S. W. 3½s.	90½	90½	90½	13,000	80⅜ Feb 28		93 Mar 11		80	1896 96 1899
Balti. & Ohio....	101⅛	102⅜	101⅛	11,200	101⅜ Aug 17		109⅜ July 22		9	1896 125⅛ 1904
do. pref.	...	...	87	...	87 Aug 3		91 Jan 4		67½	1899 100 1901
Brooklyn R. T..	74½	77	75	22,400	74½ Aug 17		85⅝ July 20		18	1896 137 1899
B. R. T. conv't 4s.	83	84	83	117,000	82⅝ Apr 18		88⅝ Jan 28		56	1896 102½ 1905
Canadian Pac....	238⅛	238⅝	238⅛	6,350	186⅞ Jan 3		241 July 21		53	1896 202⅝ 1910
Canada South....	...	...	68	...	62 Mar 3		68 May 12		21	1896 97 1903
Cent. of Ga. Con. 5s.	106⅜	106⅜	106⅜	23,000	105¾ Jan 18		110 July 25		85	1896 120½ 1945
do. 1st inc....	96½	96⅝	96½	20,100	95 July 21		111⅜ Apr 19		50	1896 102 1910
do. 2d inc.....	...	...	96	.....	93 Mar 1		106⅛ Apr 5		9	1896 101 1910
do. 3d inc.....	...	...	88	.....	85 Feb 24		102 Apr 4		4	1896 100 1910
Central N. J.....	...	...	275	.....	250 Mar 11		287 June 3		21	1896 312 1910
Cent'l Pac. 3½s.	...	...	91	.....	91¼ July 1		92 Mar 8		75	1896 91 1910
Ches. & O. gen 4½s.	104⅝	104⅝	104⅝	8,000	104½ Apr 12		107 May 18		61	1896 111 1908
Chesapeake & O.	72½	73⅛	73⅛	28,400	71½ Aug 17		86⅝ Feb 10		1	1896 125⅝ 1881
Chic. & Alton....	...	...	25	.....	25 Aug 8		31⅝ May 23		8⅛	1896 74⅜ 1909
do. pref.	...	...	52	.....	52 Mar 17		58 Jan 27		47	1896 87½ 1909
Chic. Gr't West.	20	21	20	1,100	20 Aug 17		29¼ June 5		3⅜	1897 37⅝ 1909
do. pref. A....	38	40¾	38½	2,400	38 Aug 16		49¼ Feb 6		15½	1898 86½ 1901
Chic. M. & St. P.	112	117½	113⅝	61,650	112 Aug 16		133½ Feb 7		34⅜	18?? 195⅝ 1906
do. pref.	...	...	152	.....	147 Jan 3		170½ June 15		74⅝	1879 218 1906
Chic. & N. W....	140	142	141	3,450	140 Aug 12		160⅜ June 12		100⅛	18?? 257½ 1902
do. pref.	...	...	200½	.....	200 Aug 2		211½ Aug 9		138	1??? 215 1902
Chi., St. P. & Om.	132	132	132	100	130⅜ Apr 29		144 June 12		101½	1887 ... 1905
do. pref.	...	...	152	.....	152 Feb 18		152 Feb 18		66	1883 230 1905
Chi. Ter. Trans	...	...	12½	.....	.....		.....		⅝	1896 31 1911
do. pref.	...	...	46½	.....	.....		.....		3⅝	1896 57½ 1911
Chic. Un. Trac..	...	...	2⅜	.....	2 May 11		5 June 2		⅝	1896 23 1902
do. pref.	...	...	6	.....	5⅜ May 2		7⅜ Feb 6		2	1896 60 1902
C., C., C. & St. L.	...	...	80	.....	... Aug 8		66 Jan 13		14½	1896 111 1905
do. pref	...	...	94⅝	.....	94½ June 16		98 Feb 1		61	1896 124¼ 1902
Colo. & South'n.	49¼	50¼	49¼	1,200	44¼ Aug 12		60 Jan 18		4⅜	1896 65¼ 1909
Col. & So. 1st pf.	...	...	70½	.....	70½ Mar 27		84⅜ July 10		25	1896 86 1909
do. 2d pref....	...	...	72	.....	72½ Apr 13		... Aug 8		12½	1896 84½ 1909
Del. & Hudson..	164	164½	165	1,300	164 Aug 17		177¾ June 8		23	1879 240⅜ 1891
Del., Lack. & W.	...	...	350	200	350 Feb 17		400 June 5		48	1879 460 1891
Den. & Rio G'de	17½	17⅝	17½	7,100	17½ Aug 17		25 Feb 21		4⅜	1886 ... 1911
do. pref.	41	41	41½	2,100	38 Aug 12		44 Feb 21		24	1886 61 1911
Det., So. Sh. & Atl	10¼	10¼	10¼	400	9¾ Aug 5		14 May 1		2½	1901 24 1902
Erie 1st gen. 4s.	75½	76	75¼	67,000	75¼ Jan 3		85⅛ July 19		51	1896 96 1905
Erie	28	28⅝	28⅜	900	27¾ Jan 11		34⅜ June 30		5	1896 77⅝ 1885
Erie 1st pref....	38	39	38⅝	1,700	37¾ Jan 12		61½ June 1		13	1896 86 1885
Erie 2d pref....	39	40½	40	1,100	37 Jan 13		49⅜ July 3		13	1896 78⅜ 1905
Evans. & T. H.	...	...	82½	.....	62 Feb 1		88 July 21		20	1896 172 1902
do. pref.	...	...	100	.....	87 June 5		100 July 21		7	1896 104⅜ 1902
Grand R. & West.	113	113⅜	113⅜	15,000	111½ Aug 14		131⅛ Jan 3		5	1896 27½ 1911
Gt. Northern pf.	125⅜	126	125⅞	25,100	122 Feb 24		140 June 5		111½	1896 ... 1900
Hock. Valley**.	...	...	128⅜	.....	128 May 24		134 Apr 29		92	1896 140 1910
do. pref	...	...	140	.....	.....		.....		...	1896 146 1910
Illinois Central..	147½	148⅜	147½	2,400	142 Jan 3		157 July 20		70½	1896 164⅜ 1906
Inter-Met. com.	14	16½	15	1,100	13 Aug 17		23⅜ Feb 17		4⅞	1896 33⅜ 1906
Inter-Met. pf.	41¼	43	41¾	400	39½ Aug 17		57⅜ Feb 20		16	1896 53½ 1906
Iowa Central....	17	19	19	700	14 May 12		19⅞ May 3		2	1896 23½ 1902
do. pref	34	...	...	2,400	28 Apr 5		... Aug 8		12	1896 38⅜ 1902
Kan. City & So.	29	31¼	29½	4,100	24 Aug 16		34¼ June 12		7	1896 50⅜ 1909
do. pref	66	66	66	800	64½ Jan 3		70 May 26		27½	1896 77½ 1909
K. C. Ft. S. & M. pf	...	...	75	.....	75 Aug 3		76 May 3		58	1896 88 1902
Kan. C. & West.	12½	12½	12½	200	12 Aug 15		16¾ Feb 1		3½	1896 76½ 1901
do. pref.	...	...	42	.....	42 Aug 16		... Jan 17		33	1896 ... 1902
Louis. & Nashv.	147	147	147	1,800	142 Aug 14		160 July 19		75	1896 ... 1900
Manhattan Ele..	113½	114½	114½	400	113 Mar 28		142½ July 19		64½	1894 137 1907
Metrop. St. Ry..	...	...	17	.....	.....		.....		5	1896 18? 1911
Mex. Central....	...	...	4	.....	.....		.....		4	1896 ... 1892
do. 1st 4s	...	...	69¾	.....	.....		.....		32	1896 90¼ 1910
do. 1st inc....	...	...	24	.....	.....		.....		8	1896 46 1896
do. 2d inc.....	...	...	24	.....	.....		.....		6	1896 27½ 1896
Minn. & St. L...	20	21	21	400	20 Aug 17		29 July 10		3	1896 ... 1909
do. pref.	44	45	45	.....	45 May 17		48 July 21		23	1896 ... 1909
M. St. P. & S. S. M	143⅜	145	144	2,200	139⅜ Aug 16		152 May 26		6	1896 164 1906
do. pref	...	...	140	.....	140 Jan 5		150½ June 20		10	1896 160½ 1906
M. K. & T. 1st 4s	...	...	70	.....	70 Aug 17		75 Jan 13		50	1896 80½ 1990
do. 2d 4s.....	57¼	57¼	57¼	.....	57¼ Jan 5		63¾ Feb 17		37	1896 66 1990
M. K. & T. 1st 5s	...	...	101	.....	101 Jan 5		107½ July 10		72	1896 114½ 1990
M. K. & Tex..	27¾	28	28	2,700	27 Aug 16		36 June 10		18	1879 74 1891
do. pref.	62	62	62	100	62 Aug 16		77 June 10		37	1879 94 1891
Missouri Pacific..	46	46⅜	46	1,200	46 Aug 17		63 Feb 3		14	1896 157½ 1905
N. Y. Central...	109⅜	110⅛	110	2,100	107 Aug 17		117½ Feb 3		31½	1896 174 1905
N. Y., C. & St. L.	...	...	80	.....	80 Aug 17		90 Jan 20		9	1896 ... 1902
do. 1st pref....	100	100	100	100	100 Aug 17		108 Mar 20		4	1896 120½ 1902
do. 2d pref....	83½	83½	83	200	83 Aug 17		90 Jan 20		18	1896 ... 1902
N. Y., Ont. & W.	39⅜	39⅜	39⅜	2,000	39 Aug 16		46⅜ July 22		4	1896 ... 1907
N. & W. Com. 4s	96⅜	96	96	1,000	96 July 14		99 Feb 3		63½	1896 ... 1903
Norfolk & West.	104⅞	104	104	2,300	103¾ Jan 3		120¼ June 26		34	1896 107 1905
do. pref.	90½	90½	90	400	89¾ Apr 28		94 May 17		41½	1896 96 1909
N. Dak. prior 4s	76¼	77	76¼	2,000	76¼ July 18		100½ Feb 6		60½	1896 108 1899
do. gen. 5s	107	107	107	2,000	106 Aug 15		112 Aug 4		57	1896 ... 1907
Northern Pacific	117	120⅜	117⅜	16,600	116 Jan 11		127⅜ June 6		31	1896 ... 1997
Pacific Coast ...	...	...	105	.....	100 Jan 11		102 Jan 10		34	1896 142 1905
do. 1st pref...	...	...	101	.....	.....		.....		65	1896 ... 1910
do. 2d pref....	...	...	101	.....	101 Jan 11		101 Jan 11		50½	1896 ... 1910
Penn. R. R.	129	131	129	52,900	129 Aug 17		139⅜ Feb 1		95⅛	1896 150 1902
Peoria & Eastn.	...	...	50	.....	.....		.....		2	1896 50 1901
Pitts., C. & St. L.	108	108	108	100	97 Aug 16		109 Jan 17		101½	1896 ... 1902
do. pref.	98	98	98	100	108 Aug 11		112 Feb 17		40	1896 ... 1902
Reading gen. 4s	93½	94	93⅝	91,000	93½ Mar 15		99½ Aug 7		77	1896 ... 1997
Reading	144½	145	144½	600	141 Aug 17		166⅞ June 3		57⅜	1896 ... 1997
do. 1st pref...	91	91	91	100	88 Mar 1		92 July 14		73⅛	1896 ... 1997
do. 2d pref....	91	91	91	100	91 Aug 15		101 May 2		60	1896 ... 1997
Rock Island, new	25⅜	25¾	25⅜	65,700	24⅞ Aug 12		34⅝ June 16		6½	1896 ... 1911
do. pref.	48	50¼	48⅜	3,100	48 Aug 17		63⅝ June 14		9⅝	1896 ... 1911
St. L. & S. F. 1st pf.	80⅞	81	80⅞	26,400	80 Aug 10		88 May 6		4⅜	1879 ... 1907
St. L. & S. F. 1st pf.	60	62⅜	61⅜	800	60 Aug 14		80 July 25		20	1887 ... 1907
St. L. & S. F. 2d pf.	40	44	40¾	6,200	38 Aug 21		49¼ July 24		12	1879 ... 1907
St. L. & S. W. 1st 4s	92⅜	92⅜	92⅜	2,400	89⅝ Jan 24		95⅝ Aug 16		45	1896 ... 1989
do. 2d gen. 4s	...	...	81	.....	78 Jan 9		85¼ June 29		30	1896 ... 1989

Digitized by Google

NEW YORK STOCKS AND BONDS

For the Week Ending Thursday Evening, August 17, 1911.

Names.	RANGE FOR WEEK		Last Sale	Sales for Week	RANGE FOR YEAR OF 1911.				RANGE FROM JAN., 1879, TO JAN., 1911.			
	Low	High			Lowest		Highest		Lowest		Highest	
St. L. Southw...	31	31½	31½	200	26 Jan	13	34 Feb	4	1	1897	29½	1901
do. pref.	67	68½	67½	700	59¾ Jan	3	72 June	27	21¾	1900	90	1902
S'b'd A.L.adj.5s.	76¾	77½	77	59,000	75 Mar	15	82 July	19	69¾	1910	77½	1910
San.Ant.&A.P.4s	87½	87¾	87¾	5,000	86¾ Apr	8	89 May	16	45	1896	92½	1909
So. Pac. rfd. 4s..	94½	95	94½	168,000	94¾ Aug	17	96 May	8	94¼	1906	98½	1905
South'n Pacific..	111½	116¾	113	99,000	111½ Aug	17	126¾ June	26	12	1898	139½	1909
do. pref.	...	...	71¾	.....	.....		.....		94¾	1900	137	1909
Southern	27½	29½	28½	31,700	25½ Mar	4	33¾ July	22	12	1894	2253	1882
do. pref.	67½	69¾	69	4,200	61¾ Jan	11	75¾ July	20	12	1894	103	1906
Texas & Pacific.	23⅜	26¾	23⅜	4,300	24⅜ Aug	17	39½ June	9	4¾	1893	73⅜	1881
Third Avenue...	8	9	8¾	2,600	8 Aug	14	21 Mar	2	5½	1910	242	1899
Tol.Rys.& Light	6½	6½	6½	100	6¾ Aug	16	8½ Jan	17	5½	1910	35	1902
Tol., St. L. & W	18	19½	18¾	1,300	18 Aug	12	24¾ Feb	8	10¾	1901	54¾	1909
do. pref.	40	45	41½	1,700	40 Aug	17	53¾ Feb	8	22¾	1903	74½	1909
Twin City R. T.	105½	108	108	700	105½ Aug	14	111 Feb	3	9½	1897	129	1902
U.P.cvt. 4s, 1927.	102¾	104¾	102¾	1776,000	102¾ Aug	16	109¾ June	27	78¼	1907	124¼	1909
Union Pacific....	167¼	178	168¾	923,300	167¼ Aug	16	192¾ July	22	3	1898	204⅜	1910
do. pref.	91	92¾	91	2,557	91 Aug	16	96 July	24	47	1898	118½	1909
Wabash 1st 5s...	108	108¼	108	17,000	100 June	7	110 Mar	20	93	1899	121	1902
do deb. B's...	...	...	101	.....	.....		.....		19	1893	101	1909
Wabash	13½	14¾	14¼	2,700	14½ Aug	10	18⅜ Feb	22	3	1896	60	1881
do. pref.	28¾	32	29¾	4,800	28¾ Aug	12	40¾ Feb	22	9	1894	98¼	1881
Wheel. & L. E..	3	3¾	3¾	1,200	3 Aug	16	6¾ Feb	3	½	1897	63⅜	1887
do. 1st pref..	...	...	8½	.....	7½ July	22	17⅜ Feb	3	3¾	1897	80¼	1892
do. 2d pref....	...	...	4	.....	4 July	5	8 Feb	22	4	1910	42⅜	1902
Wis. Central....	51	53¾	53	4,400	51 Aug	16	72¾ May	1	4c	1893	64	1910
do. pref.	...	...	83½	.....	.....		8 Feb	22	50c	1899	91¾	1909
do. 1st 4s.....	92½	93	92½	7,000	92¼ Aug	3	93¾ July	5	27	1896	99½	1890
Miscel. St'ks.												
Adams Express.	...	...	100	.....	235 Jan	20	243 June	12	97¼	1888	315	1907
Allis Chalmers.	6¾	6¾	6¾	200	6¼ Aug	4	9¾ May	31	4	1907	27¾	1906
do. pref.	20	21	20	600	20 Aug	15	34 Feb	3	14	1908	87¼	1903
Amal. Cop.....	59¼	63¾	60	78,700	59¼ Aug	17	71¾ June	19	33⅜	1909	130	1901
Am. Car & F'd.	49½	52½	50⅜	4,650	49½ Aug	12	68¾ July	19	10⅜	1899	76½	1909
do. pref.	115⅜	116½	116½	200	114¾ Mar	13	120 May	22	61	1899	124⅜	1909
Amer. Cot. Oil..	52¾	55	53¾	4,800	49¼ May	22	62¾ Feb	28	8	1896	79¼	1909
do. pref.	...	...	100	.....	100 June	27	106½ Mar	21	27¼	1899	107⅜	1909
Amer. Express..	215	215	215	100	215 Aug	17	245 Mar	27	100	1893	301	1910
Am. H. & L....	4	4	4	400	3⅞ Jan	28	5 July	21	2¼	1903	37⅜	1899
do. pref.	20	21½	20	1,300	20 Aug	16	36⅜ June	14	10	1907	83¼	1899
Am. Ice Sec.....	19¼	20	18⅝	1,500	17¾ Jan	18	25⅜ July	12	8¼	1907	96	1907
Am. Linseed Co.	8	9	8⅜	600	8 Aug	11	12⅜ Feb	17	5	1903	30¾	1901
do. pref.	27¼	28	27½	400	27¼ Aug	14	34 Feb	14	16½	1907	66	1901
do. pref.	36	38	37½	3,300	35⅜ Apr	21	43¾ May	22	11¼	1903	78¼	1906
Amer. Malt Co..	104¾	104¾	104¾	100	104 Aug	10	110¾ Mar	1	67½	1903	122½	1906
do. pref.	...	...	4	.....	3¾ Feb	17	5¾ July	11	2½	1907	90¾	1898
Am. Smlt. & Ref	39½	39½	39½	200	31¾ Mar	8	43⅝ July	22	14½	1903	59	1909
do. pref.	69¾	72¾	69¾	70,700	68¾ Aug	12	83¾ June	15	30	1899	174	1906
Am. St'l F'dry..	104¾	105¾	105¾	400	103¾ Mar	10	108¾ June	15	77½	1899	137	1905
do. pref.	36	36	36	600	36 Aug	16	52½ Feb	9	3½	1904	68¾	1909
Am. Sugar Ref.	...	...	39	.....	.....		.....		20	1907	70	1902
do. pref.	113	115¾	115	2,800	113 Aug	12	121⅞ June	14	86	1899	132	1899
Am. Tob. pref..	115	116	115	300	111 Jan	5	119½ Feb	14	66½	1893	143	1905
Anaconda|||	92	94	92¼	2,000	92 Aug	12	102 May	23	60	1907	151¼	1902
Br'k Un'n Gas..	36¾	37½	36¼	3,700	36¾ Apr	24	41¾ June	20	|||25	1907	302¾	1907
Central Leather.	...	...	140	.....	135 Jan	3	145½ June	5	90	1907	253	1902
do. pref.	24¼	26½	25	3,700	24 Aug	10	33⅜ Feb	2	11⅜	1907	51¾	1909
Colo. Ind. Se....	96	98	98	100	95¾ Aug	10	105 Feb	10	68	1907	111	1909
Colo. F'l & Ir'n.	73	73½	73½	8,000	73 Aug	12	79½ Feb	22	36	1907	88¼	1906
do. pref.	27¾	30	29	3,100	27¾ Aug	17	36⅜ Feb	6	14	1907	106½	1901
C.&H.V.Co'l&Ir.	...	...	110	.....	110 Aug	5	110½ Jan	9	30	1907	142½	1901
Consolid't'd Gas.	...	...	144¾	.....	4 Feb	9	4 Feb	9	⅜	1896	221¼	1910
Con. Tobacco 4s.	139¼	139¾	135	16,210	133 Aug	17	148½ June	6	67	1887	241¾	1897
Corn Prod'ts R.	84¾	84¾	84¾	6,000	81¼ Jan	11	89¾ July	19	51¼	1902	95¾	1904
do. pref.	12½	13	12¾	2,400	12¾ Aug	16	15¾ May	17	8	1902	28	1906
Dist. Secur.....	76¾	78	78	600	74½ Jan	10	85 May	29	46	1907	93¼	1910
Fed. M. & Smlt.	30½	33¾	32	4,450	30½ Aug	14	38¼ June	6	19½	1904	78	1907
do. pref.	...	...	28¼	.....	17¾ Jan	28	36 Feb	16	48½	1904	190	1906
Goldfield Con....	...	...	60½	.....	48½ Jan	11	66½ May	19	47	1907	112¾	1907
Internat. Paper.	5½	5¾	5¾	6 42	5½ Aug	17	7¾ Jan	2	3¾	1907	10	1910
do. pref.	10	10¾	10	200	9¼ Apr	27	13¾ Feb	3	7¼	1907	68¼	1899
Inter. Power....	46	47	47	700	44¾ May	15	56¾ Jan	21	47	1909	96	1898
Inter. Stm. P'mp	...	...	39	.....	.....		.....		22	1907	139	1907
do. pref.	32¼	36¾	32½	2,550	32¼ Aug	12	44 Feb	10	7¾	1907	60	1906
Nation'l Biscuit.	134½	134½	134½	100	84½ Jan	26	90½ June	12	50	1907	95	1902
do. pref.	...	...	128¾	.....	117¾ Jan	16	141 Apr	4	23	1900	120	1909
Nat. En. & St'p.	17	17	17	900	124 Jan	20	130 Feb	4	79½	1900	130	1909
do. pref.	97	98	98	500	16¾ May	29	22 July	24	4½	1907	36	1903
Nat. Lead.....	94¼	95	93	600	85 Jan	6	100¾ July	22	70	1908	90¼	1909
do. pref.	114¼	115½	115¼	2,800	49½ Aug	17	88¾ Mar	15	||104½	1903	95¾	1901
N.Y. Air Brake.	106½	108¾	108½	300	105¾ Mar	24	108¾ Aug	15	48	1893	115	1899
North Amer. Co.	65	66	66	200	65 Aug	12	76 June	19	14	1896	168¾	1905
Pacific Mail.....	69½	72¾	71	1,900	64 Jan	10	76½ May	22	2¾	1899	174	1902
P'ple's G.L.& C.	98¾	101½	99½	5,600	93¼ Apr	24	103 Aug	11	8½	1899	70	1887
Pressed St'l Car	101¼	105	103¼	2,500	103 Apr	4	109 Jan	19	39	1893	129¼	1899
do. pref.	31½	32½	31¾	800	30½ Jan	3	37⅜ July	22	15⅝	1907	62¾	1903
Ry. Stl. Spring.	...	...	99¾	.....	92¼ Jan	3	102¾ June	16	52½	1907	121¾	1909
do. pref.	32	32	32	1,300	30½ Aug	12	39 June	14	15¾	1894	63¼	1903
Rep'b Ir. & St'l.	101½	101½	101½	100	92 Jan	3	102¼ May	24	67	1902	100	1909
do. pref.	25	27½	25½	6,200	25 Aug	17	35½ Feb	6	5	1904	89¼	1909
Sloss-Sh. S. & I.	90¼	92¼	91	2,100	90¼ Aug	16	99¾ Mar	14	36¾	1907	111¾	1909
do. pref.	45	46½	45	600	45 Aug	14	54¾ Feb	6	17½	1900	118½	1907
T. Pac Ld. Tr..	...	...	112	.....	112 Feb	15	113 Feb	15	59¾	1900	120	1905
Un. Bag & Pap.	5¾	6¾	6¾	2,200	87 Mar	3	92 Jan	24	5	1898	98	1910
do. pref.	54	54	54	100	5¾ Aug	16	9 Feb	10	3⅜	1904	45	1899
U.S.Cast IP & F	12¼	13¾	13¼	1,200	54 Aug	11	59½ Jan	30	36	1900	89	1899
do. pref.	46¼	53	46¼	1,500	12¾ Aug	17	19 Feb	21	6	1902	53	1906
U. S. Express...	90	92	92	300	44¼ Aug	17	59¾ Feb	24	32	1902	97¾	1905
U.S.R'lty & Imp	68	71½	68	1,800	90 Aug	11	104 Feb	1	25	1906	160	1902
U. S. Rubber.....	63¾	68	66	6,900	65¼ Jan	25	79¾ May	29	26	1907	98¼	1905
U. S. Rubber pf.	110½	111	111	300	33⅜ Aug	12	47¾ Mar	1	7	1905	64¾	1893
U. S. Steel.....	70¾	74¾	71⅝	1068,020	109¼ Jan	21	116½ July	7	30¼	1900	128½	1909
do. pref.	115¼	116⅝	115¾	17,900	70¾ Aug	16	82¼ Feb	6	8¾	1904	91	1910
do. 5s	104½	105	104½	132,000	115¾ Aug	15	120⅝ Feb	4	49⅜	1900	125⅜	1910
Utah Copper....	47⅜	48	47⅜	24,500	100¾ Jan	4	108⅜ May	27	65	1903	166¼	1910
Virg. Car Chem.	53½	54½	54¼	8,900	42⅝ Apr	18	62 June	14	18	1907	67¼	1909
do. pref.	119	120½	119	800	53¾ Aug	17	78¾ Feb	28	12¾	1907	72	1901
West. Un'n Tel.	73	76	75	17,800	119 Aug	17	128½ Mar	15	75	1907	133⅜	1902
West. Mfg. Co..	64¼	66	64¼	6,100	71⅜ Mar	30	84½ May	24	41	1906	197¾	1881
do. pref.	110½	114	114	300	110½ Aug	16	123 Jan	5	48¼	1896	160	1907

* Ex-dividend. ** New. † Assessment paid ‡ Ex-rights. § Price bid. ¶ Price asked. $ Old securities. ¶ Certificates. x Ex-interest. \|\|\| Par value basis. *** Receipts.

which has been made a target for the shafts of the bear sharp-shooters. Apparently in a particularly vulnerable position because of its long-sustained advance, it stubbornly refused to yield ground because it seemed impossible to start a substantial liquidating movement. This week, however, London has began to sell on a fairly substantial scale, labor troubles in the "Tight Little Isle" having done much to spread the gospel of pessimism in that direction. Berlin has also shown signs of falling into line with long-delayed selling orders, and the pools in the stock on this side have found it a much more difficult matter, naturally, to hold values up to anything like their previous level. It has fallen away some 16 points from the high of the year, while Union Pacific has declined 24 points and Lehigh Valley 18. Lehigh Valley, by the way, is attracting a good deal of interest at the moment for reasons which have little or nothing to do with the present downward movement in prices. The Lehigh management, according to current report, is working on a plan for the organization of an independent coal-selling company, similar to that established by the Lackawanna some time ago.

CENTRAL OF GEORGIA INTEREST.

Apparently, the directors of the Central of Georgia Railroad Company have become somewhat tired of the continued litigation in which their failure in previous years to pay the full rate of interest on their income bonds has involved them, for they declared this week the full 5 per cent interest on both the first and second incomes for the fiscal year ended June 30, while for the third incomes a dividend of 1.458 per cent was declared. For the years 1905 and 1906 all three classes of bonds received their full rate of interest, but in 1907 the directors decided that earnings had not been sufficient for payments on the second and third classes, and, therefore, refused to make any payments thereon. At once the holders of both classes started a fight to compel payment of interest, and the struggle was continued up to last December, when the Supreme Court of Georgia ordered the company to pay the full 5 per cent on all three classes from the 1907 earnings. Another suit was started in the meantime to compel payment from the profits of 1908. Three months ago, the company offered to pay the full interest on the first incomes for the fiscal year 1908 and 2.821 per cent on the seconds, and for 1909 and 1910, 2.312 per cent each on the first incomes, without regard to any further claims the bondholders may make. These payments were made in June last. It looks very much as if the last four years had brought about a considerable modification of the directors' views as to when it may be held that interest has been earned. Certainly, the views of the management were not those entertained by the courts to which the question was submitted for a decision.

THE FORECASTER.

MOLSON, WASH.—Stockholders of the Commercial Bank of Molson will meet on September 9, to decide upon a plan to increase the capital from $10,000 to $15,000.

Digitized by Google

Financial Summary of the Week

Allis-Chalmers Co.—The annual report of the Allis-Chalmers Company for the fiscal year ended June 30, last, will not be ready to be made public until the early part of October. No estimate can be made at this time as to the net results that will be shown. While both gross and net will probably show a considerable falling off from the preceding year, interests familiar with the company's affairs state that there is little doubt that interest requirements will be earned with a small margin over.

American Car & Foundry Co.—The American Car & Foundry Company has purchased an additional 200 acres of land in Gary for $400,000 and will erect a $20,000,000 plant there. The company also purchased 200 acres from the Gary Land Company of the United States Steel Corporation at $2,000 an acre.

Atchison, Topeka & Santa Fe Ry. Co.—Atchison stockholders will be asked to authorize an increase in the common stock of $100,000,000 at their annual meeting to be held October 26. They will also be asked to approve the release of $10,809,000 of preferred stock of the company which was deposited by the reorganization committee with the Union Trust Company in 1826 to be used for various purposes, including the improvement of the Atlantic and Pacific Railroad. In addition to this, the shareholders will be asked to approve the purchase of the line from the Needles to Mojave, which the Atchison now leases from the Southern Pacific. The lease does not expire until 1979, but it is believed that the company would profit more by owning the property. A separate company will be organized to take over the road which will be purchased through the sale of some Atchison general mortgage bonds. Stockholders will also be asked to authorize an issue of $100,282,000 of bonds convertible into common stock. President Ripley says that none of the new capital to be authorized will be issued this year and that the company has $20,000,000 cash.

British Columbia Copper Co.—Directors of the British Columbia Copper Company, at a special meeting, discussed the matter of dividends, but took no action. President Erb said that action on the dividend was deferred until the regular August meeting, which is scheduled for August 23. Two dividends of 2½ per cent have been paid by the company on March 1 and June 1. If the quarterly payment is continued the next disbursement will be due September 1.

Chesapeake & Ohio Ry. Co.—The company spent $1,000,000 more in maintenance during the last fiscal year than the year before, although it did not spend quite so much per mile of road. The property, however, has been kept up to a good standard. From operations, the income equals only 5.15 per cent on capital stock. However, "other income" this year will be approximately $1,100,000, or about 2¾ per cent on the stock. So actual earnings will be nearly 7½ per cent.

Chicago & Alton R. R.—The Chicago & Alton has declared the regular semi-annual dividend of 2 per cent on its prior lien stock. This was a surprise, as Wall street had been expecting that it would be passed.

Cleveland & Sandusky Brewing Co.—Quarterly dividends on the preferred and common stocks of the Cleveland & Sandusky Brewing Company, deferred since 1907, will be paid this fall, according to a statement by President Fishel of the company. He says: "These dividends would have been paid before now were it not for the high price of malt and barley, which has increased our expenses heavily. They will certainly be paid some time this fall, although the actual date has not yet been determined." Quarterly dividends of 1¾ per cent on the preferred and 1 per cent on the common were declared, payable December 15, 1907, but payment was later deferred because of the then unfavorable conditions of business.

Copper Market.—The week opened with little change in the copper situation. The large producers and selling agencies continue to quote 12⅞ cents for electrolytic, but it is well known that sales of the metal have been made as low as 12⅝ cents a pound. Consumers do not appear inclined to enter the market freely. The feeling is expressed that the slump in security values has checked a buying movement which was expected to start in this week. There are many consumers in need of copper, but they continue to purchase on a hand-to-mouth basis.

Evansville & Terre Haute R. R. Co.—The Chicago & Eastern Illinois Railroad Company gives notice that at a meeting of the executive committee, on August 9, a cash dividend of 5 per cent was declared on all the outstanding capital stock (common and preferred) of the Evansville & Terre Haute Railroad Company, payable September 1 to holders of record, August 19. The transfer books will be closed on the latter date and opened on September 5. This is the same rate of dividend which was paid on both classes of stock during 1910. It is understood that the declaration of a dividend of 5 per cent upon both the preferred and common stocks of the Evansville & Terre Haute Railroad Company, represents an adjustment of dividends in connection with the absorption of the company by the Chicago & Eastern Illinois Railroad Company. Only a small amount of the Evansville stocks are outstanding.

Federal Sugar Refining Co.—This company reports for the 17 months ended July 31, 1911: Net earnings, $835,110; dividends paid $219,210; dividends due, $18,812; total dividends, $238,062; depreciation, $34,154; total deductions, $333,206; surplus, $501,904.

General Chemical Co.—The General Chemical Company has issued its first semi-annual statement to stockholders. Heretofore, except for stock exchange figures, only published reports have been annual. The income account is reported as follows:

Net profits Jan. to June 30, 1911		$1,193,308
Less fire insurance	$30,000	
Less pref. divid. paid	375,000	
Less com. divid. paid	244,539	
Less charged off plant and invested account	47,724	
		697,263
Surplus for six months		496,045
Previous surplus		4,090,759
Total surplus June 30, 1911		$4,586,804

During the first six months of 1911 expenditures for new construction have been $300,605, and for repairs and reconstruction charged to expense $270,030.

Illinois Central R. R. Co.—Unlike most roads, the Illinois Central did better in the year recently closed than in 1910. It is understood that the annual report will show a surplus equivalent to 10½ per cent on the stock, whereas in the year before, the balance amounted to only 7.18 per cent, or practically only the sum needed for the dividend. The Illinois Central's gross earnings in 1910-11 were $3,101,000 larger than for the previous year, while its net gained $2,388,000.

Inspiration Copper Co.—Inspiration Copper Company is continuing the operation of its drills and steadily adding to its ore reserves. On August 1, it had 23,018,000 tons of developed ore averaging over 2 per cent copper and 2,516,000 tons, partially developed, making a total of 25,534,000 tons of developed and partially developed ore.

International & Great Northern Ry.—The International & Great Northern Railway is expected to apply in a few days for a valuation of the property. A valuation of at least $35,000,000 must be found to make the recent reorganization plan effective.

International Nickel Co.—The stockholders of this company will be asked to form a voting trust for five years in order to enable the present management, which has been in charge since the inception of the company, to get the best results out of methods adopted.

International Paper Co.—This company reports for the fiscal year ended June 30: Gross income, $23,095,7-5, increase, $3,636,715; cost raw material and general expense and bond interest, $21,424,729, increase $2,982,765; net earnings, $1,671,018, increase, $653,950. Depreciation mill plants, $484,760, increase, $484,760; balance $1,186,256, increase, $169,190. Preferred dividends, $448,134; surplus, $738,122, increase, $169,190. Previous surplus, $8,-050,052, increase, $568,932 total surplus, $8,-788,-08, and increase, $738,122.

La Rose Consolidated Mines Co.—La Rose Consolidated Mines Company reports, as of July 1, cash in banks and value of ore in transit and at smelter, $1,-184,242, and ore sacked at mines ready for shipment, $162,311, a total of $1,346,553.

Reading Co.—Following the recent action of the Reading directors a second preferred, semi-annual dividend will be paid on November 10, after which all Reading dividends will be paid quarterly. The new arrangement will make a dividend on one of the three Reading stocks payable on the second Thursday of each month of the year. The first quarterly dividend on the common stock will be paid on November 9, and the first quarterly first preferred dividend stock on December 14. The first quarterly dividend on the second preferred stock will be paid on January 11, 1912, and will be for two months, after which quarterly dividends will be paid on the stock in January, April, July and October of each year.

Republic Iron & Steel Co.—This company's net earnings for the fiscal year ended June 30 were $3,758,598, or $314,-602 smaller than in the previous year. Net profits were $3,098,934, a decrease of $316,588, so that after allowing for interest on its bonds, the balance available for dividends on the preferred stock was $2,-422,520, a decrease of $180,586. This balance is sufficient to pay the full year's dividend on the preferred stock and leave a balance equal to 2.47 per cent on the outstanding common stock. Last year, there was a balance equal to 4.22 per cent on the common stock after allowing for the preferred dividend. The lead taken by the Republic Company in cutting prices recently has brought it so much business that on June 30, it had the largest unfilled tonnage of any such period since 1906, the unfilled orders in finished and semi-finished steel amounting to 481,-425 tons, and in pig iron 102,077 tons. This compares with 341,887 tons on June 30, 1910, and with 82,900 tons in pig iron.

St. Louis & San Francisco R. R. Co.—The St. Louis & San Francisco Railroad Company has sold to bankers about $5,-000,000 equipment trust notes covering about $3,300,000 worth of equipment to be used on its system, and consisting of 1,-500 refrigerator cars for the fruit and vegetable trade, 51 steel passenger cars, 32 locomotives and 250 flat cars. The notes have been sold privately by the bankers.

Seaboard Air Line Ry.—Gross earnings of the Seaboard Air Line Railway in June were $119,991 smaller than in the same month last year. Operating expenses and taxes increased $47,950, so that net earnings showed a shrinkage of $72,041. For the fiscal year ended June 30, net earnings show an increase of $319,145.

Southern Pacific Co.—Southern Pacific's gross operating revenues, including proprietary companies, for the fiscal year ended June 30, were $123,630,339, a decrease of $2,402,068. Operating expenses and taxes were $89,855,561, an increase of $2,-011,339. Net revenue was $4,473,407 smaller, or $42,764,975. After allowing for fixed charges, there was a surplus left of $25,721,434, a shrinkage of $5,105,461, as compared with the previous year. This surplus is equal to 9.43 per cent on the stock, and compares with 11.31 per cent the year before. Of this, 7.14 per cent was derived from operation and 2.29 per cent from other income. No allowance is made by the company in its statement of "other income" for the $4,500,000 received as an extra dividend from the Wells-Fargo Company, which, if added to the surplus, would amount to 1.68 per cent on the Southern Pacific Company's stock.

Texas Co.—Liquidation in Texas Oil stock has been renewed in the last few days. Since Mr. Gates died, there was a rally of 7 points, but on Tuesday, the stock broke through par and sold as low as 97. This is a decline of about 30 points since the first selling commenced a few months ago.

Underground Electric Rys. Co. of London.—The Underground Electric Railways Company of London, Ltd., gives notice that interest on the income bonds for the half year ended June 30, 1911, at the rate of 1¾ per cent a year (free of British income tax) will be paid against presentation and surrender of coupon No. 7 on and after September 1, 1911, at the New York Trust Company. Coupons must be left for examination three days before payment. The last semi-annual dividend was paid at the rate of 1 per cent a year, so that the dividend now declared is an increase of one-half per cent a year.

Union Pacific R. R.—Union Pacific earned in the fiscal year ended June 30, gross revenue of $88,983,108, a decrease of $1,244,984. Operating expenses and taxes were $53,269,867, an increase of $3,066,610.

Digitized by Google

Net earnings were $35,713,241, or $4,311,594 smaller than in the previous year. Income from investments was $15,986,908, or $575,153 smaller than in the previous twelve months. After allowing for charges of all kinds, there was surplus left for dividends of $40,028,953, a shrinkage of $5,476,737, compared with the previous year. Surplus available for dividends on the common stock was $36,047,209, a decrease of $5,476,481. This surplus is equal to 16.64 per cent on the common stock. Of this, 8.15 per cent came from operation and 8.49 per cent from income on investments. A story was printed this week to the effect that Union Pacific's 10 per cent dividend might be cut to 8 per cent. An active director of this property called attention to the fact that in the last year the road received a sum amounting to 8½ per cent on its common stock from its investment holdings, and that it was perfectly proper for the company to pay this all out in dividends. That would leave 2 per cent to be made up from transportation operations, and as the company earned better than 8 per cent on its railroad business last year, it would be hard to justify a belief that the present dividend should be lowered.

U. S. Steel Corporation.—The United States Steel Corporation announced that it had 3,584,085 tons of unfilled orders on its books July 31. This is 223,027 in excess of the unfilled tonnage on June 30. The unfilled orders at the close of each month since July 30, 1910, are as follows: July 31, 1911, 3,584,085; June 30, 1911, 3,361,058; May 31, 1911, 3,113,187; April 29, 1911, 3,218,704; March 31, 1911, 3,147,301; February 28, 1911, 3,400,543; January 31, 1911, 3,110,919; December 31, 1910, 2,674,757; November 30, 1910, 2,760,413; October 31, 1910, 2,871,949; September 30, 1910, 3,158,106; August 31, 1910, 3,537,125; July 30, 1910, 3,970,931.

Western Electric Co.—For July, the Western Electric Company's gross sales show a falling off of 3 per cent as compared with July, 1910, but the seven months of the current fiscal year which have elapsed are 4 per cent ahead of the corresponding period last year. It now seems unlikely that the company will realize its earlier prospects of a $71,000,000 year, but the showing to date, which is at the rate of $66,000,000 for the year, is close behind the company's high record of $69,000,000 for 1906.

Western Steel Corporation.—Advices from Irondale, Washington, say that the stockholders of the Western Steel Corporation, on August 2, ratified an issue of $5,000,000 bonds to provide new operating capital. The Western Steel Corporation was incorporated in Washington on August 2, 1909, acquiring $2,768,000 out of the $3,000,000 capital stock of the Western Coal & Iron Corporation, Ltd., a Canadian corporation. The properties consist of mineral claims in British Columbia, Nevada and Washington. The company's plant is located at Irondale, about 38 miles north of Seattle, and comprises blast furnaces, open-hearth furnaces, rolling mills, etc. The company has a contract with a Chinese company at Hankow, for the importation of Chinese iron ore and pig iron into this country. The authorized capital is $15,000,000 common and $5,000,000 6 per cent non-accumulative preferred stock, and $2,000,000 first mortgage gold 6 per cent bonds were issued on October 1, 1910, to mature 20 years afterwards.

MINING INQUIRIES.

Nevada-Utah Mines & Smelters Corp.

21277. (New York, N. Y.) Will you please send us what information you have on the condition of the Nevada-Utah Mines & Smelters Corporation at the present time, together with your opinion of the property.

Ans.: This company was organized seven years ago, and acquired extensive properties at Pioche, Nev., and in the Bingham and Frisco mining district of Utah. The company was capitalized at $15,000,000, par value $10, all of which has been issued. There was originally an issue of $1,000,000, six per cent, five-year convertible gold bonds, but these have been retired for some time. The stock played an important part in the operations on the New York curb market, and in 1908, sold up above $6 per share, but from that time, the movement was downward, and since that time, the stock has been selling around 50 cents per share. We have always believed that this property is one which possesses considerable value, but which has never been given a fair chance to prove its worth. Recently, negotiations have been under way looking to a merger of the Nevada-Utah with the Pioche consolidated and other properties in the Pioche camp, the consolidation to be known as the Amalgamated Mines & Smelters Corporation, and to be capitalized at $10,000,000, with a bond issue of $750,000. Formal announcement of the consumation of this plan has been made within the last few days, which gives the Nevada-Utah control of practically every big producing property in the Pioche camp, with the exception of the Prince Consolidated. The consolidated company will be controlled by the Nevada-Utah, and will in turn control the Ohio-Kentucky, the Consolidated Pioche, the physical properties of the Nevada-Utah, and one-half of the Day-Bristol Company, the latter being a consolidation of the Day and Bristol mines.

Gold Hammer Mining & Tunnel Co.

21251. (No. Amherst, Mass.) Can you tell me anything about the Gold Hammer Mining & Tunnel Company? W. M. Sheridan & Company, of Chicago, seem to be behind the company. It was organized under the laws of Colorado, with a capital stock of $1,500,000.

Ans.: This company is capitalized at $1,500,000, par value of shares $1. The property consists of 13 lode claims, located in Donaldson Mountain, Clear Creek Co., Colorado. According to the statement of the company, developments in the Merrimac Tunnel have reached a depth of 340 feet, and development work is being pushed forward rapidly.

From reports, we judge the management is well regarded locally, but since the company is but in a prospective stage, the stock can be termed nothing but a gamble.

Reliance Gold Mining Co.

21253. (Phenix, R. I.) Can you tell me the value per share of stock of the Reliance Gold Mining Company of Cheyenne, Wyoming? Also give me any other information of the company that you have.

Ans.: In May, 1908, we were informed by J. C. Heinz, the secretary of this company that almost 600 feet of tunnel work had been done, but have not been able to learn anything since. The company has not complied with Wyoming laws in two respects, namely appointing a local agent and making publication of the articles of incorporation. We can not learn that the company is still in existence or that there is any value attached to the shares.

Aguacata Mines, Inc.

21269. (New York, N. Y.)Will you please let us have any information you can secure regarding the Aguacata Mines, Incorporated, of which we understand W. F. White of J. G. White & Company, is president. We believe this mine is located in Costa Rica.

Ans.: The Aguacata Mines, Incorporated, is a company organized under the laws of Maine several years ago, with an authorized capital of $8,000,000, par value of shares being $5 each. We note that local brokers have been offering the stock for sale recently at about $2 per share, which seems to us is an ample valuation for them under existing conditions. Of the authorized capital, $5,000,000 is still in the treasury, the remaining $3,000,000 being outstanding. The properties are located at Monte del Aguacata, Costa Rica, South America, comprising some twenty gold mines on Aguacata Mountain, which in times gone by have had a large production, and upon which some ten different veins have been located showing large quantities of silver ore averaging about $13 per ton. For the past two years or more, the company has been working on the erection of a mill, which, however, has not yet been operated. As a matter of fact, operations on this property have been discouragingly slow, and of course, no dividends have been forthcoming on the shares, although in the earlier days of the present company, it was expected that the latter would be placed on a dividend basis before the close of 1910. President White recently made some important changes in the operating force and methods which it is anticipated will be productive of more satisfactory results. At the present time, we understand that operations are being carried on day and night in an endeavor to produce developments and results, which will justify the expectations of the insiders. The outlook at the present time appears to be rather uncertain, but the property is spoken of as being one of considerable value, and it is likely that the proposition will work out satisfactorily in course of time.

Almoloya Mining Co.

60 Wall St., NEW YORK

FOR

Oil and Gas Land Leases

WRITE

C. W. DEMING & D. C. ACOSTA, Inc.

Tulsa, Okla.

FOR HIGH GRADE OIL STOCKS

WRITE

EQUITY BOND & SECURITY CO.

37 WALL STREET, NEW YORK CITY

EMNAHA GOLD MINING COMPANY

Incorporated under the laws of the State of Idaho. Capitalization, $500,000, divided into 500,000 shares. Par value $1.00 per share. Of which 200,000 shares have been placed in the Treasury, for the development of the property.

This Company owns and controls nine claims on Battle Creek, Imnaha, Willowa Co., Ore., on which there are three well defined parallel veins, carrying very rich gold quarts. A limited amount of the shares of the stock have been sold.

For full particulars, address

JOHN SENNETT, Treasurer

79 Milk Street, Room 602 Boston, Mass.

Digitized by Google

UPON PRESENTATION

at the Office of

THE MIDDLESEX BANKING COMPANY

OF MIDDLETOWN, CONN.

DEBENTURES of Series E13, maturing October first, and Series E14, maturing November first, WILL BE PAID at par with interest to the date of payment.

OUR NEW INVESTMENT PROPOSITION

is as

Sound and secure as a good bank and pays large dividends.

First class representatives wanted; must be men of good standing in their community

SECURED INVESTMENT TRUST

92 STATE STREET, BOSTON

6% NEW YORK CENTRAL REALTY BONDS

A Good Investment

To investigate is the six per cent Realty Bond of the New York Central Realty Company issued in denominations of $1,000. $500. and $100.

It offers a high grade of security, a liberal cash availability and an interest earning of 6%.

WRITE for booklet illustrating the methods of the Company, describing its bonds, their redemptive privileges and advantages over other Realty securities. Everybody knows us.

New York Central Realty Co.

Suite 1190, 1328 Broadway, Cor. 34th St., New York City

CAPITAL AND SURPLUS, $1,464,588.34

---

6 PER CENT INTEREST PAID

By Coupon on Bonds Secured by Well Selected New York Real Estate.

"We Deal in No Other Securities"

THE DEBENTURE CORPORATION OF NEW YORK

334 Fifth Avenue New York City

Corporation Organizers

Delaware charters are inexpensive and perpetual, and permit stockholders and directors to hold meetings anywhere. The law is more stable, and grants greater powers than other states, $1,142,434,400 of capital organized in Delaware during 1910—double that of New Jersey or elsewhere. In selecting an agent to organize and represent your company, get the best—It will be cheaper and safer in the end and will add prestige to your enterprise. Lawyers' and Brokers' business a specialty. Corporation Law and forms sent on request.

MERRICK SECURITY & TRUST CO

Wilmington, Del.

WANTED

Hudson River Elec. Power 5s
Hutchinson Water, Lt. & Gas 5s
Topeka Water Co. 5s
Hurley Water Co. 4s
Seattle-Tacoma Pfd. Stock
Santa Fe Co., N. M., Bonds

H. C. SPILLER & CO.

Specialists in Inactive Bonds

27 STATE STREET BOSTON

YUKON PORCUPINE NEVADA UTAH

Our weekly market letter mentions the above, also East Butte, Tuolumne, Davis-Daly, Goldfield Consolidated, McKinley-Darragh, Bay State Gas and "Coppers" and "Curb" stocks in general. Mailed free upon request.

"Coppers" and Curb Stocks bought and sold for Cash or Carried on Margin

---

H. A. BROWN & CO.

Members Boston Curb Exchange

60 State St. Boston — 74 Broadway New York

FUNDING COMPANY OF AMERICA

40 EXCHANGE PLACE, NEW YORK

INVESTMENT DEPARTMENT deals in Government, State, Municipal, Railroad, Public Service and Industrial Bonds and other high grade securities.

UNDERWRITING DEPARTMENT solicits correspondence with Railroad, Public Service and Industrial Corporations desirous of procuring funds, through first mortgage bond issues, for improvement or extension purposes.

FISCAL AGENCY acts as registrar and transfer agent for securities of Municipal, Railroad and other corporations.

OFFICERS AND DIRECTORS

Edward Staats Luther
President

Charles W. Abrams, Treasurer — John. W. Harding, Secretary

Howard S. Kennedy
Vice President Clout, Peabody & Co., Troy, N. Y.

A. H. Phelps, Director First National Bank, New Berlin, N. Y.

James D. Abrams, President Hudson Yacht & Boat Company, Nyack, N. Y.

YOUR MONEY

Is worth much more than double the rate you are now getting for it. Its safety will be beyond question—the best security in the world—

New York City Real Estate

Send for full particulars of our

PROFIT SHARING COUPON GOLD BONDS

which, with interest payments and PROFIT SHARING additions, have averaged over 17 per cent per annum for the past nine years. These Bonds are issued in denominations of from $5 to $1,000 and upwards, complete with interest coupons.

INTER BOROUGH REALTY COMPANY

(ASSETS OVER $1,105,000.00)

10 WALL STREET, NEW YORK CITY

PORCUPINE

Get in RIGHT or keep out. THE BOSTON DEVELOPMENT COMPANY, LIMITED, is operating along the right lines. Large acreage, conservative capitalization. For prospectus, engineer's reports, etc., address

A. S. PULLER & COMPANY
CANADIAN INVESTMENTS.
407-8-9 Old South Building, Boston, Mass.

SIX NUMBERS FREE

Financial Converse (published every two months) answers more questions on mines than any periodical published. S. F. Campbell, of Chicago, says: "This paper is worth more than any other mining publication in the United States." Cut this out and send for six copies free covering the next year.

FINANCIAL CONVERSE

339 Monadnock Block, Chicago, Ill

5% to 7%

We have prepared for distribution an interesting pamphlet on

Industrial Preferred Stocks

How to select them — Income basis — Marketability — Also showing several comparative groups and their yields.

Of timely interest to investors considering investment of funds.

Copy sent upon request.

George H. Burr & Co.

BANKERS

35 Wall St, N. Y. City

Boston Chicago St. Louis
Philadelphia San Francisco

BENNETT'S

INFORMATION AGENCY

INVESTMENT DEPARTMENT

The wisest men in the United States are those who never make a new investment which they consider good, and never get rid of an old investment which they consider bad, until they have made an investigation of the merits of the investment through BENNETT'S INFORMATION AGENCY.

CONGRESSIONAL INFORMATION

We attend to business at the Treasury Department as well as before Congress, the Courts, and all departments of the United States government, through our Washington office, 50 Corcoran Building, and through our staff of Washington correspondents. If you desire any information from Washington, or any business transacted at the National Capital, we shall be pleased to perform the desired service for our subscribers.

PROBATE DEPARTMENT

Information respecting probate matters, in any town or city of the United States, is furnished to our subscribers gratuitously if the inquiry is answered through the columns of the INVESTOR, or for $2.00 if the reply is by private letter.

LEGAL DEPARTMENT

Questions answered by prominent attorneys upon any desired subject for $2.00 each.

MERCANTILE DEPARTMENT

A report regarding the standing and reliability of any firm or individual in the United States furnished for $2.00. Our information goes into the character and ability of members of a firm and its methods of doing business.

MISCELLANEOUS QUESTIONS

Inquiries of any sort answered for $2.00 each. Send for descriptive pamphlet of the agency.

REAL ESTATE DEPARTMENT

A report upon any piece of property in the United States furnished for $2.00

Conducted by

Frank P. Bennett & Co., Inc.

530 Atlantic Ave., BOSTON.
308 Chestnut St., PHILADELPHIA.
2 Rector St., NEW YORK.

Digitized by Google

United States Investor

AUG 26 1911

Copyright 1911, by Frank P. Bennett & Co., Inc.

Volume XXII. BOSTON, NEW YORK AND WASHINGTON, AUGUST 26, 1911 Number 34

If you are a transit man and are continually bothered by exchange charges if the little country banks in the remote corners of your state seem determined to emulate the tactics of the highwaymen and are continually exacting from you a higher rate for remittances that seems to you just and fair, or if, with like purposes to squeeze your bank, they hold the proceeds due you for an inordinate length of time, listen to the story of the way in which the banks of Cleveland, Ohio, have met a similar situation within their own state and have overcome it. The device they have used is simple, so simple that one's wonder is aroused that other banking centres have not long since put the same device at work in their own midst. It is nothing more nor less than a resort to that principle for which this generation is making its record co-operation. The banks of Cleveland have discovered that you may compete with another bank and yet deal with it fairly—may lend it your facilities and receive the benefit of its facilities in return, may fellowship with it where the fellowship is of mutual advantage, and can still continue to maintain your own independence and contest with it for business as eagerly as ever. This discovery they have availed themselves of, in definite form. That form is the Cleveland system of country check collection.

Cleveland's Check System

To appreciate the whole arrangement, one needs to understand that in the matter of check collections, Ohio is no ideal community. If there be an ideal community from the check collection standpoint, and we are by no means sure that any Utopia can be found within the banking realm any more than within the political domain, probably New England is entitled alone to that unique distinction, for certainly, as a whole, the banks in that compact little section are less rapacious, more readily persuaded to deal leniently with banks who have checks to present against them, than are the banks of any other part. Within Ohio, no such condition obtains. It would be absurd to deny that to obtain remittances from many portions of that commonwealth is far from being child's play. It calls for all the skill of the most accomplished transit man to make good deals to obtain the proceeds of the checks which fall into his hands. In the back country of Ohio, small banks are numerous and they purpose to make their funds give the largest possible return. Discounts are only one of the sources from which they calculate to wring the largest possible profit. From exchange charges they expect to exact a heavy toll also, and no form of persuasion can draw them away from the purpose. Coercion must in the end be used.

Ohio Collections

To make matters worse for other banks which receive checks drawn upon these disciples of Robin Hood, they frequently have a monopoly of the banking business of their part. No competitor is near enough to present checks at their windows and demand payment without exchange charge. They are in a position to defy the outside world, to a large degree, and when you find a banker thus situated who is well schooled in all the possibilities which his situation affords, you have a problem to solve that taxes all your ingenuity whenever you are luckless enough to have checks on your hands that require collection of him. No one has ever alleged that any Ohio banker of the back country needs any lessons in the pleasant game of holding up the outside bank which happens to have checks drawn against him. Indeed there are plenty who will testify from a full heart and from bitter experience that the average back country Ohio banker is a past master in the art.

Such a situation long confronted and nonplussed the banks of Cleveland. It was a peculiarly annoying one, for the banks of Cleveland have long been ambitious. They have been desirous, not only of acquiring huge volumes of deposits but of outstripping the banks of Cincinnati in the race for business. In these desires they have met with considerable success. In recent years they have gained heavily on the banks of Cincinnati, so far as obtaining deposits from country banks are concerned, and although there are several banks in Cincinnati which are quite able to hold their own in competition with Cleveland banks for business, yet, many of them would be first to admit that the aggressiveness of the Cleveland banks has been instrumental in winning many accounts to that city which would be very gratifying pieces of business to have on Cincinnati books. What pleases the Cleveland banks all the more, and rightly so, too, is the fact that their success has been won in the face of the fiercest kind of competition from the banks of Pittsburgh, which are so near some parts of Ohio as actually to be in a position to make Cleveland banks work hard to restrain the flow of balances toward that Pennsylvania city. To meet the rate of three per cent on balances which Pittsburgh would pay, the rate of two and one-half per cent was instituted at the Cleveland banks, not gladly but effectively, for it has helped materially in holding business.

Annoying to Cleveland Banks

One of the drawbacks, however, about this success has been the volume of back country checks it has thrown into the hands of the Cleveland banks. In any part of the country the task of converting these checks into money would demand wise handling, but with the Ohio back country bankers disposed to turn this Cleveland difficulty into a source of profit to themselves, the task was made far more difficult. Anyone who thinks that in the southern states alone is buccaneering on the part of a bank in good taste is wholly in error. In West Virginia it is distinctly good form to pluck the unfortunate who sends you checks for collection until he cries out for mercy. In the mountain districts of the western part of Old Virginia it is distinctly bad form not to make the outsider pay well for his remittances. In the interior of Ohio the pace set by West Virginia and the nearer parts of the Old Dominion may not be quite equaled, but it would be if the wholesome restraint which Cleveland has ap-

Digitized by Google

plied, through the device we have mentioned, were not in existence.

Co-operation Becomes Necessary

When the Cleveland banks first set their thoughts in motion to obtain release from the troubles to which the little banks of the interior were putting them, they at once realized that no Cleveland bank could hope to cope with the situation single handed. Let one Cleveland bank make the attempt and inroads on its deposits would quickly occur. There is no profession in the world within which intelligence travels more rapidly than that of banking. A bank in one part of Ohio or Massachusetts, or any other state, knows the failings or strong points of banks in the other extreme end of the state almost as quickly as those faults or merits come in evidence. So, had one Cleveland bank commenced to assert itself in its dealings with country banks in a determination to get what it conceived to be fairer treatment, it would acquire the reputation among Ohio country bankers for judicial severity almost immediately, and acts of reprisal would commence. Country banks would begin to turn their reserve balances into the custody of its rivals, knowing full well that those other Cleveland banks would welcome their coming, and would agree to be more considerate towards them than its neighbor was acquiring a reputation for being.

Under the circumstances, therefore, no one bank could afford to attempt the cure of the situation alone. Co-operation must be sought among the other Cleveland banks. But what form should the co-operation take? Some of the more studious of the Cleveland bankers may very likely have given some thought to the plans which the banks of London use for bringing out-of-town banks of England to a reasonable frame of mind, for in Cleveland, as elsewhere, there are, presumably, those who keep informed as to the progressive schemes of foreign banks as well as of domestic banking institutions. Nearer at hand, however, was an adaptation of the London notion, the scheme which the Boston Clearing House has operated so successfully for more than a decade. That scheme has appealed to Cleveland bankers strongly, as the invitation some years ago to the manager of the Boston Clearing House to address the Ohio Bankers' Association on that scheme evidenced. That scheme was seen, however, to be impracticable for Ohio.

Those who admire it will generally confess that its success in New England has resulted from conditions that are almost peculiar to that section and prevail almost nowhere else. The bankers of New England are for the most part a complacent lot. They are not so eager for profits from exchange as they might be. They were, therefore, in a mood, when the Boston Clearing House began the scheme above referred to, to listen to reason. It was not very hard to cajole them into a positive fancy for the present system with the single argument that it is a more comfortable system for them. It relieves them from bother. They receive practically all the checks from other banks upon which they must remit, in a single letter, that from the Boston Clearing House. They can meet it by drawing a single draft upon Boston or New York. How easy it all is! Then, too, there has not been that competition of other centres with the banks of Boston for New England business that the Cleveland banks have had to meet in their quest of Ohio business. New England bankers are so attached to Boston by numerous ties and by the logic of geographical location that they could not be aroused against the Boston Clearing House so effectively as the Ohio country bankers could have been aroused against the Cleveland Clearing House if it had begun to apply the Boston scheme. There are not two other reserve centres right within New England as there are within Ohio, nor is there any such reserve centre, right on the border of the section, to make things unpleasant for Boston, as Pittsburg could have made things warm for Cleveland if the Cleveland banks had begun to require of country banks daily remittance at par as the Boston Clearing House exacts of its country banks. A much less complicated device, therefore, was hit upon at Cleveland which merely demands of the country banks moderate charges or fairly prompt remittances, not the abolition of exchange altogether. Since the scheme is one which will work well in other places, we will explain it in some detail.

Boston Device Not Adaptable

Use is made of that body which is always resorted to whenever co-operation of the banks of any single community becomes a necessity—the Clearing House. No new department was organized. Instead a syndicate was created into which five of the clearing house banks came. This syndicate took over the collection problems of its members for a considerable part of Ohio. Not all Ohio checks were to be subjected to the syndicate method. It wasn't necessary nor advisable. One bank, for example, would have its group of banks which it preferred to handle for itself, another would feel that it, too, had some peculiarly good connections which it desired to preserve to its individual use. On the other hand, there were banks back in the interior which no member of the syndicate was willing to handle for the others for one reason or another, and, since the whole idea of the syndicate is to parcel out among its members as equitably as possible the whole mass of checks which the syndicate is handling, these undesired points were left to the individual banks to handle. It is worth noting that these points of evil standing are not ones which can take advantage of their exemption from the operations of the syndicate to play one Cleveland bank off against another. Their balances which they keep with reserve agents are not of a character to cause any Cleveland bank to contest with any other Cleveland bank for them with much avidity.

A Syndicate

And here is the working plan of the syndicate: Each day every member of the syndicate pays at the clearing house not only for checks drawn on itself, but for all checks drawn on those banks of Ohio at large, which are in the places that the syndicate has allotted to it. That is, beside paying its own obligations at clearing it has bought and paid for a great number of the obligations of certain country banks. Now comes the test of the system. How will it handle these refractory purchases? Well, it is at once apparent that by taking all the checks on these particular points which four other banks can give it, and by adding them to its own checks on the same points, it is in possession of the bigger part of all the checks which can be presented against anyone of that group of country banks in any one day. It is, therefore, in position to bargain with it. It can agree to send these checks direct to the bank on which they are drawn, if fair treatment in the matter of remittances will be accorded, or it can select any one bank in each community, if there be more than one, and let that bank have all the advantage that accrues to a bank from being every day the creditor institution of the community. This one bank it can bring to a state of sweet reasonableness by offering it this advantage. If, because a community has only one bank, or, because all the banks are refractory, resort must be had to coercion, the Cleveland bank can express the checks each day to

The Working Plan

Digitized by Google

the door of the refractory banks and demand payment in cash.

Resort to this club generally brings a bank to terms. It does not relish the sight of the wagon of the express company before its door every day taking away from its stock of currency. It knows that the sight irritates public curiosity and the public is likely to draw conclusions not wholly to the bank's liking. So, by coercion or cajolery, in some instances, and by bargaining in the vast majority of cases, the Cleveland banks have brought their relations with the country banks into a distinctly better state. It has all resulted from co-operation, from giving to each of these five banks of the syndicate such a big volume of checks on each point that it has somewhat of a whip hand over any ill-disposed country banker. Now Cleveland is able to collect Ohio checks for the outside world better than can almost any other centre. It has not abolished exchange charges by country banks as Boston has, nor has it speeded up remittances to a daily basis. It has succeeded, though, in making exchange charges more reasonable and delays of remittances less provoking.

Dividing the Expense

How does the syndicate work out the problem of dividing the expense of its operation among the banks? In a very simple fashion. At the end of each month each bank of the syndicate renders to each other bank a bill for the expense it has incurred upon checks taken over at clearing from that other bank. In return it receives from each of these other banks a bill for their respective services. In each instance the bill is made up of two elements. One is the actual outlay of the creditor bank for exchange paid country banks. The other is its charge for the time the checks it received were in transit. For those checks it has paid at the clearing house. It, therefore, lost the use of this money until the checks had been paid for by the country banks on which they were drawn. The other Cleveland banks must properly make good to it the loss of interest entailed, and they do so at the rate of two per cent.

One Difficulty

The system is applicable to many other sections beside Ohio. Of course, it does not solve every problem. The banks of some places are always so unusually well supplied with currency that they would just as soon have the express companies present their obligations and demand cash for them as not. They would especially welcome having one of their number become the recipient of all the checks which Cleveland or any other centre could get together against them. They would gleefully unload upon that bank the task of making those shipments of currency to Cleveland or the other centre which must always be occurring in a community where currency is always in unusually good supply. Places of this nature are usually railroad centres where the receipts of the small railroad stations for some miles around are daily brought in for deposit. These receipts usually consist of currency, and the banks of the place are, in consequence, almost never in need of bringing in currency from without. Even in times of currency stringency in other parts, these banks never suffer. Their problem is to ship this currency out to other parts, as they will be obliged to do, and they especially relish unloading the shipping job largely upon one of their number, that is, all relish it but that one. Fortunately, however, such centres for railroad deposits are usually of some size, and the bankers there are of broad enough gauge not to make such exchange charges as would lead Cleveland or any other place to desire to coerce them.

Western National Bank

PHILADELPHIA

Capital - - - - - - - $600,000.00
Surplus and undivided profits - 234,136.92

GEORGE E. SHAW, President
EDWARD J. DURBAN, Vice-President
SIDNEY LABE, Vice-President
E. E. LINDEMUTH, Vice-President
CHARLES F. WIGNALL, Cashier
JOHN BAUMGARTNER, Asst. Cashier

A conservatively managed bank invites your correspondence.

THE

German National Bank

PITTSBURGH, PA.

Capital and Surplus, - $1,200,000

Can offer you the personal service of officers who regard no account as unworthy their utmost skill.

Portland National Bank

PORTLAND, MAINE

Union Mutual Life Insurance Co. Bldg

Accounts received on the most liberal terms consistent with sound banking.
Collections receive prompt attention.

WM. W. MASON .....President
EDWARD W. COX .....Vice-President
CHAS. G. ALLEN .....Cashier
EDWARD L. PIPER .....Asst. Cashier

Directors:

Fred E. Richards, Charles G. Allen,
Henry B. Cleaves, George F. West,
William W. Mason, George Westcott Beyer,
Lyman M. Cousens, Roswell C. Bradford,
Edward W. Cox.

The New Inheritance Tax Law Of New York State

Non-residents may *now* carry bank balances or deposit their securities in New York City, either temporarily or permanently, with the assurance that they will not be subject to the Inheritance Tax.

The new law, *now* in force, provides that *intangible property*, defined by the law as "incorporeal property, including money, deposits in bank, shares of stock, bonds, notes, credits, evidences of an interest in property, and evidences of debt," held in New York by bona fide non-resident decedents, is not taxable in that state.

This Company has complete facilities for handling active and reserve accounts and for the safe keeping of securities, and cordially invites such business.

We have prepared a booklet containing the text of the new Inheritance Tax Law, together with explanatory notes, which we will be pleased to furnish upon request.

Ask for our Booklet-N340

Guaranty Trust Company

of New York
28 Nassau Street

Capital and Surplus, - $23,000,000
Deposits - - - - - 163,000,000

Franklin National Bank

PHILADELPHIA

Capital $1,000,000.00
Surplus and Undivided Profits. 2,730,781.17

INCORPORATED 1900.

OFFICERS:

J. R. McALLISTER, President.
J. A. HARRIS, JR., Vice-President.
E. P. PASSMORE, Cashier. L. H. SHRIGLEY, Assistant Cashier.
J. W. HARDT, Assistant Cashier.

Foreign Exchange Department.
WILLIAM WRIGHT, Manager.

Chartered 1836

GIRARD TRUST CO.

PHILADELPHIA

Capital and Surplus, $10,000,000

OFFICERS

E. B. MORRIS	::	::	:: President
W. N. ELY	::	::	Vice-President
A. A. JACKSON	::	::	Vice-President
C. J. RHOADS	::	::	Vice-Pres. & Treas.
E. S. PAGE	::	::	:: Secretary
G. H. STUART, 3d.	::	::	:: Asst. Treas.
S. W. MORRIS	::	::	Asst. Secretary

CAPITAL, SURPLUS AND PROFITS $3,300,000

THE NATIONAL BANK

of the

REPUBLIC

OF CHICAGO

offers to conservative bankers its facilities developed and perfected by twenty years of close personal relations with correspondents in all parts of the country.

JOHN A. LYNCH, President,
W. T. FENTON, Vice-President,
R. M. McKINNEY, Cashier,
O. H. SWAN, Assistant Cashier,
JAMES M. HURST, Assistant Cashier,
WM. B. LAVINIA, Assistant Cashier,
W. H. HURLEY, Assistant Cashier.

Digitized by Google

MELLON NATIONAL BANK, PITTSBURGH, PA.

Offers perfect service on attractive terms to other banks and bankers

CAPITAL $6,000,000 **SURPLUS $1,300,000**

A Modest $100 Increased $15,000

The Farr Alpaca Co. Originally Capitalized at $100,000 Now $2,400,000—Averages 24 Per Cent a Year in Cash Dividends—Increase in Capitalization All By Stock Dividends—Original $100 Now Has Market Value of $9,840.

There is one small industrial company in Massachusetts, the story of whose record of earnings and returns to stockholders will come very close to equaling if not exceeding the stories of the fabulous profits drawn out by the original owners of Standard Oil stock. This company is the Farr Alpaca Company of Holyoke, Mass. The Farr Alpaca Company has not secured or seized control of a natural product, nor has it in any way stifled competition, nor has it had any great advantage which a score or a hundred or more other companies might not have had had they recognized the opportunity. It has been largely free from competition, owing partly to the fact that other manufacturers have neglected the same opportunity which the Farr Alpaca Company recognized and nursed, and partly because of the fact that its raw material, through several stages of manufacturing, needs a specialized knowledge which the Farr Alpaca people have been lucky enough to stumble upon, and which its competitors, except in one or two instances, and those only recently, have not uncovered, and most largely to the beneficent influence of a traiff which, although not made for them in particular, and which they did not help to rig, has favored them more largely than it has favored any other concern in textile manufacturing.

The Farr Alpaca Company makes mohair and worsted serge lining for clothing. It does not produce any fancy product nor cloth which goes into expensive garments, for the bulk of its products would be classed as

PLAIN STAPLE MERCHANDISE.

Utilizing the product and in various stages leading up to the finished goods, it does not control or use any specialized machinery. It depends upon spinning machinery, looms, and finishing machinery just like that employed in hundreds of woolen and worsted mills in the neighboring towns and states. There is no trick or special skill or knowledge employed or necessary in selling the product of the Farr Alpaca Co., as its goods are in demand by all of the large manufacturing and wholesaling clothiers. About forty of such take the major part of the product, and many others who would like the Farr Alpaca product are on the waiting list for their share of it. Many possible and desirable customers are not being served and cannot be served until the mill is much larger than it is at the present day, so its future usefulness and field of profit is not limited.

The company has some domestic competition in one or two growing mills of its kind, and a further large part of the demand for these mohair and serge linings is filled by the importations of similar goods from Bradford, England. It is not a business in which the buyers, as in other lines of textiles, can force down prices to allow the manufacturers only a small margin of profit, as the treasurer of this great company told the writer some two or three years ago that there wasn't one buyer of their product who

COULD TELL THE DIFFERENCE

between a 30-cent mohair and a 25-cent lining. But that the product of

The Fourth National Bank

OF THE CITY OF NEW YORK

OFFICERS

JAMES G. CANNON, President
SAMUEL S. CAMPBELL, V. Pres.
CHARLES H. PATTERSON, V. Pres.
DANIEL J. ROGERS, Cashier.
E. W. DAVENPORT, Asst. Cashier.
CHARLES E. MEEK, Asst. Cashier.

DIRECTORS:

James G. Cannon	L. F. Loree
Cornelius N. Bliss	Eugene Delano
Robert W. Stuart	M. Orme Wilson
William S. Opdyke	Elbridge G. Snow
T. Frank Manville	Wedding Ring
Thos. H. McKittrick	Morton F. Plant
Mortimer L. Schiff	Samuel S. Campbell

CAPITAL AND SURPLUS - $10,000,000

The National Park Bank

OF NEW YORK

Organized 1856.

Capital	$5,000,000.00
Surplus and profits	12,941,415.18
Deposits, June 7, 1911	108,964,675.84

MARINE NATIONAL BANK BUFFALO

Capital and Surplus Earnings, - - - $3,500,000.00
Resources, - - - - - - - - - $33,000,000.00

INVITES YOUR CANADIAN BUSINESS

New York State National Bank

ALBANY, N. Y.

Capital, $500,000 Deposits, $13,000,000 Surplus, $500,000

LEDYARD COGSWELL, President
LEDYARD COGSWELL, JR., 2nd Vice President LAURENCE H. HENDRICKS, Cashier
GEORGE A. WHITE, Asst. Cashier.
OVER 800 BANK DEPOSITORS IN THE UNITED STATES.

NATIONAL METROPOLITAN BANK

OF WASHINGTON, D. C.

Oldest National Bank in the District of Columbia

GEO. W. WHITE - - - President
CUNO H. RUDOLPH - - Vice-President GEORGE O. WALSON - - - Cashier
O. H. P. JOHNSON - - - Vice-President I. GALES MOORE - - - - Auditor

The Merchants National Bank Indianapolis Indiana

ESTABLISHED 1865

CAPITAL = = $1,000 000 SURPLUS FUND AND PROFITS, $900,000

Superior facilities for handling items on Indianapolis and State of Indiana.

FIRST NATIONAL BANK, Denver

Capital and Surplus .....$2,000,000.00 Resources $26,125,124.89
OLDEST BANK IN COLORADO.
A. V. HUNTER, President

THOMAS KEELY, Vice President
F. G. MOFFAT, Vice President
GERALD HUGHES, Vice President
C. S. HAIGHWOUT, Cashier
J. C. HOUSTON, Asst. Cashier
F. J. DENISON, Asst. Cashier
D. R. PLATT, Asst. Cashier
G. M. HAUK, Auditor

Digitized by Google

UNION EXCHANGE NATIONAL BANK, NEW YORK
CLEARING HOUSE No. 100
CAPITAL AND SURPLUS $2,000,000 Organized 1903 DEPOSITS $10,000,000
SITUATED IN THE NEW COMMERCIAL AND MANUFACTURING DISTRICT, 5th AVE. AND 21st STREET
Banks that can handle to advantage the items payable in their locality are invited to correspond with us

the mill is the equal of any imported cloth, bearing in mind that these are plain fabrics, is proven by the fact that in a great many cases it is reported that linings from the Farr Alpaca Company have been sold as Bradford mohairs. Within the last few years the Farr Alpaca Company have deemed it necessary to stamp each piece of cloth which is sold in 50-yard lengths at both ends of the fabric with their trade-mark, so that it cannot be sold as the product of an English mill, and the credit for the manufacturing and the advertising value connected with the sale of a satisfactory piece of goods go to a mill which has not earned it.

The Farr Alpaca Company was incorporated in 1873 and capitalized at that time at $100,000. The mill was successful from the start, and its founder, Joseph Farr, who had been engaged in similar work in England, but had not made a success of the same line of endeavor in Canada, sent for his brother-in-law, Joseph Metcalf, who was the treasurer of a railroad company in England, to come over and help him in the accounting and executive end of the business. It is clear from the above that the present head of the company, Mr. Metcalf, brought to the company no special training in textile manufacturing nor in the knowledge of mohair or alpaca manufacture, and the original Farr, although

HE HAD SOME KNOWLDEGE

along this line, was not in the old country, nor in Canada, the head of any big successful textile corporation.

The figures which follow are practically correct, although there may be mild discrepancies in dates and in dividend payments, yet wherever such discrepancies occur they are on the side of conservatism. For instance, I figure that the Farr Alpaca Company has paid cash dividends averaging 24 per cent a year. I have not the exact figures at hand, as the Farr Alpaca Company is probably the most secretive corporation in the United States, and of all manufacturers, textile manufacturers are most secretive. But taking 24 per cent as the average cash dividend, we are very safe. It has been in some cases, 66 2-3 per cent, and in other years 40 per cent, so that figuring 24 per cent annual paid dividends is very conservative. Starting off then in 1873, capitalized at $100,000, which certainly at that time represented all of the cash paid in, and it was probably much less, the company profited with that capitalization along to about 1880, when a stock dividend of 100 per cent was paid, bringing the capitalization up to $200,000.

The Farr Alpaca Company went along, happy and successful, for another seven years, and along about 1887 the capitalization by a 100 per cent stock dividend was increased to $400,000. The dividends continued to be paid upon

THE INCREASED CAPITALIZATION

until along about 1894, when, by a 50 per cent stock dividend, the capitalization was increased to $600,000. With this new capitalization, and with a large manufacturing trade calling for the company's product, and with little competition, the capitalization was increased again in 1901, or thereabouts, to $1,200,000, and for a period of about nine years to 1910, it continued to earn and pay good dividends on that capitalization, and in 1910, with a surplus and staggering profits, a 100 per cent stock dividend was paid, and the capitalization of the company brought up to $2,400,000. Now during all of this time, nothing like all of the earnings were paid out in dividends, for there has been a consistent and steady salting down of profits an increasing the plant without bringing in any new capital aside from the annual earnings, also a consistent and commendable policy of marking off largely for depreciation.

In the last annual statement, we find the item of real estate set down at $650,000. To one who has seen the plants, this valuation of it ranks with the valuation which the Bell Telephone Company places upon its plants. That is, the Bell Telephone Company is accustomed to write off about 8 per cent every year to depreciation. The Farr Alpaca Company has done at least as well as that, and this plant, which is carried at $650,000,

COULD NOT BE DUPLICATED

certainly under $3,000,000. Another item, additional building, refers probably to new mills which the company was engaged in putting up at the time the annual statement was drawn off. As these mills were not then completed, that item probably refers to the condition of the buildings and the amount of money already expended

THE
Chatham and Phenix
National Bank
NEW YORK

Capital and Surplus
$3,000,000
All business under direct supervision of the officers.

LOUIS G. KAUFMAN, President.

GEO. M. HARD, Chairman of the Board.
F. J. HEANEY, Vice-President.
W. H. STRAWN, Vice-President.
A. M. BULL, Vice-President.
BERT L. HASKINS, Cashier.
H. L. CADMUS, Assistant Cashier.
N. P. GATLING, Assistant Cashier.
W. B. BOICE, Assistant Cashier.
H. C. HOOLEY, Assistant Cashier.
Your Account Solicited.

Utah National Bank SALT LAKE CITY UTAH
CAPITAL AND SURPLUS $240,000.00
W. S. McCORNICK, President. T. R. CUTLER, Vice-President.
R. T. BADGER, Cashier. C. H. WELLS, Asst. Cashier.
UNUSUAL FACILITIES FOR COLLECTING ITEMS IN THIS TERRITORY.

Atlantic National Bank, Providence, R.I.
Direct connections with every Town in R. I.
SEND US YOUR COLLECTIONS. *MINIMUM RATES.*

FIRST NATIONAL BANK
EUCLID AVENUE CLEVELAND
CAPITAL $2,500,000 Surplus and Profits $1,250,000
ACCOUNTS OF BANKS AND BANKERS, MERCHANTS AND CORPORATIONS, SOLICITED
SPECIAL ATTENTION TO COLLECTIONS
DEPOSITS $25,000,000

Planters National Bank RICHMOND VA.
ORGANIZED 1865.
Capital $300,000 Surplus and Profits (earned) $1,160,000
Deposits $5,500,000
SUPERIOR FACILITIES FOR COLLECTING VIRGINIA ITEMS.

Digitized by Google

upon them at the time the statement was drawn up. Of course, I don't know what those new buildings really did cost, but I saw them in process of construction, and knowing the Farr Alpaca Company's policy, believe that it would be safe to multiply that figure by two at least. Comparing the item of additional building, $500,000, with the item real estate, at $650,000, a discrepancy is shown immediately, because the new building is nothing like half as large as the old property.

Machinery carried at $350,000 is another conservative item, showing at least a mark-off of 10 per cent annually on machinery. The company operates about 3,000 looms. These looms, with the necessary appurtenances, including heddles, harness shuttles, warp beams, etc., would average to cost at least $100 each, so that on the weaving equipment alone, the cost of the machinery would be $300,000. This is very close to the valuation set upon all the machinery in the plant at $350,000. And the weaving machinery is not, by any means, half of the total of the machinery in the mill so far as cost is concerned. This mill demands washing, carding and combing machinery, preparing and spinning as well as dressing machinery, and a complete dye house. This all comes before the weaving. After the weaving is the finishing machinery, and one immense mill of the Farr Alpaca Company represents the finishing plant. One of

THE SMALLEST ITEMS

in the Farr Alpaca plant would be the item of belting costs, and it would cost $50,000 at least to belt the Farr Alpaca plant.

The item of cash and debts receivable, something over $859,000, is not debatable here, but the item, manufactures and merchandise, at $2,183,000, is, in a textile corporation like the Farr Alpaca Company, generally carried too low, rather than correct or high. Many cotton manufacturers who buy cotton to cost 15 or more cents a pound and weave it into cloth to sell at 5 or 10 or 15 or more cents a yard, when they take their inventory, put every pound of cotton in their storehouses down at a valuation of one cent a pound, and all of the cloth in the storehouses and in the looms down in the inventory at one cent a yard. The head of the Farr Alpaca Company is of the old conservative school, and is just as apt to figure his inventory in that way as in any other. Under liabilities, we find accounts payable less than $800,000, and surplus and undivided profits shown at over $1,347,000. There are no bonds and no common stock. The $2,400,000 of capitalization is all preferred stock. It is quoted on the market to-day at about 410, paying now 6 per cent quarterly, or 24 per cent per annum, which will probably increase rather than decrease.

From the above statement we would figure out

NET QUICK ASSETS

of something over $93 back of every $100 share. Also a working capital of about $2,250,000. It must be borne in mind, however, that these last figures are only theoretical, because of the fact that probably in this statement a great many things are hidden, particularly in the item of manufactures and merchandise, which is set at a little over $2,000,000.

It is interesting to figure the returns from each original $100 share to date. If you had bought in 1873 one share of the Farr Alpaca Company, at its organization, and in all probability that $100 was not fully paid, you probably received during the first seven years in dividends $168, or at the rate of $24. In 1880, your one share would have become two shares, and for the next seven years you would have received $336. In 1887, your one share would have become four shares, and you would receive during the next seven years, $672. In 1894, your one share would have become six shares, and your return for the next seven years would have been $864. In 1901, your one share would have become twelve shares, and for the next nine years to 1910, you would have received $2,592. In 1910, your one share would have become twenty-four shares, and you would receive during 1910 and 1911 $576 on your original $100 investment, and would continue to receive $576 a year if dividends are maintained

ON THE 24 PER CENT BASIS

until another 100 per cent, or thereabouts, stock dividends is declared some time in the future.

Of course, it is speculation as to whether this 24 per cent will be kept up, but unless the tariff is changed, in all likelihood, not only will the 24 per cent be maintained, but it will be increased.

As above stated, these figures of 24 per cent a year are conservative, because several times much more than that has been paid, and it does not create a whole lot of comment in textile circles or in Holyoke, when 40 or 66 per cent cash is paid. Continuing, then, from your original investment of $100 or less, you would have to-day 24 shares, of a market value of $9,840. This pays $576 per year in dividends, and you had had in return for your original $100 a total of about $5,000 in dividends plus $9,840 market value, about $15,000.

The Farr Alpaca stock does not go kicking around, although it is dealt in to-day a good deal more than was the case ten years ago. The list of stockholders to-day is not a long one, but several of the original stockholders, who have had their original number of shares increased twenty-four times, have taken their profits by selling once in a while the whole or a fair portion of the increase given to them

BY STOCK DIVIDENDS,

and this represents the securities which are now on the market and dealt in by mill share brokers.

From the above it would seem that Farr Alpaca at 410, and paying at least 24 per cent per year, is averaging about 6 per cent on the investment, with the promise of better things, would be a good thing to invest in. It is true that some of these old textile corporations rep-

CAPITAL $1,800,000.00 SURPLUS $2,000,000.00

Second National Bank

OF

PITTSBURGH, PENN'A.

HENRY C. BUGHMAN, President
WILLIAM McCONWAY, Vice President
THOMAS W. WELSH, JR., Vice President
JAMES M. YOUNG, Cashier
BROWN A. PATTERSON, Ass't. Cashier

Home Savings Bank

Toledo, Ohio

Capital and Surplus, $400,000

Is a State Bank authorized to conduct a **General Banking Business,** and is operating strictly within the laws of the State governing Banks.

Collections given especial attention, for which remittances are made promptly at a reasonable charge.

OLDEST BANK IN AMERICA
Chartered by Congress, 1781.

The
Bank *of* North America
(NATIONAL BANK)
PHILADELPHIA, PA.

Capital	$ 1,000,000.00
Surplus	2,250,000.00
Undivided Profits	424,008.80
Deposits	15,260,000.00

HARRY G. MICHENER.....President
SAMUEL D. JORDAN.....Cashier
WILLIAM J. MURPHY.....Asst. Cashier
RICHARD S. McKINLEY.....Asst. Cashier
Accounts Solicited
Correspondence Invited

THE
SEABOARD
National Bank
of the City of New York

Capital - - - $1,000,000
Surplus and Profits (Earned) $2,050,000
Accounts Solicited

S. G. BAYNE.....President
S. G. NELSON.....Vice-President
C. C. THOMPSON.....Cashier
W. K. CLEVERLEY.....Assistant Cashier
L. N. DEVAUSNEY.....Assistant Cashier
J. C. EMORY.....Assistant Cashier
O. M. JEFFERDS.....Assistant Cashier

First National Bank

San Francisco, California

Capital - - - $3,000,000.00
Surplus and Profits - 1,865,492.48

OFFICERS
RUDOLPH SPRECKELS, President
JAMES K. LYNCH, Vice President
J. K. MOFFITT, Cashier
J. H. SKINNER, Asst. Cashier
C. H. McCORMICK, Asst. Cashier
GEO. A. KENNEDY, Asst. Cashier

Invites your business and places at your disposal facilities developed and perfected during forty years of successful banking.

Digitized by Google

resent a security as stable and conservative as the bonds of the best industrial companies. Only one thing stands in the way of the Farr Alpaca continuing in the future as in the past to make marvelous records, and that is the liability of a decreased tariff. If the tariff is changed and lowered on goods such as the Farr Alpaca Company make, in all probability such goods will be cheaper, and we will get some importation of them from England, and the profits of the Farr Alpaca Company will be decreased.

Under present conditions, the Farr Alpaca Company has by no means reached its growth, or that might be changed to the statement that under no conditions has the Farr Alpaca Company reached its limit. Of course, this company would operate profitably still under free trade, but it would not make so big a profit, and it could not continue to pay the 66 per cent dividends on $2,400,000 of capitalization, although it could continue to pay 6 per cent or more upon that capitalization, if it worked under free trade. We are not going to get free trade, but if we should, Farr Alpaca would continue to grow, although its securities would not, perhaps, have the market value of today.

We are going to have a change in the worsted tariff schedule, which affects the Farr Alpaca Company. The change may not come next year, or in the immediate future, but it is a fact that the whole temper of the people is for a reduction in certain schedules, and the worsted schedule is the one which has been settled upon for first reduction. Of course, this temper of the people may change in the future, but the general public is pretty well convinced that the worsted schedule is too high, and that conviction will probably not be wiped out, and in the future, the tariff schedule, under which the Farr Alpaca Company is operating most profitably, will be changed, and it will affect them to a certain extent.

I am not, then, recommending the purchase of Farr Alpaca shares at present quotations. But here is what the Farr Alpaca will do, whether it pays 40 or 24 or 6 per cent upon its capitalization. It will continue to grow, and continue to tuck away, year by year, from earnings, enough of money to increase the plant, as demand for its product grows, and is developed, and even with lesser dividends if the Farr Company parallels the records of other textile corporations, its securities will continue to sell along about the same level when they are more widely distributed and become better known. Other profitable, long-established and rich textile corporations pay 12 per cent, or thereabouts, in dividends on their capital stock, and sell on a basis to yield much less than 6 per cent and around 4 per cent. The Farr Alpaca Company is in the same class as the other companies, with the exception that its securities are not so generally held, that is, they are not so widely distributed.

If the Farr Alpaca securities were selling upon the same basis as other leading New England textile mills, the quotation would be nearer $600 than $400. But this story is not indicative of textile profits in general, because there are any number of textile mills much older than the Farr Alpaca Company which are having, and always have had, a struggling time. There are worsted mills as largely over capitalized as the

FARR IS UNDER CAPITALIZED,

just as there are smaller woolen mills making fancy goods which are privately owned, but which proportionately pay several times as large returns on the capital invested as the Farr Alpaca. There are other mohair and alpaca mills approaching the Farr Alpaca in size, which are privately owned, and in which the public has no general interest so far as the securities are concerned. There is, however, another mill making similar goods coming along and growing up, which is in the hands of manufacturers wholly as skillful as those at the Holyoke plant. This is the Queensbury Mills Corporation of Worcester, Mass., making the same class of goods and growing satisfactorily. Whether it will parallel the record of the Farr Alpaca Company or not remains to be seen.

P. DE MEDICI.

BANK ITEMS.

SPOKANE, WASH.—Farmers' and Mechanics Bank of Spokane, of which William H. Huntley is president, will erect a six-story structure costing $160,000 at Broadway and Monroe street. The bank occupies leased quarters. The site for the new building was bought by J. W. Hughes, cashier, and several stockholders in the bank for $45,000, a year ago.

WALLKILL, N. Y.—The comptroller has received application for the organization of the Wallkill National Bank. The capital is to be $25,000, and among those who are interested are: B. S. Galloway, of Wallkill, N. Y.; R. H. Terwilliger, and R. B. Crowell.

PASADENA CAL.—There has been approved at the comptroller's office the application to convert the Bank of Commerce of Pasadena into the National Bank of Commerce of Pasadena. The bank has a capital of $100,000.

READING, PA.—The corporate existence of the Keystone National Bank has been re-extended by the comptroller until August 17, 1931.

MILLIKEN, COLO.—Application to organize the First National Bank of Milliken has been received at the comptroller's office. The capital is to be $25,000, and among those who are interested is R. M. Benton.

MOUNT HOLLY, N. J.—The Farmers Trust Company has filed a certificate of incorporation. The capital is $200,000, and the directors are: Charles E. Merritt, Joseph C. Kingdon, John B. Davis, Edward D. Stokes, John Black and Dr. R. C. Barrington, of Mount Holly; Joseph J. White, of New Lisbon, and Dr. Robert W. Carter, of Jobstown, all of whom are directors of the Farmers' National Bank of Mt. Holly.

MILL CREEK, W. VA.—The Bank of Mill Creek, with a capital of $25,000, has been chartered. The incorporators are: R. Chaffey, J. E. Heavner, W. H. Mason and D. F. Strock, of Elkins, W. Va., and Merritt Wilson, of Wildell, W. Va.

ATLANTIC NAT. BANK, PROVIDENCE

The increase in the capital stock of the Atlantic National Bank, of Providence, R. I., which was voted July 29, has all been paid in and the comptroller of the currency has issued his certificate of approval. The new stock was taken by the old stockholders, with the exception of two or three small lots, aggregating less than 50 shares, which indicated a very satisfactory feeling toward the management.

This increase gives the bank a capital of $300,000, with a surplus and profits of $175,000, and will better enable them to care for the new business which is constantly coming. Edward P. Metcalf is president and Frank W. Peabody is cashier.

The sixteenth annual convention of the Washington Bankers' Association is to be held at Wenatchee, Washington, on September 14, 15 and 16, for which invitations have already been sent out. An interesting programme, both from a social and business standpoint, has been, or is being, arranged, and all bankers who take the opportunity of attending are sure to profit thereby. The officers of the Washington Bankers' Association are as follows: President E. W. Purdy, president of the First National Bank of Bellingham; vice-president, George Donald, president of the Yakima National Bank of North Yakima; secretary, P. C. Kauffmann, second vice-president of the Fidelity Trust Company, Tacoma; treasurer, C. C. Richardson, cashier of the National Bank of Cheney.

TESTIMONIAL OF RESPECT.

Pittsburgh, August 16, 1911.

ED. UNITED STATES INVESTOR:

It is with sincere regret that I recently learned of the death of Mr. A. E. Pennell, who for several years so ably represented the United States Investor throughout the United States.

I can personally testify to the energetic loyalty he always displayed to his employers and to the respect and regard in which he was held by the numerous acquaintances he made among the bank men at conventions and in practically all the large cities of the country.

In the death of Mr. Pennell, the United States Investor loses a capable and loyal representative, and the writer, a friend with whom many pleasant moments were spent. Respectfully,

J. S. M. PHILLIPS, Cashier,
National Bank of Western Pennsylvania.

BANK ITEMS.

SACRAMENTO, CAL.—Application to organize the Capital National Bank, with a capital of $100,000, has been made by W. W. Bassett, G. W. Peltier, F. W. Kiesel, G. H. Anderson and F. L. Martin.

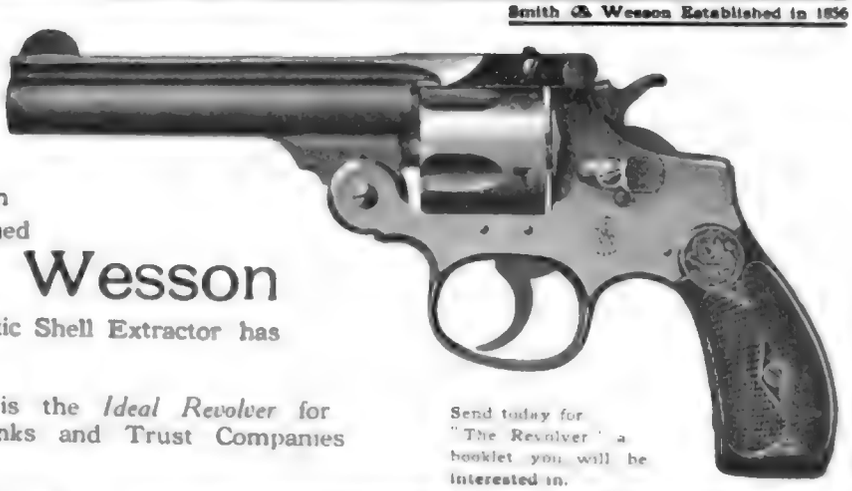
VERNICE, CAL.—Application has been made to organize the First National Bank of Vernice by J. W. Lawrence, A. McNally, R. A. Dallugge, R. A. Phillips and A. Kinney, the capital to be $25,000.

JEFFERSON PARK, ILL.—The application to organize the Jefferson Park National Bank has been approved. The incorporators are: H. H. Esdohr, G. M. Hayes, C. C. Kirchhoff, F. T. Thomsen, L. H. Grimme and Fred H. Esdohr.

ORLANDO, FLA.—A charter has been issued to the People's National Bank of Orlando. James C. Patterson is president; C. A. Campbell, vice-president; C. E. Johnson, cashier, and William G. Talton, assistant cashier. The capital is $50,000.

Digitized by Google

Smith & Wesson Established in 1856



It is Too Late to Buy Protection
After the Loss Has Been Sustained

The Smith & Wesson

.38 Double Action Perfected Automatic Shell Extractor has *Proven Its Worth* to many Bankers

SMITH & WESSON
Manufacturers of Superior Revolvers
49 Stockbridge Street, Springfield, Mass.
17 Market Street, San Francisco, Cal.

It is the *Ideal Revolver* for Banks and Trust Companies

Send today for "The Revolver" a booklet you will be interested in.

The Tin Can Trust

American Can Preferred Looks Good For the Future—An Industrial Catering to All Industries Not Largely Affected By Depressions—Has Conservative, Progressive Management and Efficient Sales Organization Creating New Uses for Its Products.

Predictions are frequent that within two or three years the dividend rate on American Can preferred will be increased to 7 per cent, and more than earned, now that the productive capacity of the 39 plants of the company has reached the managements ideas.

The American Can Company is another one of those combinations brought about ten years ago or so for which great things were predicted, and those roseate expectations capitalized for all they would stand, which has not made good the promises of its promoters, but which is steadily working ahead, and which probably will be worked out successfully to the future profit of its preferred shareholders at least. The American Can Company was incorporated in the spring of 1901, and has outstanding $41,233,300 of the common and the same amount of 7 per cent accumulative preferred stock. Since the organization of the company 5 per cent has been paid regularly on the preferred, so that there are accumulated preferred dividends of about 31 per cent. The company started off with the estimate of its promoters, that it did 85 per cent of its line of business in the country. The first year, the amount of business done was about $22,000,000. This has increased to date to something like $35,000,000. The net earnings for the year ending April 1, 1902, were $1,775,000. The net earnings for the year ending December 31, 1910, were $3,456,000. The increase in net earnings has been consistent and satisfactory every year since the incorporation of the company, except when a very small falling off was shown from the year 1907.

FIGURES COMPARED.

Of course, figures can be compared with those of the American Can Company and similar figures of other industrials, the American Woolen for instance, and the showing will favor the American Woolen preferred. There are features about the Can Company, however, which indicate not only a conservative but a distinctly progressive management, and the promise of the accumulated dividends being paid off as well as an increase in the preferred dividend rate in the not distant future. For comparisons, the American Woolen Company operates 33 plants and does a business of about $50,000,000 a year. The American Can Company operates 39 plants, and does a business of about $35,000,000. The American Woolen Company has earned up to 14 per cent on its preferred stock, while the American Can Company has never earned 7 per cent on its preferred. The net quick assets back of every share of American Woolen preferred are something like $80, while the net quick assets back of every share of the American Can preferred are about $46.50. The Woolen Company has $40,000,000 of 7 per cent preferred stock, and the Can Company about the same, namely, $41,233,000. The American Woolen Company, however, has in one year worked to a deficit, while the American Can Company has shown increased earnings every year. And while the Can Company is affected by periods of depression, it is not so much affected in that respect as are most all industrial companies, because the product of this company is used in a great number of industries, and ranks almost among the necessities of life, and new uses for

THE COMPANY'S PRODUCT

are continually being found.

When the American Can Company was incorporated, it was expected that it would become a subsidiary corporation of the United States Steel Company, as companies used about 60 per cent of the product of the American Can Company, now a subsidiary of the Steel Company. But its relations to-day with the Steel Company are not so close as was the case at its incorporation, although members of its board are directors in the steel corporation. At the organization of the American Can Company, its plant, real estate, patents, etc., were carried at over $75,000,000. This item in ten years has only been brought down by charging off for depreciation about $2,000,000, but at the same time there has been about $8,000,000 spent in new construction, as the property has been kept up-to-date, and in cases where necessary whole plants have been practically overhauled, and at the same time, new plants have been erected where needed. All of this new construction has been paid for out of earnings year by year as the construction has been forwarded. There is no bonded debt. The company has averaged to charge off for depreciation about $200,000 annually since its incorporation, and a surplus of nearly $7,000,000 has been built up. The working capital has been increased regularly, amounting now to over $9,000,000.

Earning less than 7 per cent annually on the preferred stock and paying 5 per cent, it might appear that the dividend payments were too large when only the

EARNINGS FOR EACH YEAR

were taken into account, but as these earnings have been regular and increasing, for 1907, 6.43 per cent; 1908, 6.56 per cent; 1909, 6.68 per cent; 1910, 6.85 per cent on the preferred stock, it is apparent that the regularity of earnings and the consistent increase above present dividends requirements, warrants at least the 5 per cent on the preferred.

The American Can Company has lively competition, but at the same time the increase in consumption of the company's product is very rapid, and although the above figures do not indicate a sufficiently rapid growth within the next two or three years to promise better than 5 per cent or up to 7 per cent dividends on the preferred, it is a fact that 7 per cent has been predicted within the next two or three years. The preferred

(Continued on page 1449.)

Texas Company and Its Record Slump

The Stock Declined 50 Points From Its High Point This Year, Which Outstrips All Other Securities Listed On The New York Stock Exchange—Death of John W. Gates, Its Promoter and Dominating Factor, Generally Ascribed As The Cause—A 10 Per Cent Stock Selling At 90—A Vital Factor is That Standard Oil, When Divided Into 34 Parts, Will Be a Much More Aggressive Competitor For The Independent Oil Companies Than It Has In The Past Few Years.

The sole fact that the stock of the Texas Company, generally known as the John W. Gates Texas Oil Company, has during the current year declined more than any other stock listed on the New York stock exchange naturally suggests a consideration of the underlying factors which have brought about this result. Aside from this I desire to reply to a number of our subscribers who have written us during the week in unmistakable anxiety about the fact that this 10 per cent stock has sold down to 86.

In the slump of last week Union Pacific has been most discussed as the leader in the decline. As a matter of fact, however, the high price for Union Pacific common this year was 192⅝ and the low point in the latest smash was 167 or a decline of only 25 points. On the other hand, the stock of the Texas Company sold this year at 136½ and declined last week to 86, or a decline of 50 points. Texas Company stock, therefore, declined twice as many points as did Union Pacific stock, notwithstanding the fact that Union Pacific sells much higher and on a basis of percentage. The number of points of actual decline should have been just the reverse, if it was to be contended that both stocks had declined in proportion. On a percentage basis, the 25-point decline in Union Pacific is about 13 per cent of its maximum selling this year of 192, while in the case of the Texas Company, the

DECLINE OF 50 POINTS

represents 27 per cent of its high figure of 136.

In other words, the stock of the Texas Company has declined twice as much from the standpoint of dollar points as well as on percentage of market value. Regarding this high record of depreciation in the current year which has been scored by the Texas Company, a great variety of explanations have been offered. The theory which has been most broadly printed and most generally believed is that the recent death of the promoter and controling owner of the enterprise, John W. Gates, will not only deprive the company of one of its most important assets, but will sooner or later result in the marketing of a considerable amount of his large holdings.

It probably would be a little extravagant to say that the Texas Company without Mr. Gates would be like the well-known Shakespearean play without Hamlet, but that something closely akin to this situation is likely to result is apparently the belief of a substantial number of the holders of the stock. John W. Gates, during his life time, made a record as being one of the most aggressive operators who ever invaded Wall street. He demonstrated the fact that he was a successful manipulator of quotations, and also compelled recognition for what he had accomplished as an organizer and developer of industrial corporations. The powers that be did not like it when

BODELL & CO.
PROVIDENCE, RHODE ISLAND
Boston Office, 35 Congress St.
Bonds and Preferred Stocks of Proven Value

American Industrials Co.
Broad Exchange Building, New York.
INVESTMENT SECURITIES.
6% Twenty Year First Mortgage Gold Bonds.
7% Preferred Stocks.
8% Preferred Stocks.

Baker, Ayling & Co.
50 Congress street, Boston
INVESTMENT BONDS
Philadelphia Office, Land Title Building

Assets Realization Company
Capital $10,000,000
Purchases Estates in Liquidation at any point in the United States
NEW YORK PHILADELPHIA CHICAGO

Hodenpyl, Hardy & Co.
BANKERS
7 Wall Street, New York
6% PREFERRED STOCKS A SPECIALTY

WE TRADE IN
Western Power Common
Western Pacific
United States Worsted Pref.
United States Worsted Com.
Detroit & Mackinac Com. & Pref.
Blaugas Company of America
Wells Fargo Express.
E. BUNGE & CO. 20 BROAD STREET, NEW YORK
Cable Address, "Ernestus, New York" Long Distance 'Phone 4735-4736 Rector

GEO. D. COOK & CO.
BANKERS
71 BROADWAY, NEW YORK
We make a Specialty of
Mexican Government and State Bonds

McCOY & COMPANY
Municipal and Corporation Bonds
181 LA SALLE STREET
CHICAGO

Boody, McLellan & Co.
111 BROADWAY, NEW YORK
MEMBERS OF NEW YORK STOCK EXCHANGE
Orders Executed for Investment or on Margin

We Have For Sale
Bank Stocks—Paying Dividends of 6%, 8%, 10%, 20%.
WM. D. PERKINS & CO., Bankers
No. 211 Cherry St., Seattle, Wash.
Established 1893
Oldest Bond House In Washington.

DOMINION BOND COMPANY
LIMITED
MONTREAL TORONTO OTTAWA
LONDON, ENGLAND
Dealers in HIGH-GRADE CANADIAN BONDS
List on Application

5% BONDS
Guaranteed by
National Light Heat and Power Co
A. H. BICKMORE & CO.,
30 PINE ST., NEW YORK

6% Timber Bonds
Carrying With Them An Exceptionally Attractive Feature
American Finance & Securities Co.
5 Nassau Street New York

H. C. Gibbs & Co.
Gas and Electric Light Bonds
To yield 5% to 5 1-2%
60 State Street BOSTON

CIRCULAR ON MISCELLANEOUS UNLISTED MILL AND MANUFACTURING SECURITIES
SENT UPON REQUEST
HORNBLOWER & WEEKS
60 CONGRESS ST., BOSTON

Digitized by Google

he bought control of the Louisville & Nashville in the open market and turned it over at a very handsome profit and as a result, the

SCREWS WERE PUT ON

and he retired from the speculative arena.

In the process of his elimination, he lost a number of millions, but Wall street still has a wholesome respect for his ability. No one but a John W. Gates would have undertaken to compete aggressively with the Standard Oil Company and not even Mr. Gates in all probability would have succeeded as well as he did if it had not been for the fact that the Standard Oil Company during the period of his aggressive oil company promotion had been under interdict of the federal government as well as of many state authorities and to the extent that the Standard Oil managers hardly dared to assert their own to say nothing about going ahead and getting new business as they always had done in the past.

While the Standard Oil Company was temporarily crippled and in particular had been ostracized in the state of Texas, Gates, the opportunist, organized his Texas Oil Company and installed refineries with pipe lines to tidewater and from the refineries to the oil fields of Texas and Oklahoma, which the Standard was not permitted to do. Without the commanding and efficient

PERSONALITY OF MR. GATES,

and with the dissolution of the Standard Oil Company into thirty-four parts with consequent vigorous competition, a matter of injunction and not policy the prospect for the Gates Oil Company looks very different.

In the issue of the United States Investor of July 22, 1911, I had a story under the caption "The Slump in Texas Company" in which I discussed at length the status of the enterprise. In this article was included a letter from a Connecticut subscriber in which he complained that the stock of the company at 122 was selling too low on its investment merits. In the same article, was included a letter from one of our Texas subscribers who referred very flatteringly to a former article we had published and said that because we had called attention to the absurdly high price of the stock at 144, we should follow it up by more details, and he incidentally called attention to the fact for which he was authority that the employes of the Company in Texas had been hustled into buying the stock at inflated prices, even though they had to buy on margin.

In my story in the July 22 issue, I naturally commented on the fact that the stock of the Texas Company looked much better to an investor in Connecticut, who knew nothing about it than it did to a man in Texas who was apparently familiar with the company's properties as well as its methods of operation. I am, therefore, inclined to reproduce a paragraph of this article, the advice contained in which I trust was followed by all our readers who own the stock of the Texas Company. This paragraph was as follows:

"If I had any stock of the Texas Company, I should sell it and put the money into Standard Oil stock if I had a tendency toward oil securities, and if I did not have any Texas Company stock I

SHOULD NOT BUY IT,

but might be inclined to buy some Standard Oil. The Standard Oil Company for some decades, has been making world records in the oil industry, and the fact that the company has not been so progressive recently should not be construed to mean that it will not again be as vigilant as it has ever been in the past, and my theory is that very shortly it will be even more aggressive and successful than it ever has been at any time in its past career, so that the Texas Company and every other independent oil company may well prepare for a lively argument in the future for business. In this contest, I think the Standard Oil Company, with its unrivalled resources in money, organization and equipment of every kind, can hardly fail to surpass all its competitors."

From the low price of 86 recorded on Wednesday of last week for stock of the Texas Company on transactions aggregating only 600 shares, the stock closed at 92 on the following Thursday, and at 90⅛ on Wednesday last, and one of the stock market analysts observed that "the stock goes down easily and recovers easily, because there is a small floating supply and only a thin market."

In explaining the exceptional decline in the stock of the company another theory advanced was that the company's supply of oil was running out, and that in all probability the present dividend of 10 per cent would be reduced to 5 per cent at the next dividend meeting. The more correct explanation of the decline in the company's stock is probably that a considerable number of holders

DO NOT LIKE THE PROSPECTS

for the future, and have been disposing of their stock at the best prices obtainable. I am inclined to believe they are right in this course, even though Standard Oil stock has declined to the extent of about 10 per cent of its market value.

The Texas Company has been making rapid progress, because it has not been opposed by the Standard Oil Company. Now, however, that the Standard is about to be divided up into thirty-four different companies, and each company has been commanded, by the United States Supreme Court, to compete with every other oil company, whether a dismembered branch of the Standard or not, I think that there will be some very lively and effective competition to be considered.

The disjointed Standard Oil subsidiaries are each and all going to be amply equipped with working capital, and every facility for doing business, besides having the advantage of association with the best organization the world ever produced for the marketing of a product. These companies can hardly fail to rapidly regain ground lost during the past few years during which they have been held under restraint, and the independent oil companies are not likely to do as well in the future as they have in the recent past.

I have previously made the recommendation that anyone who is inclined to invest in oil stock should

BUY STANDARD OIL,

and I re-assert this opinion at this time. The fact that the holder of a certificate of stock of the Standard Oil Company of New Jersey is soon to receive, by order of the Supreme Court, thirty-three more certificates representing his pro rata interest in the controlled companies should not be regarded as disconcerting, because Standard Oil has always treated its shareholders fairly, and it is entirely too late in the day to even suggest that they will abandon this policy.

Last month, when the stock of the Texas Company was selling at 109, I advised its sale and the purchase of Standard Oil in its place. Regardless of the slump in the stock of the Texas Company, I still believe this advice to be good, although the holder of Texas stock should use some discretion and endeavor to get out on a strong market. In any event I believe he can buy Standard Oil at ruling prices, and more than make good his loss.

P. DE MEDICI.

SENECA, WIS.—The Farmers & Merchants State Bank has increased its capital to $15,000.

WILLIAMSPORT, PA.—The Citizens State Bank has been organized with $50,000.

Tightly Tied Together

are the interests of investors who buy the securities we offer with our own interests; for we develop, operate and control the Public Utility Corporations upon which those securities are based.

The record of those securities justifies the conservative investor in placing reliance in them. Moreover, they yield better returns than many other high-grade issues.

Write for Circular

Meikleham & Dinsmore
ENGINEERS AND BANKERS
25 BROAD STREET, New York City
60 State Street, Boston

INVESTMENTS
Bonds and Stocks
WM. F. CROSBY,
Tel. 4090. 311 Main St.
WORCESTER, MASS.

Digitized by Google

Financial Summary of the Week

American Light & Traction Co.—Earnings of the American Light & Traction Company for the 12 months ended June 30, last, were the most favorable ever reported for a similar year in the history of the property. Gross passed the $4,000,000 mark for the first time, nearly all of which amount was saved for the net, the total available for dividends being $3,924,874. After meeting the usual 6 per cent preferred stock dividends, there was left a balance available for the common stock equal to 28.23 per cent on the $10,877,700 outstanding. This compares with 26.74 per cent earned on the $9,851,000 common stock outstanding on June 30, 1910.

American Tobacco Co.—It is learned, from one who is closely identified with the committees which have asked for the deposit of the bonds and preferred stock of the American Tobacco Company, that the volume of securities already turned in clearly shows that the importance of concert of action is being appreciated by the respective holders. This authority says the deposits are coming in very freely, and that naturally it is gratifying to the committees to know that they will have the sympathetic and practical support of the bondholders and preferred stockholders. It also is said on good authority that the tentative plan which is being developed by the Circuit Court and the attorneys for the tobacco company has met with no substantial objections from the Department of Justice.

Baltimore & Ohio Railroad Co.—This company's statement of earnings and expenses (exclusive of outside operations) for the month of July, 1911, as compared with July, 1910, shows, for gross earnings, 1911, $7,321,157; 1910, $7,547,732; decrease, $226,576. Expenses, 1911, $5,075,458; 1910, $5,423,890; decrease, $348,432. Net earnings, 1911, $2,245,699; 1910, $2,123,843; increase, $121,856.

Bangor Power Co.—This company has been incorporated in Maine with an authorized capital stock of $1,250,000 and $750,000 bonds, to succeed to the rights, property and franchise of the Bodwell Water Power Company, which was bid in at foreclosure sale on May 19, last, by the reorganization committee. A meeting of the stockholders of the Bangor Railway & Electric Company has been called for August 26, to consider the guaranteeing of the $750,000 Bangor Power Company bonds, and also the issuing of new stock for the purchase of the Bangor Power Company stock.

Bangor Railway & Electric Co.—This company is to be reorganized in connection with the Bangor Power Company, the Veazie Lumber Company and the Penobscot Realty Company. The plan requires an increase in the capital stock of the Bangor Railway & Electric Company to $3,500,000, consisting of $1,500,000 7 per cent cumulative preferred, and $2,000,000 common. Present shareholders will receive one share of new preferred and one share of new common for each $100 share of the old stock.

Bethlehem Steel Co.—Charles M. Schwab, president of the Bethlehem Steel Company, has denied the report that his company would be merged with the Lackawanna Steel Company and the Republican Iron & Steel Company to fight the United States Steel Corporation.

Canadian Pacific Railway Co.—This company declared the usual quarterly dividend of 2¼ per cent on the common stock. Gross earnings of the railway and steamship lines for the last fiscal year were $104,167,808, an increase of $9,178,318. Net earnings totalled $36,699,078, an increase of $2,859,874. After the payment of all dividends for the year, the company had a surplus of $15,775,447, an increase of $323,482.

Central of Georgia Railway Co.—This company has declared for the fiscal year ended June 30, last, the full interest of 5 per cent on both its first and second income bonds, and a dividend of 1.458 per cent on its third income bonds, all payable October 1. These disbursements call for $608,320.

Chesapeake & Ohio Railway.—This company reports an increase in total operating revenue of $178,968 for June. Operating expenses increased $160,323, leaving net $18,685 larger than for the corresponding month last year. For the fiscal year ended June 30, last, total operating revenue was $1,346,242 larger than in the previous twelve months, and operating expenses were $2,856,916 greater, so that net showed a shrinkage of $1,510,674. Inasmuch as the earnings of the Chesapeake & Ohio for the last fiscal year were not largely in excess of the dividend requirements, the rumor has been in circulation for some weeks that a lower rate on the current quarter would be declared. The interest quoted says that inasmuch as the earnings for July were in excess of those of July of last year, and so long as the earnings continue at the present rate, there is no reason why the present rate of dividend should not be paid.

Chicago Elevated Railways Co.—This company announces it will declare the initial dividend of 1½ per cent on its 6 per cent cumulative stock about December 1. There is $16,000,000 of this issue outstanding, of which all but about 6 per cent is held by the underwriting syndicate that furnished the funds for paying off the old stocks. The preferred dividend to be paid will necessitate the payment of $240,000, or $960,000 a year.

Chicago, Rock Island & Pacific Railway Co.—Stockholders of the Chicago, Rock Island & Pacific Railway Company at the annual meeting to be held on October 12 will be asked to authorize the guaranty of the payment of principal and interest of the $10,000,000 first mortgage bonds of the St. Louis and Kansas City Short Line Railroad Company, and also of $453,000 notes of the Rock Island, Arkansas and Louisiana Railroad Company, to be given to the Little Rock and Hot Springs Western Railroad Company for the purchase of 22.68 miles of its line.

Cities Service Co.—This company reports for the ten months ended July 31, last, as follows: Earnings on stocks of subsidiary companies owned $718,219; other income, $32,863; gross earnings, $751,082; expenses, $23,299; net earnings $727,783; preferred dividends, $413,956; balance for common, $313,827; common dividends, $118,650; surplus, $195,177.

Detroit River Tunnel Co.—H. H. Ledyard, president of the Detroit River Tunnel Company, has made a statement regarding the bonds of the company, about which there has been some question. He says that of the authorized issue of $30,000,000 of bonds, $16,000,000 was to have been immediately issued, and sold, and the rest reserved. Instead, only $14,000,000 was sold, the remaining $2,000,000 not then being required. The proceeds of the sale have been, or are to be, expended in the acquisition of property. The $2,000,000 not issued has been brought under the same restrictions applicable to the reserved $14,000,000, the whole $16,000,000 to be used from time to time as required.

Hart, Shaffner & Marx.—Business of Hart, Shaffner & Marx is showing satisfactory returns, and earnings are running well in excess of the 7 per cent dividend requirements on the preferred stock. The corporation's fiscal year ends in November, according to the old organization, and this probably will be changed to De-

(Continued on page 1454.)

Diversify Your Investments

The purchase of bonds in small denominations permits you to distribute your money among different classes of security instead of placing it all in any one issue.

I offer bonds of a number of issues in denominations of One, Two and Five Hundred Dollars, yielding from Four to Seven per cent.

Lists on request.

GILBERT H. CARR

50 Congress St., Boston

MONATON REALTY INVESTING CORPORATION

Pays

6% COMPOUND INTEREST

On Money Invested in

Its Accumulative Certificates

Running terms of 10, 15 or 20 yr.

Payments may be made annually, semi annually, quarterly or monthly.

SECURITY

OWNERSHIP OF NEW YORK INCOME PROPERTY

Affording

Immediate returns on investments and Opportunity for increase of valuation.

For illustrated Booklet, inquire:

Publicity Department

Times Building

Broadway & 42nd Street, New York City

The following assignment will be sold at public auction in the Exchange Salesroom, 14 & 16 Vesey Street, New York, on September 13th, 1911, at 12:30 P. M., viz.: Assignment of all right, title and interest in and to the reenforced concrete dam known as the Morton type of dam for which patent was applied on May 13, 1911, by Walter S. Morton. This assignment having been made by Fred M. Hoadley, to secure an indebtedness of $329.60. Property of doubtful value. HENRY AMERMAN, Attorney for Lienor.

Before All Else

there is found in every Union Mutual Policy the first and strongest Purpose of Life Insurance.

Protection

Clear, Faithful Reasonable Contracts. Ask for Particulars.

Union Mutual Life Insurance Co.

Portland, Maine

Fred E. Richards, President.

JANUARY 1, 1911

Insurance in force more than $140,000,000

ASSETS - $36,827,679.03

LIABILITIES 33,371,841.25

SURPLUS - $ 2,955,237.78

1910 MOST PROSPEROUS IN HISTORY OF THE COMPANY

HARTFORD LIFE INSURANCE CO.

Chartered 1866 Hartford, Conn.

OFFERS SPLENDID OPPORTUNITIES UNDER DIRECT CONTRACTS.

All Forms of Policies.

THE BOSTON MUTUAL LIFE INSURANCE COMPANY

141 MILK STREET, BOSTON, MASS.

HERBERT O. EDGERTON, Pres. FRANK H. VIELE, Sec'y and Treas.

A corporation operating under the stringent Insurance Law of Massachusetts.

All desirable forms of up-to-date policy contracts issued.

All weekly premium policies in full immediate benefit.

CORRESPONDENCE SOLICITED.

Digitized by Google

United States Investor

Published Every Saturday Morning by

FRANK P. BENNETT & CO., Inc.

SUBSCRIPTION RATES

$5.00 per annum in United States and Mexico; $6.50 per annum in Canada.

$7.00 per annum in England, the Continent, Australia and Countries in the Postal Union.

$10.00 per annum for Investor and Inactive and Unlisted Securities Supplement, including privilege of inserting quotations in the Supplement.

ADVERTISING RATES

20 cents per agate line. $2.80 per inch each insertion. $30 per inch three months. $100 per inch one year. There will be no deviation from these rates under any circumstances and all of our advertisers may depend upon being treated alike.

PUBLICATION OFFICE,

530 Atlantic Avenue, Boston.

NEW YORK OFFICE,

2 Rector Street, New York.

JOSEPH L. BARKER, Manager.

Washington Office, 208 Corcoran Building; Philadelphia Office, 236 Chestnut Street.

Entered at the Post Office at Boston, Mass., as second class matter.

Commissioner of Corporations Herbert Knox Smith will shortly issue the complete text of the bureau of corporations report on the steel industry, advance summaries of which were made public on July 1. While this report will add much in the way of detail to the outline already given to the public, it will not be different in tone or effect from the summary of conclusions. There is no reason to doubt that the advance outline was honestly made up by the bureau of corporations, and that it represents exactly what the final report contains. This shows the folly of attempting to influence the price of steel stocks by pretenses that the report is to be "adverse" to the United States Steel Corporation. The early report was highly favorable to United States Steel, and the final report will be the same in purport.

One delightful feature of the adjournment of Congress is the temporary cessation of the so-called "investigations" that have kept the business world in a ferment during the past few months. True, the investigations may be continued during the recess, but some of them have been practically finished, and those that are not will largely be allowed to languish, owing to inertia on the part of their authors. There are two or three of the inquiries that seem to be particularly venomous and useless and that may give some trouble. None of them are of the slightest public advantage. It would be a great blessing if the enterprises could be completely suspended. The Democrats have in no respect advantaged themselves by these upon business enterprises.

Secretary MacVeagh suspended the issue of his report on the National City Company until after the adjournment of Congress. This was a wise step. By so doing, he practically avoided the chance of a Congressional agitation of the "money trust" question. There will now be abundance of time for cooler thinking on this matter, and, when Congress re-assembles, it is to be hoped that that body will be in the humor to consider general banking legislation. If that should be the case, the question how to deal with subsidiary trust companies and investment concerns operated in close relation to national banks can, and should be, studied with attention, as a phase of legislation. This will obviate the danger of any independent "investigation" or agitation of the subject by politicians anxious to advance their own interests.

RAILROAD RETRENCHMENT.

Word comes from several parts of the country that some of the greatest railroad systems have determined to retrench by cutting their working forces and in other similar ways. Retrenchment has already been attempted by suspending construction, and this has been effectual to a degree. Now comes the additional and more drastic step of cutting wage bills. This grows out of reductions in earnings, and the roads are making out a good case for their action.

Coming, as the railroad economies do, hard upon the heels of the great railroad strike in England, the question ought to be seriously faced of what all this means. Some of the best roads in the country have not earned their regular dividends during the past year. Others have barely made the dividend with but little margin for betterments. Traffic has fallen off somewhat and will fall more, owing to reduced crop yields in many sections. These reductions come at a time when the Interstate Commerce Commission has positively refused the rate increases that have been asked and when the roads find themselves obliged to pay high rates of wages as the result of struggles in which the government has upheld the demands of the men for advances in pay. The demands have extended over a long period and railway pay is now at a maximum. The only road to economy left to the railways is, therefore, the restriction of service to that point that will grant the maximum income producing power. In no other way can the roads even measurably sustain the demands that have been piled upon them. The ultimate outcome of the situation which is being slowly brought to pass in the United States may be seen by glancing at the English experience. In that country, railroads have long had to face great problems owing to the difficulty of paying dividends on their very high capitalization per mile, due to the burden of wages and betterments.

The present strike grows out of the inability of the roads to pay higher wages, because of the constriction of revenues and the consequent fact that a reduction in income-producing power would mean further inroads into fixed charges. Hence, the suggestion that in settling the existing strike it will be necessary to find a way out of the difficulty by permitting advances in rates. This will simply pass the burden to the consumer, and ultimately, in large part, to the wage-earner.

American railroads will not come to the condition of the English roads for a good while. But it would be unfortunate if conditions should be permitted to drift on with no profit from foreign experience. There is no excuse for such carelessness. The status of American railroads to-day, therefore, ought to be held symptomatic of what is to come later. Wage advances will be impossible, and the present shortage of employment will be greatly accentuated and necessarily so, if rates are not correspondingly increased. The public would do well to reflect carefully upon the trite but important proposition that it is impossible both to keep and eat the cake at the same time.

PRESIDENT TAFT'S VETOES.

President Taft, just before the close of the extra session of Congress, sent to the national legislature three veto messages—one dealing with wool, one with the so-called farmers' free list, and one with cotton. These veto messages bid fair to offer the basis for much of the political controversy of the coming autumn, and to some extent, that of the following winter as well. It is, therefore, very desirable to form a fair idea of what the President has really aimed at in these important documents.

Discussion of the policy of the President can be greatly simplified by eliminating both the veto on the farmers'

Digitized by Google

free list and that on the cotton tariff, and both of these should be thus eliminated, as Mr. Taft, with the expert advice of his tariff board, has shown the farmers' free list measure was clumsily drafted, badly prepared and would probably have been exceedingly difficult to construe, had it been made into law. For those reasons alone, a veto was well warranted. But in addition, the measure was sectional and partisan in a high degree. It discriminated against the northern and eastern portions of the country in favor of the South and West. As for the "cotton bill," whatever may be thought of the cotton provisions of it, the amendments which were added before the bill left the Senate rendered it utterly impossible. The President had no trouble in showing the most arrant absurdities in the Overman chemical amendment, while some of the other additions were equally as bad. This bill must inevitably have been vetoed by any executive who had the slightest notion of tariff legislation or the slightest expert advice within his reach. These two vetoes, therefore, should be considered entirely outside the domain of party politics. They were merely routine necessities.

A different question is raised by the wool tariff revision. That bill was the first to go to the President, and was doubtless the best of the series. But even there serious defects had crept in, owing to the necessity of political jugglery and equivocation designed to push the measure through conference. Perhaps there would have been more of a case for the passage of the bill had it been a sort of "last chance". But party alignments will be about the same next winter as they have been during the past summer. There will be no trouble in getting action on such a bill again, if the insurgents and Democrats are sincerely desirous of passing it. Therefore, if the information for which the President is now waiting should demonstrate the necessity of such a bill, it can easily be had, and if the data should point to desirable changes in duties, the delay of three or four months longer will not be a very serious sacrifice even to the consumer. Looking at the situation in this light, therefore, the President's veto policy is entirely warrantable, and in many aspects most commendable. If it turns out to be true that the politicians decline to pass any remedial tariff legislation on wool when the President asks for it, the situation will be unfortunate, and that will be the occasion when most criticism will be directed against Mr. Taft for his wool veto. But in such a case the real responsibility will inevitably be cast upon the politicians who refuse to take the needed action, and the country will hold them responsible.

THE LAFOLLETTE BILL.

Senator LaFollette, of Wisconsin, just at the close of the session of Congress has offered an amazing bill for the amendment of the Sherman anti-trust law. The LaFollette proposal contains two features. It places the burden of proof in establishing the reasonableness of an industrial combination upon the managers of the combination, and it attempts to define what shall be a reasonable, and what an unreasonable, combination in restraint of trade. If the bill were to become law and be upheld by the courts, the Sherman anti-trust law would be a much more dangerous piece of legislation than at present. It would afford to radical executives a weapon which might be applied to the destruction of all enterprises, almost without exception, and the outlawing of nearly every commercial undertaking.

The LaFollette bill deserves careful study because of the authorship of the measure and because of the special place its proposer now occupies in the Senate. But it is also worthy of close study because of the fact that it is a step backward in legislation. After the first flush of surprise and disappointment among legislators, due to the Supreme Court decisions on tobacco and oil, it was recognized by the more thoughtful even in the extreme wing of Congress, that the time had come to consider some constructive measures. A recurrence to the Taft Federal incorporation plan was noted and the Newlands Federal registration proposition was brought forward. Other schemes of substantially similar character were suggested. Judge Gary, when on the witness stand, urged his Federal price regulation idea, and something similar was taken up by Attorney-General Wickersham in his western speeches. None of these notions were perfect; perhaps none were desirable, but all were constructive in character and indicated the consciousness of a need for advance in anti-trust policies. The proposals to amend the Sherman act by making every contract, whether reasonable or unreasonable, unlawful, were speedily abandoned by those who introduced them, almost with a feeling of shame, so absurd were such bills seen to be. But now comes the LaFollette measure which aims at precisely the same object, although in a more elaborate way. It would practically put the law into a position to attack every contract, no matter whether it were reasonable or not, if it in any way restrained trade, as every contract in fact does.

There should be an end of such nonsense as is represented by the LaFollette bill. What is desired on the trust question by all thinking men is to stop the abuses of combinations without cutting off their benefits. Everyone recognizes the good that inheres in co-operation and the economies that grow out of it. No one desires to take a backward step in industrial organization and management. Still less is it desirable to hand over to the courts the enormous powers additional to those they now have, which would be given them under this proposed bill or anything like it. The object in trust legislation and regulation is to improve business and free it from abuse. The LaFollette bill would end abuses by killing business.

AUDUBON BANK LIQUIDATES.

The Audubon National Bank, of New York City, the only national bank in Manhattan north of 59th street, went into liquidation August 22, as a result of the manipulations of Davis S. Mills, the former president, who, on June 19, used $43,650 of the bank's funds to purchase 344 shares of the bank's own stock. This was discovered by Charles A. Hanna, national bank examiner of this district. The directors were informed, and voluntary liquidation was recommended by the directors on July 19.

Stockholders representing 1,451 shares of stock ratified the action of the directors, with only one dissenting vote. John F. Oltrogge presided, and William Reimers, the newly-elected president, was secretary of the meeting. The original board of directors, of which Louis Annin Ames is chairman, was appointed to act as a liquidation committee, and steps were at once taken to carry into effect the will of the stockholders.

The total deposits of the bank on July 19 were $300,000. About $9,000 now remains uncalled for. The bank was not closed, and it will remain open until a reorganization is effected following liquidation. All of the $43,650 of stock which was used by the former president has been purchased by the bank. Mr. Mills was not present at the stockholders' meeting. The bank was started in November, 1909, by Mr. Mills and Mr. Reimers, and during its fourteen months' career, it received deposits of more than $500,000.

SPOKANE, WASH.—W. J. Kommers, assistant secretary of the Old National Bank Building Company, announces that two of the three upper floors of the bank building will be finished at once at a cost of $30,000. Nearly all the office suites on the 12 floors have been rented and the waiting list is growing, hence the decision to complete the 13th and 14th floors. No inconvenience will be caused to tenants in the building, as all heavy work, such as marble setting, plumbing and the main light conduits, is completed.

Digitized by Google

Municipal Bond Sales

MUNICIPALITY.	Date of sale.	Classification of bonds.	Amount.	Rate of Interest. Per cent.	Maturity.	Sales price.	Purchaser.	Income basis.
Lowell, Mass	Aug. 11	Water	$100 000	4	**1-10	101 811	Adams & Co., Boston	3.633
Quincy, Mass	Aug. 17	St. & sidewalk	52 100	4	*4½	101.067	Blodget & Co., Boston	3.74
Adams County, Ohio	Aug. 7	Court House	7,000	4	*5½	par	County Commissioners	4
Bowman Co., N. D., S. D. No. 27	Aug. 8	Building	600	4	1921	par	State	4
Bowman Co., N. D., S. D. No. 8	Aug. 8	Building	650	4	1926	par	State	4
Cass Co., N. D., Sch. D. No. 107	Aug. 8	Building	1,500	4	1921	par	State	4
Cavalier Co., N. D., Sch. Dist.	Aug. 8	Building	2,000	4	1931	par	State	4
Emmons Co., N. D., Sch. Dist. No. 8	Aug. 8	Building	3,000	4	1916	par	State	4
Emmons Co., N. D., Sch. Dist. No. 6	Aug. 8	Building	4,000	4	1931	par	State	4
Grand Forks Co., N. D., Sch. Dist. No 23	Aug. 8	Building	2,000	4	1921	par	State	4
Hazleton, Pa.	Aug. 8	High School	14,000	4	1930	par	Local Investors	4
Hettinger Co., N. D., Sch. Dist. No. 6	Aug. 8	Building	10,000	4	1931	par	State	4
Logan County, N. D., Sch. Dist. No 29	Aug. 8	Building	700	4	1921	par	State	4
Minneapolis, Minn.	Aug. 10	Fire dept.	25 000	4	1921	par	South Side State Bank, Minneapolis	4
Portage County, Ohio	Aug. 14	Road	99,000	4	*10½	par	Returns (Ohio) Banks	4
Webb City, Mo	July 7	School	20,000	4	15-20	par	Mineral Belt Bank, Webb City	4
Minneapolis, Minn.	Aug. 10	Crematory	50,000	4	1941	99 35	Wells & Dickey Co., Minneapolis	4.037
Minneapolis, Minn.	Aug. 10	Hospital	200 000	4	1941	99 14	Wm. A Read & Co., New York	4 05
Minneapolis, Minn.	Aug. 10	Bridge	200 000	4	1941	99 14	Wm. A. Read & Co., New York	4.05
Minneapolis, Minn.	Aug. 10	Vet'g machines	42 000	4½	1931	102 47	Wm. A Read & Co., New York	4 068
Youngstown, O., Sch. Dist.	Aug. 9	Building	100 000	4½	*20½	106 67	President S. B. & T. Co., Cincinnati	4 065
Youngstown, O.	Aug. 14	St. Imp. (c. p.)	38,000	5	*5 1 5	104 04	New First Nat. Bank Columbus	4.10
Scranton, Pa.	Aug. 16	Judgment fund	210 000	4½	**1-20	101 508	N. W. Halsey & Co., New York	4.113
Syracuse, N. Y.	Aug. 15	Sewer	200 000	4½	**1-20	102 133	Curtis & Sanger, Boston	4 13
Plymouth, Conn.	Aug. 15	Funding	75 000	4½	1936	101 165	Aetna Life Ins. Co., Hartford	4.174
Akron, Ohio	Aug. 15	Street Imp.	128 700	4½	5	101 442	Fifth-Third Nat. Bank, Cincinnati	4.177
Akron, Ohio	Aug. 15	Paving	6,500	4½	**1-10	101.384	Otis & Hough, Cleveland	4.19
Youngstown, Ohio	Aug. 14	Sewer	420	5	*3	102.14	James Spahr, Youngstown	4.21
Youngstown, Ohio	Aug. 14	Sewer	770	5	*3	102 07	James Spahr, Youngstown	4.25
Fulton, N. Y.	Aug. 10	Sewer	20,000	4½	**1-20	par	Hutchinson & Burt, New York	4.25
Youngstown, Ohio	Aug. 14	Paving	3,037	5	*3	102.09	New First Nat. Bank, Columbus	4.25
Youngstown, Ohio	Aug. 14	Street Imp.	20,223	5	*3	102.09	New First Nat. Bank, Columbus	4.25
Youngstown, Ohio	Aug. 14	Street Imp.	7 115	5	*3	102.05	New First Nat. Bank, Columbus	4.26
Youngstown, Ohio	Aug. 14	Paving	16,790	5	*3	102.05	New First Nat. Bank, Columbus	4.26
Youngstown, Ohio	Aug. 14	Paving	11,217	5	*3	102.03	New First Nat. Bank, Columbus	4.27
Youngstown, Ohio	Aug. 14	Paving	6,550	5	*3	102.00	New First Nat. Bank, Columbus	4.27
Youngstown, Ohio	Aug. 11	Sidewalk	2 72	5	*3	102.02	Tillotson & Wolcott Co	4.27
Youngstown, Ohio	Aug. 14	Paving	1,710	5	*3	102.02	Tillotson & Wolcott Co	4.27
Youngstown, Ohio	Aug. 14	Sewer	2,857	5	*3	102.02	Tillotson & Wolcott Co	4.27
Youngstown, Ohio	Aug. 14	Paving	12 870	5	*3	102.02	Tillotson & Wolcott Co	4.27
Youngstown, Ohio	Aug. 14	Grading	867	5	*3	102.02	Tillotson & Wolcott Co	4.27
Youngstown, Ohio	Aug. 14	Sewer	870	5	*3	102.02	Tillotson & Wolcott Co	4.27
Youngstown, Ohio	Aug. 14	Grading	937	5	*3	102.02	Tillotson & Wolcott Co	4.27
Bridgeton, N. J.	Aug. 1	Filtration p't.	75 00	4½	1941	103.25	Cumberland Nat. Bank, Bridgeton	4.306
Bridgeton, N. J.	Aug. 1	Sewerage disp.	50 000	4½	1941	103.25	Cumberland Nat. Bank, Bridgeton	4.306
Barton, N. Y. Sch. Dist. No. 7	Aug. 15	Building	66 000	4½	*10½	101 41	A. B. Leach & Co., New York	4.334
Warren County, N. Y.	Aug. 10	Highway	50 000	5	*4½	102 55	Isaac W. Sherrill, Poughkeepsie	4.37
Youngstown, Ohio	Aug. 14	Sewer	850	5	1913	101 14	Police Pension Fund	4.40
Youngstown, Ohio	Aug. 14	Improvement	850	5	1913	101 12	Police Pension Fund	4.41
Auburn, N. Y.	Aug. 16	Expense	33 221	4½	1941	101 25	Isaac W. Sherrill, Poughkeepsie	4.418
Linton, Ind.	Aug. 4	Improvement	10 000	5	1921	107 50	E. M. Campbell & Co., Indianapolis	4.43
Charlotte, N. C.	Aug. 14	Water ext.	200 000	4½	1941	100.553	American Trust Co., Charlotte	4.461
Auburn, N. Y.	Aug. 16	Expense	9 748	4½	1916	par	Water Board	4.50
Auburn, N. Y.	Aug. 16	Expense	10,400	4½	1926	par	Benjamin and C. Bisdell	4.50
Lincoln, Neb.	Aug. 7	School	350 000	4½	1941	par	M. E. Barkley, Jr., Lincoln	4.50
Lorain, Ohio	Aug. 11	Paving	7,000	4½		par	Sinking Fund Trustees	4.50
Whitman County, Wash. Sch. Dist. No. 1	Aug. 14	Building	65 000	4½	15-20	par	State	4.60
Fargo, N. D.	July 10	Water works	65 000	5	*10	102 58	Minnesota Ln & Tr Co., Minn'polis	4.60
Reading, Mich., Sch. Dist. No. 9	July 27	Building	7,500	5	**1-12	102 80	S. L. Moss, Detroit	4.616
Albany, Ohio	Aug. 11	Fire dept.	2 500	6	*5	106 70	W. W. Blake, Albany	4.755
Wilkes Barre, Pa.	Aug. 10	Paving	1,400	5	1916	100.35	F. B. Stroh, Plymouth, Pa.	4.83
Lindsay, Calif.	July 25	Improvement	150 000	5	**1-10	101 08	J. H. Adams & Co., Los Angeles	4.85
Astoria, Ore.	Aug. 11	Water	47 000	5	1921	102 58	Astoria Savings Bank	4 87
Grove City, Ohio	Aug. 15	Street Imp.	13 000	5	**1-20	101 57	First Nat. Bank, Columbus	4.872
Grove City, Ohio	Aug. 15	Street Imp.	3 610	5	**1-10	101 57	First Nat. Bank, Columbus	4.872
Lacombe, Wyo.	Aug. 1	Sewer	15 000	5	*10-20	100.61	J. H. Burnes & Sons, Chicago	4.921
Deferiet, N. Y.	Aug. 7	Armory site	1,000	5	**1-5	par	Sinking Fund Trustees	5
Chisago County, Minn.	Aug. 7	Cert. of indebt.	2 000	5	**1-5	par	State Bank of Harris, Minn.	5
Oakdale Irri. Dist. Cal.	Aug. 10	Irrigation	65 000	5		par	C. H. Zion, Modesto	5
Gunnison, Colo.	July 1	Wat. pow. p't	90 000	6	1-10-15	100.55	S. A. Kean & Co., Chicago	5.925
Medford, Ore.	Aug. 16	Improvement	43,000	6	1921	par	Bank & Trust Const. Co., Sacram'to	6
South San Joaquin Irri. Dist. Cal.	Aug. 11	Irrigation	250 000	6		par	C. H. Zion, Modesto	6
Ansley, Neb.	Aug. 8	Improvement	7,000	5	15-20		State	
Ansley, Neb.	Aug. 8	Improvement	5 000	6	15-20		State	
Attleboro, Mass.	Aug. 11	Loan	50 000	3.60	4 mos.		Rand & Goodwin, Boston	
Audubon County, Iowa	Aug. 15	Funding	42 000	4½		100.47	Iowa State Sav. Co., Des Moines	
Batavia, N. Y. S. D. No. 1	Aug. 1	Building	3 000	5	*3½		Gibson, Green, Rochester	
Blackburn, Minn.	Aug. 4	Road & bridge	8 000	6	**1-10		Security State Bank, St. Peter	
Collingdale, Pa.	Aug. 9	Pol'g & St. Im't	8 500				Chester Title & Trust Co., Chester	
Crawford, Neb.	Aug. 8	Funding	14,000	5	15-20		State	
Dawes County, Mass.	Aug. 17	Loan	65 000	3.35			Merchants Trust Co., Lawrence	
Deer Lo, Neb.	Aug. 8	City	8,000	5	15-20		State	
Haywood Co., No. S. D. No. 30	Aug. 5	Building	7 000	5			State	
Las Vegas, N. M.	July 1	Sewer	75 000	5	1920-30		Dunscomb & Hough	
Las Cruces, N. M.	July 1	Water	10 000	5	1920-30		Dunscomb & Hough	
Lawrence, Mass.	Aug. 28	Loan	500 000	3.42	4 mos.		Merchants Trust Co., Lawrence	
Los Angeles County, Cal., Alhambra H. Sch. Dist.	Aug. 16	Building	60 000	4½			Wm. R. Staats & Co., Pasadena	
Los Angeles County, Cal., Avalon G. Sch. Dist.	Aug. 16	Building	70 000	4½			Wm. R. Staats & Co., Pasadena	
Mountainside, Wis.	Aug. 8	Lighting	7 500	5	**3-18		Union Investment	
Oakdale, Cal.	Aug. 7	Water & sewer	45 000			100.694	First National Bank, Oakdale	
Ossining, N. Y.	Aug. 12	Paving	6,100	4½		100.18	A. B. Leach & Co., New York	
Vandergrift Heights, Pa.	July 8	School	30 000	5	*1924		E. H. Rollins & Co., Pittsburg	
Westfield, Mass.	Aug. 14	Loan	15,000	3.60	4 mos.		Rand & Goodwin	

* Year average. ** Year serial. † Yo ar optional.

Digitized by Google

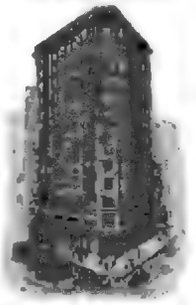
Sealed Bids for Bonds

The Board of Education of Clarksburg School District, Harrison County, West Virginia, offers for sale $275,000 of its 5 per cent. gold coupon bonds, dated Sept. 1, 1911, and payable on Sept. 1, 1941, subject to previous redemption on any interest day after Sept. 1, 1921. The bonds will be sold to the highest bidder or bidders in writing, to be approved by the Board, for cash, for not less than par and accrued interest. Sealed bids in writing for all or any part of the bonds will be received until Sept. 22, 1911, at 1 P. M. Bids must be addressed to James N. Hess, Secretary of said Board, Clarksburg, W. Va., indorsed "Bid for Building Bonds of 1911", and accompanied by certified check payable to the order of the Board for 5 per cent. of the amount of the bid. Bids will be opened at the office of the Board, Clarksburg, W. Va., on Sept. 22, 1911, at 2 P. M. The right to reject any and all bids and to allot smaller amounts than are bid for, is reserved. Bonds awarded must be paid for upon delivery, and on failure of any bidder to pay, on or before Sept. 29, 1911, for the bonds awarded to him, the check accompanying his bid will be forfeited to the Board, which will have the right to resell such bonds. For full information, address said Secretary or Arthur K. Thorn, President of the Board, Clarksburg, W. Va.

Have You $100, $1,000 or $10,000 To Invest?

For twenty-nine years we have been investment advisors to thousands of people—some with $100, some with $100,000 to invest—and during all this time not one of our clients has ever lost a dollar of principal or interest.

The Straus Building



Home of S. W. Straus & Co.

First mortgage bonds on improved, income-producing real estate in selected sections of Chicago offer the maximum of safety, because back of them is the ultimate security of every investment—the land itself.

The security in every case is at least double the amount of the mortgage and the property **must be** producing an annual income several times the amount of the interest and all other fixed charges.

These bonds are in denominations of $100, $500 and $1,000 and yield 5½ and 6 per cent. It is and has been our custom to repurchase them at any time on request, less a handling cost of 1 per cent.

Write to-day for Special Circular 100.

S. W. STRAUS & CO.
Mortgage and Bond Bankers
Established 1882
Straus Bldg. CHICAGO

CONSIDERING SECURITY

high grade industrial bonds pay the *highest income* and offer the best chance for rising profits. Send for circular "M".

BEARDSLEY AND COMPANY
Henry Shadd Beardsley, President
Pullman Building, Madison Square New York

DENVER Bonds Stocks

Denver Union Water — Denver Gas & Electric
Denver Tramway — Cities Service
Denver & Northwestern — Northern Colorado Power
Nevada-California Power

We buy and sell the bonds and stocks of all the above companies.

Nathan Cregg & Company
Century Bldg., Denver.

THE CONCHO VALLEY LOAN AND TRUST CO.

OF

SAN ANGELO, TEXAS.

Capital stock $200,000.00. Organized and operating under the Texas Banking Laws, offer to investors some high grade paper, netting from 6 to 7%. Secured by first Mortgage on improved farm and ranch lands. Our paper carries our endorsement and guarantee of payment of principal and interest. Write for information.

T. O. WYNN, Pres. C. C. KIRKPATRICK, Sec. & Treas.

Bond Certification

Modern conditions make the registration and certification of municipal and corporate obligations desirable and convenient. We have a department maintained exclusively for this purpose.

First National Bank of Boston
70 Federal Street

NOTICE

Is hereby given that the undersigned will receive bids for the purchase of $20,000.00 of refunding and general liability bonds of School District No. 7, Josephine County, Oregon; said bonds to be paid at any time after ten years at the option of the district and payable absolutely in twenty years, and to draw five per cent interest, payable semi-annually. Each bid must be accompanied with a certified check of $2,000.00 and must be placed with the Board of Directors of said District on or before the 19th day of September, 1911, at 7:30 o'clock P. M., at Grants Pass, Oregon.

The undersigned reserves the right to reject any and all bids.

Signed: BOARD OF DIRECTORS OF SCHOOL DISTRICT NO. 7,
Of Josephine County, Oregon.
By EDWARD S. VAN DYKE, Clerk.

VERMONT STATE BANKERS ASS'N.

The third annual meeting of the Vermont State Bankers Association was held at Barton, Vt., on August 16. The business meeting of the association was held at 5.15 p. m., and the address of welcome was by Frederick W. Baldwin, vice-president of the Barton Savings Bank and Trust Co. The response was given by Henry W Ward, president of the Burlington Trust Co. Frank C. Williams, State Bank Commissioner, addressed the meeting in "The Banking Laws of the State."

At 8 p. m. a bounteous banquet was served at Hotel Barton, this banquet having been given by the Barton Savings Bank and Trust Co.

TEMPE, ARIZ.—The Tempe National Bank has increased its capital and surplus to $75,000.

MUNICIPAL SHORT TERM LOANS.

WALTHAM, MASS.—The treasurer has awarded a temporary loan of $15,000, maturing December 5, 1911, to Curtis & Sanger, at 3.60 per cent discount. Other bidders were: Loring, Tolman & Tupper, 3.74 per cent discount, and Blake Bros. & Co., 3.74 per cent discount.

LAWRENCE, MASS.—The commissioners of Essex county have awarded a temporary loan of $65,000, maturing December 25, 1911, to the Merchants' Trust Company, of Lawrence, at 3.35 per cent discount. Other bidders were the Cape Ann National Bank, of Gloucester, 3.58 per cent discount, plus 50 cents premium, and the City National Bank, of Gloucester, 3.53 per cent discount plus $1.25 premium.

ESSEX COUNTY, MASS.—The Merchants Trust Company, of Lawrence, was awarded a temporary loan of $65,000 at 3.35 per cent discount.

DIVIDEND NOTICE.

H. D. HALL CO.,

NORWOOD, MASS.

Regular semi-annual of three and one-half per cent upon preferred stock will be paid to stockholders of record at close of business Aug. 25, payable Sept. 2. Checks will be mailed.

H. D. HALL, Treas.

THE ATCHISON, TOPEKA & SANTA FE RAILWAY COMPANY.

Coupon No. 17 due September 1, 1911, from The Atchison, Topeka and Santa Fe Railway Co., EASTERN OKLAHOMA DIVISION FIRST MORTGAGE FOUR PER CENT BONDS, will be paid on and after such date upon presentation at the office of the Company, No. 5 Nassau Street, New York City.

C. K. COOPER, Assistant Treasurer.

Digitized by Google

The Best Purchases on the Industrial List

As Indicated by the Two Standards of Comparison: of Present Investment Yield on Basis of Current Dividends and Prevailing Market Price, and on Basis of Present Earnings on Prevailing Market Values

The average net yield of the 50 industrial stocks quoted in the following table was 6.09 per cent on August 22, as compared with 6.19 per cent on August 15, 6.30 per cent on January 3, and 5.76 per cent on January 2, 1910.

American Cotton Oil common will be found occupying the position of leadership in our list of dividend paying industrial stocks presented this week. This change of position results from the temporary elimination of United States Cast Iron Pipe & Foundry preferred from the select list of dividend payers. The directors of the latter company have decided to omit the quarterly dividend on the $12,106,300 7 per cent noncumulative preferred stock for the quarter ending August 31. While the earnings for the quarter are estimated as more than sufficient to pay the dividend of 1¾ per cent, the management has found it advisable to secure additional property and to undertake the material improvement of plants, for the purpose of increasing operating efficiency. The official statement sent out to the stockholders, over the signature of President Lemoine, is as follows: "In common with all manufacturers of iron and steel, this company has suffered more or less from the general depression. The low prices for pipe, within the last two years, make it even more than ever essential to bring the company's several plants to a state of maximum efficiency; and the studies so far made to this end indicate that considerable outlays will be involved. The management, therefore, has concluded to temporarily take care of these extraordinary expenditures from earnings, and confidently expect the improvements and economies that will be affected will result in such material reductions in costs as will greatly strengthen the company's position." Although United States Cast Iron Pipe & Foundry preferred is classed as a 7 per cent issue, it has not paid dividend at that rate for the past three years. The issue, in fact, has had a rather checkered dividend record; organized in 1899, the company paid in that year 1¾ per cent on its senior issue, and in 1900 3½ per cent. The following year no payment was made, but in 1902 and 1903 disbursements were made at the rate of 4 per cent per annum. A payment of 4½ per cent in 1904 was succeeded by one of 8 per cent in 1905, and 7 per cent per annum was paid in 1906 and 1907. In 1908, 3½ per cent was paid; 1909, 5¼ per cent, and in 1910, 6 per cent. In the 1910 fiscal year $200,000 was transferred from "reserve for adtional working capital" to provide for the preferred dividends. This action was contested, and the matter was carried to the courts, where a decision favoring the company was rendered. Again, in the twelve months ended May 31, 1911, the company deducted $250,000 from the same source to provide for preferred dividends.

Another change in our list will be found in the decline in International Steam Pump common to last place under the heading "Stocks Showing Best Earnings". This decline follows the publication by the company of the combined statements of the earnings of associated companies.

STOCKS SHOWING BEST INVESTMENT YIELD.

Present rank.	Stock.	Present dividend.	Price.	Yield on present price.
1	Am. Cotton Oil, com.	5%	55	9.09
2	U. S. Rubber, 2d pref.	6%	73	8.22
3	American Woolen, pref.	7%	90	7.77
4	United Dry Goods, com.	8%	103	7.77
5	Republic I. & S., pref.	7%	91	7.69
6	Nat. Enam. & Stmpg., pref.	7%	94	7.45
7	Union Bag & Paper, pref.	4%	54	7.41
8	U. S. Realty & Imp.	5%	68	7.35
9	Central Leather, pref.	7%	98	7.14
10	Pressed Steel Car, pref.	7%	98	7.14
11	Am. Writing Paper, pref.	2%	28	7.14
12	U. S. Steel, com.	5%	72	6.94
13	Ry. Steel Spring, pref.	7%	101	6.93
14	Inter. Steam Pump, pref.	6%	87	6.89
15	People's Gas	7%	103	6.80
16	Laclede Gas	7%	105	6.66
17	Am. Smelt. & Refg., pref.	7%	105	6.66
18	Crex Carpet	5%	75	6.66
19	Va.-Carolina Chem., pref.	8%	120	6.66
20	American Locomotive, pref.	7%	107	6.54
21	American Tobacco, pref.	6%	92	6.52
22	Corn Products Refg., pref.	5%	78	6.41
23	National Lead, pref.	7%	109	6.42
24	Distillers' Sec. Corp.	2½	32	6.25
25	Westinghouse, 1st pref.	7%	114	6.14
26	Am. Beet Sugar, pref.	6%	98	6.12
27	American Sugar, pref.	7%	115	6.09
28	American Sugar, com.	7%	116	6.03
29	Am. Car & Foundry, pref.	7%	116	6.03
30	U. S. Steel, pref.	7%	116	6.03
31	American Tel. & Tel.	8%	134	5.97
32	Am. Can, pref.	5%	85	5.88
33	National Lead, com.	3%	51	5.88
34	Mackay Companies, com.	5%	85	5.88
35	Pacific Coast, com.	6%	102	5.88
36	Am. Ag. Chem., pref.	6%	102	5.88
37	Inter. Harvester, pref.	7%	122	5.74
38	Am. Smelt. Refg., com.	4%	71	5.63
39	Va.-Carolina Chem., com.	3%	55	5.15
40	National Biscuit, com.	7%	134	5.22
41	General Electric	8%	154	5.20
42	Sears, Roebuck, com.	7%	138	5.07
43	Am. Malt Corp., pref.	2%	40	5.00
44	Underwood Typewriter	4%	90	4.44
45	Consolidated Gas	6%	136	4.41
46	Inter. Harvester, com.	5%	115	4.35
47	Inter. Paper, pref.	2%	47	4.25
48	Western Union	3%	75	4.00
49	Am. Car & Foundry, com.	2%	51	3.92
50	Amalgamated Copper	2%	61	3.28

STOCKS SHOWING BEST EARNINGS.

Present rank.	Stock.	Price.	Earnings on present price
1	Inter. Merc. Marine, pref.	15	82.45
2	Bethlehem Steel, pref.	60	22.50
3	American Linseed, pref.	27	21.50
4	Am. Beet Sugar, com.	52	21.05
5	Westinghouse, com.	66	19.80
6	Am. Ag. Chem., com.	54	19.30
7	Ry. Steel Spring, com.	32	18.80
8	Pressed Steel Car, com.	32	16.40
9	Allis-Chalmers, pref.	20	15.45
10	United Fruit	185	14.50
11	American Woolen, com.	29	13.95
12	U. S. Realty & Imp.	68	13.80
13	Am. Car & Foundry, com.	51	13.55
14	Colo. Fuel & Iron, com.	29	13.55
15	Crex Carpet	75	13.50
16	Am. Ice Sec Co.	19	13.30
17	Inter. Harvester com.	115	12.90
18	Am. Cotton Oil, com.	55	12.55
19	Sears, Roebuck, com.	138	11.15
20	Inter. Paper, pref.	47	11.15
21	General Electric	154	10.80
22	United Dry Goods, com.	103	10.65
23	Union Bag & Paper, pref.	54	10.55
24	Nat. Enam & Stmpg, com.	17	9.95
25	Republic Iron & Steel, com.	26	9.50
26	Corn Products Refg, pref.	78	9.05
27	Am. Smelt & Refg, com.	71	8.95
28	People's Gas	103	8.75
29	National Lead, com.	51	8.50
30	U. S. Cast Iron Pipe, pref.	47	8.25
31	American Can, pref.	84	8.15
32	United States Steel, com.	72	7.95
33	Utah Copper	45	7.80
34	Distillers' Sec. Corp.	32	7.50
35	American Tel. & Tel.	134	7.40
36	National Biscuit, com.	134	7.35
37	N. Y. Air Brake	66	6.80
38	Tennessee Copper	33	6.75
39	Western Union	75	6.70
40	Amalgamated Copper	61	6.45
41	American Sugar, com.	116	6.10
42	Mackay Companies, com.	85	6.05
43	U. S. Rubber, com.	37	6.05
44	Va.-Carolina Chem., com.	55	5.65
45	Consolidated Gas	136	5.45
46	Central Leather, pref.	98	4.60
47	Sloss-Sheffield, com.	45	4.50
48	Am. Steel Foundries	35	3.85
49	American Locomotive, com.	37	3.65
50	Inter. Steam Pump, com.	36	2.05

Digitized by Google

TIN CAN TRUST.

(Continued from page 1440.)

paying 5 per cent, and yielding 5.88, is not a satisfactory explanation of the selling price 85. It is the policy of the directors of the company known to investors which keeps the quotation on the preferred on a less than 6 per cent basis, while other industrials are yielding much better return. The management of the American Can Company has been practically the same since its incorporation, and the policy of that management has been from the first able to most economically manufacture and distribute and to bring its plants up to the highest point of efficiency. New plants have been built when needed and where needed, and in the past a good deal of money has been put into

RENEWALS AND BUILDINGS

which a less progressive and conservative management might have paid out in dividends. It is believed now that the plant of the Can Company is in an almost perfect state of efficiency so far as economical production is concerned, and that plant capacity is sufficient to take care of the demands for the product, while at the same time, the selling forces are proficient to keep the products of the plant well sold up.

It is also believed that the era of new buildings and renewals is about ended, and that the future will find it less necessary to spend earnings in building, and that the regular and continuous increase in net earnings can, from a time in the near future and onward, be applied to increased dividends and the paying off of deferred dividends.

The selling arrangements of the American Can Company cover the entire country. Not only is every possible user of its product called upon regularly by a salesman but every industry is studied by the officials and selling managers of the American Can Company to discover new uses for its products, and these new uses are uncovered, catered to, and generally brought into line, so that the American secures business and profits from it. The canned fruit industry, for instance, points out the increasing use of the American Can Company's products in that field. The company has a contract with the California Fruit Dealers' Association for furnishing between fifty and

SIXTY MILLION TINS A YEAR.

This contract expires December 31, 1912, but will, without doubt, be renewed at that time, as it was renewed December 31, 1907, and, as a matter of fact, the American Can Company is practically the only manufacturer of such products who could satisfy the needs of this big fruit packing association.

The canning industry generally and in all parts of the country calls almost annually for a greater amount of cans. For instance, a few years ago, only the most common fruits and vegetables were preserved in hermetically sealed tins, while to-day practically everything that grows in fruits and vegetables is canned. The volume of cans used by the paint industry also has increased as largely as in the fruit packing industry. The great paint and varnish manufacturing concerns are all packing their goods for the use of the general public, the ultimate consumers. The great increase in the consumption of cans which this ready-mixed paint trade has brought about is general knowledge. This change in the method of packing and distributing various products now using tins, where other packing methods were once used, is due in great part to the progressive management and

EFFICIENT SALES EFFORTS

of the American Can Company. To-day, not only does the household secure all manner of food products, paints, varnishes, blackings, etc., in tins from the American Can Company's factories, but wholesale shipments of paints, food stuffs, dyestuffs, tobacco, etc., are also so shipped, all paying tribute to the American Can Company.

In the past in the steel and iron industry new construction for the production of iron wares increased rapidly, and at times this construction has discounted increases of consumption. In that respect the American Can Company has not been too conservative, but it is a fact that all branches of the steel and iron industry have awakened to the fact that order books filled up for a year in advance are not to be counted upon, and increase in productive capacity will not be so common in the future. The American Can Company will probably now go ahead with the plant it has, all up-to-date and in good condition for economical production, and will get as close as possible to its theoretical 100 per cent production, seeking out with its efficient sales organization not only its share of existing business, but continuing to create profitable and new trade. Its past operating and selling record points out that, in the near future, without the necessity of large sums spent in new buildings and renewals, better dividend payments will be made and the accumulated dividends paid off gradually, and in due season the preferred stock earn and receive its 7 per cent regularly. P. DE MEDICI.

RESERVE AGENTS APPROVED.

The National Park Bank of New York City has been approved as reserve agent for the First National Bank of DeLand, Fla., and the First National Bank of Sanger, Tex.

The Dexter Horton National Bank of Seattle, Wash., has been approved as reserve agent for the Conrad National Bank, Kalispell, Mont.

The Chase National Bank of New York City has been approved as reserve agent for the Citizens' National Bank at Gettysburg, Ohio.

The Irving National Exchange Bank of New York City has been approved as reserve agent for the First National Bank at Ozone Park, N. Y.

The Chemical National Bank of New York City has been approved as reserve agent for the City National Bank of Staples, Minn.

The National City Bank of New York City has been approved as reserve agent for the Metropolitan National Bank of Minneapolis, Minn., and for the National Bank of Commerce of Williamson, W. Va.

The National Reserve Bank of New York City has been approved as reserve agent for the Arlington National Bank of Rosslyn, Va.

The Corn Exchange National Bank of Chicago, Ill., has been approved as reserve agent for the First National Bank of Tipton, Ind., and for the First National Bank of Wyoming, Ia.

The National Commercial Bank of Albany, N. Y., has been approved as reserve agent for the Essex National Bank of Essex, Conn.

The Continental and Commercial National Bank of Chicago, Ill., has been approved as reserve agent for the First National Bank of Shakopee, Minn., the Fairfield National Bank of Lancaster, Ohio, and the Clinton National Bank of Clinton, Mo.

The Chatham & Phoenix National Bank of New York City has been approved as reserve agent for the First National Bank of Waynesboro, Va., and for the Colorado National Bank of Denver, Colo.

The Fifth-Third National Bank of Cincinnati, Ohio, has been approved as reserve agent for the National Bank of Commerce at Williamson, W. Va.

The Mellon National Bank of Pittsburg, Pa., has been approved as reserve agent for the People's National Bank of Haggerstown, Md.

BERGER, MO.—The People's Bank of Berger, with a capital of $15,000 is incorporated by H. J. Stoeppelman, H. Wedepohl, H. H. Meyer and Paul Luther, H. H. Heitkamp and George Zellman, of Berger, and August Strassner, of Etlah.

UTAH COPPER COMPANY.
165 Broadway, New York, August 22, 1911.
Dividend No. 13.
The Finance Committee of the Utah Copper Company has this day declared the 13th quarterly dividend of seventy-five cents (75c.) per share, being at the rate of seven and one-half per cent (7½%) per quarter on par value, payable September 30th, 1911, to stockholders of record at the close of business on September 15th, 1911. The books for the transfer of the stock of the Company will close at 3 o'clock P. M., September 15th and reopen at 10 o'clock A. M., September 20th, 1911.
CHAS. K. LIPMAN, Asst. Secretary.

Dividend No. 24.
KERR LAKE MINING COMPANY.
July 11th, 1911.
The Board of Directors have this day declared a regular quarterly dividend of 25c. per share and 10c. per share extra on the capital stock of the Company, payable September 15th, 1911, to stockholders of record at the close of business on September 1st, 1911. Books will not close.
J. H. BUSMANN, Sec'y & Treas.

INTERNATIONAL SMELTING & REFINING COMPANY.
New York, July 11, 1911.
The Board of Directors have this day declared a quarterly dividend of Two Dollars ($2.00) per share on the outstanding Capital Stock, payable September 1st, 1911, to stockholders of record at 3 o'clock P. M., August 18, 1911.
Transfer books close at 3 o'clock P. M., August 18, 1911, and reopen at 10 o'clock A. M., September 2, 1911.
J. W. ALLEN, Treasurer.

NEW INHERITANCE TAX LAW.

One of the most interesting and instructive booklets which has come to our attention in some time is one just published by the Guaranty Trust Company, of New York, on the New Inheritance Tax Law of the state of New York. This law is one of the most important laws affecting taxation which has ever been enacted in New York state, and it directly affects bank deposits and securities held in New York City by non-residents. It was passed at the last session of the New York Legislature, and was signed by Governor Dix on July 21, taking effect on that day.

Under the former law, intangible property, such as bonds, stocks, bank deposits, notes, etc., held in New York state by a non-resident decedent, was subject to a heavy inheritance tax, even though the same property might be taxable in the home state of the decedent. This was a very inequitable arrangement for non-residents, and the law does away with it. Therefore, those non-residents who find it necessary or convenient to deposit funds or securities in New York City may do so now without the fear that in the event of their death the property will be levied upon by that state. The text of the law is conveniently arranged in the Guaranty Trust Company's booklet, and with the appended notes which accompany the text, the law may be readily interpreted by the layman.

PROPOSAL FOR BONDS.

CLARKSBURG SCHOOL DIST., W. VA. Sealed bids will be received until September 22, addressed to James N. Hess Secretary of Board of Education for $275,000 5 per cent $1,000 gold coupon bonds dated September 1, 1911, and payable September 1, 1941, subject to previous redemption on any day after September 1, 1921. Each bid must be accompanied by certified check, payable to the order of the board for 5 per cent of the amount of the bid. The assessed valuation of the school district is $17,886,669, and the estimated actual value, $25,000,000. No litigation or controversy is pending or threatened, and previous issues of bonds have been contested. The bonded debt, exclusive of this issue, is $60,000, of which about $6,000 is expected to be remitted in the present fiscal year.

BANK ITEMS.

NEW YORK, N. Y.—The New York State Superintendent of Banks has approved the increase in the capital stock of the Bankers' Trust Company, of New York, from $3,000,000 to $5,000,000.

SAN DIMAS, CAL.—The Bank of San Dimas, capitalized at $25,000, has been converted into the First National Bank. W. A. Johnstone is president; D. C. Teague, vice-president; J. P. Roberts, cashier, and G. Cyril Platt, assistant cashier.

PARKER'S LANDING, PA.—The State Bank of Parker's Landing has been organized with a capital of $25,000. A S. Wightman, T. A. Kerr, H. H. Say, W. E. Robinson, C. W. Wick and Samuel W. Harrison are promoters.

KNOXVILLE, IA.—The corporate existence of the Knoxville National Bank has been re-extended until August 22, 1931.

OMAHA, NEB.—The City Trust & Safe Deposit Company has filed articles of incorporation with a capital of $300,000.

BOSTON STOCKS AND BONDS

For the Week Ending Thursday Evening, August 24, 1911.

Names.	RANGE FOR WEEK Low	High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911. Lowest		Highest		RANGE FROM JAN., 1879, TO JAN., 1911. Lowest		Highest	
Railroads.												
Boston & Albany	221	222	221	139	219	May 15	226	Feb 15	129	1879	*250	1890
Boston Elevated	153¼	153½	153¼	118	126½	Aug 16	130½	Aug 2	52¾	1898	190	1901
Boston & Maine	102	103	101	131	101	May 10	122¾	Feb 15	108¾	1879	230	1837
do. pref.	....	....	151	.....	150	Jan 17	154	June 5	134¾	1898	190	1903
Cent. Verm't 4s	....	....	90½	.....	87½	Jan 2	92	Mar 22	75	1904	96½	1890
C. B. & Q. Jt. 4s	96¼	96¼	96¼	9,000	95½	Jan 5	98½	June 2	82½	1907	102	1905
Chic. Junc. R....	165	165	165	122	156	Apr 29	165	Aug 23	50	1898	182	1904
do. 5s	101¾	102	102	5,000	100½	Aug 14	102	Aug 24	89¾	1891	116	1899
Fitchburg pref..	127½	128	127½	41	125	July 22	136	Jan 9	83½	1879	148	1906
K. C., Ft. S. & M. 6s	116½	116½	116½	5,000	115	Mar 22	116¾	Jan 6	76	1895	126	1902
K. C. M. & B. new 5s	92	92	92	4,000	91¼	Jan 19	93½	Jan 3	125¾	1891	102	1896
do. inc. 5s....	....	....	89	.....	88	Apr 6	90	Mar 14	8	1895	104	1909
N. Y., N. H. & H.	134½	134½	133¾	950	133¾	Aug 17	151¾	Feb 22	127	1907	259	1883
Old Colony.....	187½	188	187½	74	183	Mar 15	189	June 14	96	1879	221	1893
Rutland pref....	35	38	35	150	32	Jan 26	45	Aug 4	6¾	1879	125¼	1902
West End.....	88	88	88	1,001	87	July 11	96	Feb 6	43	1894	107	1905
do. pref.	100	100¾	100	332	100	Aug 17	105	June 22	78	1888	119¾	1901
Miscellaneous.												
Am. Agri. Chem.	53	54	53	700	46½	Jan 6	60½	May 18	9	1903	59¼	1909
do. pref.	103	103¾	103¾	275	99	Jan 6	104¾	Mar 1	66½	1903	105	1910
Am. Pneu. Ser..	3¾	4	3¾	61	3½	Aug 21	6½	Jan 31	2	1902	29	1906
do. pref.	13¾	14	13¾	5	13¾	Aug 21	19¼	Jan 31	9½	1908	46	1906
Am. Tel. & Tel.	133¾	134½	133	9,80	133	Aug 21	143¼	Jan 5	88	1907	186	1902
do. 4s	96¾	96¾	96¾	5,000	85½	Mar 22	92	May 26	71	1907	101½	1901
do. cons. 4s...	104½	104½	104½	10,000	101½	Aug 21	111¾	June 19	80¾	1900	107¾	1909
Am. Woolen.....	28¾	28¾	28¾	7	28¼	Aug 22	36¾	Mar 20	7¼	1902	48	1906
do. pref.	88½	89½	88¾	327	88¼	Aug 18	96½	June 15	65	1901	116¾	1906
B. & Wor. Elec.	....	....	12	.....	6	Feb 15	13	July 13	8	1910	29½	1906
do. pref.	....	....	51	.....	38½	Jan 27	58	July 1	35	1910	80	1906
Cumberl'd Tele..	154½	154½	154½	32	146	Jan 19	158	June 2	93½	1907	152½	1910
Dom. Sug. Corp.	....	....	58½	.....	....	....	....	....	....	....	....	....
Dom. Coal 5s....	....	....	94½	.....	90	Jan 4	98¾	Mar 21	90	1906	101½	1905
E. Boston Land.	9¾	10¾	10	1,01	7¾	Jan 1	12	May 1	2¾	1905	18¾	1909
Edis. Elec. Ill..	280	287	287	10	251	July 5	295½	Feb 3	10	1887	310	1909
Gen'l Elec. Co..	151¾	153¾	152	48	143¾	Mar 3	163¾	May 29	94¾	1906	244½	1901
Mass. Elec.....	17¾	18½	17½	1,30	16	Apr 24	24	June 3	6½	1903	45¾	1902
Mass. pref.....	87½	89	88	65	83¾	Jan 9	96	July 11	87	1907	99	1902
Mass. Gas.....	93¾	93¾	93	914	87¾	Jan 3	96¾	Aug 4	30	1900	91½	1910
do. pref	96½	98	98	181	91½	Apr 13	98	Aug 24	74½	1900	97	1910
Mergenthaler ...	234	244	234	1	211	Jan 3	250	July 31	115¾	1897	226	1910
N. E. Cot. Y'n.	112	113	112	10	109	Aug 17	119	Mar 14	40	1900	125	1909
do. pref.	108	109	108	30	106	Jan 3	116¼	Mar 15	24¾	1900	118	1909
do. 5s	....	....	101	.....	100¾	Jan 13	103	June 20	95	1900	105¾	1901
N. E. Telephone.	145	147½	145	116	137	Jan 17	154½	June 10	78¾	1879	270	1906
Pullman Car....	158	159¼	158	126	152½	Aug 17	163	Jan 30	78¾	1901	231½	1895
Reece But. H...	12½	14	13½	2	12	Jan 5	16¾	May 22	7½	1881	163	1901
Torr'g'n Co. Cl. A	30	30	30	34	30	Aug 24	36	Jan 7	18	1905	37	1910
do. pref.	25	25	25	10	27	Mar 31	30	July 26	20	1907	35	1909
U'ted Fruit Co..	183	186	183	462	180	Mar 24	197	June 12	73	1901	200	1910
U'ted Fruit 4½s.	96½	96½	96½	2,000	96¾	Apr 13	97½	Jan 6	96	1910	97½	1910
Un. Shoe Mac'y.	43¾	44	42¾	4,2	41¾	Aug 21	58¾	Feb 15	*28	1900	95½	1905
do. pref.	24¾	25	25	56	24¾	Aug 22	29¾	Mar 7	22	1900	39½	1905
West. Tel. & T..	17	18½	18½	26	17	Aug 18	23¼	Feb 6	4	1900	33½	1902
do. pref.	98	98	98	6	89	Jan 27	100	July 28	50	1901	106½	1902
do. 5s	98	103¾	98	15,000	90¾	Jan 3	100	July 25	74	1907	106¾	1902
Mining.												
Adventure	4¼	5¼	4½	225	4¼	Aug 21	7¼	May 18	† 62½	1907	33	1901
Allouez	21	21½	22	64	21	Aug 21	39	Jan 5	5¾	1901	74¾	1907
Amalgamated ..	58¾	61¾	59¾	7,164	58¾	Aug 24	73½	June 26	33¾	1903	129¼	1899
Am. Zinc	21¾	22¼	22¼	3,40	21¾	Aug 21	30¾	June 14	5	1901	61	1899
Arizona Com....	15¾	17	17¾	35,10	15¾	Aug 21	18¾	June 14	7¾	1901	31¾	1909
Bos. & Corbin...	5¾	6	6	3,58	5¾	Aug 24	11½	June 6	6	1907	25	1908
Butte Bal'kl'n...	31½	33¾	31½	...	31½	Aug 22	63¾	Jan 4	4½	1910	15¾	1910
Butte Coalition..	15	*20½	15	4,210	14	Aug 24	20¾	May 24	10	1907	42	1906
Calumet & Ariz.	48	49	48¾	2,22	46	Aug 17	63	June 14	44¾	1910	195	1907
Calum & Hecla.	410	415	410	74	400	Aug 16	545	Jan 4	124	1884	1000	1907
Centennial	8	9½	8½	16	8	Aug 21	16	Jan 3	10	1885	61	1859
Copper Range..	56¾	58	58¾	1,70	53¾	Aug 21	69¾	Feb 2	37	1903	105	1907
Daly-West	5¼	5½	5½	1	3	Feb 15	6½	June 21	3½	1910	56	1902
East Butte.....	9¾	11½	10	9,952	9¾	Aug 17	14¾	June 26	3½	1909	18½	1907
Elm River.....	....	....	10	.....	.10	July 24	20	Jan 6	.05	1910	7	1901
Franklin	5½	6¼	6½	10,50	5½	Aug 24	14	June 14	4	1899	30	1899
Giroux	4 1-16	5¾	4¾	9,170	4 1-16	Aug 24	8¼	Feb 6	2¾	1907	13¾	1901
Granby	27	29	28	4,2	27	Aug 19	43½	June 21	20	1910	151	1907
Greene Cananea.	6	6¾	6 3-16	2,840	5 5-16	Feb 9	8	June 26	5	1907	18	1907
Hancock, Con...	18½	22¾	18½	1,95	17¾	Apr 24	30¼	June 19	1¾	1907	36	1910
Helvetia	1	1	1	870	.99	Apr 28	2	Mar 4	1¾	1910	34	1908
Isl'd C'k Coal**	23¾	24½	23¾	77	29¾	May 9	60¾	June 3	30¾	1910	338¾	1910
do. pref.** ...	84¾	86	85	5,4	83¾	Aug 21	91	June 12	84½	1910	90¾	1910
Isle Royale.....	11¾	14	12	3,002	11¾	Aug 24	19¼	June 15	5¾	1903	75	1899
Kerr Lake.....	4¾	4¾	4½	1,41	4¾	Aug 21	7¾	Jan 23	6	1910	35	1907
Keweenaw	2¼	2½	2¼	39	1¾	May 10	3¾	June 14	2½	1909	7¾	1909
La Salle	2	2	2½	2,16	2	Aug 18	6	Jan 2	3	1908	23¾	1905
Lake Copper....	22	27¾	23¾	7,37	22	Aug 23	40	June 13	4	1907	94½	1910
Mass. Cons.....	4½	6¾	4¾	52	4½	Aug 24	10	June 19	2¾	1908	37¾	1901
Miami	19½	19½	19½	30	18¾	Apr 21	22¾	June 21	4¾	1908	29	1910
Michigan	2	2	2	100	1¾	Apr 25	4½	May 6	2	1909	24¼	1907
Mohawk	39	42	39	36	36	Apr 24	53	June 15	11½	1900	*97	1907
Nev. Cons.....	17	17¾	17¼	1,340	16¾	Aug 17	21¾	June 15	6¼	1907	39	1908
New Arcadian...	2	2¼	2¼	160	2	Aug 24	4¾	May 17	1¾	1905	195¼	1899
Niplssing	7¾	8¾	7¾	1,40	7¾	Aug 24	11½	Feb 17	6	1906	33¾	1908
North Butte.....	23	26	23	9,08	22	Aug 24	36	June 13	15½	1910	120	1907
North Lake.....	3¾	6¾	4	4,200	3¾	Aug 21	9¾	June 3	4½	1909	11¾	1909
Old Dominion...	35	39	36	81	35	Aug 24	49	June 19	9¼	1904	66¾	1905
Osceola	88	92	89	264	88	Aug 21	124	Jan 4	7½	1889	181	1907
Parrot	8½	10¾	9	87	8½	Aug 24	12¼	May 22	8¾	1907	72¾	1899
Quincy	63	67	65½	113	63	Aug 24	74	July 24	10	1879	190	1899
Ray Consol'ted..	14¾	15	14¾	90	14¾	Aug 24	18¾	Jan	7¾	1908	27¼	1899
Santa Fe.....	.90	.95	.90	150	.75	Apr 26	1¾	June 12	1	1903	22	1899
Shannon	7¼	9½	9¾	9,80	7¾	Aug 18	13¼	Feb 6	2½	1904	24¾	1907
Superior Copper.	22	25	23	1,25	21	Aug 17	34½	June 14	7	1907	68¾	1910
Sup. & Boston..	3¾	4½	3¾	1,167	2 15-16	Apr 7	8¾	June 15	1⅝	1908	1⅝	1908
Tamarack	24¾	26	25	334	23¾	Aug 23	52	Jan 3	15½	1910	263	1901
Tennessee	....	....	34¾	.....	34¾	Aug 9	43¼	June 12	9¾	1901	55¼	1907
Trinity	3	3¾	3½	1,22	3	Aug 21	5	June 20	3¾	1904	42½	1907
U. S. Smelting..	33	34	33¼	1,150	32	Apr 5	40¾	June 14	24¾	1907	70	1907
do. pref.	45¾	47	46¾	811	45½	May 10	49½	June 26	27¾	1907	84¼	1900
Utah Cons.....	12¾	14	12¾	2,445	9½	Jan 20	20	June 26	12¾	1910	*79	1907
Utah Apex.....	2	2½	2	1,510	2	Aug 24	3½	June 15	1¾	1907	104¾	1905
Victoria	1	1¾	2	250	1	Aug 19	2¾	Feb 7	1	1900	12	1901
Winona	4½	6	4½	2,120	4½	Aug 24	9¾	Feb 6	1	1902	22	1899
Wolverine	100	103	100	242	100	Aug 23	122	Feb 10	75c	1893	300	1907

* Ex-dividend. † Assessment paid. ‡ Rights off. ‖ Auction. § Old securities. ¶ Old stock.
** Temporary certificates.

Digitized by Google

This Week and Next

Excitement Dwindling, But the Bears Are Still In the Saddle—Possible Effect Upon Business—Further Investment Buying Evident Beneath the Tide of Quick-Turn Speculative Operations—Where The Exchange Governors Ought Not To Spare The Rod—A Poor Way To Promote Confidence and Disarm the Attacks of Extremists—Standard Oil Company Denies Responsibility For Wholesale Selling.

Too deeply mired in the slough of despond to make much headway in the direction of higher and dryer ground, Wall street is still living in an atmosphere tinged with deepest indigo, and seems almost to revel in its new-found bearishness. The worst of it is that this attitude, if maintained for any length of time, may begin to cast its blighting influence in other directions, for it has happened before, and may happen again, that a disturbance in the security markets has upset the confidence of consumers of steel and other products. Were it not for the corporation-baiting disposition now so prevalent among those in authority who assuredly ought to know better, there would be no reason for apprehension, for falling corporation earnings, growing expenses, labor troubles and general distrust, all these factors which go to make up the substance from which bear raids are constructed, are the direct outcome of the prosperity-murdering tactics of obstructive legislators who are about ready to pass the hat for contributions for the approaching presidential campaign, and are apparently taking high-handed methods of impressing corporate interests with their power. As I have stated before, the crop situation alone is not sufficient to justify the recent sweeping decline in security values, despite the attempts made by some manipulators to throw the entire blame for the decline upon nature instead of directing it toward the quarter where it really belongs.

MARKET SETTLING DOWN

The current week has witnessed a gradual settling of the excitement which marked the operations of the preceding fortnight, as far as daily transactions are concerned, a fact which suggests that little change of importance is likely to take place in the immediate future. While bullish enthusiasm is being kept pretty thoroughly under cover these days, the faithful survivors of the bear raids have not relinquished hopes of a substantial upward movement next month. Certainly, in the event of a switch in sentiment it would be much easier to engineer a movement of this kind from the present level of prices than from that which prevailed a month ago. The nimble footed gentry who switch the direction of their operations according to the veering winds of market sentiment have been given an exceptionally good opportunity for scalpers' profits, and have made the most of it. The small investor has also been given his opportunity to profit by the temporary wrecking of bull hopes, and he, too, has not been slow to act, judging from the testimony of investment house representatives, who say that a large amount of money has gone into high grade issues, including those which have borne the brunt of the bear attack, namely, Union Pacific and Lehigh Valley, with St. Paul, Reading, Northern Pacific, Great Northern, Atchison, and New Haven, to say nothing of preferred industrials.

CORRECTIVE MEASURES NEEDED.

All this, however, does not excuse the recent tactics of the manipulators who have been going about doing their utmost to undermine confidence by fair means or foul, for no one supposes for a moment that they had the good of the investor in mind for one moment while planning and carrying out their well executed campaign. The "lie factory," to employ President Lovett's apt characterization, has shown its dangerous power and its utter unscrupulousness in the onslaught on Union Pacific, and some steps ought to be taken to curb that power. Presumably the stock exchange authorities wish to interest the public, but they are taking a

PHILADELPHIA STOCKS

For the Week Ending Wednesday Eve ning, August 23, 1911.

Names.	RANGE FOR WEEK Low	High.	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911 Lowest			Highest			RANGE FROM JAN., 1879, TO JAN., 1911. Lowest		Highest	
Amer. Cement..	...	...	12	.....	12	July	25	17½	Jan	4	5½	1906	66	1909
Amer. Railways.	44¾	45	44¾	95	42	Jan	10	45¾	Aug	5	21½	1900	56¾	1902
Bell Telephone..			116½	.....							45	1900	124¾	1909
Cambria Steel...	44¾	45	44½	2,34	42½	Jan	4	48¾	Feb	18	13½	1909	49¾	1909
do. Iron	44	44	44	21	42¾	Aug	10	46	Mar	27	42	1901	128	1882
Elec. Co. of Am.	11¾	11¾	11¾	370	11½	Jan	4	12½	Jan	14	5¾	1902	25	1899
Elec. Storage....	50½	52¾	52	901	48½	Jan	3	56¼	June	15	15	1894	194	1899
Gen'l Asphalt...	30	30	30	5	25¾	Aug	10	34¾	Jan	10	3	1907	34¾	1910
do. pref	71	71½	71	74	70¾	Aug	16	83¼	Jan	30	11	1905	84¾	1910
Hunt. & B. T....	...	...	8	.....	5	June	13	8	June	19	2	1910	42	1898
do. pref.	14	14	14	10	14	Aug	22	27	Feb	1	7¾	1900	59¾	1902
Lake Sup. Corp.	24	25	24	1,52	23	Aug	16	31¾	Feb	4	5¾	1908	33¾	1909
Lehigh Valley...	81 3-16	82 15-16	82	3,06	81 3-16	Aug	17	90½	Feb	3	17½	1897	123¾	1910
Lehigh Navig'n.	89	90½	89	36	85½	May	15	93½	July	29	35	1898	131½	1904
Marsden	...	...	1¾	.....							⅝	1907	28¾	1899
Penn. Steel.....	...	...	60	.....							5	1894	100	1901
do. pref.	105½	106¾	106	1	104½	May	4	108¾	Apr	13	10	1895	117½	1909
Phila. Co.....	51	52	52	3	50¾	Jan	4	59¾	June	5	33¾	1907	55¼	1906
do. pref.	42½	42½	42½	130	42	Feb	20	45	Feb	8	24	1909	52	1906
Phil. Elec.....	16¾	17¼	17	2,250	16	Mar	9	18	July	17	2	1900	18¾	1910
Phil Rap. Trans	22¾	23	23	880	16¾	Apr	18	24¾	Aug	4	12	1907	37¾	1909
Phil Traction...	85	86¾	85	37	82¾	May	1	87½	July	14	5	1885	102½	1905
Tonopah Min'g..	5 3-16	5¾	5¾	2,490	5 3-16	Aug	23	8¾	Jan	17	3 3-16	1907	21½	1906
United Gas Imp.	84¾	86¼	86¼	1,37	85¾	Aug	10	89¾	Jan	9	50	1892	175	1899
Union Traction..	50¾	51¼	50¾	1,09	43	Jan	4	53¾	July	14	8¾	1897	65¼	1906
Warwick Steel..	...	...	10	.....	9¾	Jan	10	11¼	Feb	28	2½	1907	18	1899
W'stm'el'd Co'l.	81	81	81	45	79	July	7	91½	Mar	20	45¼	1879	114	1905

* Ex-dividend. † Trust certificates. ** Temporary certificates.

CHICAGO STOCKS

For the Week Ending Wednesday Evening, August 23, 1911.

Names.	RANGE FOR WEEK Low	High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911 Lowest			Highest			RANGE FROM JAN., 1879, TO JAN., 1911. Lowest		Highest	
Am. Can.....	9¾	10¼	10	53	8¾	Jan	27	12¼	May	23	2¾	1903	31½	1901
do. pref.	81¾	84¾	84½	72	76¾	Jan	7	88¾	May	23	25¼	1903	86	1909
Am. Radiator...	...	...	265	.....	265	Jan	9	265	Feb	18	30	1900	260¼	1910
do. pref	...	...	131	.....	126¾	Mar	9	131	Aug	29	98	1899	136	1900
Am. Shipbldg...	54½	56	56	47	54¾	Aug	22	79	Feb	6	19	1904	84¼	1910
do. pref.	...	...	111	.....	110¾	Jan	16	112	May	18	82	1904	112	1910
Chic. City Ry...	...	...	190	.....	185	Mar	22	190	Apr	28	160	1908	476	1892
Chic. Pneu. Tl.	47½	48	47½	560	41	Jan	13	53¼	Feb	22	18	1908	107½	1902
Chic. Subway...	2¾	2¾	2¾	95	2¾	Aug	18	6	Mar	1	2¼	1910	37¾	1905
Chic. Telephone.	122	123	123	246	115	Jan	25	124¼	May	17	96	1907	286	1901
C'm'n'wth Edis.	132½	134	132¾	450	118	Jan	24	137¾	July	15	77	1907	128	1910
Diamond Match.	103¾	104½	104½	229	90	Jan	16	105¼	July	11	82½	1910	163	1893
Kan. City Light.	...	...	16	.....	16	Aug	10	25	May	22	20	1910	68¼	1906
do. pref.	40½	41	41	50	40	Aug	2	72½	Feb	25	88	1906	93½	1906
Met. El.....	...	...	27	.....	19½	Feb	1	28¾	June	28	12	1899	43	1902
do. pref.	...	...	75	.....	64	Mar	16	**75	July	17	32	1899	93¾	1901
Nat. Carbon.....	100	101	101	97	100	Aug	19	120	June	3	15	1899	145	1910
do. pref.	106¾	106¾	106¾	20	106¾	Aug	23	120	Apr	12	72	1900	124	1909
No. West. El...	...	...	29½	.....	20½	Apr	27	29¾	June	20	13¾	1900	56	1901
do. pref.	...	...	68½	.....	60	Mar	1	67	Mar	20	44	1904	97	1901
Quaker Oats....	190	190	190	69	165	Mar	17	193	June	29	35¼	1904	186	1910
do. pref.	106	106½	106	100	102¼	Feb	8	107¾	July	24	73	1903	109½	1905
So. Side El.....	...	...	80	.....	68	Feb	16	80	June	20	40¼	1897	118	1901
Streets' Car.....	9¾	10	9¼	130	8	May	31	13¾	Feb	24	10¾	1910	54½	1909
do. pref.	...	...	50	.....	40	June	2	50	Aug	11	40	1910	111¾	1906
Swift & Co.....	101¾	102	101¾	582	100¾	Mar	13	104	June	8	75¼	1907	177½	1902
Un. Box Board..	2½	2¾	2½	410	2¼	Aug	10	7	Jan	6	¼	1908	17½	1902
do pref.	...	...	7¾	.....							1¾	1908	71	1902
Western Stone..	...	...	19½	.....	19¼	July	25	24¾	Jan	24	14	1908	60	1908

* Ex-dividend. † New. ** Receipts. ‡ Assessment paid.

Digitized by Google

peculiar method of promoting such interest in allowing the gambling element in exchange activities to "rule the roost" as they have been doing of late, thereby doing much to undermine confidence in investment and business circles. It is upon such proceedings as these that certain extremists base their rabid attacks upon the exchange as a parasite. Of course, such a stand is unreasonable, and would be much more so if the exchange governors were to do some needed house cleaning. In this connection it might be mentioned that D. G. Reid, who was disciplined some two years ago for his share in the Rock Island scandal of that day, is credited with being the most active and powerful of the operators on the bear side, despite the fact that he has been abroad all summer. He has maintained a pronounced bearish attitude ever since that day of accounting. It is a peculiar coincidence, if nothing more, that Rock Island shares have been among the chief sufferers in the recent decline. Some observers have recalled, also, that Mr. Reid had an apparent grudge against the late E. H. Harriman ever since the Alton deal in which the Rock Island interest did not fare very well.

All sorts of theories, reasonable and otherwise, have been advanced during the past three weeks, since the liquidating movement in the market began to assume the proportions of a landslide. One of these explanations appeared this week in the form of an intimation that the Standard Oil Company, preliminary to its pending reorganization under the orders of the Supreme Court, had been unloading large blocks of securities purchased in the last few years out of the company's enormous surplus. The story sounded so plausible, especially after the many weird yarns which have been spread abroad lately, that Wall street gave it a ready welcome and prepared to settle back in the belief that the mysterious selling had at last been fully explained. The Standard Oil Company, however, spoiled the effect of this welcome by issuing a statement denying that it had ever made an investment in stocks currently on the stock exchange, or that there was any truth whatever in the story.

MORE LIGHT NEEDED.

The denial, it must be confessed, was not as convincing as it would have been had the company seen fit to explain at some detail the manner in which it has invested its surplus funds. In banking quarters where there is some knowledge of the company's methods in this respect, it is intimated that the Standard has limited its investments to a great extent to high class bonds. For that matter it does not appear just why the edict of the Supreme Court should of necessity involve the liquidation of any securities which the Standard has in its treasury, whether they be stocks or bonds, for the court ruling does not as a matter of fact order the dissolution of the corporation, but simply requires that the latter divest itself of the ownership of its 33 subsidiaries, distributing the stock of the latter among its own shareholders.

On the other hand, it is by no means

NEW YORK STOCKS AND BONDS

For the Week Ending Thursday Evening, August 24, 1911.

Name.	RANGE FOR WEEK		Last Sale	Sales for Week	RANGE FOR YEAR OF 1911				RANGE FROM JAN., 1879, TO JAN., 1879, TO	
	Low	High			Lowest		Highest		Lowest	Highest
Atch. & T. R R.	104½	105⅝	104⅝	47,600	100⅝ Jan 3		116⅝ June 5		8 1-16 1884	122½ 1890
Atch. & Top. pf.	102	102½	101	1,600	100⅝ Jan 3		105½ June 12		14 1896	107½ 1901
Atch. & Top. 4s.	98⅜	99⅛	99⅛	96,000	93 Mar 23		99⅝ Jan 4		61 1896	105⅝ 1902
do. adj. 4s....	94⅜	94½	94½	4,000	90⅝ Mar 29		92½ Jan 26		26 1896	99⅝ 1905
Atlic C'st Line.	121½	123⅜	121½	2,400	117 Jan 3		132½ July 22		58 1897	170 1906
B. & O. Gold 4s.	98	98½	98½	12,000	98 Aug 22		104½ Feb 21		83 1900	106⅝ 1905
B & O.S. W.3½s.	90⅝	90⅝	90⅝	5,000	90⅝ Feb 28		93 Mar 11		80 1907	98 1839
Balti. & Ohio...	100	102	100⅝	11,500	100 Aug 22		100⅝ July 22		9 1897	125⅝ 1906
do. pref.	...	...	87	.....	87 Aug 3		91 Jan 4		67½ 1889	100 1905
Brooklyn R. T..	75	76⅜	75⅛	64,600	74½ Aug 17		85⅝ July 20		15 1896	137 1899
B R T conv't 4s.	82	84½	82	82,000	82⅝ Apr 18		88⅝ Jan 26		56 1907	102½ 1905
Canadian Pac...	230⅝	234½	230⅝	33,95	195⅝ Jan 3		247 July 21		33 1895	262⅝ 1910
Canada South'n...	...	...	68	.....	62 Mar 3		68 May 12		23 1895	97 1902
Cen of Ga. Con.5s.	...	...	109⅜	.....	107⅛ Jan 13		110 July 25		85 1907	129½ 1901
do. 1st inc....	...	...	96	.....	96 July 25		114½ Apr 18		30 1899	102 1910
do. 2d inc.....	...	...	96	.....	96 Mar 1		106⅛ Apr 5		9 1899	101 1910
do. 3d inc.....	...	...	90	.....	85 Feb 24		102 Apr 4		4 1899	100 1910
Central N. J....	...	...	270	.....	270 Mar 11		285 June 3		21 1895	312 1910
Cent'l Pac. 3½s.	...	...	91	.....	91½ July 17		92 Mar 8		75 1907	91 1910
Ches.O. gen.4½s.	109⅝	109⅝	109⅞	4,000	108½ Apr 12		112 May 15		61 1897	111 1908
Chesapeake & O.	73⅛	73⅞	73⅞	13,20	72½ Aug 17		86⅜ Feb 10		1 1888	137⅝ 1892
Chic. & Alton...	...	...	25	.....	25 Aug 8		31⅝ May 23		8½ 1907	74⅜ 1909
do. pref.	...	...	62	.....	62 Mar 17		53 Jan 27		47 1908	85½ 1908
Chic. Gr't West.	19⅛	20½	19½	1,900	19⅛ Aug 24		25⅛ June 5		3⅜ 1897	37⅝ 1899
do. pref. A...	38	38⅜	38¼	1,700	38 Aug 19		49¾ Feb 6		15½ 1905	80½ 1901
Chic. M. & St.P.	113⅛	116	114⅛	36,870	112 Aug 16		133½ Feb 7		34⅜ 1879	199⅝ 1906
do. pref.	...	...	152	.....	147 Jan 3		165⅞ June 15		74⅜ 1879	238 1906
Chic. & N. W....	140½	142	140⅝	1,20	140 Aug 12		150⅝ June 12		49⅝ 1879	251½ 1902
do. pref.	...	...	201¼	.....	200 Aug 2		204½ Aug 9		128 1881	254½ 1902
Chi.,St.P. & Om.	...	...	144	.....	139½ Apr 20		144 June 12		18½ 1885	225 1907
do. pref.	...	...	165	.....	152 Feb 18		152 Feb 18		66 1881	230 1906
Chi. Ter. Trans			152	.....					1½ 1906	71 1901
do. pref.	...	...	165	.....					8½ 1906	77½ 1901
Chic. Un. Trac..	2	2	2	10	2 Aug 21		3 June 2		⅝ 1898	23 1902
do. pref.	5	6	6	100	4 Aug 7		7½ Feb 6		2 1900	60 1902
C.,C.,C. & St. L.	52½	52½	52½	20	52½ Aug 23		66 Jan 15		19½ 1896	111 1906
do. pref.	94½	94½	94½	10	94½ Aug 23		98 Feb 1		83 1897	124¼ 1902
Colo. & South'n.	49⅝	50	49¼	75	49¼ Aug 21		60 Jan 18		4⅛ 1889	68⅝ 1909
Col. & So. 1st pf.	77½	78	77½	25	74½ Mar 27		84⅜ July 10		35 1900	86 1909
do. 2d pref....			76	.....	73½ Apr 13		75 Aug 8		12½ 1900	84½ 1909
Del. & Hudson..	164⅞	165¼	164⅞	400	164 Aug 17		175⅝ June 8		23 1879	240⅝ 1905
Del., L'ck & W.	510	510	510	300	510 Feb 17		560 June 6		96 1879	480 1909
Den. & Rio G'de	24⅝	25	25	800	24⅜ Aug 17		33 Feb 21		4⅜ 1885	89½ 1899
do. pref.	53	54½	53	1,41	53 Aug 21		74 Feb 21		24 1888	103⅜ 1901
Dul.,So Sh.& Atl	...	...	10	.....	9⅜ Aug 5		15⅞ May 1		2½ 1900	24 1902
do. pref.			20	.....	20 Aug 16		28⅜ Apr 4		5 1900	46⅜ 1906
Erie 1st gen. 4s.	72½	72½	72½	2,00	72½ Jan 3		79⅜ July 19		5⅜ 1878	96 1905
Erie	38⅝	39⅜	39	39,400	37¼ Jan 11		45⅛ June 3		7⅜ 1878	52⅞ 1851
Erie 1st pref....	43½	44⅜	43⅝	16,62	45⅝ Jan 12		61½ July 1		15 1900	96 1907
Erie 2d pref.....	40⅜	41¼	41	2,10	36 Jan 13		49⅜ July 3		13 1896	78⅞ 1906
Ev'v'le & T. H.	...	...	52½		60 Feb 1		88 July 24		30 1897	152 1892
do. pref.			80		85 June 6		90 July 24		72 1901	104⅜ 1902
Gr'nell&WidshB.	11½	13¾	11½	10,400	10⅝ Aug 21		15⅛ Jan 28		2½ 1898	27½ 1903
Gt. Northern pf.	133⅜	136⅝	133⅜	16,75	122 Feb 24		140 June 8		41½ 1900	168 1906
Hock'g Valley**	...	...	128	.....	128 May 24		134 Apr 29		22 1900	140 1910
do. pref.			124						53½ 1899	101⅝ 1910
Illinois Central..	138½	140½	139½	1,800	132 Jan 3		147 July 30		78⅞ 1879	184⅜ 1906
Inter-Met (w.i.).	14⅜	15⅜	14⅜	4,800	14⅜ Aug 21		20⅜ Feb 15		4⅞ 1900	55⅜ 1906
do pf. (w. i.)	41⅜	44	42⅜	2,300	41⅜ Aug 21		57⅜ Feb 10		14 1900	87⅜ 1906
Iowa Central....	18	18½	18	500	15 May 12		19⅝ Feb 3		2 1888	51⅜ 1912
do. pref.	24	24½	24¼	700	23 Apr 27		37 Aug 8		12 1899	80⅜ 1902
Kan. City & So.	29	31	29	1,10	29 Aug 24		38⅜ June 15		7 1900	59⅜ 1909
do. pref.	66	67	66	30	61½ Jan 3		70 May 26		27½ 1900	75⅜ 1909
K.C.,Ft.S.&M.pf			75	.....	72 Aug 7		78 May 8		58 1900	88 1902
L'ke E. & West.	12½	12½	12½	10	12 Aug 18		26⅛ Feb 1		1⅜ 1885	26¼ 1901
do. pref.			37		37 Aug 10		40 Jan 17		34 1900	178 1902
Louis. & Nashv.	142	143⅜	142	2,40	142 Aug 24		156⅞ July 19		22 1885	162⅜ 1900
Manh'ttan Elev.	132	133	132	10	130 Mar 28		142½ July 19		64½ 1884	175 1905
Metrop. St. Ry..	...	...	15	.....					15 1900	152 1900
Mex. Central....	...	...	4	.....					4 1896	33 1892
do. 1st 4s.....	...	...	22	.....					22 1896	90¼ 1910
do. 1st inc....	...	...	6	.....					6 1896	46 1896
do. 2d inc.....	...	...	4	.....					4 1896	20¾ 1899
Minn. & St. L...	21½	21½	21½	200	21½ Apr 26		34½ Aug 23		21½ 1899	115 1902
do. pref.	32	32	32	1,0	32 Mar 13		47 Aug 24		7⅜ 1899	177⅜ 19 2
M S P. & S S M	130⅜	130⅜	130⅜	1,800	130⅜ Aug 24		137⅜ Mar 30		6 1897	164 1906
do pref			132		132 Jan 6		142 July 21		10 1897	150⅝ 1906
M.K&T 1st 4s.	93¼	93¼	93	100	88½ Apr 22		98 Jan 21		50 1901	104⅜ 1905
do. 2d 4s.....	84	84	84	2,00	82½ Jan 5		89⅛ Feb 17		27 1901	99⅝ 1906
M K & T 1st 5s	107	107	107	600	104½ Jan 6		108⅜ July 10		72 1896	114½ 1909
Mo., K. & Tex..	30⅜	30⅜	30⅜	1,0	30⅜ Aug 21		39⅜ June 14		5⅜ 1879	54 1891
do pref	60	60	60	1,0	57⅜ Jan 16		69 June 12		13⅜ 1897	78⅜ 1909
Missouri Pacific	41	41	41	33,5	40 Aug 17		47 Feb 17		10 1897	125⅜ 1902
N. Y. Central...	133⅜	133⅜	133⅜	4,00	130⅜ Aug 21		139⅛ Feb 3		31⅜ 1879	174½ 1901
N Y. C. & St. L	33	33	33		32 Aug 21		41 Jan 30		9 1896	72⅜ 1905
do 1st pref....			102		102 Aug 14		107⅜ Mar 20		4 1896	124½ 1902
do 2d pref....			83		81 Aug 12		90 Jan 3		18 1896	100 1902
N.Y., Ont. & W.	34⅜	34⅜	34⅜	2,00	33⅜ Aug 16		46⅜ July 22		4⅜ 1897	64 1907
No. & W Con 4s.	96⅛	96⅛	96⅛	1,0	96⅛ Aug 14		99⅜ Feb 3		24 1898	105 1905
Norfolk & West	104	104	104	5,1	104 Jan 3		110⅜ June 28		14 1896	106⅝ 1910
do pref.	90	90	90		88½ Apr 28		94 May 23		41⅜ 1896	98 1902
N. Pac. prior 4s.	106⅜	106⅜	106⅜	41,00	104⅜ Aug 7		109⅜ Feb 6		9⅛ 1896	109 1899
do gen 3s....	71⅞	72⅛	71⅞	1,0	69⅛ Aug 7		75⅜ Aug 4		57 1896	79 1907
North'n Pacific.	117⅜	120⅛	117⅜	38,95	116 Jan 1		137⅜ June 8		11 1879	160 1901
Pacific Coast....	...	...	200	.....	200 Jan 11		242 Jan 10		34 1896	142 1906
do. 1st pref...			105						65 1900	126 1910
do. 2d pref....			101		101 Jan 11		101 Jan 11		50⅛ 1900	125 1906
Penn. R. R.	119⅝	120⅛	119⅝	37,50	119⅝ Aug 24		129⅛ Feb 1		97½ 1879	170 1902
Peoria & East'n	91	94	94	500	93 Aug 18		100 Jan 17		2 1896	50 1901
P.,C.,C. & St. L.			111		108 Aug 11		112 Feb 17		60 1900	129 1902
do pref.	98	98	97⅞	81,000	96⅜ Mar 15		99⅛ Aug 7		77 1898	104⅛ 1906
Reading gen. 4s	111⅜	111⅜	111⅜	2,000	111 Aug 21		116⅜ June 3		17⅜ 1896	117⅛ 1909
Reading			160⅜		160 Mar 14		168 July 14		113⅜ 1900	81 1909
do. 1st pref ...	92	92	92	100	91 Aug 11		100 May 2		26½ 1900	94⅜ 1909
do 2d pref ...	71⅜	71⅜	71⅜	17,00	24⅞ Aug 12		34⅜ June 14		6⅝ 1900	90⅛ 1901
R'k Island, new	6⅜	6⅜	6⅜	4,00	6⅜ Aug 7		6⅝ June 14		6⅝ 1879	120 1907
do. pref.	30	30	30	5,000	30 Aug 10		38 May 4		4⅜ 1879	91¼ 1907
St L.&S F 1st 4s	68	68	68	1,0	68 Aug 14		69 July 27		50 1900	110½ 1905
St L.&S F 2d pf.	38	38	38	2,00	38 Apr 21		40⅜ July 24		12 1900	80⅛ 1902
St L.&SW 1st 4s	48¾	48¾	48¾	3,000	48¾ Jan 24		52⅜ Aug 23		4⅜ 1896	112⅜ 1909
do. 2d gen. 4s	58	58	58		58 Jan 9		62½ June 29		38 1896	97 1905

NEW YORK STOCKS AND BONDS

For the Week Ending Thursday Evening, August 24, 1911.

Names.	RANGE FOR WEEK Low	High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911. Lowest			Highest			RANGE FROM JAN., 1878, TO JAN., 1911. Lowest		Highest	
St. L. Southw...	30½	31¼	30½	2,100	24	Jan	13	34	Feb	4	1	1897	39½	1901
do. pref.	67	68½	67	1,100	59¾	Jan	3	72	June	27	21¾	1900	90	1902
S'b'd A. L. adj. 5s.	76¼	77¾	76½	12,000	75	Mar	16	82	July	19	69⅝	1910	77⅞	1910
San Ant. & A. P. 4s	87	87	87	7,000	86½	Apr	3	88	May	16	45	1896	92½	1909
So. Pac. rfd. 4s..	94¾	94½	94¾	94,000	94¾	Aug	17	96	May	8	94¼	1906	96¼	1905
South'n Pacific..	110	114⅝	110½	78,500	110	Aug	24	126⅜	June	26	12	1878	123¼	1909
do. pref.			71⅝								84⅜	1909	137	1909
Southern	27½	29⅜	27⅜	13,700	25½	Mar	4	33⅜	July	22	42	1894	2263	1882
do. pref.	67	70¾	68	2,900	61¼	Jan	11	75⅝	July	20	413	1894	103	1906
Texas & Pacific.	25⅜	25	24½	2,900	23⅜	Aug	24	30½	June	9	4⅜	1893	73¾	1881
Third Avenue...	8¼	9⅜	8⅜	600	8	Aug	14	26	Mar	2	5⅜	1910	242	1899
Tol. Rys. & Light	...	...	7	.....	6¾	Aug	16	8¾	Jan	17	5½	1910	38	1902
Tol., St. L. & W	18	18⅜	18	1,300	18	Aug	19	24⅝	Feb	8	10⅜	1901	64¾	1899
do. pref.	39⅜	41⅜	40	1,700	35½	Aug	24	53⅞	Feb	8	22⅜	1903	74¾	1899
Twin City R. T.	106⅝	107	106⅜	200	105½	Aug	14	111	Feb	3	94	1897	129	1902
U. P. cv. 4s, 1927.	102½	104	102⅝	915,000	102⅜	Aug	16	109⅜	June	27	78⅛	1897	124¾	1909
Union Pacific....	166⅜	174⅛	167⅝	584,175	166⅜	Aug	24	192⅜	July	22	3	1898	204⅜	1910
do. pref.	90½	92	91	63,700	89¼	Aug	23	96	July	24	47	1898	118½	1909
Wabash 1st 5s...	99⅛	108	99⅛	2,000	99¼	Aug	22	110	Mar	20	93	1894	121	1902
do. deb. B's...	...	...	101	.....							19	1893	101	1909
Wabash	14	14½	14	1,700	14	Aug	19	18⅜	Feb	22	2	1885	60	1881
do. pref.	29	30⅜	29	1,400	28⅜	Aug	12	40⅜	Feb	22	9	1894	96¼	1881
Wheel. & L. E..	3	3	3	20	3	Aug	24	6¼	Feb	3	½	1897	63⅜	1887
do. 1st pref..	7⅞	8	7⅞	200	7½	July	22	17⅜	Feb	3	2⅜	1897	80¼	1892
do. 2d pref....	3	3½	3½	400	3	Aug	23	8	Feb	22	4	1910	42⅜	1902
Wis. Central....	51⅞	55¼	52⅜	1,900	51	Aug	16	72¼	May	1	4c	1899	64	1910
do pref.	...	...	88½					8	Feb	22	50c	1899	91⅜	1909
do 1st 4s.....	92	93	92	25,000	92⅜	Aug	3	93⅜	July	5	27	1896	99½	1899
Miscel. St'ks.														
Adams Express.	...	...	100	.....	225	Jan	20	243	June	13	97½	1898	315	1907
Allis Chalmers.	6½	6¾	6½	100	6¼	Aug	4	9⅜	May	31	4	1907	27¾	1906
do. pref.	17	20	17	400	15	Aug	21	24	Feb	3	14	1906	85½	1903
Amal. Cop.....	58⅞	62½	59½	35,100	58⅞	Aug	24	71⅜	June	19	23⅜	1908	120	1901
Am. Car & F'd.	49½	51⅜	50	2,100	49¼	Aug	24	64¼	July	19	10⅜	1899	76½	1909
do. pref.	113½	116	113½	30	114¼	Mar	13	120	May	23	51	1899	124⅜	1909
Amer. Cot. Oil..	33⅜	35	33¼	1,050	49¾	May	22	62⅜	Feb	24	8	1898	79¼	1909
do. pref.	...	...	100	.....	100	June	27	106½	Mar	21	27¼	1899	107½	1909
Amer. Express..	...	...	225	.....	215	Aug	17	245	Mar	27	100	1893	261	1910
Am. H. & L....	4	4	4	200	3½	Jan	28	6	July	21	2½	1907	37¾	1899
do. pref	20	21	20	300	20	Aug	24	28⅝	June	14	10	1907	83½	1899
Am. Ice Sec....	17¾	19½	17⅜	1,200	17⅜	Jan	18	25⅜	July	12	8½	1907	96	1902
Am. Linseed Co.	9	9	9	100	8	Aug	11	12⅜	Feb	17	5	1903	39¾	1901
do. pref.	27¾	27¾	27¾	20	27¼	Aug	14	34	Feb	18	16½	1907	66	1901
Am. Loco.....	36½	38	36½	1,200	35¾	Apr	21	45¾	May	22	11½	1907	78½	1906
do. pref.	104¾	105	104¾	60	104	Aug	10	110¾	Mar	1	67½	1907	122½	1905
Amer. Malt Co..	4½	4¾	4⅜	20	3⅝	Feb	17	5⅜	July	11	2½	1907	90¾	1906
do. pref.	38½	40	38½	60	31¾	Mar	8	43⅝	July	22	14½	1901	59	1906
Am. Smelt. & Ref	68⅜	72⅜	68⅜	29,97	63¾	Aug	12	85⅜	June	15	30	1899	174	1906
do. pref.	104¾	105⅜	104⅜	1,100	100¾	Mar	10	108⅜	June	15	77½	1899	137	1905
Am. St'l F'dry..	32	35	35	300	32	Aug	23	52½	Feb	9	31½	1904	68¾	1909
do. pref.			89								20	1907	70	1902
Am. Sugar Ref.	114⅜	116	114⅜	500	113	Aug	12	121⅞	June	14	85	1897	182	1909
do. pref.	...	...	118	.....	111	Jan	5	119½	Feb	14	66½	1899	142	1905
Am. Tob. pref..	97	97½	88	4,600	87	Aug	24	102	May	23	60	1907	151½	1902
Anaconda||	36⅛	36⅝	35⅜	2,300	35⅜	Aug	24	41¾	June	20	11 25	1907	70⅜	1907
Br'k Un'n Gas..	...	...	140	.....	135	Jan	3	145½	June	8	30	1907	253	1902
Central Leather.	25⅜	26	24	1,500	23⅜	Aug	24	33⅜	Feb	2	11⅞	1907	51⅜	1909
do. pref.	96	98	96	200	90¾	Aug	10	105	Feb	10	68	1907	111	1907
Colo. Ind. 5s....	73½	74	74	16,000	73	Aug	12	79½	Feb	22	30	1907	85½	1908
Colo. F'l & Ir'n.	29½	30½	28⅝	2,000	27⅞	Aug	17	36⅜	Feb	6	14	1907	136½	1901
do. pref.	...	...	110	.....	110	Aug	5	110¾	Jan	9	30	1907	142¾	1901
C. & H. V. Co'l & Ir.	...	...	14½	.....	4	Feb	9	4	Feb	9	⅝	1896	92½	1910
Consolid't'd Gas.	133⅜	138	134½	11,300	133	Aug	17	146¼	June	6	67	1897	243¾	1897
Con. Tobacco 4s.	63⅜	63	62⅜	52,000	61¼	Jan	11	69¼	July	10	61¼	1909	85⅜	1910
Corn Prod'ts R.	12⅜	13	12⅜	1,500	12¼	Aug	16	15⅜	May	17	3	1907	28	1906
do. pref.	77½	77½	77½	100	74½	Jan	16	85	May	29	46	1907	93¼	1910
Dist. Secur.....	30⅜	32¼	31½	1,100	30½	Aug	14	38¼	June	6	19½	1904	78	1907
Fed. M. & Smlt.	...	...	25¼	.....	17¾	Jan	28	36	Feb	16	4¼	1904	199	1906
do. pref.	...	...	60¾	.....	48¼	Jan	11	66½	May	19	47	1907	112¾	1905
Goldfield Con....	5½	5⅝	5½	3,700	5¼	Aug	18	7⅜	Jan	2	3⅜	1907	10	1910
Internat. Paper.	10¾	11	11	800	9¼	Apr	27	13⅜	Feb	3	7½	1907	65½	1899
do. pref.	47	47⅜	47⅜	900	44⅜	May	15	56⅜	Jan	21	47	1909	95	1899
Inter. Power....	...	...	39	.....							23	1907	199	1902
Inter. Stm. P'mp	34	36	34½	1,000	32¼	Aug	12	44	Feb	10	7⅜	1907	69	1905
do. pref.	...	...	87	.....	84½	Jan	26	90½	June	12	80	1907	95	1910
Nation'l Biscuit.	133	134	133	65	112¾	Jan	17	141	Apr	4	21	1906	120	1909
do. pref.	127⅜	127⅜	127⅜	100	124	Jan	26	130	Feb	4	79½	1906	130	1909
Nat. En. & St'g.	16⅝	17	16⅝	300	16⅝	Aug	22	22	July	24	8½	1907	96	1903
do. pref.	93⅝	96	96	30	85	Jan	6	100⅜	July	22	70	1906	104½	1909
Nat. Lead.....	50	51	50	1,200	49½	Aug	17	55⅜	Mar	15	13½	1903	95⅜	1906
do. pref.	106	108	108	100	105¼	Mar	24	109⅜	Aug	15	48	1892	115	1906
N.Y. Air Brake.	66	67½	68	300	63	Aug	17	76	June	19	14	1899	168⅜	1907
North Amer. Co.	70	71	70	1,700	64	Jan	19	76¼	May	22	21½	1899	134	1902
Pacific Mail.....	20⅜	20	20⅜	2,100	22¼	Apr	24	30½	Aug	11	8½	1907	70	1905
P'ple's G. L. & C.	103	103⅜	103½	150	103	Aug	18	109	Jan	19	39	1897	120¾	1899
Pressed St'l Car	32½	32½	30½	1,200	30½	Aug	24	37⅜	July	5	15⅜	1907	65⅜	1903
do. pref.	97	98	97	200	92½	Jan	2	102⅜	June	16	52½	1907	111⅜	1909
Ry. St'l Spring.	31½	32½	31½	1,100	30½	Aug	12	39	June	14	15⅜	1904	67¼	1905
do. pref.	...	...	101½	.....	92	Jan	2	102¼	May	24	67	1903	109	1909
Rep'b Ir. & St'l.	25⅜	27	26	5,100	25	Aug	17	35½	Feb	6	6	1904	49½	1909
do. pref.	90	92	90	700	90¼	Aug	16	99⅜	Mar	14	36⅜	1907	111½	1909
Sloss-Sh. S. & I.	42	42	42	100	42	Aug	24	54½	Feb	6	17½	1900	118½	1907
do. pref.	...	...	112	.....	112	Feb	15	112	Feb	15	59½	1900	130	1907
T. Pac. Ld. Tr..	86	86	86	100	86	Aug	18	92	Jan	24	5	1898	95	1910
Un. Bag & Pap.	6	6¾	6½	500	5⅝	Aug	16	9	Feb	10	3⅜	1904	45	1909
do. pref.	56	58	58	250	54	Aug	11	59¼	Jan	30	36	1900	89	1899
U. S. Cast I. P. & F	13	14	14	1,600	13	Aug	23	19	Feb	24	8	1901	53	1906
do. pref.	47½	47½	47½	200	46¼	Aug	17	59¾	Feb	24	32	1907	92¾	1905
U. S. Express...	...	...	90	.....	90	Aug	11	104	Feb	1	35	1856	160	1907
U. S. R'lty & Imp	67	67	67	100	65¼	Jan	25	79¾	May	29	36	1907	86¼	1907
U. S. Rubber....	36½	38¾	37¾	3,000	37¾	Aug	12	47¾	Mar	1	7	1908	64¾	1892
U. S. Rubber pf.	109½	110¾	109	110	109½	Aug	22	115½	July	7	30¼	1907	122¼	1899
U. S. Steel.....	70¾	73¾	72¾	327,970	70¼	Aug	24	82¼	Feb	6	8¾	1904	91	1910
do. pref.	114¾	116¾	114¾	39,710	113¾	Aug	22	120⅝	Feb	4	49¾	1903	125¾	1910
do. 5s	104½	104⅞	104½	172,000	103¾	Jan	4	106⅞	May	27	65	1903	106½	1910
Utah Copper....	42⅜	43⅜	43½	1,800	42⅜	Apr	18	52	June	14	18	1907	67¼	1909
Virg. Car Chem.	54	55⅝	54	3,000	53½	Aug	17	70⅜	Feb	28	12½	1907	72	1901
do. pref.	118	119⅝	118	1,300	118	Aug	23	128½	Mar	15	75	1907	133⅜	1902
West. Un'n Tel.	74⅜	76½	75	5,500	71⅜	Mar	20	84¾	May	26	41	1903	137¾	1881
West. Mfg. Co..	64⅜	66⅜	65	3,200	64½	Aug	16	79	May	29	20¼	1908	154	1907
do. pref.	112	115	114	500	110½	Aug	16	123	Jan	5	48½	1895	160	1907

* Ex-dividend. ** New. † Assessment paid. ‡ Ex-rights. ‖ Price bid. ¶ Price asked. § Old securities. ‖ Certificates. x Ex-interest. ||| Par value basis. *** Receipts.

impossible, it seems to me, that some of the individual shareholders have been liquidating a portion of their personal holdings, possibly as an expression of disgust at the attitude of the Department of Justice towards corporations generally. However, I do not believe that the prospects of a re-organization of the Standard are so depressing to the big shareholders that they are willing to sacrifice their investment simply for the sake of discrediting or attempting to discredit the government. Apparently, therefore, Wall street is little nearer the true explanation of the selling movement than it was a fortnight ago.

MORE DIVIDEND RUMORS.

The attempt to create a feeling of distrust towards Union Pacific by casting doubts upon the permanency of the dividend rates having proved so remarkably successful, the bear leaders are using a similar argument in attacking the position of other stocks and through them the entire list. Strangely enough, no one has yet seen fit to question the permanency of the Canadian Pacific dividend rate, but the other two 10 per cent stocks on the railroad list, Union Pacific and Lehigh Valley, have been hammered viciously, largely because of the active imagination of the bears, and the excessive credulity of the public generally. I do not mean by this that there has been any remarkable shaking down of investment holdings, for such has not been the case, but I am inclined to believe that investment buying of such shares as Union Pacific, Lehigh Valley, Southern Pacific and New Haven has been restricted to some extent at least by apprehensions as to dividend reductions. The Lehigh Valley is earning its 10 per cent dividends, and probably with a very fair margin to spare, as the forthcoming annual report will show. Including the income derived from the Lehigh Valley Coal Company, it is probable that something like 15 per cent will be shown available for dividends. Lehigh Valley shares, which have sold this week under 164, were quoted nearly 20 points higher earlier in the year, and certainly, there has been no change in the company's position which would justify such a sweeping decline.

A PLEASING CONTRAST.

In contrast to this gloomy talk come intimations of increased earnings, and larger dividend payments in other quarters, both railroad and industrial shares being included. For instance, the time is close at hand for dividend action on Southern Railway preferred as a sequel to the payment of one per cent made on this issue last spring, the first in several years. The record-breaking earnings recorded by the company in the last fiscal year, sufficient to pay a full year's 5 per cent dividend on the $60,000,000 preferred, and at the same time leave a balance equal to about 2 per cent on the $120,000,000 common outstanding, are expected to result in a payment of 2 per cent as a semi-annual disbursement within the next few years. The heavy cotton crop should mean continued prosperity for the Southern for some months to come, even in the face of the fact that the partial failure of the peach crop in the South has

Digitized by Google

had a somewhat depressing effect upon recent earnings.

AMERICAN BEET SUGAR.

In the industrial list, American Beet Sugar is attracting more than a little attention at the present time because of material evidences of prosperity. In the fiscal year ended March 31 last, the company earned 10.96 per cent on its common stock, as against 7.31 per cent in 1910, 6.98 per cent in 1909, and 4.26 per cent in 1908. It seems more than likely that this steady rate of growth will be maintained during the current year and that the next annual report will show 14 or 15 per cent earned on the common. It seems to me, however, that it is hardly safe to argue from these large earnings that the junior stock issue will be placed upon a dividend-paying basis during the next few months, although I am aware that predictions are being made of the inauguration of a 4 per cent rate this coming fall. With tariff uncertainty as pronounced as it is at the present time, it is doubtful if the Beet Sugar management would care to advertise its prosperity by beginning common stock dividends.

MERCANTILE MARINE PROBERS.

The International Mercantile Marine Company is another company which is evidently enjoying substantial prosperity. This company in the last fiscal and calendar year showed gross earnings of over $36,600,000, which was about $1,400,000 less than the total earnings of the banner year of 1907, although the surplus after charges was considerably larger, being equal to 9.37 per cent on the preferred stock, as against 7.79 per cent on that issue in 1907. It is not at all unreasonable to expect that the end of the present year will bring with it earnings as large as those of 1910 and 1911.

THE FORECASTER.

FINANCIAL SUMMARY.

(Continued from page 1443.)

cember 31, in order to conform to the United States corporation laws. It is expected that steps will be taken to list the company's common stock on the Chicago exchange, when A. Becker returns from Europe after September 1.

International Steam Pump Co.—Net profits of this company for the quarter ended June 30 were $570,459, a decrease of $46,415. After allowing for depreciation, interest charges and dividend on the preferred, together with the reserve for sinking fund, there was a surplus left of $32,793, a decrease of $56,545. Orders taken during the three months ended June 30 were 15 per cent greater than the bookings for the same period last year.

National Candy Co.—A Wall street telegram from St. Louis says that the National Candy Company has passed its dividend on the common stock, which for eighteen months has been paid at the rate of 2 per cent a year. Earnings have shown no material decrease, but the directors state that the dividend money can be better used in the business.

New England Water Power Co.—This company has recently been incorporated under the laws of Massachusetts, and has a capital of $1,500,000, divided into 7,500 preferred and an equal number of common shares. This company is backed by the same interests which successfully launched the Connecticut River Power Company, and has made an underwriting agreement with a banking syndicate, headed by Baker, Ayling & Company, of Boston, in pursuance of which $3,000,000 5 per cent 40-year gold bonds and $750,000 6 per cent cumulative preferred stock will soon be issued for hydro-electric development of the Deerfield River. While the engineering estimates call for the financing for some 25,000-horse power, this is likely to be only a step in the eventual development of Deerfield River water power rights now controlled by the same interests. It is figured that eventual development will entail expenditures of between $12,000,000 and $14,000,000. It is planned to connect the Deerfield River lines with those of the Connecticut River Power Company, making it possible for the combined system to serve a wider territory.

New York, New Haven & Hartford Railroad—According to a statement made by a Connecticut director of the New Haven, the present policy of expansion of the New Haven may be disquieting to some of the stockholders, but the future is clear to President Mellen and his associates. If the stockholders, he says, will be content to receive 8 per cent and pay no attention to fluctuations in the shares while the company is going through rejuvenation and unification, their patience will eventually be well awarded.

Pacific Light & Power Co.—Stockholders of the Pacific Light & Power Corporation of Los Angeles on October 9 will meet to authorize a new issue of $35,000,000 bonds, of which a sufficient amount, it is stated, will be reserved to retire not to exceed $9,015,000 outstanding bonded debt of certain subsidiary companies, and also the corporations present $3,000,000 collateral trust 6 per cent five-year gold bonds. It is reported that arrangements have been made to sell $10,000,000 of the new issue.

Philadelphia Electric Co.—This company will close its fiscal year on December 31 with a very large surplus. The Street expectation that some of this surplus is to be distributed, either in the form of an increased dividend rate, or by marking up the paid-in value of the stock, is regarded in well-informed quarters as well founded.

Rocky Mountain Bell Telephone Co.—Stockholders of this company will meet August 27, at the offices of the Mountain States Telephone & Telegraph Company, in Salt Lake City, to ratify the action of the directors in disposing of the properties of the Bell company to its successor the Mountain States Company. The action of the stockholders will wind up and liquidate the affairs of Rocky Mountain Bell Telephone Company. There are various rumors current as to the basis of transfer. Some claim it will be on a basis of 60 per cent, and that the new company will guarantee a dividend of 7 per cent on the stock.

Southern New England Railway Co.—This company has been incorporated in Massachusetts to operate the Grand Trunk's New England division from Palmer to Providence. The new company has an authorized capital stock of $1,000,000.

Street's Western Stable Car Line (Chicago).—This company's officials expect to have paid off before the annual meeting one-half of the $100,000 indebtedness at the banks, inherited from the previous management. They look for better demand for their equipment this fall, and possibly slightly higher rentals. The cars have been kept in good shape for railroad requirements. There is prospect of dividend resumption in a small way on the preferred stock next year, but there is nothing in sight for the common stock.

Texas Co.—This company's stock sank to 56, or 58 points under the high price of 144 recorded in 1910. Liquidation of the stock was due to a rumor that the company's oil supply was diminishing, but the report that the dividend would be reduced from 10 per cent a year to 5 per cent received more credence.

United Fruit Co.—Owing to the remarkable fruit season which United Fruit is enjoying, it is estimated that, despite the decrease in profits from the sugar end of the business and the failure of Nipe Bay to pay a dividend on its $3,500,000 common stock, the company will show earnings of better than 22 per cent on its outstanding stock for the fiscal year, which ends September 30.

United States Cast Iron Pipe & Foundry Co.—Directors of this company voted to omit the usual quarterly dividend of 1¼ per cent on the preferred stock for the three months ending August 31. Earnings were said to be more than sufficient for the dividend, but the management thought it advisable to take additional properties and make improvements.

United States Steel Corporation.—This corporation is operating more capacity at present than for eight months past. At present rate of production, about 80 per cent of ingot capacity, it is turning out nearly 14,500,000 tons of ingots a year. This rate is much larger than any full year's showing in the corporation's history. Of course, it can hardly be expected that present operations will be maintained for any great length of time. However, even if the corporation can operate on the average as low as 70 per cent of ingot output for the rest of the year, although it should be much larger, its showing at the close of December 31, next, will be favorable.

Vulcan Detinning Co.—That a larger dividend disbursement will be made to the preferred stockholders of the Vulcan Detinning Company in the October quarter than the 1¼ per cent that has been paid for the past year is confirmed by interests familiar with the affairs of the company. It has not as yet been decided whether the annual rate will be increased or an extra payment ordered. There are dividends amounting to 21 per cent, due on the preferred stock, which is 7 per cent cumulative.

Western Pacific Railway.—According to President Jeffery, July gross earnings of the Western Pacific amounted to $421,000, or at the rate of $5,000,000, and August and September returns were expected to be still larger. He added, however, that it would probably be necessary for the Denver & Rio Grande to advance all the money needed during the current year for interest on Western Pacific bonds, as the net earnings of the latter road would be used for developing the property. On the other hand, he said, the time had passed when it would be necessary for the Denver & Rio Grande to advance money to the Western Pacific on account of construction.

Almoloya Mining Co.
60 Wall St., NEW YORK

FOR
Oil and Gas
Land Leases
WRITE
C. W. DEMING &
D. C. ACOSTA, Inc.
Tulsa, Okla.

FOR HIGH GRADE
OIL STOCKS
WRITE
EQUITY BOND & SECURITY CO
37 WALL STREET, NEW YORK CITY

EMNAHA GOLD MINING COMPANY
Incorporated under the laws of the State of Idaho. Capitalization, $500,000, divided into 500,000 shares. Par value $1.00 per share. Of which 200,000 shares have been placed in the Treasury, for the development of the property.
This Company owns and controls nine claims on Battle Creek, Imnaha, Willowa Co., Ore., on which there are three well defined parallel veins, carrying very rich gold quartz. A limited amount of the shares of the stock have been sold.
For full particulars, address
JOHN SENNETT, Treasurer
79 Milk Street, Room 602 Boston, Mass.

Digitized by Google

The Best Purchases on the Railroad List

As Indicated by the Two Standards of Comparison: of Present Investment Yield on Basis of Current Dividends and Prevailing Market Price, and on Basis of Present Earnings on Prevailing Market Values.

The average net yield of the 50 railroad stocks quoted in the following table was 5.26 per cent on August 23, as compared with 5.33 per cent on August 16, 5.34 per cent on January 4, and with 4.71 per cent on January 2, 1910.

Reports of sweeping economies and of dividend reductions continue to be employed by Wall Street manipulators as bear ammunition. The announcement that the Harriman roads are laying off a large number of men has been made the most of by these manipulators, and has served to cause further unsettlement in market values. Those who are so rash as to jump at the conclusion that the leading railroad systems of the country see disaster ahead of them are doubtless overlooking the fact that the Harriman lines have been made the target for restrictive legislation, on the one hand, and of new demands from the labor party on the other hand. It is to be presumed that the latest move in laying off men means an acceptance of labor's challenge, and that the matter will now be fought out between the railroads and the union. The assumption that similar methods are being followed by other railroads in various sections of the country is not fully justified by the facts, for the officials of other important roads say that they are not as yet reducing their working forces to any substantial extent. In fact, the Pennsylvania now announces that on its lines retrenchment is virtually over, and the company is now employing as many men as it can get, and instead of laying them off is taking them on.

Regarding dividend reductions, the market has already had a taste of what the rumor mongers can accomplish in the sensational decline in Union Pacific common, accompanying the absurd report to the effect that the 10 per cent dividend rate would suffer an early reduction. Another 10 per cent stock, Lehigh Valley, is now being attacked on similar grounds, and apparently with little more reason. True, the Lehigh Valley's margin over the 10 per cent rate will not be nearly as large as that shown by the Union Pacific in the last fiscal year, yet it is probable that a surplus of about 13 per cent will be shown on the stock, whereas recent reports have attempted to create the impression that the forthcoming annual report would show less than 10 per cent earned. For one thing, there will be a decrease in charges, as a result of the retirement of $6,000,000 of bonds a little less than a year ago. Moreover, the Lehigh Valley is in a strong position regarding cash resources as a result of the sale of $20,000,000 additional stock during the course of the past year. Of course, a report showing 13 per cent earned on the stock, as compared with over 18 per cent a year ago, might strike the casual observer very unfavorably, but that $20,000,000 stock increase must be taken into account as explaining the wide difference between the earnings for the 1911 and 1910 fiscal years.

Baltimore & Ohio, the first of the railroads to issue its July report, is evidently economizing, in no half-hearted manner, for although gross earnings decreased $226,000, a much larger decrease was made in expenses, so that an increase in net of $121,000 resulted.

STOCKS SHOWING BEST INVESTMENT YIELD.

Present rank.	Stock.	Present dividend.	Price.	Yield on present price.
1	Toledo, St. L. & W., pref....	4%	42	9.52
2	Detroit United.....	5%	74	6.76
3	Chesapeake & Ohio, com....	5%	74	6.76
4	B. R. T.....	5%	76	6.58
5	St. L. & San F., 1st pref.....	4%	64	6.25
6	St. Paul, com.....	7%	115	6.09
7	M., K. & T., pref.....	4%	66	6.06
8	Lehigh Valley.....	10%	165	6.06
9	K. C. Southern, pref.....	4%	66	6.06
10	N. Y., N. H. & H.....	8%	134	5.97
11	Baltimore & Ohio, com.....	6%	101	5.94
12	St. Louis S. W., pref.....	4%	68	5.88
13	Northern Pacific.....	7%	119	5.87
14	Union Pacific, com.....	10%	171	5.85
15	Atchison, com.....	6%	106	5.66
16	Great Northern, pref.....	7%	124	5.64
17	Twin City R. T., com.....	6%	107	5.61
18	Delaware & Hudson.....	9%	165	5.45
19	N. Y., C. & St. Louis, com. .	3%	55	5.45
20	Colo. & Southern, 2d pref....	4%	75	5.33
21	K. C., F. S. & M., pref.....	4%	75	5.33
22	P., C., C. & St. Louis, com...	5%	94	5.32
23	C., C., C. & St. L., pref.....	5%	94	5.32
24	Southern Pacific, com.....	6%	113	5.31
25	C., St. P., M. & O., com.....	7%	132	5.30
26	M., St. P. & S. S. M., com...	7%	133	5.26
27	Colo & Southern, 1st pref....	4%	78	5.13
28	Illinois Central.....	7%	140	5.00
29	N. Y., O. & W.....	2%	40	5.00
30	Chicago & N. W., com.....	7%	140	5.00
31	Pennsylvania	6%	121	4.96
32	Atlantic Coast Line.....	6%	122	4.92
33	Atchison, pref.....	5%	102	4.90
34	Louisville & Nashville.....	7%	143	4.90
35	Norfolk & Western, com.....	5%	103	4.85
36	New York Central.....	5%	104	4.81
37	Western Maryland, pref.....	4%	85	4.71
38	M., St. P. & S. S. M., pref...	7%	150	4.66
39	St. Paul, pref.....	7%	152	4.60
40	Baltimore & Ohio, pref.....	4%	87	4.60
41	Norfolk & Western, pref.....	4%	90	4.44
42	Union Pacific, pref.....	4%	91	4.40
43	Central of New Jersey.....	12%	275	4.37
44	Buffalo, R. & P., com.....	5%	115	4.35
45	Canadian Pacific.....	10%	232	4.31
46	Reading, com.....	6%	144	4.17
47	Colorado & Southern, com...	2%	50	4.00
48	Boston & Maine.....	4%	103	3.88
49	D., L. & W.....	20%	540	3.70
50	Southern Railway, pref.....	2%	69	2.90

STOCKS SHOWING BEST EARNINGS.

Present rank	Stock.	Price.	Earning on present price.
1	St. Louis & San F., 1st pref.....	42	24.15
2	Erie, 1st pref.....	50	22.90
3	M., K. & T., pref.....	66	20.65
4	Detroit United.....	74	16.70
5	Hocking Valley, com.....	128	15.00
6	Southern Railway, pref.....	69	15.00
7	K. C. Southern, pref.....	66	14.30
8	K. C. Southern, com.....	30	17.61
9	Buffalo, R. & P., com.....	115	11.15
10	P., C., C. & St. L., com.....	94	11.00
11	C., St. P., M. & O., com.....	132	10.90
12	Colo. & Southern, com.....	50	10.45
13	Atlantic Coast Line.....	122	10.15
14	Union Pacific, com.....	171	9.75
15	Atchison, com.....	106	9.60
16	Louisville & Nashville.....	143	9.10
17	St. Louis S. W., pref.....	68	9.00
18	Norfolk & Western, com.....	103	8.90
19	Erie, com.....	30	8.65
20	Twin City R. T., com.....	107	8.45
21	Southern Pacific, com.....	113	8.35
22	Central of New Jersey.....	275	8.05
23	C., C., C. & St. Louis, com.....	53	7.90
24	Baltimore & Ohio, com.....	101	7.70
25	B. R. T.....	76	7.65
26	D. & R. G., pref.....	54	7.40
27	Delaware & Hudson.....	165	7.05
28	Chesapeake & Ohio, com.....	74	6.80
29	Illinois Central.....	140	6.70
30	Northern Pacific.....	119	6.60
31	Canadian Pacific.....	232	6.60
32	N. Y., N. H. & H.....	134	6.50
33	Lehigh Valley.....	165	6.45
34	M., K. & T., com.....	32	6.20
35	D., L. & W.....	540	6.20
36	Great Northern, pref	124	6.15
37	M., St. P. & S. S. M., com.....	133	6.10
38	Chicago & N. W., com.....	140	5.90
39	St. Paul, com.....	115	5.85
40	Pennsylvania	121	5.60
41	Toledo, St. L. & W., pref.....	42	5.40
42	Reading, com.....	144	5.20
43	New York Central.....	104	5.05
44	N. Y., O. & W.....	40	4.90
45	Chicago Gt. Western, pref.....	38	4.90
46	Chicago & Alton, pref.....	52	4.70
47	Rock Island, pref.....	50	4.70
48	Western Maryland, pref.....	85	3.90
49	Boston & Maine.....	103	2.25
50	Missouri Pacific.....	42	0.80

Digitized by Google

UPON PRESENTATION

at the Office of

THE MIDDLESEX BANKING COMPANY

OF MIDDLETOWN, CONN.

DEBENTURES of Series E13, maturing October first, and Series E14, maturing November first, WILL BE PAID at par with interest to the date of payment.

OUR NEW INVESTMENT PROPOSITION

is as

Sound and secure as a good bank and pays large dividends.

First class representatives wanted; must be men of good standing in their community

SECURED INVESTMENT TRUST

92 STATE STREET, BOSTON

6% NEW YORK CENTRAL REALTY BONDS

A Good Investment

To investigate is the six per cent Realty Bond of the New York Central Realty Company issued in denominations of $1,000. $500. and $100.

It offers a high grade of security, a liberal cash availability and an interest earning of 6%.

WRITE for booklet illustrating the methods of the Company, describing its bonds, their redemptive privileges and advantages over other Realty securities. Everybody knows us.

New York Central Realty Co.

Suite 1190, 1328 Broadway, Cor. 34th St., New York City

CAPITAL AND SURPLUS, $1,464,588.34

6 PER CENT INTEREST PAID

By Coupon on Bonds Secured by Well Selected New York Real Estate.

"We Deal in No Other Securities"

THE DEBENTURE CORPORATION OF NEW YORK

334 Fifth Avenue New York City

Corporation Organizers

Delaware charters are inexpensive and perpetual, and permit stockholders and directors to hold meetings anywhere. The law is more stable, and grants greater powers than other states. $1,142,434,400 of capital organized in Delaware during 1910—double that of New Jersey or elsewhere. In selecting an agent to organize and represent your company, get the best—it will be cheaper and safer in the end and will add prestige to your enterprise. Lawyers' and Brokers' business a specialty. Corporation Law and forms sent on request.

MERRICK SECURITY & TRUST CO

Wilmington, Del.

WANTED

Hudson River Elec. Power 5s
Hutchinson Water, Lt. & Gas 5s
Topeka Water Co. 5s
Hurley Water Co. 4s
Seattle-Tacoma Pfd. Stock
Santa Fe Co., N. M., Bonds

H. C. SPILLER & CO.

Specialists in Inactive Bonds

27 STATE STREET BOSTON

Utah Copper Stocks

Write for my weekly Market Letter.

WM. H. TIBBALS,
Salt Lake City, Utah.

6% BONDS For Investing July Dividends

These two forms of 6% Gold Bonds of the American Real Estate Company—

6% Coupon Bonds

For those who wish to invest $100 or more.

6% Accumulative Bonds

For those who wish to save $25 or more a year.

—offer to careful investors a time-tried and conservative plan to increase their income or to place their savings where they will secure the greatest safety, pay the highest interest return consistent therewith, and be convertible into cash.

A-R-E Six's are safe, because they are backed by assets of $23,000,000 and capital and surplus of $2,000,000. They have paid 6% for 23 years, returning to investors more than $7,000,000 in principal and interest.

Booklet describing Bonds and properties on which they are based, map of New York City showing location, and financial statement sent on request.

AMERICAN REAL ESTATE COMPANY

Capital and Surplus, $2,011,247.80
Founded 1888 Assets $23,026,889.67

527 Fifth Avenue, New York

FUNDING COMPANY OF AMERICA

40 EXCHANGE PLACE, NEW YORK

INVESTMENT DEPARTMENT deals in Government, State, Municipal, Railroad, Public Service and Industrial Bonds and other high grade securities.

UNDERWRITING DEPARTMENT solicits correspondence with Railroad, Public Service and Industrial Corporations desirous of procuring funds, through first mortgage bond issues, for improvement or extension purposes.

FISCAL AGENCY acts as registrar and transfer agent for securities of Municipal, Railroad and other corporations.

OFFICERS AND DIRECTORS

Edward Staats Luther
President

Charles W. Abrams, Treasurer — John. W. Harding, Secretary

Howard S. Kennedy
Vice President Chief, Peabody & Co., Troy, N. Y.

A. H. Phelps, Director First National Bank, New Berlin, N. Y.

James D. Abrams, President Hudson Yacht & Boat Company, Nyack, N. Y.

SIX NUMBERS FREE

Financial Converse (published every two months) answers more questions on mines than any periodical published. S. F. Campbell, of Chicago, says: "This paper is worth more than any other mining publication in the United States." Cut this out and send for six copies free covering the next year.

FINANCIAL CONVERSE

339 Monadnock Block, Chicago, Ill.

INDIANA ARIZONA COMMER'L

Our weekly market letter mentions the above, also Shannon, Boston & Corbin, N. Lake, Corbett, Hancock, "Porcupines," and "Coppers" and "Curb" stocks in general. Mailed free upon request.

"Coppers" and Curb Stocks bought and sold for Cash or Carried on Margin

H. A. BROWN & CO.

Members Boston Curb Exchange

60 State St., Boston — 74 Broadway, New York

PORCUPINE

Get in RIGHT or keep out. THE BOSTON DEVELOPMENT COMPANY, LIMITED, is operating along the right lines. Large acreage, conservative capitalization. For prospectus, engineer's reports, etc., address

A. S. FULLER & COMPANY
CANADIAN INVESTMENTS,
407-8-9 Old South Building, Boston, Mass.

BENNETT'S INFORMATION AGENCY

INVESTMENT DEPARTMENT

The wisest men in the United States are those who never make a new investment which they consider good, and never get rid of an old investment which they consider bad, until they have made an investigation of the merits of the investment through BENNETT'S INFORMATION AGENCY.

CONGRESSIONAL INFORMATION

We attend to business at the Treasury Department as well as before Congress, the Courts, and all departments of the United States government, through our Washington office, 26 Corcoran Building, and through our staff of Washington correspondents. If you desire any information from Washington, or any business transacted at the National Capital, we shall be pleased to perform the desired service for our subscribers.

PROBATE DEPARTMENT

Information respecting probate matters in any town or city of the United States is furnished to our subscribers gratuitously if the inquiry is answered through the columns of the INVESTOR, or for $2.00 if the reply is by private letter.

LEGAL DEPARTMENT

Questions answered by prominent attorneys upon any desired subject for $2.00 each.

MERCANTILE DEPARTMENT

A report regarding the standing and reliability of any firm or individual in the United States furnished for $2.00. Our information goes into the character and individuality of members of a firm and its methods of doing business.

MISCELLANEOUS QUESTIONS

Inquiries of any sort answered for $2.00 each. Send for descriptive pamphlet of the agency.

REAL ESTATE DEPARTMENT

A report upon any piece of property in the United States furnished for $2.00.

Conducted by

Frank P. Bennett & Co., Inc.

538 Atlantic Ave., BOSTON.
308 Chestnut St., PHILADELPHIA.
2 Rector St., NEW YORK.

INDUSTRIAL SAVINGS AND LOAN COMPANY

BROADWAY AND 42ND ST., NEW YORK

Established 18 years, under New York Banking Law — Assets $2,250,000

5% PER ANNUM

$25 to $3,000 may be deposited or withdrawn on any date desired—earnings credited for full time. For 18 years we have never paid less than 5% per annum. ¶ A good place for your temporarily idle money.

WRITE FOR FULL PARTICULARS

Digitized by Google

GENERAL LIBRARY,
UNIV. OF MICH.
SEP 4 1911

United States Investor

Copyright 1911, by Frank P. Bennett & Co., Inc.

Volume XXII. BOSTON, NEW YORK AND WASHINGTON, SEPTEMBER 2, 1911 Number 35

Ambitious New York Bank

A national bank of modest size, located several blocks north of City Hall, in New York City, recently aroused some comment by announcing among its friends that it intends to become a great central reserve agent. It was not created by its incorporators with any such purpose. Indeed, it has been placed in a part of the city where the surroundings would distinctly invite it to engage most actively in other kinds of banking. Great stores are close at hand and a teeming residential section. Some of the larger hotels of the city are within a few blocks of its doors, and the huge balances which they carry at bank might naturally be enticed into the custody of this very handy institution of deposit. Within this quarter, too, an active demand for the facilities of a good bank of discount for commercial paper must be experienced. Consequently, when it made public its determination to find a field for activity in that rather different line of banking, namely that of acting as a reserve agent as well as a commercial bank, it indicated an intention to enter upon fields for which it had not originally been designed, and for which its environment was somewhat extraordinary.

Not in the Usual Location

Comment was aroused more, however, by quite another consideration than that it was seeking to do business different in character from that which its founders would have sought. There is a notion in many minds, and some hard-headed bankers share it, that to be a success as a central reserve agent a bank must be located pretty well towards the extreme southern end of the Island of Manhattan. It is an actual fact that the banks north of City Hall have, on the whole, shown little more than passing enthusiasm for the accounts of other banks. To tell the truth, there could well be, without the slightest danger to the finances of the country, a different reserve law for the banks of New York City that are not in the immediate proximity of Wall street or streets radiating therefrom. The volume of deposits of other banks, which any national bank north of City Hall holds, is not so considerable as to require the maintenance of a larger cash reserve than a bank in Boston or Philadelphia would hold. If Congress were to enact that these up-town banks should be permitted to do business with an idle cash reserve of but 12½ per cent, as the banks of the ordinary reserve cities do, outside of New York, Chicago, and St. Louis, no one would be wronged, and only decent consideration would be shown these banks. There is nothing in the nature of their business, and nothing hazardous about their conduct which requires the large reserve of 25 per cent. That reserve need be exacted only of those down-town institutions which really do hold a good deal of reserve deposits.

The Reason

Of course the real reason why the up-town banks do hold so small a volume of deposits of other banks is entirely creditable to them. They lack nothing of the quality that the best reserve agent should have. Their management is not mediocre, and their strength is beyond question. Perhaps that is why some of the mystic-minded think there is something almost occult in the disposition of reserve balances to cling to banks south of City Hall. They can discover no logical reason why these funds should not flow with equal freedom to the banks north of that point. But, of course, in reality there is nothing occult about it. The fact is, that the banks up-town have not of late years fought for the business with the same zest that has animated the down-town institutions, and in these days only a stiff contest can obtain balances from out-of-town institutions for any reserve bank. In banking, as in other lines of business, the day is gone in which the customer sought the vendor. Now it is the customer who has to be sought, and the vendor must go to all sorts of labor to persuade him to do business. The bank which would obtain accounts from other banks must compete actively for them. Every country bank whom it urges to deposit with it is being urged at the same time by the representatives of numerous other banks to patronize them instead. The institution which the out-of-town bank finally patronizes is the one which has offered it the best inducement, or made a clever appeal to it on some sentimental ground. It never patronizes the bank which left it unsolicited. The indisposition of the up-town bank of New York to mingle in a scramble for accounts of other banks with the down-town institutions is the real cause for the small volume of out-of-town bank deposits at the national banks north of New York's municipal buildings.

A Field for Specialists

Truth to tell, this indisposition rests upon a logical basis. Banking, as other professions, is becoming a fruitful field for specialists. Within every banking institution now are numerous employes who know only one part of the banking field thoroughly, and are densely ignorant of the other activities of the banking industry. There is the transit man, who knows all about the routing of items and knows nothing at all about credits. There is the credit man, whose ability to handle the transit department would be accurately valued if set down at zero. There is the bookkeeper, whose widest dreams are not half so complex, or so baffling to him as a single day in the check tellers' room would be. Finally, in your very big banks are publicity men, travelling men, and perhaps real estate experts who know absolutely nothing about the banking art itself. It is not surprising, therefore, that a bank shows a disposition to specialize in those departments which happen to appeal to the experience of those who are at the head of its affairs. If the president and cashier have always had an interest in the collection business, in the solicitation of balances from other banks, and in the routing of checks and drafts for prompt and economical collection, they are almost certain to steer their craft into the business of the reserve agent. They will seek large volumes of business from out-of-town banks. If, on the other hand, their specialty has been with commercial accounts, they

Digitized by Google

will show little interest, if not positive distaste, for out-of-town bank accounts. Now, the up-town banks of New York City are largely in the hands of men whose major interest is in banking for mercantile houses. They know credits to an exact science, almost. They know nothing for the most part about the various devices a skilful transit man uses for handling his items sagaciously. That isn't their specialty. They have found the up-town section with its miles upon miles of business blocks a fertile ground for that which is their specialty, and they have cultivated this type of business. They have a vague notion that the collection business, which is necessarily involved in any considerable volume of reserve balances, is something to which their particular skill is not adapted. In consequence, they have not sought the business.

Starting Right

Consequently, it is not at all certain that this up-town bank, which has determined to make itself a big institution and to solicit accounts of out-of-town banks with this end in view, is foreordained to disappointment. It appears to be going about its new enterprise with good sense. It has appreciated the need of having these accounts handled by a specialist. It is not endeavoring to leave to its old employes the conduct of this new line of banking activity. It can see readily enough, as some other up-town banks have failed to discern, that mere faithfulness and intelligence, such as its older employes possess, are not edequate equipment for this new work. It must be in the hands of some one who has been through the mill with some other bank that has made a success as a reserve agent. Such a man it has added to its staff. In his hands the items which this bank receives each day in the deposits of its mercantile customers can be made a most enticing bait for balances from out-of-town banks. If this bank had left the disposal of these items to other hands, not so skilled in the art of soliciting bank accounts, they would prove nowhere near so fruitful of business.

An instance comes to mind this minute which substantiates this assertion completely. In a certain reserve city of the middle West, a clever assistant cashier, skilled in the art of dealing with other banks, has been able to add some $600,000 of deposits of other banks to the assets of his institution, while the combined efforts of the other officers and directors have been adding $100,000 to its quota of commercial deposits. He hasn't been able to be away from his desk long at a time, but by clever letters to banks in places where his institution has checks to collect he has been able to get balances back from these other banks to the above aggregate. His predecessors had the same volume of items to bid for business with, but did not have his ability at handling them. So, too, at this up-town New York bank the new hand in this department will be able to get business with the same resources that in less skilful hands have failed to come. His efforts will be watched with interest. If he suceeds in breaking the spell which has led some to think that the up-town banks are fated not to succeed as reserve agents, others among them may confidently be expected to make an attempt to emulate his example.

New York Trust Companies

Speaking of the influence of its location upon a bank's policy, the City of New York furnishes numerous evidences of it. North of City Hall, as we have said, few national banks seek the reserve balances of out-of-town banks. As for the up-town trust companies and state banks, they may truthfully be said to evidence no interest whatever in out-of-town business. If you cast your eyes, however, toward the country south of City Hall you will find a quite different condition. There practically every national bank is keen on the scent for out-of-town business, and the trust companies and state banks are badly smitten with the same contagion. They, too, seek out-of-town accounts, and their activities are not to be sneered at. The fact is, they have made surprising successes in this line of banking, surprising, that is, if one takes into account the handicap under which they labor. We refer, of course, to their inability to act as reserve agents for national banks, under the terms of the National Bank Act. They have been blessed with some singularly good men to handle this portion of their business. They have not hesitated to pay the men who have done this work attractive stipends. They have been able, in consequence, to draw good men away even from the national banks to trust company employment.

As everyone knows, it is the man after all who makes business with other banks profitable for institutions. It is the fashion to say, in some banks, that there is no money in doing business for and with other banks. They do not undertake to explain, those who make this statement, that it is noticeable that no bank which has any great quantity of out-of-town accounts ever lets them get away from it if it can prevent their departure. There is such a thing as handling business for other banks at a loss, and there is such a thing as handling it at a profit. It all depends upon the skill of the man who handles it. That is why in some banks you find even the president spending much time in his transit department. He knows how to make it yield a profit sufficient to pay for the time of even so high-priced a man as himself. So, the New York trust companies, in putting skilful men on this work, have gone far toward assuring their success in this field that people used to think belonged exclusively to the national banks.

Not A Complete Handicap

It is easy to over-estimate the effect upon the ambitions of the trust companies which the handicap above referred to can have. Just because a trust company cannot act as reserve agent for another bank, it doesn't follow that the trust company cannot do business with that other bank. There are precious few big banks in this country that do not have to have balances with some other banks that cannot be counted as reserve. Frequently, a bank finds that it pays to have non-reserve balances in certain institutions for the facilities which these balances will buy. A national bank in Indianapolis or Louisville will have a balance at Philadelphia. A national bank at Pittsburg will have a balance in Richmond. A New York national bank may have a balance at Pittsburg. None of these balances can count as reserves, of course. A bank in Indianapolis, or Louisville, is itself in a reserve centre, and, therefore, cannot count money as reserve which is in Philadelphia until that city shall become a central reserve city, as some of its bankers would like to have it do. Richmond is not a reserve city, and consequently, its banks cannot be reserve agents for any national bank. Similarly, the New York national bank, with its balance in Pittsburg, cannot count that as reserve, for no bank in the wide world can be a reserve agent for a national bank of New York City. The reason why these balances were placed in these non-reserve depositories is because a service is obtained in return which recompenses the bank adequately for placing them with a non-reserve agent.

Services of this character, the trust

Digitized by Google

ANGLO & LONDON PARIS NATIONAL BANK
SAN FRANCISCO
Capital, Surplus and Profits, $5,700,000.00 Deposits, $23,500,000.00 Cash and Sight Exchange, $10,300,000.00
Issues Travelers' Letters of Credit, available in all parts of the world; buys and sells Foreign Exchange, and issues Drafts and Cable Transfers
ACCOUNTS OF BANKS, BANKERS, CORPORATIONS, FIRMS AND INDIVIDUALS INVITED

companies of New York City can and do render. They can collect items for out-of-town banks just as well as a New York national bank can, as well even as a Philadelphia or Albany bank can, after they have built up a sufficient volume of business. If they cannot act as reserve agents, as New York national banks can, the trust companies can at least agree not to impose heavy exchange charges as the New York national banks have to do. If they cannot act as reserve agents for country banks, as Philadelphia banks can, they are at least on equal footing with the Philadelphia bank when it comes to soliciting business in Pittsburg, or Cleveland, or any other reserve centre. Take it all in all, therefore, the New York trust company finds ample room in which to work.

To the national bank, in Pittsburg, for example, a strong New York trust company can make as good a plea for a balance as can the Philadelphia national bank. Indeed, sometimes it has a slight advantage over the Philadelphia institution. A balance with a New York trust company is just as much New York funds as if it were with a national bank. There is scarcely a corner of the United States where New York funds are not desirable at all times and very much in demand much of the time. Philadelphia or Boston funds are nowhere near so much in demand, although in some centres, assiduous cultivation by the local banks of a demand for Philadelphia exchange has met with some success.

Conversions Into New York Exchange

How desirable New York exchange is in some places the average banker has little conception. At some cities clearing house balances are settled entirely with New York drafts. In other places, as for instance, in Pittsburg, there is an understanding that clearing house balances shall be settled about one-fifth in New York exchange and four-fifths by memoranda. In some cities New York exchange is very hard to get. Almost never in any city is it a drug on the market. On this almost universal desirability of New York exchange, the trust companies build. They offer to out-of-town banks a means for converting items on other points into New York exchange, and this offer proves to many banks very inviting. For a modest balance—too modest a one sometimes—the New York city trust company will agree to credit every item on New England or New York state sent to it in-

The Fourth National Bank
OF THE CITY OF NEW YORK

OFFICERS
JAMES G. CANNON, President
SAMUEL S. CAMPBELL, V. Pres.
CHARLES H. PATTERSON, V. Pres.
DANIEL J. ROGERS, Cashier.
E. W. DAVENPORT, Asst. Cashier.
CHARLES E. MEEK, Asst. Cashier.

DIRECTORS:

James G. Cannon	L. F. Loree
Cornelius N. Bliss	Eugene Delano
Robert W. Stuart	M. Orme Wilson
William S. Opdyke	Elbridge G. Snow
T Frank Manville	Welding Ring
Thos. H. McKittrick	Morton F. Plant
Mortimer L. Schiff	Samuel S. Campbell

CAPITAL AND SURPLUS - $10,000,000

THE
OLD NATIONAL BANK
OF SPOKANE
OFFERS ITS CORRESPONDENTS
Better Banking Service
The Largest Number of direct connections of any bank in the Inland Empire.
Send us your Washington, Oregon, Idaho and Montana Items.

Ladd & Tilton Bank
PORLAND, OREGON.
Established 1859.
Capital $1,000,000.
Surplus & Undivided Profits $700,000.

OFFICERS
W. M. LADD, President
EDWARD COOKINGHAM, Vice Pres.
W. H. DUNCKLEY, Cashier
ROBERT S. HOWARD, Asst. Cashier
J. W. LADD, Asst. Cashier
WALTER M. COOK, Asst. Cashier

DIRECTORS:
EDWARD COOKINGHAM J. WESLEY LADD
WILLIAM M. LADD S. B. LINTHICUM
HENRY L. CORBETT FREDERIC B. PRATT
CHARLES E. LADD THEODORE B. WILCOX

Cleveland National Bank
CLEVELAND, OHIO
Can handle your Ohio business to your advantage and satisfaction.
WE INVITE CORRESPONDENCE

Franklin National Bank
PHILADELPHIA
Capital $1,000,000.00
Surplus and Undivided Profits. 2,730,181.17
INCORPORATED 1900.
OFFICERS:
J. R. McALLISTER, President.
J. A. HARRIS, JR., Vice-President.
E. P. PASSMORE, Cashier. L. H. SHRIGLEY, Assistant Cashier.
J. W. HARDT, Assistant Cashier.
Foreign Exchange Department.
WILLIAM WRIGHT, Manager.

Portland National Bank
PORTLAND, MAINE
Union Mutual Life Insurance Co. Bldg.
Accounts received on the most liberal terms consistent with sound banking.
Collections receive prompt attention.
WM. W. MASON .....President
EDWARD W. COX .....Vice-President
CHAS. G. ALLEN .....Cashier
EDWARD L. PIPER .....Asst. Cashier
Directors:
Fred E. Richards, Charles G. Allen,
Henry B. Cleaves, George F. West,
William W. Mason, George Westcott Beyer,
Lyman M. Cousens, Roswell C. Bradford,
Edward W. Cox.

Home Savings Bank
Toledo, Ohio
Capital and Surplus, $400,000
Is a State Bank authorized to conduct a **General Banking Business,** and is operating strictly within the laws of the State governing Banks.
Collections given especial attention, for which remittances are made promptly at a reasonable charge.

OLDEST BANK IN AMERICA
Chartered by Congress, 1781.
The
Bank *of* North America
(NATIONAL BANK)
PHILADELPHIA, PA.

Capital	$ 1,000,000.00
Surplus	2,250,000.00
Undivided Profits	424,008.80
Deposits	15,259,000.00

HARRY G. MICHENER.....President
SAMUEL D. JORDAN.....Cashier
WILLIAM J. MURPHY.....Asst. Cashier
RICHARD S. McKINLEY.....Asst. Cashier
Accounts Solicited
Correspondence Invited

The National Park Bank
OF NEW YORK
Organized 1856.

Capital	$5,000,000.00
Surplus and profits	12,941,416.18
Deposits, June 7, 1911	108,964,675.64

Digitized by Google

THE NATIONAL CITY BANK OF CHICAGO

CAPITAL :: :: $2,000,000.00
SURPLUS & PROFITS 500,000.00
DEPOSITS :: :: $29,259,966.56

United States Depository — *Accounts of Banks and Bankers solicited. Correspondence invited.* — Organized 1907

stantly at par value. If a Pittsburg bank were to send these New England items to Boston, instead of to the New York trust company, it would obtain a balance in Boston in exchange for them, instead of a balance in New York. A balance in Boston is less desirable. Moreover, the greater distance of Boston from Pittsburg would cause any check mailed from Pittsburg to reach Boston a day later than it would reach New York. Consequently, the New York trust company not only provides the Pittsburg national bank with New York instead of Boston funds, but it provides them a day sooner. To the numerous centres which, like Pittsburg, are always in need of New York exchange, these facts give the New York trust company a considerable advantage over the Boston bank for the collection of New England items, and a little advantage over Philadelphia for the collection of some other items. As has been said above, although this New York balance with the trust companies is for many banks not a lawful reserve, a balance in Philadelphia or Boston would be no more so.

The Carnegie Trust Company

This is why the downfall of the Carnegie Trust Company proved such an unpleasant occurrence for more than one national bank. Whatever may have been the faults of that ill-starred institution, lack of enterprise never could be charged against it. Almost at its very inception it became a persistent solicitor for balances from other banks. In return for the balances which it obtained from some of these banks, it gave exceedingly efficient services. For some, it was an effective means for the conversion of New York and New England items into New York exchange. For others, it converted southern items. There was scarcely any part of the country for which it could not frame an attractive proposition. The items which came to it from its various correspondents and customers it traded cleverly for still more balances. As time passed, it acquired a substantial volume of out-of-town balances in these ways. That it handled the business efficiently no one has denied. That, as a result, some of its country bank customers kept with it more funds than they should have entrusted to any except a most thoroughly tested bank is equally beyond dispute. Many of them are now lamenting the losses which they feel sure the failure of this trust company has brought upon them. The rumors as to the company's insolvency, which were rife for many weeks prior to its collapse, failed to reach the ears of these out-of-town institutions.

OPENING FOR A BANK.

On the Sun River irrigation project about 26 miles west of Great Falls, Montana, a public auction will be held on September 27, at which time a number of choice business and residence lots will be sold for cash in the government townsite of Simms. Simms is the trading and shipping point for about 25,000 acres of agricultural land under government and private ditches, and the development of more than 30,000 acres of new land and the completion of the Sun River branch of the Great Northern Railroad now building through the valley warrant the prediction that this will eventually become a city of importance.

There is great need at this time for a bank in this growing community. The Statistician of the United States Reclamation Service at Washington, D. C., will be glad to furnish, upon request, detailed information concerning this country, its resources and opportunities.

THE
Chatham and Phenix
National Bank
NEW YORK

Capital and Surplus
$3,000,000

All business under direct supervision of the officers.

LOUIS G. KAUFMAN, President.

GEO. M. HARD, Chairman of the Board.
F. J. HEANEY, Vice-President.
W. H. STRAWN, Vice-President.
A. M. BULL, Vice-President.
BERT L. HASKINS, Cashier.
H. L. CADMUS, Assistant Cashier.
N. P. GATLING, Assistant Cashier.
W. B. BOICE, Assistant Cashier.
H. C. HOOLEY, Assistant Cashier.

Your Account Solicited.

RUEL W. POOR, President
JAMES McCUTCHEON, Vice-President — ARTHUR W. SNOW, Cashier
W. L. DOUGLASS, Second Vice-President — RALPH T. THORN, Asst. Cashier
The Garfield National Bank
OF NEW YORK CITY
Capital and Surplus - - - $2,000,000

Offers to Banks, Bankers, Corporations and Firms the services of a thoroughly equipped and conservatively managed bank.

YOUR BUSINESS SOLICITED

The Commercial National Bank OF WASHINGTON D. C.
Capital $500,000 Surplus and Undivided Profits $296,000

ASHTON G. CLAPHAM, President
ELDRIDGE E. JORDAN, First Vice-pres. — N. H. SHEA, Second Vice-pres.
T. K. SANDS, Third Vice-president
JOHN POOLE, Cashier — HERBERT V. HUNT, Asst. Cashier.

THE DEXTER HORTON NATIONAL BANK of Seattle maintains a department organized for the especial care of the accounts of banks and bankers. Our officers will be pleased to correspond with bankers contemplating the establishment of relations in the Pacific Northwest. CAPITAL & SURPLUS $1,440,000

FIDELITY TRUST CO. TACOMA, WASHINGTON
CAPITAL AND SURPLUS, $900,000
General Banking
Best Trust Company in the State of Washington.

Digitized by Google

IF YOU HAVE NO CORRESPONDENT
IN CINCINNATI
WE WILL WELCOME THE OPPORTUNITY OF PROVING TO YOU THE BENEFITS WHICH WILL ACCRUE FROM FORMING A CONNECTION WITH US.
RESOURCES
TWENTY-FIVE MILLION DOLLARS
And every facility for the satisfactory handling of Bank Accounts.
THE FIFTH-THIRD NAT'L BANK

This Week and Next

Skilled Hands Guide the Course of the Bear Market—A Month of Almost Continuous Retreat of Values, and the Source of Selling is Still a Mystery—Making the Most of Unfavorable Developments, and Overlooking the Others—A Contradictory Attitude on the Crop Question—Market Always Stops Short of Demoralization—Harriman Lines Back Up the Retrenchment Talk and Ultimatum to Labor Interests, With Reports of Shrinking Earnings—Is President Ripley's Pessimism A Cause or An Effect?—Poor Old Erie Gives A Surprising Proof of Material Prosperity—Canadian Pacific, Too, With No Reason to Hide the Facts, Breaks A Few Records of Its Own—The Outlook for September.

The growling of the European war dogs over the Moroccan bone has this week filled in very completely whatever openings have been made in the pessimism arising from conditions at home, and as a result, stocks have sought new low levels for the year. Nor has this search been in vain, for despite the fact that the market was supposed to have taken on a generally oversold appearance several days ago, this war scare, with its attendant selling of Americans in foreign markets, has been quite sufficient to keep the balance of market power on the side of the militant bears, who are not satisfied with the spoils which are already theirs, but are predicting still more sweeping declines in prices. No market movement was ever more carefully planned and more skilfully engineered than the decline of the past five weeks has been. August, the month which the unsuspecting bulls had mapped out as a "bull market" period has, instead, proved a month of bear triumph all along the line. That this movement has been planned, started and executed by operations of minor leaders or of professional traders alone is not at all probable, for it bears the stamp of big interests, especially in its refusal to show a sustained rally when technical conditions have warranted one. The actual source of

THE MYSTERIOUS SELLING

is still hidden, and this fact alone adds to the general feeling of doubt and uncertainty, since it is the unknown danger which is most dreaded. It has been a matter which has attracted the comment of market observers that there has been a considerable borrowing demand for stocks, and there has been a great deal of talk of safety measures on behalf of a big short interest. This is an explanation of the borrowing, but only a partial one, in all probability, for it is quite reasonable to assume that the "men higher up" in the selling movement are cloaking their identity by borrowing stock for delivery in preference to delivering their own certificates. In other words, the attack on the market as seen in the past month was not merely a raid, but a carefully planned and well-officered campaign based on a knowledge that the government crop reports would be, to some extent, discouraging, and capable of being made much more so under the skilled touch of the experienced private "crop expert"; that the growth of operating expenses of the railroads would be reflected in

Chase National Bank
NEW YORK
Capital ..... $ 5,000,000
Surplus and Profits (earned) 5,382,871
Deposits 118,648,788
A. BARTON HEPBURN, Chairman of the Board
ALBERT H. WIGGIN, President
SAMUEL H. MILLER, Vice-President
HENRY M. CONKEY, Cashier
CHARLES C. SLADE, Ass't Cashier
EDWIN A. LEE, Ass't Cashier
WILLIAM E. PURDY, Ass't Cashier
ALFRED C. ANDREWS, Ass't Cashier
DIRECTORS
Henry W. Cannon
James J. Hill — George F. Baker
Grant B. Schley — Albert H. Wiggin
A. Barton Hepburn — George F. Baker, Jr.
John I. Waterbury — Francis L. Hine
FOREIGN EXCHANGE DEPARTMENT

ORGANIZED 1838 NATIONALIZED 1856
THE AMERICAN EXCHANGE NATIONAL BANK
NEW YORK
Capital, Surplus and Profits, $9,496,000
LEWIS L. CLARKE, President
EDWARD BURNS, Vice-President — WALTER H. BENNETT, Vice-Pres. and Cashier
A. K. de GUISCARD, Asst. Cashier — ARTHUR P. LEE, Asst. Cashier
ELBERT A. BENNETT Asst. Cashier — GEORGE C. HAIGH, Asst. Cashier
ACCOUNTS OF MERCANTILE FIRMS, CORPORATIONS, BANKS AND BANKERS INVITED
We Offer Every Facility Consistent With Sound Banking
Depositary of the United States, State of New York and City of New York

METACOMET NATIONAL BANK
OF FALL RIVER, MASS.
Capital, $750,000 Surplus and Undivided Profits, $333,000
SIMEON B. CHASE, President
MILTON REED, Vice-President — CHARLES B. COOK, Cashier
Special attention given to the handling and collecting of cotton drafts, sent direct from the South

The MECHANICS and METALS NATIONAL BANK
OF THE CITY OF NEW YORK
OFFICERS
GATES W. McGARRAH, President — WALTER F. ALBERTSEN, Vice-Pres.
ALEXANDER E. ORR, Vice-Pres. — JOSEPH S. HOUSE, Cash.
NICHOLAS F. PALMER, Vice-Pres. — ROBERT U. GRAFF, Ass't Cash.
FREDERIC W. ALLEN, Vice-Pres. — JOHN ROBINSON, Ass't Cash.
FRANK O. ROE, Vice-Pres. — CHARLES E. MILLER, Ass't Cash.
Capital, Surplus and Undivided Profits, $14,000,000

CITIZENS NATIONAL BANK BALTIMORE, MD.
CAPITAL, $1,000,000 SURPLUS, $2,000,000

Digitized by Google

NATIONAL BANK 3rd OF ST. LOUIS

CAPITAL $2,000,000
SURPLUS $2,000,000
DEPOSITS $35,000,000

NATIONAL BANK 3rd OF ST. LOUIS

many cases in a marked decline in the net earnings reported for the last fiscal year; that relations existing between capital and labor were strained; that corporate interests were disgusted with the manner in which official investigators were running amuck and were not averse to taking advantage of any opportunity which might be presented of showing that disgust, and, last but not least, that as the public interest in the market had shown a tendency to shrink as prices moved upwards, instead of growing with each successive advance as it was wont to do in the "good old days" when the average individual purchaser of securities was more of an investor than an investigator, it might help matters along to give the market a thorough shake-up in the belief that almost anything would be preferable to the almost unparalleled dullness of June and July.

THE TIME TO STRIKE.

True, the money market was unusually free from clouds, and the foreign trade situation was emphatically the reverse of a bear argument, but the operator for a fall apparently saw little chance to gain anything by waiting for conditions to show a decided change for the worse in these quarters. The indications of improvement in the copper and steel markets, indications which have since become more pronounced, despite the general Wall street desire to discredit them as far as possible, made it imperative to strike hard and quickly, while there were so many perfectly good bear arguments at hand to be made the most of. One important reason for prompt action, doubtless, was seen in the certainty that a heavy export movement of cotton will soon develop. Right here attention may be called to the extremes to which the bears have been going to justify their attacks on the market. They have taken the government crop reports as one of their most powerful weapons, basing their excessively pessimistic predictions of food-supply shortage on those reports, but when attention is called to the size of the cotton crop, there is witnessed one of the remarkable somersault performances on record, as the argument is advanced that the crop is so large that prices will be a great deal lower, and that, therefore, the heavy export movement will be of doubtful benefit after all. No form of blindness is as deep and hopeless as that which springs from a refusal to see the light.

APPLYING THE BRAKE.

I have said that the prevailing conditions reflect leadership of an unusually high order, the market being one of the best regulated affairs of its kind ever seen. Despite the almost continuous selling which has now extended over a period of a full month, there has been nothing of demoralization in the movement. Whenever it has appeared as if such a condition might

THE
National Commercial Bank
of ALBANY, N. Y.

Capital - - $1,000,000
Surplus and Profits 1,713,362
Deposits - - 22,702,432

OFFICERS

ROBERT C. PRUYN, President
JOHN E. WALKER, Vice-Pres. EDWARD J. HUSSEY, Cashier.
JAMES H. PERKINS, Vice-Pres. WALTER W. BATCHELDER, Asst. Cash.
JACOB H. HERZOG, Asst. Cash.

Let us collect your New York and New England items

BANKERS TRUST COMPANY

7 Wall Street · NEW YORK · 120 Broadway
Capital, $5,000,000 Surplus, $10,000,000
Deposits over $155,000,000

DIRECTORS

STEPHEN BAKER,
SAMUEL G. BAYNE,
EDWIN M. BULKLEY,
Spencer Trask & Co., Bankers, New York
EDMUND C. CONVERSE,
HENRY P. DAVISON,
J. P. Morgan & Co., Bankers, New York
E. HAYWARD FERRY,
WALTER E. FREW,
FRED'K T. HASKELL,
THOMAS W. LAMONT,
EDGAR L. MARSTON,
Kissel & Co., Bankers, New York
JOSEPH B. MARTINDALE,
GATES W. McGARRAH,
Pres't Mechanics & Metals Nat'l Bank, N. Y.
CHARLES D. NORTON,
GEORGE W. PERKINS,
WILLIAM C. POILLON,
DANIEL E. POMEROY,
WILLIAM H. PORTER,
J. P. Morgan & Co., Bankers, New York
DANIEL G. REID,
BENJ. STRONG, Jr.,
EDWARD F. SWINNEY,
GILBERT G. THORNE,
ALBERT H. WIGGIN,
SAMUEL WOOLVERTON,

E. C. CONVERSE, President · B. STRONG, Jr., Vice Pres. · W. C. POILLON, Vice Pres.
D. E. POMEROY · F. L. KENT · G. G. THORNE
T. S. CLOSE · C. W. NEWTON · A. H. RICHARDS, Asst. Sec'y
E. W. DONCASTER · B. W. JONES, Asst. Sec'y · H. F. WILSON, Jr., Asst. Sec'y
E. H. GILES · H. N. DUNHAM, Asst. Treas. · J. MICHAELS, Treas. Officer

develop, the brake has been applied and the market has been given a breathing spell. But there has been no concerted attempt on the part of those who have been in control of the market for the past month to give it that degree of support which is essential to a sustained recovery. Perhaps the best proof of the professional attitude is to be found in the fact that activity, which has been pronounced during the greater part of the time, particularly when compared with the inactivity, of the early summer, has faded away with disquieting abruptness whenever a rallying tendency of even very limited proportions has become evident.

Coupled with the European war scare as a leading bear argument, the chip-on-shoulder attitude of the railroads and labor unions toward each other has wrought continued havoc with market values. It is significant that the lines making the poorest showing for the first month of the fiscal year are those which are most directly threatened with labor disturbances or with the possible effects of Interstate Commerce Commission rulings on rate questions. For instance, the Harriman lines have submitted July reports so much worse than the general run of railway returns for the month that there are grounds for the suspicion that there has been a deliberate attempt to throw the

RAGGED CLOAK OF POVERTY

over the underlying evidences of material prosperity which were made evident in the preliminary reports for the last fiscal year. Union Pacific reported losses of $588,000 gross and $368,000 net, while Southern Pacific showed losses of $343,000 gross and $443,000 net. Such a showing as this is particularly calculated to impress the susceptible when considered in connection with the talk of economies to be enforced on these lines, and the bears who have not overlooked the opportunity to call attention to this combination of circumstances have strangely neglected to explain that the figures given represent the operations of these two great systems prior to the enforcement of these economies, which, unless I am greatly mistaken, are intended as a warning to the labor leaders that there is little hope of increased wage schedules unless the Interstate Commerce Commission reverses its previous decision with respect to freight rates.

Atchison's July performance was of an even more startling character, for while gross earnings were approximately the same as in the corresponding month of 1910, operating income showed a decrease of $564,000. Such a rate of decrease, if maintained throughout the entire year, would mean a loss in income of about $6,775,000, or about 4 per cent on the outstanding common stock. Inasmuch as the company in the last fiscal year evidently earned 10 per cent or a little less on its junior issue, there is found in this July report a hint that the close of the current year will see the 6 per cent rate barely earned. President Ripley has taken occasion within the last few weeks to repeat his earlier pessimistic utterances. I cannot help wondering whether Mr.

(Continued on page 1493.)

To Save Millions in Gas Bills

Rector Gas Lighting Company of New York Has Planned a National Compaign of Distribution For Its Money Saving Device—The Rector Burner Gives Better and Much More Light Than Others and Consumes 50 Per Cent Less Gas—The Company Has Sold 1,000,000 Lights and Its Manufacturing Profit of 50 to 100 Per Cent Makes the Stock Look Attractive.

Hartford, Conn., August 26, 1911.

ED. UNITED STATES INVESTOR:

In the United States Investor some months ago, you had an article about the Rector Gas Lighting Company, in which it was stated that the company had perfected a new gas burner which would give considerable more and better light, and at the same time reduce gas bills 50 per cent, as compared with any other gas burner in the market. As I recall it, the preferred 7 per cent stock in the company was offered at par, with a bonus of 100 per cent in common. I have just heard that the company has begun an aggressive advertising campaign for the sale of its lights, so I thought it possible that the concern was not started, as many others have been, for the sole purpose of selling stock. I would thank you very much if you would advise me as to your opinion as to the stability of this enterprise, and its future prospects, and whether or not they have actually begun a national campaign for the sale of their output. C. B.

Our subscriber refers to an article which appeared in our issue of March 4 under the caption "Profit in Reducing Gas Bills", in which it was stated that the Rector Gas Lighting Company was capitalized at $500,000 in 7 per cent preferred stock and $1,000,000 in common stock.

The company, we are reliably informed, has been very successful both in the sale of its lights and in the disposition of its treasury stock for the purpose of development. At the time our former article appeared the company was giving a bonus of 100 per cent in common stock to all purchasers of preferred, but some time ago this bonus was cut down to 50 per cent. We are now told that the company has sold enough stock to provide for its requirements, and that if any future sales are made they will be for the purpose of extending the scope of a national advertising campaign already begun for the purpose of introducing the company's product.

This advertising campaign has started and $25,000 has been appropriated for that purpose. Magazines are to be employed for the general publicity, and daily papers are to be used in various cities to assist local agencies as soon as established. The company seems to have demonstrated the fact that it has

THE BEST GAS BURNER

in the market from the standpoint of efficiency and cost, and one which in addition compares very advantageously with electric light from every standpoint. It has been proved that from the same amount of gas the Rector Light Company will produce about twice as much candle power as any other gas light.

As compared with electricity the Rector burner by the use of gas produces more light than can be secured from incandescent lights, costing several times as much in monthly bills. A New York business man recently tried one of the $1.25 Rector lamps, designed for residence, in his office. His report was that the single Rector gas-light produced as much illumination as six ordinary sixteen-candle power incandescent lights. Some allowance might be made for enthusiasm in this case, but a conservative statement is that one of the Rector lights is equivalent to about three sixteen-power incandescent electric lights at a cost of sustenance of about 50 per cent less.

The company has already sold over 1,000,000 of these lights, and one of the officers told me that they had set their mark at 2,000,000 for this year's sales. No figures have been given out as to the company's profit on each light sold, but the statement was made in the original prospectus that on an estimated sale of 800,000 lights for the first year, a conservative estimate of the net profits would enable the company to pay the 7 per cent dividend on the preferred stock and

15 PER CENT ON THE COMMON.

The company paid its regular semi-annual dividend of 3½ per cent on the preferred stock July 1 of this year, and if the present rate of increase in sales of the company's output continues, it is likely that it will not be long before talk about dividend payments on the common stock will be heard.

When the immense number of possible buyers of this light is considered, the future possibilities of the company can hardly be otherwise regarded than as very bright. There are tens of millions of homes in this country where gas is used, and in every home more light, and at a lower cost, can be secured by the use of the Rector burner, and in addition, there is a large field for the company in factories and stores.

The details of the company's selling campaign all argue in favor of its success. For example, in New Britain, Conn., a city of 40,000, a contract was made with a local dealer for a preliminary order of 7,000 lights, based on the advertising to be done in local newspapers. Incorporated in each large display advertisement was the following coupon form of order:

F. E. Crandall,
338 Main street, New Britain, Conn.
You may send a Rector light, which I will try for seven (7) days. At the end of that time, if satisfactory to me in every way, I will pay the regular price, $1.25.
Name .....
Street and No. .....
City or Town .....

It will be noted that the company has such confidence in the quality of its new light that it gives every contemplating purchaser an opportunity to try the light for seven days before paying his money.

As stated in our former article, we regard this company as a substantial and meritorious industrial enterprise, and with its new and comprehensive advertising campaign for the introduction of the lights throughout the country, we are inclined to predict for it a speedy commercial success.

P. DE MEDICI.

Digitized by Google

Is Standard Oil Worth $1,000?

One Basis of Calculation Makes the Stock Worth $1,256.—Over $400,000,000 Has Been Put Back Into the Property Since Stock Sold at 840 in 1901—In 40 Years the Company Has Disbursed $718,000,000 in Dividends—Stock Advanced 46 Points One Day This Week and Advice of Insiders is To Hold For a Year The 33 New Stock Certificates Which Eeach Shareholder Will Receive.

I have a message for the small Standard Oil stockholders, of which there are several thousand, which should be reassuring to them, and which also should be of interest and significance to investors generally.

The message is substantially this: Hold your stock. Don't be scared out by any bugaboo stories as to what you may have to do after your investment is divided up into 34 parts. After you receive your 33 new certificates of stock hold them for at least a year, and during that period do not try to round out your holdings into even shares by either buying or selling fractional lots of the various companies in which you will become a shareholder. Even though you may have only 7 cents' worth of stock of the Washington Oil Company, of which the par value is $100, you need not be concerned about getting your dividends. The Standard Oil Company has in the past accomplished many more difficult things than the fair and equitable treatment of its stockholders in this case.

This

MESSAGE WAS NOT OFFICIAL,

because none of the officers of the company will talk to even newspaper men or stockholders about the big dissolution programme and its possibilities. That my information was not official I only need to say that I spent an hour in the Standard Oil offices one day this week trying to check up some figures which were made public property in the recent government suit, all to no avail, because after going from one office to another, I was told that they had no figures or facts to give out.

This message, however, I believe is reliable even though not official, because it was given to me by a member of the New York stock exchange who has a very close affiliation with Standard Oil interests. He told me that he had been making every endeavor to secure more detailed information but that this was the only tangible item of information he had been able to get hold of. The powers that be in the Standard Oil Company apparently assume that every stockholder should know enough to hold on to his stock and possess his soul in complete patience, regardless of what may be said by outsiders and in all uninformed sources, and also regardless of the fact that the officials of the company say nothing.

What Standard Oil stock is really worth is now as great and interesting a problem as Wall street ever had to ponder over. One financial writer has volunteered the prediction that even after being split up

INTO 34 DIFFERENT PARTS

the present shares of the Standard Oil Company will sell in the market at the equivalent of $1,000 a share. Most other financial authorities have been inclined to believe that recent prices fully reflected the fair value of the stock as a monopoly, and that when thoroughly dismembered, earnings would be materially reduced, and that the decline of a few weeks ago was not only justified, but that a further decline might be anticipated.

A few weeks ago, the stock sold at 660, and then declined by easy stages to 592. On Monday of this week, the stock closed at 599, and Tuesday it sold at 645, an advance of 46 points in a single day. The price of 645 was ex-dividend 36 per share to be paid shortly, so that practically the stock recovered in one day nearly all its loss during the recent general slump in all securities.

There are few guesses and even fewer figures to help anyone in determining what the value of Standard Oil stock is in view of its dissolution. The almost invariable option expressed by people who are supposed to know is that the earnings of the company will necessarily be reduced to a considerable extent on account of the government decree. I have asked many who have advanced this theory for the premises on which they based their conclusion and none of them have been able to offer anything more material than that there would be a considerably increased

EXPENSE IN BOOKKEEPING

and organization.

Bookkeepers are not very expensive, and in my opinion, it is doubtful if much more bookkeeping will be necessary in the handling of the accounts of the 34 companies than has been carried on in the past. Of course, a large number of new stock certificates will have to be issued, approximating 200,000 in number, and additional clerks will have to be employed to keep the stock books, make transfers, etc.

On the other hand, the possibilities of increased profits by reason of the disintegration of the company do not seem to have been considered. Foremost along this line, it should be borne in mind, the Standard Oil Company for some years has been under assault to such an extent from both federal and state authorities that the business policy of the company has not been aggressive. As a matter of fact, the officials, instead of trying to increase their business as they should, have only been endeavoring to hold their own, and they have not been very courageous even along this line. Very shortly, the situation will be entirely changed, and each one of the 34 companies will be inspired by the mandate of the United States Supreme Court, as well as their natural instinct

TO VIGOROUSLY COMPETE

and go after business wherever and whenever it can be obtained.

The dividing up of a large corporation into separate and competing parts is not necessarily a bar to its success, as has been proved in several instances. Take, for example, the Union Typewriter Company, which owns a number of different makes of typewriters. In all the larger cities you will find a separate establishment for the Smith Premier, Remington, Calligraph, Monarch, etc., and it must have also been observed that separate and distinct advertising for each of these machines is continually being used. Most any business man will testify that the salesman of the Remington machines has always done his best to prove that the Remington by far surpasses every other machine in the market, and yet the profits of all these machines go into the treasury of the Union Typewriter Company. Officials of that company say that this differentiated method accomplishes the best results.

The Standard Oil Company itself in the past has utilized somewhat the same plan. The Maverick Oil Company in Boston, for example, used to handle the New England territory, and purchased all its supplies from the

(Continued on page 1489.)

STANDARD OIL

We have prepared a special circular discussing Standard Oil Stock as an investment which we will mail on request.

POUCH & CO.

Members N. Y. Stock Exchange

42 WALL STREET NEW YORK

Digitized by Google

National Lead Common

Twenty Years of Making Good and Becoming Better—National Lead Has Now Nearly Reached Its Majority, and Ought in the Future Do a Man's Work for Its Common Stockholders.

A subscriber writes for information as follows:

North Adams, Mass., Aug. 21, 1911.
ED. UNITED STATES INVESTOR:
What do you think of National Lead common? I am considering it not only as a purchase for future profit by advance in quotations, but also as to sustained dividend payments. G. H. F.

In answer to him we would say that the National Lead Company has made a better record than have many or most of the combinations of manufacturing establishments brought about at nearly the same time. Not only have a considerable number of such corporations failed to make good on their preferred dividend payments, and have hence accumulated accrued preferred dividends to instances nearly 100 per cent, but in many cases the records of such companies have been so ordinary that nothing is promised for the future so far as the common stock is concerned, and its value remains almost wholly in the fact that such common stock generally has voting power. The National Lead Company, however, has not only continued to earn much more than its preferred dividends, except in one year, but it has also paid dividends on its common stock during the past seventeen years, averaging 1 2-3 per cent, and yielding about 6 per cent. has averaged about 4 per cent on the common. Although the common stock is by no means an investment purchase, it is to-day selling at 51 and paying dividends at the rate of 3 per cent, and yielding about 6 per cent. With the company operating under general business conditions which are no more than fair, not average, and certainly not satisfactory nor as good as may be expected in the future, a better price for National Lead common may be expected as well as better dividend earnings on the common, if general business conditions improve as it is expected will be the case.

The National Lead Company was incorporated under the laws of New Jersey, in December, 1891. The company owns three plants in Brooklyn, N. Y., one in Staten Island, and one in Buffalo, N. Y.; one in Cleveland and one in Cincinnati, O.; two plants in Chicago, and three in St. Louis. Those plants are all in active operation. The company owns all of the capital stock of the United Lead Company, and has in active operation the following plants: One in Philadelphia, four in Pittsburg, one at St. Francis, Mo., and one in Collinsville, Ill. It has other plants

NOT IN OPERATION,

used as storehouses in some instances.

The National Lead Company is to-day capitalized at $25,000,000, common stock and $25,000,000 preferred. Of the common, $20,655,400 and of the preferred, $24,367,800 is issued

Originally the National Lead Company was incorporated for $30,000,000, with $15,000,000 of common and $15,000,000 of preferred. The company went along from 1891 to 1906 profitably, paying full 7 per cent on the preferred, and paying 2 per cent on the common, in 1893; 3 per cent in 1894; 1 per cent in 1895; no dividends on the common in 1896 and 1897; 1 per cent in 1898, 1899 and 1900, and then passing dividends on the common to 1906, when 2 per cent was paid. In 1906 all of the stock of the United Lead Company, that being of a par value of $25,000,000, of which $10,000,000 was preferred and $15,000,000 common, was purchased. Of the United Lead Company, there are $10,000,000 5 per cent debenture bonds. To take care of this purchase of the United Lead Company stock, the capital stock of the National Lead Company was increased to $25,000,000 each on both common and preferred.

In acquiring the United Lead Company, the National absorbed practically all of competition, so that to-day the lead business of the United States is controlled by the National Lead Company, in those

LINES OF LEAD PRODUCTS

in which it is active. Up to 1906, there was $15,000,000 of both common and preferred outstanding. In 1906, the outstanding stock had increased to $20,750,000 of common, and $20,713,000 of preferred, the increase there being accounted for by the purchase of the United Lead Company's securities. In 1907, the Magnus Metal Company was secured by the purchase of all of its capital stock, $1,500,000 common and $1,500,000 preferred. The Magnus Metal Company was not so important as a competitor of the National Lead Company, but it was a large user of lead products, in the manufacture of babbitt and frictionless metal, etc. In 1907, to take care of this purchase of the Magnus Metal Company, the outstanding preferred stock increased from $20,715,000 to $24,463,600.

The common stock stands to-day at $20,665,400, and the preferred at $24,367,600, something over $95,000 each, both common and preferred being in the company's treasury. In 1910 the National Lead Company acquired a dominating interest in United States Cartridge Company of Lowell, Mass. This is not a large corporation, being capitalized for $400,000, but it is one of the largest manufacturers of fixed ammunition in the United States and a considerable user of lead products, although not a large enough user to influence to any great extent the sales of the National Lead Company, but it has been a very prosperous concern

The net profits of the National Lead Company have increased from a little over $1,200,000 in 1894 to nearly $2,600,000 in 1910, and in 1907, 1908 and 1909, the earnings were nearly $3,000,000, coming within less than $6,000 of that sum in 1909, which was

THE BEST YEAR

the company has ever had. Of course, this increase in earnings from 1894 to 1910 does not show so large an advance when it is taken into an account that this represents also the earnings of the United Lead Company, which was secured in 1906, and of the Magnus Metal Company, secured in 1907. In 1894 the total surplus is set down at $672,000, and for 1910 the total surplus is $4,779,600. In 1894, a common stock dividend of $447,162, representing 3 per cent on the common stock outstanding caused a deficit for the year of $278,000. In 1895 net profits dropped off about $400,000, from 1895, and caused a deficit of $156,000, but that year the full 7 per cent was paid, calling for over a million dollars, and as 1896 was the time of the free silver agitation and no concern made money that year, a deficit from a similar cause need not be looked for in the future. In 1900 a common stock dividend of $149,000 was paid, causing a deficit for the year of $116,000. The common stock dividends were passed for the next five years, and after paying the preferred dividends, the year's surplus increased from nearly $69,000 in 1901, up to over a million dollars in 1905.

From the above then it is plain that there has been one year when the preferred was not earned, and in addition, two years when a common stock dividend was paid which was not earned, but each of those occasions were in years when general business conditions were way below the average, and at the same time when the company had

A SURPLUS LARGE ENOUGH

to take care and perhaps justify the dividend payment. In any event on the present 3 per cent basis, the present total surplus of the company of $4,800,000 is enough to pay that dividend for years to come, although, of course, such necessary payment of dividends from surplus need not be looked for.

On the balance sheet of the National Lead Company, the plant investment is carried at $24,600,000, and this is about the same figure at which it has been carried from the first. Other investments are carried at a little over $14,000,000. This other investment item has practically all been made since the incorporation of the company and really shows the valuation at which the stock of the United Lead Company, the Magnus Metal Company, and the investment in the U. S. Cartridge Company is carried. The plant investment does not show any considerable marking off in the years that the company has been in operation, but over against this can be taken into account the fact that every one of the constituent plants owned in fee by the National Lead Company is to-day in a much better condition than when purchased There have been re-arrangements of machinery to make possible more economical production, and there has been a large increase in productive capacity which may take the place of marking off for depreciation; which marking off

Digitized by Google

would be, say, 5 per cent in the case of a company which was running along and not spending a large part of its earnings in increasing

PRODUCTIVE CAPACITY

and building new plants, etc., but which was going along year after year with the machinery on hand.

The item of other investments, now standing at $14,000,000, is not excessive when it is taken into account that the United Lead Company was capitalized at $25,000,000 of stock and $10,000,000 of bonds, plus, of course, the capitalization of $3,000,000 of the Magnus Metal Company, and the large investment in the $400,000 capital stock of the U. S. Cartridge Company. The working capital of the National Lead Company is nearly $11,000,000, and accounts payable are set at less than $300,000. The net profits for the past five years have been above $2,500,000, averaging close to $2,790,000 for their period. The preferred dividends take $1,705,700 of this, and the common stock dividends for the last five years, averaging about 4 per cent, have averaged to take each year $613,700, leaving an average annual surplus for the last five years of about $245,000.

After the year 1911 it becomes necessary to provide a sinking fund for the $10,000,000 5 per cent debenture bonds of the United Lead Company, which mature in 1943, about 30 years hence. 2 per cent on that bond issue as a sinking fund would call for $200,000 each year, so that if that $200,000 had been put aside each year, during the last five years, there would be added to surplus only $45,000 a year, which is not considerable. But during the years 1908 and 1909, which were not boom years, had the dividends been at the rate of 3 per cent instead of 5, there would have been about $400,000 each year for the surplus, which, minus a 2 per cent sinking fund on the bond issue, would have left

AT LEAST $200,000 A YEAR

to add to the surplus. As the past five years have not been better than the average, and as there have been liberal common stock dividends with satisfactory additions to surplus each year, there would seem to be no doubt of the maintenance of at least 3 per cent on the common, even allowing for a 2 per cent sinking fund but much better than that may be done. I cannot think of another industrial company which is less apt to be affected adversely in lean years, or one which is more apt to be profited by good times than the National Lead Company.

It has passed through bad years making a better showing than most other industrial companies. It is a fact that during bad times the corporations and businesses which are in good shape are most apt to do their repairing and painting (and a big part of the National Lead Company's business is in paint products) and they are not apt to take care of permanent repairs during good times when all of their machinery is busy. So that when we have a bad year, the paint products of the National Lead Company are largely used by the corporations and business firms with money on hand, at least offsetting the falling off in the demands for its paint products for the general consumption due to bad business. In good seasons, the National Lead Company profits as do all business concerns by

THE ABUNDANCE OF MONEY

and courage. The National Lead Company makes practically all kinds of lead products. A large part of its business, however, is in white lead used in the mixing of paint. Upon that business it depends largely for its profits. The lead company is in a position to fill the orders of boom seasons without largely increasing its operating costs, except in so far as the item of labor is concerned, as it has the plants for doing a much larger business than it has ever done.

The business on its white lead products is increasing proportionately with the increase in population, although it also increases faster than the increase in population according to the increased uses for paints. This increased use of paint is not due to an increase in the variety of articles painted, but in the fact that painting is more often done nowadays than was the case years ago, and farm buildings, country houses, and unprofitable property is now decorated and painted oftener than they used to be. Probably the cheap ready-mixed paints, which are largely used, have hurt the business of the National Lead Company, because those cheap paints do not contain any or enough white lead to make them permanent and durable. The inroads, that is, the theoretical inroads at least, which this ready-mixed paint has made on the business of the National Lead Company, is being minimized by a strong and educational advertising campaign directed to painters and consumers, pointing out the lack of economy in the use of these cheap paints, and the economy of using cheap paints mixed with white lead This advertising campaign has been carried on

FOR SEVERAL YEARS.

and has been very productive and profitable.

The future increase in earning and dividend payments on the common stock of the National Lead Company and the enhancement of the value of the common shares depends upon underlying conditions and general business. Of course, going into that is a matter of speculation, except that in this country slow business is followed by quickened business, and the general opinion is that while conditions now are not satisfactory and will not, perhaps, rapidly heal, we have turned a corner, and the outlook is brighter. The United Lead Company has shown that it can live through hard times and continue to add to its surplus. It has met everything in the way of depressions which it is apt to meet and has averaged to pay on its common stock dividends of nearly 2 per cent. The last five years, it, as above stated, has done much better, and has averaged to pay 4 per cent. Officials of the lead company say that business this year is better than last year, and that profits this year are also a little better than those of last year. The common stock at 51 and yielding about 6 per cent looks better than a fair purchase, and probably will do better in the future. P. De Medici.

BANK ITEMS.

BARTA, FLA.—The corporate existence of the Polk County National Bank has been extended by the comptroller until August 26, 1931.

CULBERTSON, MONT.—The First National Bank of Culbertson has gone under voluntary liquidation. It has been taken over by the State Bank of Culbertson.

DENVER, COLO.—The International Trust Company has increased its capital to $350,000.

DIXON, ILL.—The corporate existence of the Dixon National Bank has been re-extended until August 26, 1931.

GREENFIELD, O.—Application has been received at the comptroller's office to convert the People's Savings Bank into the People's National Bank of Greenfield, which is to have a capital of $50,000.

GLENWOOD, IOWA.—The corporate existence of the Mills County National Bank has been extended until August 11, 1931.

HARTFORD, CONN.—The capital stock of the Connecticut Trust & Safe Deposit Company has been increased from $300,000 to $750,000.

KLAMATH FALLS, ORE.—The First National Bank will increase its capital to $100,000, and it is reported that there will be a consolidation with the Klamath County Bank.

LYNCHBURG, TENN.—The Moore County Bank has been organized with the following officers: R. A. Parks, president; W. J. Morris, vice-president, and J. L. Haston, cashier.

MARION, S. C.—The Marion National Bank has been organized with a capital of $100,000. S. W. Norwood, H. Mullins, M. C. Woods, L. D. Lide, and A. McIntyre are promoters.

MOSCOW, IDAHO.—More changes have been made in banks here in the last two months than in the entire decade. Harry Whittier has succeeded W. B. Ludeman as cashier of the Moscow State Bank; I. B. Ricketts resigned as exchange clerk at the First National Bank of Moscow to become cashier at the Moscow State Bank, and is succeeded by N. C. Rockhill; and Walter McLam, of Lewiston, Idaho, succeeds Jay Gibson as bookkeeper in the latter institution. Eugene Pierce was promoted from receiving teller to assistant cashier of the First National Bank, and William H. Hunpert, of Portland, succeeded Walter Carmine, who resigned as bookkeeper to accept the position of assistant cashier of the First National Bank of Santa Rosa, Cal. Paul Lauchell resigned as assistant cashier of the First Trust Company's Bank to become cashier of the Wallace (Idaho) National Bank, and he is succeeded by W. A. Cahill. Clarence Larson, son of Oscar Larson, president of the Scandinavian-American Bank, of Spokane, has become accountant of the Trust Bank.

NEW PHILADELPHIA, OHIO.—The Ohio Savings & Trust Company has been incorporated by Charles A. Lahmer, with $100,000 capital.

SABETHA, KANS.—The corporate existence of the National Bank of Sabetha has been extended by the comptroller until August 28, 1931.

Digitized by Google

FINANCIAL INQUIRIES.

Iowa Central Refunding 4s.

21289. (Lititz, Pa.) What can you say regarding the Iowa Central 4 per cent refunding bonds? Any information you are able to give us will be greatly appreciated.

Ans.: For some time past, these bonds have been selling around 67, a price which reflects their more or less speculative position. At this price they yield about 6¾ per cent, and are calculated to attract the investor who does not demand a gilt-edged issue, but who is willing to take a certain amount of speculative risk for the sake of the accompanying greater yield. There are outstanding $6,716,000 of the first and refunding gold 4s, dated March 1, 1901, and due March 1, 1951. The authorized issue is $25,000,000, of which $7,650,000 are reserved to retire a like amount of first gold 5s; $555,000 have been issued in exchange for an equal amount of Iowa Central & Western Railway bonds; $591,000 for an equal amount of Keithsburg Bridge Company bonds; $2,000,000 are reserved for the general purposes of the company, and the balance are available for extension at not exceeding $25,000 per mile, improvements and equipments. This issue is secured by a first lien mortgage on 9,000 shares of stock of a par value of $900,000, and $555,000 bonds of the Iowa Central & Western Railway; by the bridge over the Mississippi River from a point near Keithsburg, Illinois, to a point near Elliot, Iowa, also a lien upon 500 miles of road subject to the first mortgage above mentioned.

LOW PRICE OF BONDS.

An explanation for the low price of these bonds is found in the reports of operations of the company during the last few years. For the year ended June 30, 1907, the company earned its charges and an excess of over 50 per cent, which was equal to 7.85 per cent on the preferred stock. The following year the surplus after charges had dwindled to $237,677, equivalent to 4.19 per cent on the preferred. In the 1909 fiscal year, a decided change for the worse was evidenced, the annual report for that period showing a deficit after charges of $227,521, which was succeeded by a deficit of $26,664 for the 12 months ended June 30, 1910. The detailed report for the last fiscal year is not yet available, but the operating income for the 12 months amounted to $669,628, an increase of nearly $40,000 over that of the preceding year, despite a falling off of about $14,500 in other income. June earnings, however, were unsatisfactory, as compared with those for June, 1910, for despite the fact that there was a gain of nearly $10,000 in gross for the month, net earnings decreased about $7,000, and net operating income about $13,000.

Garwood Electric Co.

21286. (New Haven, Conn.) Please give me information relative to the Garwood Electric Company. I wish to know if they are a prosperous concern and if you think the investment would be safe?

Ans.: The Garwood Electric Company is apparently doing a good business, and as the total note issue is only $50,000 there ought to be no question as to the payment of the interest on this small issue. The company operates a plant at Garwood, N. J., turning out electric motors, dynamos and appliances. For the 12 months ended June 1, 1911, gross earnings were $389,190, as against $251,815 in 1910, an increase of $137,375; expenses, $336,576, an increase of $106,553; net profits of $52,614, an increase of $30,823; deductions, $21,934, an increase of $9,051; net income surplus for year, $30,680, an increase of $21,872. The balance sheet as of June 1, 1911, shows current assets of $240,363 and current liabilities of $146,190, the excess of current assets being $94,173. The total capital stock issued is $222,700.

We learn that the company proposes to branch out and do business on a larger scale in the not far distant future, a consolidation with other companies being a part of this plan, which would involve, of course, a considerable increase in the present conservative capitalization. The short term notes are issued to provide capital for the growing business pending the working out of these plans.

ST. LOUIS, MO.—Walter R. Medart has become director of the South Side Bank.

BODELL & CO.
PROVIDENCE, RHODE ISLAND
Boston Office, 38 Congress St.
Bonds and Preferred Stocks of Proven Value

American Industrials Co.
Broad Exchange Building, New York.
INVESTMENT SECURITIES.
6% Twenty Year First Mortgage Gold Bonds.
7% Preferred Stocks.
8% Preferred Stocks.

Baker, Ayling & Co.
50 Congress street, Boston
INVESTMENT BONDS
Philadelphia Office, Land Title Building

Assets Realization Company
Capital $10,000,000
Purchases Estates in Liquidation at any point in the United States
NEW YORK PHILADELPHIA CHICAGO

Hodenpyl, Hardy & Co.
BANKERS
7 Wall Street, New York
6% PREFERRED STOCKS A SPECIALTY

WE TRADE IN
Western Power Common
Western Pacific
United States Worsted Pref.
United States Worsted Com.
Detroit & Mackinac Com. & Pref.
Niagara Company of America
Wells Fargo Express.
E. BUNGE & CO. 29 BROAD STREET, NEW YORK
Cable Address, "Emetus, New York" Long Distance 'Phone 4735-4736 Rector

GEO. D. COOK & CO.
BANKERS
71 BROADWAY, NEW YORK
We make a Specialty of
Mexican Government and State Bonds

McCOY & COMPANY
Municipal and Corporation Bonds
181 LA SALLE STREET
CHICAGO

Boody, McLellan & Co.
111 BROADWAY, NEW YORK
MEMBERS OF NEW YORK STOCK EXCHANGE
Orders Executed for Investment or on Margin

We Have For Sale
Seattle Local Improvement 5 year 7% Bonds.
WM. D. PERKINS & CO., Bankers
No. 211 Cherry St., Seattle, Wash
Established 1893
Oldest Bond House In Washington.

DOMINION BOND COMPANY
LIMITED
MONTREAL TORONTO OTTAWA
LONDON, ENGLAND
Dealers in HIGH-GRADE CANADIAN BONDS
List on Application

5% BONDS
Guaranteed by
National Light Heat and Power Co.
A. H. BICKMORE & CO.,
30 PINE ST., NEW YORK

6% Timber Bonds
Carrying With Them An Exceptionally Attractive Feature.
American Finance & Securities Co.
5 Nassau Street New York

H. C. Cibbs & Co.
Gas and Electric Light Bonds
To yield 5% to 5 1-2%
60 State Street BOSTON

CIRCULAR ON MISCELLANEOUS UNLISTED MILL AND MANUFACTURING SECURITIES
SENT UPON REQUEST
HORNBLOWER & WEEKS
40 CONGRESS ST., BOSTON

Digitized by Google

A Crucial Period For Cast Iron Pipe

The Passing of the Preferred Dividend the Latest Development in an Eventful History—An Industrial Corporation Which Has Not Lived Up to Anticipations—Dismantling Plants To Reduce Manufacturing Costs—Past History Includes A Petition For Receivership and A Friendly Suit To Decide Legality of Dividend Payments—Earnings Decline In Recent Years—Preferred Dividend Cut From Seven to Five Per Cent Previous To Latest Drastic Action.

The year 1899 will long be remembered as an important epoch in the financial and industrial history of the country, marked as it was by an exceptionally large number of corporation consolidations or mergers of one kind or another. The General Chemical Company, American Smelting & Refining Company, United Fruit Company, American Hide & Leather Company, Amalgamated Copper Company, American Cotton Oil Company, Union Bag & Paper Company—all these and a surprisingly long list of others, were incorporated and began business during that year. In view of the inflation which constituted such an important element in these "trust" formations, the fact that so many of them have proved successful from the viewpoint of original investors speaks well for the stability and growth of the country's industrial activities. In other cases, failure, partial or complete, marked the progress of these corporations, a striking case in point being the American Grass Twine Company, which was evidently organized for the benefit of the promoters' pockets and which proved a dismal failure, from the stockholders' point of view, until the water had been squeezed out of the organization and a new management installed, since which time there has been a decided change for the better.

A THIRD CLASS

is made up of those companies which have never been a complete success from the viewpoint of earning power, and of this class the United States Cast Iron Pipe & Foundry Company is a conspicuous example. Always falling short of the hopes of the promoters and the security holders, yet ever carrying with it promise of better things to come, this company has proved to be one of the enigmas of the Street, and is living up to this reputation at the present time.

The original captain of the corporation's destinies was the late General Samuel Thomas, its organizer and first president, who resigned a few months prior to his death and was succeeded by George B. Hawes, who had held the position of first vice-president. A short time ago, L. R. Lemoine, formerly second vice-president, was elected president to succeed Mr. Hawes, who at the same time became chairman of the board of directors, the office of second vice-president being abolished a step which means a pruning of the salary account.

COMPANIES ABSORBED.

The organization of the company was effected in the spring of 1899, the incorporation being under New Jersey laws. Fourteen different companies were absorbed, with plants in Addyston, Cleveland and Columbus, O.; Anniston and Bessemer, Ala.; Buffalo, N. Y.; Burlington, N. J.; Chattanooga and South Pittsburg, Tenn.; Louisville and Newport, Ky.; Scottdale, Pa., and West Superior, Wis. These companies represented about 75 per cent of the output of cast iron pipe, fittings and kindred articles in the country, with a total annual capacity of 514,000 tons. In addition, the Wisconsin Steel Company of West Superior, Wisconsin, and the National Foundry & Pipe Works of Scottdale, Pa., were taken over, the former operating a steel plant and the latter a blast furnace. The machinery, tools and equipment originally at the Bridgeport, South Pittsburg and Newport plants that could be utilized have been removed to other plants located more advantageously, whose capacity has thus been increased, while manufacturing costs have been reduced. The Bridgeport property has been sold. These various properties, by the way, are all owned in fee and are free from incumbrances with the exception of the balance due on the $1,500,000 bonds issued by the American Pipe & Foundry Company, of Bessemer and Bridgeport, Ala.

DODGING A RECEIVERSHIP.

For a time, apparently, the company's affairs went along smoothly, and while the official reports in those earlier days were far from being as complete and satisfying as might have been desired, there were vague intimations of large earnings, which served to satisfy the shareholders who were hardly as critical in those days as they have since learned to be. The first real trouble came in 1903, when Andrew H. McNeal, of Burlington, N. J., at one time the owner of a cast iron pipe plant at that place, which was taken over by the "trust" when the latter was organized, brought suit against the company, alleging mismanagement, the paying of exorbitant prices for new plants and insolvency, and asking for the appointment of a receiver. McNeal charged that the company had been operated more in

Knauth, Nachod & Kühne

15 William St., NEW YORK — Leipzig, GERMANY

BANKERS

Members New York Stock Exchange

High Grade Investment Bonds

Drafts on all parts of the world.

Letters of Credit and Travelers' Checks

Interest on Deposit Account

I. M. TAYLOR & CO.

8 Congress St., Boston
115 Broadway, New York

Members of New York, Boston and Chicago Stock Exchanges

This week's Market Letter summarizes the situation and is especially devoted to

Possibilities of

DIVIDEND REDUCTION AND INCREASES

Sent Upon Request

INVESTMENTS

Bonds and Stocks

WM. F. CROSBY,

Tel. 4090. 311 Main St.

WORCESTER, MASS.

JOHN P. DAVIS, President. WM. M. WELLCOME, Vice-President. BYRON H. DAVIS, Sec'y-Treas.

The Davis Wellcome Mortgage Co.

(Incorporated)

TOPEKA, KANSAS.

Gilt-edge first mortgage loans for sale at 5½% and 6% net to the investor. Security well-selected, improved farm lands, in no case to exceed 50% actual value of the farm. Every loan personally examined by one of our inspectors. No better or safer security for money anywhere.

We point with pride to a record of twenty-five years, loaned over $12,000,000, without foreclosing a mortgage or the loss of a dollar in either interest or principal.

Bank References:
BANK OF TOPEKA
CENTRAL NATIONAL BANK, TOPEKA

Correspondence Solicited

Digitized by Google

regard to the exploitation of the company's stock in the stock market than for the practical utilization of the plants and the building up of legitimate business profits. He also averred that the plant at Buffalo had been operated at a loss of $400,000 and that the plants at West Superior, Bridgeport, South Pittsburg and Newport were dismantled and rendered useless.

SPITE WORK ALLEGED.

At once a cry of "Spite work!" went up from the officials, who called attention to the fact that McNeal had been dropped from the board of directors a year before. Holders of a majority of the capital stock hastened to express their confidence in the intentions of the board and in the solvency of the company. Presumably, the vote of confidence had its effect, for the receivership was avoided. It was doubtless a decided point in the management's favor that in that year profits were reasonably good, considerably better, in fact, than they have been in recent years. The force of this argument is shown in the following table, the figures given covering the fiscal years ending May 31:

	Profits.	Surplus for year.	Surplus account.
1901	**	**	$500,360
1902	$901,949	$465,121	675,654
1903	1,376,542	728,724	853,721
1904	1,303,810	607,170	732,170
1905	**	**	493,314
1906	2,068,208	381,206	506,206
1907	2,112,051	438,051	631,801
1908	774,274	*462,726	16,625
1909	274,731	*81,801	164,126
1910	703,292	*229,609	85,512
1911	630,509	*140,631	144,881

* Deficit. ** Not reported.

THE DIVIDEND RECORD.

The deficits shown above were earned after the payment of preferred dividends, which have been unusually irregular for payments on a senior stock issue. In December, 1899, 1¾ per cent was paid; in 1900, 3½ per cent; 1901, none; 1902 and 1903, 4 per cent each; 1904, 4½ per cent; 1905, 5 per cent; 1906 and 1907, 7 per cent each; 1908, 3½ per cent; 1909, 5¼ per cent; 1910, 6 per cent; 1911 to date, 2½ per cent. It was in connection with the payment of the 1908 dividend that the company's affairs were again brought into the courts, this time in the course of a friendly suit. In July of that year, a quarterly dividend of 1¾ per cent was declared on the preferred, to be paid out of a fund termed "reserve for additional working capital", which then amounted to $2,459,897, but the directors were in doubt as to their legal rights under the terms of the charter to declare a dividend out of that fund, and

A FRIENDLY SUIT

was accordingly brought to test the action. The lower court rendered a decision in the company's favor, and the New Jersey Court of Errors and Appeals affirmed that decision, dismissing the suit in June, 1909, whereupon the $218,750 involved in this 1¾ per cent dividend was turned over to the shareholders. As a result of the court's favorable decision, $200,000 was transferred from this reserve fund in 1909-1910 and $250,000 in 1910-1911, leaving a profit and loss surplus at the close of the last fiscal year of $144,881.

The dividend record of the common shares is quickly covered, for the only payments made were 1 per cent in 1905 and 4 per cent per annum in 1906 and 1907. Subsequent developments have shown that this 9 per cent aggregate distribution could have been employed to much better advantage in other ways. About that time, however, a large block of common went to Holland, a fact which may serve as a more or less complete explanation of this dividend action.

THE CUT IN THE RATE

from 1¾ to 1¼ per cent per quarter was accompanied by intimations that the lower rate would be nothing more than temporary in character, but matters have gone from bad to worse, and on August 15, the directors decided to omit the quarterly dividend altogether, no intimation being given as to how long disbursements are to be withheld. The fact that 3.88 per cent was earned on the preferred in the twelve months ended May 31, 1911, as compared with 4.37 per cent in 1910, 1.25 per cent in 1909 and 5.38 per cent in 1908 indicates that something must be done to stem the tide if the stock is ever again to receive the full rate of divdends to which it is entitled, leaving out of the question payments on the common shares, which are, of course, a remote possibility at best. It is stated officially that earnings for the quarter ended August 31 are estimated to be more than sufficient to pay the dividends, but the management has deemed it advisable to

SECURE ADDITIONAL PROPERTY,

and to improve the plants and increase their operating efficiency.

I have already referred to the abolition of the office of second vice-president as being a step in the right direction, an evidence of economy. It is apparent that the management is awake to the necessity of taking urgent steps to retrieve the company's fortunes and to counteract the growing suspicion that there was more in the McNeal charges than appeared on the surface. At 46 the preferred is 51 points below the high level of 1905, when it paid a total of 8 per cent in dividends, and 43 points below the best price reached four years ago, when 7 per cent was being paid. There is evidently plenty of room for missionary work here, work which it is to be hoped will prove productive of results although that is a matter which time alone will decide. P. DE MEDICI.

WILLIAMSON, W. VA.—The Mingo County Bank has been converted into the National Bank of Commerce. Wells Goodykoontz is president; E. F. Randolph, vice-president, and R. B. Parrish, cashier. The bank has a capital of $100,000.

BANK ITEMS.

ASHFORD, ALA.—The First National Bank of Ashford, capitalized at $25,000, has been organized by W. P. Burkett, J. R. Young, J. Baker, R. B. Forrester, K. L. Forrester, and others.

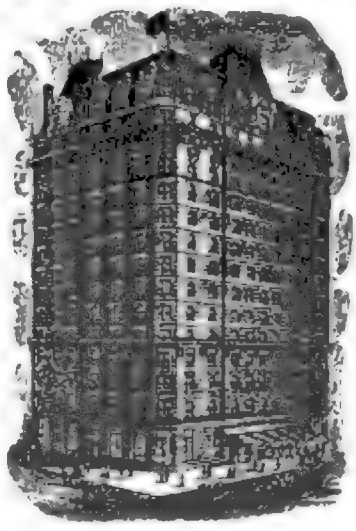
BARTOW, FLA.—The Citizens' Bank, of Bartow, is the title of a new chartered institution, capitalized at $50,000. It is stated that E. E. Skipper will be president.

BERLIN, WIS.—The corporate existence of the First National Bank has been extended until August 18, 1931.

BOISE, IDAHO.—There has been approved at the comptroller's office the application to convert the Bank of Idaho into the Pacific National Bank of Boise, which has a capital of $200,000.

DENVER, COLO.—Crawford Hill has been elected to the board of directors of the First National Bank.

"In the Heart of Things"
HOTEL
MARTINIQUE
Absolutely Fireproof
B'way, 32d-33d Sts., New York City
ONE BLOCK FROM NEW PENN. R. R. DEPOT
and opposite
HUDSON TERMINAL
connecting with
Erie Lackawanna Lehigh Valley Pennsylvania Railroads
from which
BAGGAGE TRANSFERRED FREE TO AND FROM HOTEL



In the midst of leading Department Stores and Theatres
600 ROOMS 400 BATHS
Rooms with use of bath, - - $1.50 up
Rooms with private bath, - - $2.50 up
CHAS. L. TAYLOR, Pres. W. S. GILSON, Vice-Pres.
WALTER CHANDLER, Jr., Mgr.
Also Proprietors of St. Denis Hotel

THE ALBANY HOTEL IN THE HEART OF DENVER'S
SOCIAL AND BUSINESS LIFE AND ACTIVITIES.

Digitized by Google

Municipal Bond Sales

MUNICIPALITY.	Date of sale.	Classification of bonds.	Amount.	Rate of interest. Per cent.	Maturity.	Sales price.	Purchaser.	Income basis.
Marblehead, Mass.	Aug. 16	Street	$45,000	4	**1-9	101.27	Blake Bros. & Co., Boston	3.719
Marblehead, Mass.	Aug. 16	Water	10,000	4	**1-10	101.27	Blake Bros. & Co., Boston	3.719
Everett, Mass.	Aug. 22	Notes	7,660	4	*3	100.789	Blodget & Co., Boston	3.81
Everett, Mass.	Aug. 22	Notes	52,340	4	*5½	100.789	Blodget & Co., Boston	3.81
Clermont County, Ohio.	Aug. 21	Road	9,000	4	*18	100.11	First National Bank, Batavia	3.969
Chillicothe O., Sch. Dist.	Aug. 1	Building	40,000	4	*20	100.675	James T. Bolger, Agent	3.951
Fredericktown N. B.	Aug. 15	Debentures	10,000	4		par	Local Investors	4
Hardwick, Vt.	Aug. 21	Electric light	20,000	4	1931	par	Proctor Trust Co., Proctor	4
Monticello, Ill., Sch. Dist. No. 25.	Aug. 18	Building	18,000	4	*6½	par	Local Banks	4
Ravenna Township, O.	Aug. 15	Road	9,000	4	**1-9	par	Ravenna (O.) Banks	4
Lorain County, Ohio.	Aug. 22	Bridge	70,000	4½	*5½	101.782	C. E. Denison & Co., Cleveland	4.11
Cleveland Heights, O., Sch. Dist.	Aug. 18	Building	7,000	4½	**9-15	103.071	Otis & Hough, Cleveland	4.172
Girard, Ohio.	Aug. 14	Street imp.	5,800	5	*2½	102.827	First National Bank, Girard	4.174
Yonkers, N. Y.	Aug. 22	Water	80,000	4½	**1-40	104.43	O'Conner & Kahler, New York	4.176
Councant, Ohio.	Aug. 21	Land purchase	5,444	4½	*12½	103.03	Provident S. B. & T. Co., Cincinnati.	4.183
Newburgh, N. Y.	Aug. 12	Water	20,000	4.20	**1-10	par	Newburgh Savings Bank	4.20
Yonkers, N. Y.	Aug. 23	School	58 000	4½	**1-20	102.537	A. B. Leach & Co., New York	4.20
Yonkers, N. Y.	Aug. 22	Public bldg.	10,000	4½	**1-20	102.473	O'Conner & Kahler, New York	4.206
Cleveland Heights, Ohio.	Aug. 18	Road imp.	94,872	4½	*5½	101.46	First National Bank, Cleveland	4.21
Bellevue, Ohio.	Aug. 18	Drainage	2,000	5	*8	105.15	Wright Banking Co., Bellevue	4.23
Bellevue, Ohio.	Aug. 18	Street imp.	10,000	5	*12½	107.12	Wright Banking Co., Bellevue	4.24
Bremen, Ohio.	Aug. 14	Sewer	3,000	5	**1-6	102.348	Bremen Bank Co., Bremen	4.27
Bremen, Ohio.	Aug. 14	Water	5,000	5	**1-10	103.523	Bremen Bank Co., Bremen	4.274
Logan County, Ohio.	Aug. 24	Pike	15,000	4½	1916	100.78	Seasongood & Mayer, Cincinnati	4.234
Delaware, Ohio.	Aug. 11	Street imp.	2,500	5	**1-10	103.265	Provident S. B. & T. Co., Cincinnati.	4.237
Delaware, Ohio.	Aug. 11	Street imp.	2,000	5	**1-10	103.265	Provident S. B. & T. Co., Cincinnati.	4.237
Newburgh Heights, Ohio.	Aug. 16	Various	21,714	5	*6	103.29	Hayden, Miller & Co., Cleveland	4.37
Wyandotte, Mich.	Aug. 22	Refunding	20,000	4½	**1-10	100.56	Wyandotte Savings Bank	4.38
Freeport, Ill.	Aug. 15	Park	75,000	4½	*11	100.88	Harris Tr. & Sav. Bank, Chicago	4.39
Montgomery County, Ohio.	Aug. 17	Ditch	5,000	4½	*2½	100.24	Dayton Sav. B'k & Tr. Co., Dayton	4.396
Crawford County, Ohio.	Aug. 12	Bridge	10,000	4½	*1½	100.16	Vucyrus State Bank	4.41
Clyde, Ohio.	Aug. 19	Water	3,200	4½	*8½	100.53	Seasongood & Mayer, Cincinnati	4.424
Wyandotte County, Kansas.	Aug. 19	Funding	335,000	4½	1941	100.74	Sutherlin & Co., Kansas City	4.435
North Arlington, N. J.	Aug. 14	School	22,500	4½	*12	100.08	West Hudson Trust Co., Harrison	4.49
Boise City, Idaho.	Aug. 7	School	50 000	5	t10-20	104.03	Thos. J. Bolger Co., Chicago	4.436
Clarksdale, Miss.	Aug. 17	Wat., l'ht & s.	60,000	5	t10-20	104.03	Planters' Bank, Clarksdale	4.436
Barnesville, Minn.	Aug. 9	Refunding	3,000	4½	1921	par	Wells & Dickey Co., Minneapolis	4.50
Bay City, Mich.	Aug. 17	Local imp.	3,000	5	1919	103.33	R. P. C. Benevolent Association	4.50
Bay City, Mich.	Aug. 17	Local imp.	7,000	5	1916	102.22	R. P. C. Benevolent Association	4.50
Memphis, Tenn.	Aug 22	Normal School	150,000	4½	1936	par	Union & Planters Bank & Trust Co.	4.50
Memphis, Tenn.	Aug 22	Gen'l liability	300,000	4½	1946	par	Union & Planters Bank & Trust Co.	4.50
Alliance, Ohio.	Aug. 17	Street imp.	8,300	4½	1921	101.98	Provident S. B. & T. Co., Cincinnati.	4.534
Haddon Heights, N. J.	Aug. 24	Street imp.	30,000	5	1931	102.555	Camden Safe D. & T. Co., Camden	4.89
Macon County, Mo.	Aug. 24	Refunding	750,000	5	t5-20	100.781	Wm. R. Compton Co., St. Louis	4.822
Santa Clara County, Cal., Jackson Sch. Dist.	Aug. 7	Building	5,000	5	**8-15	101.04	Otto F. Hardies, San Jose	4.871
Corpus Christi, Texas.	Aug. 14	Wharf	50,000	5	t10-40	100.25	Seasongood & Mayer, Cincinnati	4.966
Bay City, Mich.	Aug. 17	Local imp.	15,000	5	1914	100.04	Commercial Bank, Bay City	4.985
Kings County, Cal., Stratton Sch. Dist	Aug. 7	Building	9,000	6	1915	103 633	Wm. R. Staats Co., Los Angeles	4.986
Ansonia, Ohio.	Aug. 14	Street imp.	1,000	5	*2½	par	Citizens National Bank, Ansonia	5
Columbus Township, Mich.	Aug. 10	School	7,500	5	*2½	par	Newberry State Bank, Newberry	5
Garfield Tp., Ia., Sch. Dist.	Aug. 22	Building	6,000	5	t5-10	par	Hanchett Bond Co., Chicago	5
Kings County, Cal., Tensmuir Sch. Dist.	Aug. 7	Building	6 000	5	**1-6	par	Wm. R. Staats Co., Los Angeles	5
Gravenhurst, Ont.	Aug 19	Water	7,000	5	1941	99.57	Ontario Securities Co., Ltd.	5.02
Gravenhurst, Ont.	Aug 19	Sidewalk	3,000	5	1931	99.57	Ontario Securities Co., Ltd.	5.03
New Decatur, Ala.	Aug. 21	School	20,000	5	1936	96	Spitzer, Rorick & Co.	5.269
Santa Clara County, Cal., Sunnybrook Sch. Dist.	Aug. 7	Building	3,000	6	**2-4	102.166	Otto F. Hardies, San Jose	4.71
Sunnyside, Wash.	Aug. 7	Funding	29,000	5½	1931	102.02	Hanchett Bond Co., Chicago	5.345
Red Springs, N. C.	July 11	Wat. & sewer	35,000	5½	1941	100.10	C. H. Coffin, Chicago	5.49
Memphis, Tenn.	Aug 22	Gen'l liability	661,000	6	**1-5	101.458	Union & Planters Bank & Trust Co.	5.647
Enderby, B. C.	Aug. 15	Loc'l imp. & w.	17,000	6	1931	104.27	C. H. Burgess & Co., Toronto	5.65
Merced Co., Cal., Monroe Sch. D.	Aug. 7	Building	3,000	6	**1-6	100.40	Wm. R. Staats Co.	5.87
Stanislaus Co., Cal., Cole Sch. D.	Aug. 15	Building	6,700	6	**8-30	100.93	J. H. Adams & Co., Los Angeles	5.90
Cardston, Alberta.	July 25	Water	27,000	6	1951	100.20	Brent, Noxon & Co., Toronto	5.986
Marble, Minn.	Aug 23	Refunding	95,200	6	*6	par	Commercial Inv't. Co., Duluth	6
Campbellton, N. B.		Debentures	100 000	4			C. Meredith & Co., Ltd., Montreal	
Champaign County, Ohio.	Aug. 23	Ditch	5,640	4	1913		A. F. Vance, Urbana	
Colgate, Saskatchewan.		Debentures	2,500	5½	1921		Nay & James, Regina	
Davidson County, Tenn.	Aug. 23	Road	150,000	4			N. W. Halsey & Co., Chicago	
Darke County, Ohio.	Aug 18	Road	157,500	4½		100.79	Greenville National Bank	
Darke County, Ohio.	Aug. 18	Ditch	40,000	4½		100.79	Greenville National Bank	
Delisle, Saskatchewan.		Debentures	2,200	6	1926		Dominion Sec'ties Co., Ltd., Toronto	
Detroit, Mich.	Aug. 23	School	755,000	3½			City of Detroit, Surplus Funds	
E. Wawanosh Township, Ont.	Aug. 19	Debentures	18,000	5		100.526	Wood, Gundy & Co., Toronto	
Esquimault, B. C.		Sewerage	125,000	5	1951		Dominion Sec'ties Co., Ltd., Toronto	
Grafton, Ohio.	July 27	Road	12,000	5	*10 1-6		Hoehler & Cummings, Toledo	
Hancock County, Ohio.	Aug. 21	Road	16,500	5	*5½		Seasongood & Mayer, Cincinnati	
Hancock County, Ohio.	Aug. 21	Road	1,600	5	*3		John A. Sutton	
Hancock County, Ohio.	Aug. 21	Road	12,500	5	*4½		Seasongood & Mayer, Cincinnati	
Hancock County, Ohio.	Aug. 21	Road	1,900	5	*3		John A. Sutton	
Kalamazoo, Mich.	July 15	Street imp.	12,000	4	**3-10		N. W. Halsey & Co., Chicago	
Kalamazoo, Mich.	July 15	City imp.	6,000	4	**5-10		N. W. Halsey & Co., Chicago	
Kamloops, B. C.		Debentures	85,000	5	t10-20		Dominion Sec. Corp., Ltd., Toronto	
Kingsley, Ia., Sch. Dist.	Aug. 24	Building	20,000	5	1921		Investors Sec. Co., Des Moines	
Ladonia, Texas.	Aug. 11	Water works	10,000	6	t15-40		Unknown	
Longueuil, Quebec.		Debentures	40 000	4½	1951		C. Meredith & Co., Ltd., Montreal	
Luverne, Minn.	Aug. 9	Refunding	30,000	5	*13 2-3		State	
Mahnomen County, Minn.	Aug. 24	Funding	20 000	4			Unknown	
Mason, Mich.	Aug. 19	Refunding	24,000	4½			Bumpus-Stevens Co., Detroit	
Medina County, Ohio.	Aug. 19	R'd dist. No. 1	30,000	4½		103.36	Seasongood & Mayer, Cincinnati	
Mortlach, Sch. Dist., No. 13,681, Saskatchewan.		Building	8,000	5½	1931		Nay & James, Regina	
Mt. Vernon, Iowa, Sch. Dist.	Aug. 15	Building	15,000	5	1921		G. M. Bechtel & Co., Davenport	
North Toronto, Ont.		Sew. disp. pl't.	265,500	4½	1941		Wood, Gundy & Co., Toronto	
Sedalia, Mo.	Aug. 14	City	84,000	5	1931		Fidelity Trust Co., Kansas City	
Whitewood, Saskatchewan.		Debentures	6,000	6	1941		Nay & James, Regina	
Winthrop, Mass.	Aug. 23	Loan	2,000	3.73	7 mos.		Estabrook & Co., Boston	

* Year average. ** Year serial. t Year optional.

Digitized by Google

FINANCIAL INQUIRIES.

Old Line Life Insurance Co.

21280. (Hastings, Mich.) Have you any knowledge of the Old Line Life Insurance Company of Milwaukee, Wis.? This is a new company.

Ans.: This company filed its incorporation papers in January, 1910, and began business with an authorized capital of $1,000,000. The company was organized on the lines of the older and more successful companies, which began business 40 and 50 years ago, and is reported to have taken well in the middle West numbering among its shareholders some of the leading citizens of Wisconsin. The insurance commissioner of that state, while admitting that he was not justified in recommending the refusal of a charter, criticized the company severely on account of the large expenses of organization, amounting to $288,209, and ordered a full report of conditions sent to the stockholders, accompanying this criticism with the suggestion that action be taken to recover the amount involved from the organizers.

President Fry explained that the excessive organization expenses were the result of the example set by other companies in paying large commissions to its agents, an example which had to be followed in this instance. That Mr. Fry justified the position of himself and fellow organizers in the eyes of the shareholders is indicated by the fact that they have retained their official positions, and the company to-day is regarded as being clean cut and well managed. The report of a joint examination made by the insurance departments of Wisconsin, Michigan and Illinois, in response to the company's application for permission to do business in the two latter states, contains the following: "As a result of our very thorough examination, we are convinced that the management of this company has endeavored since it has been transacting a life insurance business to conduct its affairs along proper and conservative lines." This report contains a statement of the company's financial condition on April 30, 1911, and shows gross assets to be $324,609, from which is deducted assets not admitted to the amount of $13,111, leaving admitted assets to the amount of $311,498.

Brentwood Realty Co.—First Realty Co.

21298. (Syracuse, N. Y.) Please give me detailed information regarding the Brentwood Realty Company, New York city. I wish to find out especially whether the property belonging to this company is considered to be very good and also give me some information upon the general reputation of the management. I also wish some information regarding the First Realty Company, Singer building, New York city.

Ans.: The Brentwood Realty Company, we find, is spoken of in favorable terms in Long Island real estate circles, its officers, E. H. McWhorter, president; W. H. Campion, vice-president, and E. Fell Lukens, secretary and treasurer, being regarded as honest and responsible. Brentwood is 43 miles from the Pennsylvania terminal in New York, on the main line of the Long Island Railroad, and on the Long Island motor parkway. The property is well located, aside from its considerable distance from New York and is being developed and improved systematically in a manner which promises well for future values. The directors of the company are as follows: W. A. Wilbur, A. N. Cleaver, E. Fell Lukens, W. H. Campion, E. H. McWhorter and George A. McLaughlin.

The First Realty Company, which, like the Brentwood Realty Company, is bidding for the interest of purchasers in Philadelphia and New York, has its main office in the former city, and is interested in a development at Southampton, which is not far from the extreme eastern end of Long Island, about 90 miles from New York. While the company is working, according to current report, along legitimate lines, and we have learned nothing against its officials, it is evidently not a proposition calculated to attract one who expects to make a daily trip to the metropolis and return, since the Long Island Railroad time table indicates a running time of about three hours, in some instances more, between the two points.

East Jersey Match Co.

21296. (New York, N. Y.) Will you kindly inform us what you know about the East Jersey Match Company? Where are the properties located, present price of the stock and the brokers trading in the same?

Ans: This business was begun about three years ago, and in December, 1909, was incorporated in New Jersey, with Warren B. Hutchinson, president; Morris Sam, vice-president, and William L. Tucker, treasurer. It operates a plant at Garfield, N. J., and is reported to have done a business of $74,529 last year, beginning with $9,807 in the quarter ended March 31, increasing to $15,692 in the June quarter, to $21,586 in the September quarter and to $27,444, in the three months to December 31, each quarter as will be seen, showing a substantial increase over its predecessors. The company recently reported total assets of $378,566, $323,857 of which was made up of "patents, formulas, etc.," a very elastic item. Accounts payable were $3,000. The capital is $300,000, and there are $50,000 of bonds. We learn of no market for these shares among New York dealers in unlisted securities.

MUNICIPAL SHORT TERM LOANS.

WINTHROP, MASS.—The treasurer has awarded a temporary loan of $20,000, maturing April 3, 1912, to Estabrook & Company, at 3.72 per cent discount.

EATONTOWN, N. J.—There has been approved by the comptroller the application to organize the First National Bank of Eatontown. The bank has a capital of $30,000, and among the incorporators are: William H. Foster, J. W. Johnstown, G. S Steele, M. R. Van Kearen, H. Walcott and A. G. Pringle.

Island Creek Coal Company

PREFERRED STOCK DIVIDEND.

The Directors of the Island Creek Coal Company have declared the regular quarterly dividend of $1.50 per share upon the preferred capital stock of this Company, payable October 2, 1911, to stockholders of record at the close of business, September 21, 1911.

F. W. RATCHELDER, Treasurer.

BROOKLYN RAPID TRANSIT COMPANY.

New York, August 14th, 1911.

The Board of Directors has this day declared a quarterly dividend of one and one-quarter per centum on the capital stock of this Company, payable on October 1st, 1911, to stockholders of record at the close of business on Saturday, September 9th, 1911.

J. H. BENNINGTON, Secretary.

Bond Certification

Modern conditions make the registration and certification of municipal and corporate obligations desirable and convenient. We have a department maintained exclusively for this purpose.

First National Bank of Boston
70 Federal Street

NOTICE

Is hereby given that the undersigned will receive bids for the purchase of $30,000.00 of refunding and general liability bonds of School District No. 7, Josephine County, Oregon; said bonds to be paid at any time after ten years at the option of the district and payable absolutely in twenty years, and to draw five per cent interest, payable semi-annually. Each bid must be accompanied with a certified check of $2,000.00 and must be placed with the Board of Directors of said District on or before the 19th day of September, 1911, at 7:30 o'clock P. M., at Grants Pass, Oregon.

The undersigned reserves the right to reject any and all bids.

Signed: BOARD OF DIRECTORS OF SCHOOL DISTRICT NO. 7,
Of Josephine County, Oregon.
By EDWARD S. VAN DYKE, Clerk.

THE CONCHO VALLEY LOAN AND TRUST CO.

OF

SAN ANGELO, TEXAS.

Capital stock $200,000.00. Organized and operating under the Texas Banking Laws, offer to investors some high grade paper, netting from 6 to 7%. Secured by first Mortgage on improved farm and ranch lands. Our paper carries our endorsement and guarantee of payment of principal and interest. Write for information.

T. C. WYNN, Pres. C. C. KIRKPATRICK, Sec. & Treas.

DENVER Bonds Stocks

Denver Union Water — Denver Gas & Electric
Denver Tramway — Cities Service
Denver & Northwestern — Northern Colorado Power
Nevada-California Power

We buy and sell the bonds and stocks of all the above companies

Nathan Gregg & Company
Century Bldg., Denver.

CONSIDERING SECURITY

high grade industrial bonds pay the *highest income* and offer the best chance for rising profits. Send for circular "M".

BEARDSLEY AND COMPANY

Henry Shedd Beardsley, President

Pullman Building, Madison Square New York

The following assignment will be sold at public auction in the Exchange Salesroom, 14 & 16 Vesey Street, New York, on September 13th, 1911, at 12:30 P. M., viz.: Assignment of all right, title and interest in and to the reenforced concrete dam known as the Morton type of dam for which patent was applied on May 13, 1911, by Walter S. Morton. This assignment having been made by Fred M. Hoadley, to secure an indebtedness of $39.60. Property of doubtful value. HENRY AMERMAN, Attorney for Lienor.

Digitized by Google

United States Investor

Published Every Saturday Morning by

FRANK P. BENNETT & CO., Inc.

SUBSCRIPTION RATES

$5.00 per annum in United States and Mexico; $6.50 per annum in Canada.

$7.00 per annum in England, the Continent, Australia and Countries in the Postal Union.

$10.00 per annum for Investor and Inactive and Unlisted Securities Supplement, including privilege of inserting quotations in the Supplement.

ADVERTISING RATES

Twenty-five cents per agate line. $2.80 per inch each insertion. $30 per inch three months. $100 per inch one year. There will be no deviation from these rates under any circumstance and all of our advertisers may depend upon being treated alike.

PUBLICATION OFFICE,

530 Atlantic Avenue, Boston.

NEW YORK OFFICE,

2 Rector Street, New York.

JOSEPH L. BARKER, Manager.

Washington Office, 208 Corcoran Building; Philadelphia Office, 108 Chestnut Street.

Entered at the Post Office at Boston, Mass., as second class matter.

Quite unexpectedly to most observers, Attorney General Wickersham has insisted that the "National City Company issue" shall be sent to President Taft for adjudication. After Mr. Wickersham's opinion in the matter had been submitted to Secretary MacVeagh and had been passed upon by the latter, it had been intended to publish both analyses of the subject. The fact that the Secretary of the Treasury differed with the Attorney General is understood to have been the reason for the refusal of the latter to allow the matter to become public. This throws upon the President a responsibility which he ought not to have been compelled to assume. He has, by the action of the Attorney General, been obliged to undertake a laborious inquiry involving technical questions which he is not well prepared to deal with. His ultimate decision may be correct, but it will inevitably be the basis for political discrimination and controversy. President Taft ought never have been saddled with this burden, particularly as the issue raised is wholly artificial and without public demand.

Various ingenious reasons for the current conditions in the stock market are assigned by those who want to explain the continued shrinkage of values in a satisfying way. One of the latest is that considerable quantities of shares were disposed of during the past 30 days by the Standard Oil Company by way of preparation for its dissolution in accord with the decree of the Supreme Court of the United States. The facts seem to afford some basis for this view, although such sales of stocks could hardly have had the influence ascribed to them in some quarters. Lack of strong buying power or support in the market has, however, been a notable feature for a good while past, and even a moderate unloading of shares would have its effect in pushing prices down. Whatever influence this reported sale of stocks may have had, it is not likely to continue long or to alter the fundamental conditions in the market. Prices now appear to have been forced to about their lowest probable level. This has at least the element of encouragement, since future changes will be likely to be upward.

Undoubted relief has been shown by the business world because of the adjournment of Congress. This has been sincerely felt owing to the radical and apparently careless legislation of the session with regard to the tariff. The cotton bill, particularly, made a bad impression upon serious-minded students as showing the lengths to which Congress could go under the influence of political tricksters. No better evidence of the feeling of the country could be afforded than that which is furnished by the general approval of the President's veto message of his subsequent utterances on the same subject. The combined Democrats and insurgents in Congress, by their unscrupulous shuffling, gave Mr. Taft an unexampled opportunity to rebuke them, and of this he has fully and effectively availed himself.

CONFLICT IN BANKING REFORM.

According to what seems to be authorative statements from Washington, some division of effort and opinion in the banking reform movement is imminent. Ex-Senator Aldrich, the chairman of the National Monetary Commission, is said to be unwilling to "turn over" the reform movement to the business men's monetary league. He now proposes, after a long period of inactivity, to begin a series of "hearings" in various places, and he also announces that he will himself make public addresses in behalf of his monetary "plant." True, Congress has ordered the commission to render a "full and comprehensive" report of its work on or before January 8, 1912. But it has also granted the commission authority to continue its existence until March 31 of that year. There can be no question of the propriety of Mr. Aldrich's efforts as chairman of the commission, so long as the report of that body is in process of preparation. But what should be his position during the months between the rendering of the report and the legal expiration of the commissioner's life?

It would be exceedingly unfortunate if there should be any conflict between Mr. Aldrich and the private but public-spirited persons who have aligned themselves behind the banking movement. The ex-senator from Rhode Island is not in position to become a propagandist. He is in a public position and as such properly nonpartisan. He has the ear of the country and of Congress, by reason of his official status, for whatever the commission, under his inspiration, may report. But it would not be appropriate for him to go further, and during the brief period allowed him to close the commission's work, undertake a semi-political conflict with those who have taken up the work of furthering monetary reform where he has necessarily dropped it. Some indications of a disposition to this point of view on the part of Mr. Aldrich have been evident for some time past. Little attention has been paid them, and little would be accorded them to-day, were it not that the announcement of possible conflict in currency reform efforts comes at an unfortunate moment. Next winter will be a period when action will be exceptionally difficult in Congress. The division of the Senate into conflicting groups, the pressure of work and the hostility of contending Presidential candidates will make any sincere expression of legislative opinion very difficult. If under those conditions the chairman of the National Monetary Commission feels that he cannot submit to the leadership of others in the reform movement, the outlook for accomplishment will be unpromising.

The commercial community has formed its own organization, under the leadership of capable and representative men who know their own minds and the attitude of the country. Mr. Aldrich himself is handicapped by his own past record and cannot assume the role of leader. Moreover, no one plan of reform can be accepted en bloc. There will of necessity be changes, modifications, and adjustments. The general idea of the Aldrich plan is acceptable, and will be used as the basis of the legislation to be urged by the business men. More than that cannot be promised

Digitized by Google

and more than that cannot be asked by any reasonable reformer. If Mr Aldrich is really devoted to the cause of reform he will be either a positive supporter of the movement which has taken over his cause, or at least he will be neutral with respect to it.

THE PRICE OF COTTON.

Shortly after the adjournment of Congress, several southern senators and representatives held a meeting at which the cotton outlook was discussed, and southern farmers were urged to demand higher prices for the staple, holding out, if possible, for 13 cents per pound. This advice was based upon the fact that, as the congressmen believed, the "statistical position" of cotton justifies the rate mentioned. A letter to the Farmers' Union, urging that body to influence its members in favor of holding out for 13 cents is the direct result of the conference.

Probably, no one would object to the southern farmers getting the maximum possible price for his product or to his employing any legitimate means within his reach to the furtherance of that end. The question is whether he may not hurt rather than help himself by means such as those recommended by the Congressmen. Much was said at the conference about speculative "conspiracies" on the cotton exchanges to depress the price of cotton. Such charges overlook the fact that as many speculators are hurt by high cotton prices as are helped by them. Cotton farmers themselves, among them some of the very men who are responsible for the present movement, urged upon Congress a year ago that little cotton was actually dealt in by the New York cotton exchange, the bulk going direct from farmers to spinners. That was when legislation designed to injure the exchanges was demanded, but now the shoe is on the other foot. The work of the cotton exchange is regarded as if it were capable of profoundly altering prices, which could be the case only if it actually dealt in cotton on the large scale. Farmers are asked to band themselves together to demand high prices by a means similar to that said to have been used by the exchange to depress them.

This movement, like the anti-cotton exchange agitation of last year, rests upon two fundamentally erroneous assumptions. One is that the competition among cotton raisers is so narrow that it can be controlled by a kind of "trust" agreement. The other is that high prices for cotton are the basis of general prosperity. Neither assumption has even a bare shadow of support. The cotton area is extending itself all over the world, and even if the United States had a monopoly of the required supply, American farmers could not unite themselves closely enough to control the price of the staple. As for the effect of high prices, it is a fact that the textile industry has been suffering severely for a good while past, because of the excessive charges for cotton due to large consumption of fabrics and scarcity of the raw product. An excessively high price of cotton during the coming autumn might help some farmers who were wise enough to let go of their stock surreptitiously, at the most favorable figures, but it would work widespread hardship to spinners and through them to consumers at home and abroad. This suffering must necessarily react upon the growers of cotton. They would lose by it more than they could gain from unreasonably high quotations. There is no reason to distrust the market machinery established by the commercial world for the purpose of determining prices, and such efforts as those employed by the congressional conference can have only an injurious effect.

MORE RAILROAD DEVELOPMENTS.

Developments during the past week have made it plain that there is no means of escaping the railroad problem by which the country is confronted. There has been a growth in the apparently unfriendly feeling of employes on a number of roads, and at the same time further demonstration of the deficiency of earnings and of the disposition of the roads to retrench in expenses. All this makes a three-fold question whose acute stages may not, probably will not, be reached at the present time, but which is being more and more clearly stated in inevitable terms.

In outlining their demands more clearly, the men on some of the western lines like the Southern Pacific have given a better idea of their programme than was previously available. They want not only the "recognition" of their organizations to which reference was first made, but also various changes in hours, and, as usual, higher wages in certain occupations. These concessions are demanded on the usual grounds—increase in cost of living, desire to participate in the prosperity of the roads, and others of similar sort. Apparently, there is no good case for the demands of the men at this particular time. They may be reduced simply to the statement that the employes, like other workers of the same class, want to do less and get more if possible. The trouble with the railway men's programme is that every day is making plainer both the decline in business, which is rendering it possible for the roads to retrench, and the fact that they are actually introducing retrenchment programmes in order to adjust the relationship between gross and net earnings so far as they are able. In so doing, they make it exceedingly hard for employes to gain much success by threats of a strike. The conditions for such an effort, as we have noted in the past, are not favorable to the use of that method. With lower demand for labor, the roads are in a far stronger position to meet aggressiveness on the part of employes, while with lower earnings they are in a position to demand and obtain a far larger measure of public support.

Behind these elements in the problem is a condition recognized as new by responsible railroad managers and stated by President Kruttschnitt of the Southern Pacific when he referred to the officers of the lines as "quasi-public officials". In that capacity, Mr. Kruttschnitt thought, the managers must consider the enterprises placed in their hands as a trust—not merely as their own property. It is their duty, he believes, to administer this trust not only in the interest of employes, but in that of stockholders and of the general public as well. This point of view distinctly raises the question whether the railways have the right to increase wages of employes if such action implies a necessity, immediate or ultimate, of reducing dividends or raising freight rates. If either of these alternatives is unavoidable, an increase in wages amounts to a transfer of property from one class of beneficiaries to another, and is a step not to be taken without full consideration. That this is the attitude toward which the activities of the Federal government have been forcing the roads, and that the position thus assumed is the logical consequence of the limitation of railroad earnings by the Interstate Commerce Commission, there can be no question. The railroad problem is entering upon a new phase where this situation is distinctly recognized. In the past, it has been easy for radical administrators to pass laws and undertake "arbitration" plans designed expressly to "take it out of the railroads". This was feasible so long as a net surplus of earnings existed. When that is gone and the roads are placed on a narrow investment basis, the problem is quite different—and infinitely harder.

BOSTON, MASS.—The First National Bank has been designated a depository for the funds of the Postal Savings Bank, recently started in the Boston post office.

Digitized by Google

Erie Continues To Make Records

Gross Earnings For the Fiscal Year Just Ended Were The Largest in the Company's History—Both Gross and Net Earnings for July Also Made A New High Record, and Preliminary Reports for August Indicate a Continuance of The Same Gait—To The Executive Ability of President Underwood Is Very Generally Attributed This Remarkable Transformation of a Road on the Verge of Bankruptcy Only Three Years Ago—The Series B Convertible 4 Per Cent Bonds Yielding 5.60 Look Attractive, as Interest on Them Was Earned More Than Twelve Times Over, and Behind the Issue of $12,000,000 Is a Market Value Equity in the Stock of Over $61,009,000.

A noticeable feature in the recent railroad symphony in lugubrious lamentation has been the fact that the Erie has not participated. In fact, the Erie officials have made no complaint at all, and the road has been steadily going ahead making new records in gross earnings every month.

For the fiscal year ending June 30, 1911, the company's gross revenue was $56,649,908, an increase over the preceding year of $1,783,718. Both 1910 and 1911 made new high records in gross earnings, as the previous largest amount of gross was in 1907, when the total was $53,914,826. Since the close of the fiscal year, the company's earnings have continued at their record-breaking gait. For the month of July, gross income showed an increase of $224,343 over the same month last year, and of this gross income $119,476 was saved for net. Preliminary estimates for the first three weeks of August indicate that the traffic for the second month of the fiscal year will exceed any previous August business in the history of the company. There would seem to be every indication, therefore, that the

CURRENT FISCAL YEAR

will be the third one in succession in which the Erie will make a new high record in earnings.

It may be said to be natural in view of these facts that the Erie officials have not been making any complaint about reduced railroad rates, or the unsatisfactory state of business, and it is further a matter of significance that there has never been even a suggestion as to labor troubles on the road. There should be a reason for this exceptionally satisfactory condition of affairs, and there is one in the signal executive ability of the road's president, F. D. Underwood. He is not one of the railroad presidents who is inclined to talk very much, but when he does talk he says things which are very pertinent, as well as brief. He never indulges in platitudes or generalities. When the reporters asked him some weeks ago if the Canadian Pacific was going to buy the Erie, he promptly replied that it certainly was not, but that the Erie was going to buy the Canadian Pacific as a Canadian outlet.

Since the reorganization of the Erie fifteen years ago, approximately $150,000,000 of new capital has been devoted to the rehabilitation of the property, from the physical as well as the operating standpoint. During the past two years about

$15,000,000 OF SURPLUS EARNINGS

have been put back into the property, so that, with these figures in mind, it is easier to understand why there has been such a transformation in this property. You do not hear in financial circles now any comment about the "poor old Erie", but on the other hand, a discussion is very frequently heard as to how long it will be before the first and second preferred stock will go on a dividend basis.

In recent years, the process of building up the property has necessarily been slow, because the company has practically been unable to sell any new securities, and has been limited in its capital expenditures to such amounts as could be secured from net earnings and on short-term notes. Although this process has been slow, the work has been very thorough and effective. The first and most important item was what is known as the "Bergen Cut" near the Jersey City Terminal. All of the company's suburban and through traffic converges at this point and formerly had to go over two tracks. Now

ANNUAL FALL EXCURSION TO THE WHITE MOUNTAINS

THE GRANDEST SCENIC TRIP IN ALL AMERICA.

SEE THE MOUNTAINS IN AUTUMN

Tickets Good Going Sept. 9 to Sept. 29

RETURNING TO SEPT. 30, INCLUSIVE

(Subject to conditions printed thereon)

FROM BOSTON

ROUND TRIP RATES

Crawfords	$4.65	Fabyan	$4.65
Bretton Woods	$4.65	Littleton	$4.65
Maplewood	$5.00	Jefferson	$5.25
Bethlehem	$5.00	Twin Mt.	$4.65
Profile Hse.	$5.50	Lancaster	$5.25
Intervale	$3.75	Colebrook	$6.25
N. Conway	$3.75	Weirs	$3.00
Wolfboro	$3.00	Con. Jct.	$3.00
North Woodstock	$3.75		

To Fabyan or Bretton Woods, Crawfords and Twin Mountain, via North Woodstock, stage to Profile House, rail beyond and return all rail via Intervale or Plymouth, or vice versa . . $6.75

BOSTON AND MAINE RAILROAD

FIFTEEN SPECIAL SIDE TRIPS

Including the wonderful all rail climb to the summit of

MOUNT WASHINGTON

The climate of the White Mountains appeals to every outdoor enthusiast. It's a trip where every mile brings something interesting and great natural wonders into view.

REDUCED RATES AT POPULAR RESORT HOTELS.

For Information, Reservations and Tickets, apply to City Ticket Office, Cor. Washington and Court Streets, or North Station, Causeway Street.

All details on handbills.

C. M. BURT, G.P.A.

Digitized by Google

a cut through Bergen Hill gives the road four more tracks, with a result that its capacity for handling business to and from the Jersey City Terminal has been increased several hundred per cent.

At a number of points on the company's main line grades have been eliminated, new cut-offs made, so that pusher engines to a considerable extent have been abandoned, and the Erie's average train load is now 516 tons, or second only to Lehigh Valley. It is not generally appreciated that as a result of these improvements the Erie now handles a ton of freight more expeditiously and

AT LESS COST

than does the Pennsylvania, the New York Central, or any of its competitors, that it had fewer engine breakdowns during the last year than any trunk line except the Lackawanna, fewer delayed trains from Jersey City, and comparatively fewer claims from shippers, than any other road running from New York to Chicago.

One of the most eloquent features of Erie progress is in its steadily decreasing ratio of operating expense. In 1908, the percentage of operation expenses was over 82, while for the year 1911 the figure was 71.2, and in July of this year the ratio was further reduced to 68.1.

For the long pull speculator both issues of Erie preferred stock look attractive. Between the first preferred at 48 and the second at 40, I should be inclined to buy the second, because in all probability, when the time arrives for dividend payments, both issues will receive dividends, in view of the fact that there is nearly $48,000,000 of the first preferred outstanding, while of the second preferred there has been issued only $16,000,000.

For the investor a much more

ATTRACTIVE ERIE SECURITY

is the series B convertible 4 per cent bonds, now selling around 74, at which price they yield 5.60. Both the series A and B convertible bonds are secured by the same general mortgage and rank exactly the same in lien. The only difference between the two issues is that the series A bonds are convertible into common stock at 50, while series B are convertible into stock at 60. The series A bonds, nevertheless, sell about 7 points higher in the market.

An interesting fact about the series B bond is that the interest on them is being earned more than twelve times over, and this is always regarded as a vital factor in considering a bond purchase. Of this issue there is outstanding only $12,000,000, so that the annual interest on them amounts to $480,000. During the company's fiscal year just closed, the surplus earnings after paying all expenses in fixed charges amounted to $4,050,674, and in addition, $1,339,747 was appropriated out of earnings for additions and betterments. Adding these two items together with the amount paid in interest on the bond makes a total of $5,870,411, available for the interest payment of only $480,000 a year.

Another fact which is always referred to by the bond salesman is the market value of the stock equity behind any particular bond issue he may be selling. In the case of these bonds, the showing from this viewpoint is

A VERY FLATTERING ONE.

At ruling prices, the market value of Erie common is about $31,000,000, of Erie first preferred about $24,000,000, and of Erie second preferred, $6,400,000, or a total in market value of over $61,000,000, which may be said to come behind and protect the $12,000,000 of series B convertible 4 per cent bonds outstanding.

Although talk of the early payment of dividends on the preferred stock is heard very frequently, it is not believed to be likely that any dividend will be declared on any issue of Erie stock during the next two years, because for at least that length of time the company will have ample use for every dollar of its surplus income. It, of course, may be possible that before that time the credit of the road will improve to such an extent that new securities can be sold at a fair price and the necessary new capital secured in this way. While the Erie has done a good deal in the way of improvements, there is still much more to be done. The entire line from New York to Chicago should be double-tracked, and only about one-half of it is now double-tracked. P. DE MEDICI.

MINING INQUIRIES.

Nevada-Greenback Wonder Mining Co.

21290. (Detroit, Mich.) Kindly report on Nevada-Greenback Wonder Mining Company.

Ans.: Nothing has been heard of this company for some time past, so far as we have been able to learn. It was promoted from Chicago in 1907, based upon claims in the Wonder district of Nevada, but never attracted much attention, and has been referred to bearing the ear-marks of a stock-jobbing enterprise. Inquiry among dealers in shares of this class indicates that it would be next to impossible to find a market for the stock.

Penn-Wyoming Copper Company.

21287. (Erie, Pa.) I would be pleased to have you give me information regarding the present condition of the Penn-Wyoming Copper Company, and if possible, also, inform me as to the present market price of the shares of the company.

Ans.: There is no market for the shares of this company at the present time, so far as we can learn, nor do the prospects of realizing on them appear to us to be particularly bright. The history of this enterprise really began 12 years ago, with the formation of the Ferris-Haggerty Copper Mining Company, which purchased the Ferris-Haggerty Copper Mine in the Grand Encampment district of Wyoming, and built a large smelter at Encampment. Later this company sold out to the North American Copper Company, which commenced work on a steam railroad connecting Encampment with the Union Pacific. Then the Penn-Wyoming Copper Company was organized and took over the property, and about two years ago, another change came in the organization of a successor company known as the United Smelters, Railway & Copper Company, as a result of financial difficulties into which the Penn-Wyoming Company had fallen, together with its 11 subsidiaries. It was announced that 85 per cent of the Penn-Wyoming stock had been turned over for exchange, so that the United Company was in absolute control. A year or so ago the Penn-Wyoming Investors' Association, formed of a considerable number of stockholders, filed suit in the United States Circuit Court at Cheyenne, alleging stock jobbing operations. It was announced some time ago that the Federal officials would proceed against the operators for fraudulent use of the mails. The property is reported to have been practically idle for a long time past, and the outlook appears far from reassuring.

Cash Mining Co.

21284. (New York, N. Y.) If you have any data on the Cash Mining Company, will you kindly publish it in your columns of the United States Investor?

Ans.: The Cash Mining Company is a Maine corporation, organized in July, 1908, with a capitalization of $125,000 6 per cent cumulative preferred and $500,000 common. All of the preferred and $365,000 of the common is reported as having been issued, the remainder of the common stock being in the treasury. The shares have a par value of $1 each, and there appears to be little, if any, market for them.

The property comprises 135 acres located in the Hassayampa district of Yavapai county, Ariz., equipped with a ten-stamp mill. This property has auriferous copper ore and argentiferous lead ore. It has been developed by two shafts. The management is in the hands of residents of Bangor, Me. The president is E. H. Blake; vice-president, C. P. Bragg; secretary, B. C. Additor; treasurer, J. C. Dunning. The directors are: E. H. Blake, C. P. Bragg, Samuel Sterns and Fred Johnson, all of Bangor, Me., and L. S. Wheeler, of South Beach, Me.

NEW WILMINGTON, PA.—The New Wilmington Bank has been organized with a capital of $50,000.

SPRING GARDEN, ALA.—A new bank is reported organized with a capital of $15,000. E. R. Davis, of Rock Run Station, is to be president, and others interested include N. C. Webb and L. Williams.

Before All Else

there is found in every Union Mutual Policy the first and strongest Purpose of Life Insurance.

Protection

Clear, Faithful Reasonable Contracts. Ask for Particulars.

Union Mutual Life Insurance Co.
Portland, Maine

Fred E. Richards, President.

JANUARY 1, 1911
Insurance in force more than $140,000,000
ASSETS - $36,327,870.03
LIABILITIES $3,371,841.25
SURPLUS - $ 2,956,287.78
1910 MOST PROSPEROUS IN HISTORY OF THE COMPANY

North American Accident Insurance Co.
CHICAGO

Net Surplus & Capital..$ 600,000.00
Income 1910..... 1,151,000.00
Will aid good men in Establishing Agencies.
Best Policies — Largest Commissions or Profit Sharing Contract.
A. E. Forrest, Vice-Pres. & Sec'y. Chicago

Digitized by Google

Marking Time In Copper

Prices Firm in a Quiet Metal Market—Boston's Flurry in Copper Shares, and The Results—Intrinsic Values Not Affected By the Decline—Shannon's Dividend Prospects—Fears of a Side-Tracking of Prosperity and a Delay in Growth of Domestic Consumption of the Metal—Increased Production Coming Soon From New Porphyries, With South America and Alaska Contributing Also—Throwing the Searchlight on the Producers' Association.

The passing of another week brings with it no change of importance in the position of the copper metal market. It has been a period marked by a comparative lack of activity, with prices holding up with somewhat surprising firmness. In the share market, recent conditions have reflected the depression seen in stock market affairs generally, and numerous liquidating orders have been in evidence from time to time. In Boston, conditions have been more excited than in New York on account of the necessity for rescue operations in connection with the Amster stocks. Had it not been for prompt action by a committee of Boston brokers, there would doubtless have been a fresh outburst of liquidation more serious than that which actually developed, which would naturally have communicated itself to the New York market, and resulted in a further bear drive all through the list.

PENDING CHANGES.

However, this is simply a dream of what might have been, which, fortunately, failed to come true, for the arrangement whereby the brokerage houses agreed to accept Mr. Amster's collateral in settlement of his accounts has prevented the stock from being thrown on the market, and the latter has, therefore, been saved another severe blow. It is anticipated that this situation will result in a change of management in one at least of the Amster companies. The best of these properties, as far as present conditions are concerned, is the Shannon, in the affairs of which William A. Paine and Charles Hayden are expected to play a very prominent part from this time on. The Shannon Copper Company is now producing copper for about 11 cents, and with copper at 13 cents, could earn and pay in the neighborhood of $1 per share per annum. There has been a disposition on the part of some of the directors of the company to favor a dividend distribution to the shareholders, since the company a few weeks ago voted to retire the last $59,000 of its outstanding bonds at par, this being the sole amount remaining of the $600,000 of bonds which were originally issued to pay for the smelter in the early days of the company.

OTHER HOLDINGS.

So far as the Arizona Commercial and the Boston & Corbin, two other Amster properties, are concerned, it is anticipated that Mr. Amster will continue to hold control of them. On the Arizona Commercial property results have been by no means as satisfactory as might have been desired, yet the property has many friends, and drill work has given some very satisfactory indications of value. The Boston & Corbin has not reached the advanced stage of development, which has made it possible to obtain a very fair idea as to the operating possibilities of Shannon, but here, too, the reports of operations have been for the most part encouraging in their tone. Of course, the liquidation which has taken place in the shares of these companies has not affected intrinsic value in any way, and the low level to which the shares have been driven greatly enhances their speculative attractiveness.

BUSINESS OUTLOOK WORRIES.

The one gloomy spot in the metal market to-day is to be found in the doubt frequently expressed as to the ability of the business of the country to recuperate as rapidly as had been expected prior to the unfavorable crop reports compiled by the government statisticians, and while there is nothing to support the belief in a crop famine, it is realized that the failure of these crops to come up to earlier anticipation is likely to have the effect of a drag upon general prosperity, which, of course, would have its effect upon the domestic consumption of copper. It is hardly necessary to say the expectation of a steadily strengthening metal market has been founded upon the belief that the brass mills and other sources of copper consumption would shortly increase the scope of their activities to such an extent that the growing domestic demand would co-operate with the remarkably large foreign consumption in causing a further reduction in available supplies with an accompanying advance in metal quotations to 14 or possibly 15 cents per pound. General conditions have improved within the last few weeks, but there is a tendency toward conservatism, and a feeling that the recuperative process may be too slow to be satisfactory. That, however, is a matter which time alone will determine. It is to be hoped, of course, from the viewpoint of the copper producer and of the holder of copper shares, that there will be

A FURTHER EXPANSION

in the consuming demand from domestic sources in the near future, for it is probable that an increase in production will be seen before long. By next spring the output of the country's mines will probably be considerably greater than it is at the present time, and while it is not anticipated that there will be any backward movement in metal prices, it is possible that a slow inquiry from consuming sources would work against the anticipated advance to the 14-cent mark, particularly if consumption were to increase. The Utah Copper and Nevada Consolidated have been making preparations to increase their output, and the Chino property has recently entered the ranks of producers. South America, too, is likely to play a more important part than formerly in the production field, for the Braden property has also started production recently. Miami and Ray Consolidated are next in line, and with plans going forward for the construction of the Inspiration plant, it is evident that new production in this country is likely to show a steady increase from this time on.

ALASKA COPPER.

In another quarter of this continent, namely in Alaska, the production of copper is increasing, and within the next few weeks, three large properties, among the numerous mines located around Prince William Sound and along the line of the Copper River & Northwestern Railway, are expected to commence shipping. It is within this territory that present Alaska production of copper is chiefly confined.

The recent announcement that the Department of Justice at Washington has undertaken to investigate the Copper Producers' Association has not served to increase the optimism of those who believe in the policy of publicity. It is quite true that there are a number of producers who cling to the idea that the greatest asset in their business is ability to keep under cover the important facts of production and consumption. These critics have argued time and time again that since the Producers' Association began the publication of monthly figures the market has suffered on account of the fact that the consumer has been given a better opportunity than formerly of determining where he stands the best chance of getting the metal cheapest. This class of producers is looking forward with some little anticipation to the above mentioned investigation, and would not be at all disappointed if the organization should be ordered dissolved. On the other hand, consumers would doubtless make very strenuous objection to any such outcome as this, and a great many investors, present or prospective, in copper shares, would entertain a similar feeling. The producers realize fully that if a statistical organization such as the Producers' Association is subject to Federal investigation, there is little hope for the long-talked-of, country-wide merger receiving official sanction, and for that reason, discussion of this consolidation has been relegated to the background for the time being.

P. DE MEDICI.

BANK ITEMS.

NEW YORK CITY.—James G. Cannon, president of the Fourth National Bank, and Vincent S. Mulford have been elected directors of the Fidelity Trust Company.

PARLIER, CAL.—An application has been received at the comptrollers office to organize the First National Bank of Parlier. The capital is to be $25,000, and among the incorporators are J. F. Hayhurst and I. N. Parlier.

REDDING, CAL.—The Redding National Bank has been organized with a capital of $100,000. Alden Anderson, A. F. Smith, George A. Grotefield, I. O. Jillson and John Wm. Hare are interested.

SCOTT, LA.—The Bank of Scott has been organized with the following officers: Dr. L. A. Prejean, president; J. M. Keith vice-president, and William Butcher, cashier. The capital is $17,000.

Digitized by Google

The Best Purchases on the Industrial List

As Indicated by the Two Standards of Comparison: of Present Investment Yield on Basis of Current Dividends and Prevailing Market Price, and on Basis of Present Earnings on Prevailing Market Values

The average net yield of the 50 industrial stocks quoted in the following table was 6.26 per cent on August 29, as compared with 6.09 per cent on August 22, 6.30 per cent on January 3, and 5.76 per cent on January 2, 1910.

It is a regrettable fact that the majority of industrial corporations report their earnings only annually, that is, after the close of the fiscal year, a date which varies in individual instances. The United States Steel Corporation, the Utah Copper Company and a few others report quarterly, and others report semi-annually. In some instances, too, it is possible to obtain official reports or income accounts between the dates of annual meetings of shareholders, as applications to list additional securities on the stock exchange are made to the listing committee of the exchange, a step which necessitates a report of condition and earning power.

One of the most recent reports received is that of the American Agricultural Chemical Company, which shows that after deducting all charges, including interest, betterments and renewals, and setting aside $650,318 as reserve for freights, losses and contingencies and $100,000 for fire insurance, there remained as net profits for the year ending June 30, 1911, $2,679,917, from which were deducted two semi-annual dividends paid on the preferred stock of the company amounting to $1,143,114, leaving a net balance of $1,536,803 for the year. By vote of the board of directors, $400,000 was deducted from this amount for depreciation of brands, patents, trademarks and good-will, leaving a net surplus for the year of $1,136,803. The foregoing balance after preferred dividends of $1,536,803 is equal to 9.05 earned on the $16,991,300 common stock, as compared with 10.42 per cent earned on the same stock last year.

The market is still in a position which makes it possible to obtain unusual bargains in industrial shares. United States Steel common, for instance, looks very attractive around 70, at which price it yields over 7 per cent. This same issue, by the way, was spoken of as being cheap when it was selling ten points higher, predictions having been made at that time that it would go to par. The business of the company is on the increase, and the next quarterly report, it is anticipated, will be a material improvement upon recent predecessors. On the other hand, the Stanley investigation, which promises to be long drawn out, is likely to prove a serious drag on the market progress of the issue, as well as on that of the preferred shares, for some time to come, thereby making it necessary, perhaps, to revise the bullish predictions made earlier in the year until such time as the activity of the politicians wears itself out.

STOCKS SHOWING BEST INVESTMENT YIELD.

Present rank.	Stock.	Present dividend	Price.	Yield on present price
1	American Cotton Oil, com...	5%	51	9.80
2	U. S. Rubber, 2d pref.	6%	72	8.33
3	United Dry Goods, com.....	5%	102	7.84
4	American Woolen, pref.....	7%	90	7.77
5	Republic I. & S., pref.....	7%	90	7.77
6	Central Leather, pref.....	7%	95	7.37
7	Nat. Enam. & Stmpg., pref...	7%	96	7.29
8	U. S. Realty & Imp.....	5%	69	7.25
9	Pressed Steel Car, pref.....	7%	97	7.22
10	Am. Writing Paper, pref.....	2%	28	7.1
11	U. S. Steel, com.....	5%	70	7.14
12	Ry. Steel Spring, pref.....	7%	101	6.93
13	Union Bag & Paper, pref.....	4%	58	6.90
14	Inter. Steam Pump, pref....	6%	87	6.89
15	People's Gas.....	7%	103	6.80
16	Va.-Carolina Chem., pref.....	8%	118	6.78
17	Lacledo Gas	7%	104	6.73
18	Am. Sindt. & Refg., pref....	7%	105	6.66
19	Crex Carpet	5%	75	6.66
20	Am. Locomotive, pref.....	7%	105	6.66
21	American Tobacco, pref.....	6%	91	6.59
22	National Lead, pref.....	6%	108	6.48
23	Distillers' Sec. Corp.....	2%	31	6.45
24	Corn Products Refg., pref..	5%	80	6.25
25	Am. Beet Sugar, pref.....	6%	96	6.25
26	Westinghouse, 1st pref.....	7%	114	6.14
27	National Lead, com.....	3%	49	6.12
28	American Sugar, pref.....	7%	115	6.09
29	American Sugar, com.....	7%	115	6.09
30	U. S. Steel, pref.....	7%	115	6.09
31	American Tel. & Tel	8%	132	6.06
32	Amer. Car & Foundry, pref..	7%	116	6.03
33	American Can, pref.....	5%	83	6.02
34	Mackay Companies, com.....	5%	83	6.02
35	Pacific Coast, com.....	6%	102	5.88
36	Am. Ag. Chem., pref.....	6%	102	5.88
37	Am. Sindt. & Refg., com...	1%	69	5.80
38	Va.-Carolina Chem., com....	3%	52	5.77
39	Inter. Harvester, pref.....	7%	132	5.74
40	National Biscuit, com	7%	131	5.34
41	Am. Malt Corp., pref.....	2%	38	5.26
42	General Electric	8%	152	5.26
43	Sears, Roebuck, com.	7%	138	5.07
44	Inter. Harvester, com.....	5%	109	4.59
45	Consolidated Gas	6%	134	4.48
46	Underwood Typewriter.....	4%	90	4.44
47	Inter. Paper, pref	2%	47	4.25
48	Am. Car & Foundry, com....	2%	49	4.08
49	Western Union	3%	74	4.05
50	Amalgamated Copper.....	2%	58	3.45

STOCKS SHOWING BEST EARNINGS.

Present rank.	Stock.	Price.	Earning on present price
1	Inter. Merc. Marine, pref.....	15	62.45
2	Bethlehem Steel, pref.....	60	22.40
3	Am. Beet Sugar, com.....	50	21.90
4	Westinghouse, com.	64	20.40
5	Ry. & Steel Spring, com.....	30	20.00
6	Pressed Steel Car, com.....	31	17.90
7	Am. Ag. Chem., com.....	51	17.75
8	Allis-Chalmers, pref.....	18	17.15
9	American Linseed, pref.....	27	15.90
10	Am. Ice Sec. Co.....	17	14.85
11	United Fruit.....	182	14.70
12	American Woolen, com.....	28	14.45
13	Am. Car & Foundry, com.....	49	14.30
14	Sears, Roebuck, com...	138	14.10
15	Colo. Fuel & Iron, com.....	28	14.05
16	Inter. Harvester, com.....	109	13.60
17	U. S. Realty & Imp.....	69	13.55
18	Am. Cotton Oil, com.....	51	13.20
19	Inter. Paper, pref.....	47	11.15
20	General Electric.....	152	10.95
21	Nat. Enam. & Stmpg., com.....	17	9.95
22	Republic I. & S., com.....	25	9.90
23	Union Bag & Paper, pref.....	58	9.56
24	United Dry Goods, com.....	102	9.35
25	Am. Sindt. & Refg., com.....	69	9.20
26	Corn Products Refg., pref.....	80	8.80
27	National Lead, com.....	49	8.80
28	People's Gas	103	8.75
29	U. S. Cast Iron Pipe, pref.....	46	8.45
30	American Can, pref	83	8.25
31	U. S. Steel, com.....	70	8.20
32	Utah Copper.....	42	7.80
33	Distillers' Sec. Corp.....	31	7.75
34	National Biscuit, com	131	7.55
35	American Tel. & Tel.....	132	7.50
36	Am. Malt Corp., pref.....	38	7.35
37	N. Y. Air Brake	64	7.00
38	Tennessee Copper.....	32	6.95
39	Amalgamated Copper.....	58	6.80
40	Western Union.....	74	6.75
41	American Sugar, com.....	115	6.25
42	Mackay Companies, com.....	83	6.20
43	U. S. Rubber, com.....	37	5.95
44	Va.-Carolina Chem., com.....	52	5.95
45	Consolidated Gas.....	134	5.55
46	Sloss-Sheffield, com.....	38	5.30
47	Central Leather, pref.....	95	4.70
48	Am. Steel Foundries.....	33	4.10
49	American Locomotives, com.....	35	3.85
50	Inter. Steam Pump, com.....	33	2.25

Digitized by Google

Financial Summary of the Week

American Agricultural Chemical Co.—This company's manufacturing profits for the fiscal year ended June 30, last, were $1,256,055, a decrease of $331,168, compared with the previous year. After allowing for charges and the preferred dividend, together with depreciation, there was a surplus left of $1,136,803, a shrinkage of $899,787. On June 30, the company had a total surplus of $6,695,500. The balance of surplus over the preferred dividends for the year just ended was equal to 9.04 per cent on the common stock, which compares with 10.41 per cent the previous year.

American Can Co.—This company last year showed gross earnings of about $3,500,000, and net earnings equal to 6.84 per cent on its $41,233,300 outstanding preferred stock, compared with 6.44 per cent in 1909. This year, it should earn slightly over 7 per cent on the same stock. The company is paying 5 per cent on a 7 per cent cumulative stock, but with the gradual increase in business, it should within the next year increase the dividend to at least 6 per cent.

American Piano Co.—Sales of the company this year have been about 15 per cent larger than in 1910. It is expected that earnings will show about the same percentage of increase. For the year ended December 31, 1910, the company earned 6.45 per cent on the $3,161,100 common stock, after payment of 7 per cent on the preferred. It is quite possible that the current year will show a balance of nearly 8 per cent on the common stock, but no dividend action on the common is expected for another year.

American Shipbuilding Co.—It is understood that the coming annual report of this company will show very small surplus earnings after allowing for payments of 7 per cent dividends on the preferred stock, and a moderate amount for upkeep and depreciation. The fiscal year ended June 30, last, was not a good one in point of earnings. That is why the directors failed to make any provision for disbursement on the common stock this year.

Amoskeag Manufacturing Co.—This company proposes to modify its financial policy, and will form a new $28,300,000 voluntary association, present stockholders transferring their certificates in the proportion of five shares for one. Stock that is to be received in exchange will be two shares of 4½ per cent cumulative preferred and three shares of common stock. The preferred is practically a guaranteed 4½ per cent stock. It is understood that the exchange is not obligatory but if a sufficient number of stockholders send in their stock, the arrangement will go in effect. Stockholders under the proposed arrangement will receive 9 per cent on their present par value from the preferred, and whatever addition the common stock may yield.

Atchison, Topeka & Santa Fe Ry. Co.—This company's statement of earnings in July received more than usual attention, owing to the growth of dissension between employes and officials of some railroads. The decrease of $564,655 in operating income reported by the Atchison was considered very discouraging. Gross increased only $105 during the month, operating expenses and taxes having expanded $564,760.

British Columbia Copper Co.—Action on this company's dividend was deferred yesterday, although directors discussed the matter. Owing to the coal strike in British Columbia, the company has been forced to purchase its coke from Pennsylvania at an increased cost of $25,000 a month. In view of this situation, the directors deemed it best to postpone declaration of the dividend.

Calumet & Hecla Co.—This company has declared a quarterly dividend of $6 per share, payable September 22 to stock of record August 29. Three months ago $6 dividend was declared. With the payment of the $6 dividend just declared by the Calumet & Hecla Mining Company, stockholders will have received $116,050,000 in dividends since the formation of the company.

Central Foundry Co.—Securities of the new Central Foundry Company, organized under the agreement dated January 3, last, will be ready for delivery on and after August 28, 1911, at the Central Trust Company, to holders of certificates of deposit, representing the old Central Foundry Company, which have been allowed in the bankruptcy proceedings, and to holders of certificates representing shares of preferred and common stock upon which all assessments have been paid in full.

Central Fuel Co.—Holders of this company's first mortgage 6 per cent convertible gold bonds will meet September 14, at the office of the Bankers' Trust Company, to vote on rescinding and annulling the fifteen-year agreement entered into between their company and the Texas Company last year. Under this agreement, the Central Fuel Oil Company turned over its production to the Texas Company at a fixed price, but neither party lived strictly up to the agreement, and recently the Central Fuel Oil Company disconnected its wells from the lines of the Texas Company and turned its production over to the Prairie Oil and Gas Company.

Chicago, Milwaukee & Puget Sound Ry.—This company has declared a dividend of 2.7 per cent, payable June 30, last, from the earnings of the year ended June 30, 1911. This will call for a disbursement of $2,300,000, all of which will go to the Chicago, Milwaukee & St. Paul Railway, as owner of the $100,000,000 Puget Sound stock. In February, last, the Puget Sound declared an initial dividend of 2 per cent, payable June 30, 1910, from the earnings of that year. Both of these dividends, aggregating $4,300,000, will be included in St. Paul's "other income" for the 1911 year. The annual report, which will be published in the week or ten days, will show that the St. Paul, with the assistance received from the Puget Sound, earned its full dividends in the last year, with a margin of about $100,000 to spare.

Copper Situation.—Copper selling agencies report that the last seven days have seen good buying of copper on the part of both domestic and foreign consumers on the basis of 12⅝ cents, and for delivery during September. The movement began with the reduction to 12⅝ cents by the United Metals Selling Company, which had been a holder at 12¾ cents, although other agencies one by one had shaded that price until the United was practically alone in the 12¾-cent field. Buying that is now current is not of the boom character, but represents the fall requirements of the consumers, who, evidently, after holding off for a long time, have come to the conclusion that 12⅝ cents is about as low as the metal is likely to go at present.

Croisic Realty Co.—Bankers are offering to investors at 100 and interest to yield 6 per cent the Croisic Realty Company 6 per cent guaranteed mortgage gold bonds, due October 1, 1915. Principal and interest guaranteed by Louis M. Jones and Charles E. Jones, trustee. These bonds are secured by a mortgage on the Croisic building and land, corner Fifth avenue and Twenty-sixth street, New York, subject only to a prior lien of $1,300,000. The equity above the mortgage debt is $1,100,000, or over five times this issue.

Detroit & Mackinac Ry. Co.—Operating results of this company's fiscal year to June 30, 1911, will probably show a deficit of $15,326 after payment of the common dividend. This $2,000,000 junior issue of the company was placed on an initial 5 per cent per annum basis last November. In the fiscal year to June 30, 1910, there was a surplus over preferred dividend requirements of $110,877, equal to 5.5 per cent on the common stock. This entire surplus was spent on betterments, improvements and new construction.

Erie R. R. Co.—Preliminary figures on this company's annual report, just published, show a balance available for dividends of $5,155,300, which is equal to $2.30 a share on the common, after making allowances for 4 per cent dividends on the first and second preferred stocks. As is well known, in the 1910 fiscal year Erie earned $2.90 on the common, after making due allowances for preferred dividends, so it would at first appear that the dividend balance in the year ended June 30, last, showed a material decrease from the 1910 figures; but we understand that the balance of $5,155,300 shown as available for dividends was arrived at after appropriating approximately $1,000,000 for additions and betterments. The actual dividend balance of Erie in the year ended June 30, amounted to over $6,000,000, or more than $3 a share on the common.

General Electric Co.—This company is doing within 6 per cent of the largest business ever done in its history, and unless there is a falling off in orders in the remaining months of the year, earnings are expected to approximate between $66,500,000 and $67,000,000.

Hazel-Atlas Glass Co.—Stockholders of this company will hold a meeting on September 7, to consider the advisability of increasing the capital stock to $3,000,000. General improvements and an increase in capacity are contemplated.

International Harvester Co.—Although there has been a slight falling off in the demand for certain agricultural machines, sales of the International Harvester Company are being well maintained on the whole. If the present rate of sales can be kept up throughout the year, Harvester will show a gross business of approximately $110,000,000, which means a surplus for the common equal to 20 per cent. Harvester's foreign sales continue to establish a new high record, the increase so far this year being about 25 per cent over 1910, the previous banner season.

National Carbon Co.—Although official information is lacking, reports are current that the next quarterly dividend on National Carbon common stock will be a reduction from the 1½ per cent rate, which the company has been paying for some time past. No estimates are given as to what the cut may be.

National Enameling & Stamping Company.—This company reports an increase in gross profits of $44,835 for the fiscal year ended June 30. After allowing for interest and preferred dividends, there was a surplus of $171,156, a decrease of $92,476. On June 30, the company had a total surplus and reserve of $3,278,301.

National Fire Proofing Co.—Earnings of this company during the year 1911 to date, it is stated, have been in excess of those in the same period of 1910. The business booked in July exceeded considerably that of July last year. A director of the company states that the volume of business in all parts of the country has exceeded all expectations.

Nashville Railway & Light Co.—The June surplus available for the common stock was equal to 0.48 per cent, on the $4,000,000 outstanding, or at the annual rate of 5.76 per cent, as compared with 0.54 per cent in the year previous, which is at the annual rate of 6.48 per cent. At the close of the six months ended June 30, last, the company had a balance available for the common stock equal to 3.11 per cent, or at the yearly rate of 6.22 per cent, compared with 2.67 per cent in the year previous, or at the annual rate of 5.34 per cent.

New York, New Haven & Hartford R. R.—It was authoritatively stated at the office of the New York, New Haven & Hartford Railroad that the long deferred plan for the reorganization of the Central New England Railway, by which that road will actually become a part of the New Haven system, will be carried out early next month. The Central New England will be operated as a part of the New Haven system as soon as the plan is put into effect. The stock ownership of the Central New England was acquired by the New Haven in February, 1904. Officers of the New Haven are also officers of the Central New England, but the latter is operated as a separate property, requiring a different set of officers and also compelling a separate record of the road's business. With the actual operation by the New Haven road, there will be a large saving to the New Haven Company. A legal difficulty has held up the reorganization, but it is expected to be cleared away early next month, when the reorganization of the road will be perfected.

Philadelphia Rapid Transit Co.—This company has issued its first monthly report of earnings. The statement covers the operations of the company for July, and shows an increase of $84,861 in total revenue. Expenses increased $62,565, leaving net earnings $22,296 larger than for July last year. After allowing for fixed charges, there was a deficit of $25,240, or $19,246 smaller than in the same month last year. The company will hereafter issue monthly reports of earnings.

Pullman Co.—Earnings of the Pullman Company for the fiscal year ended July 31, are estimated to be equal to 10.5 per cent on the stock. This compares with 15 per cent the previous year. Stockholders of the company will hold their annual meeting in Chicago, November 8.

Rome Railway & Light Co.—Announcement is made by New York bankers that they have purchased, and are now offering for sale, a block of first mortgage 5 per cent gold bonds, dated January 1, 1907, and due January 1, 1937 of the Rome Railway & Light Company, of Rome, Ga. The bonds are subject to redemption in whole or in part at 105 and accrued interest on any interest date on six months' notice. The issue is in coupon form of $1,000 each. Earnings applicable to interest on the first mortgage 5

Digitized by Google

per cent bonds have averaged well over twice the amount required, and for the year 1911 are expected to show three times the requirement based on the showing for the six months ended June 30, 1911.

Salisbury Steel & Iron Co.—An issue of $1,000,000 first and refunding bonds of the Salisbury Steel & Iron Company, of Utica, is reported to have been underwritten. The company recently offered for sale at par the unsold portion of its $500,000 12-year 6 per cent convertible gold bonds, the proceeds to be used for development and improvements.

Sloss-Sheffield Steel & Iron Co.—So far in its current fiscal year, which ends on November 30, next, Sloss has barely earned its preferred dividend. It can be said, however, that there is no intention on the part of directors to take any adverse action on this dividend, and unless there is a further shrinkage in the iron industry, the present 7 per cent rate will be maintained.

Steel Trade Conditions.—Operations of the various steel companies are being fairly well maintained, but this cannot be regarded as a true barometer. It is a well-known fact that shipments of steel are now in excess of incoming orders, which means that business will have to show an upward turn shortly or operations be curtailed. Present indications point to the latter, although it is difficult to forecast definitely. On the average the independent steel companies are operating between 75 and 85 per cent of capacity, the light finished steel departments making up the loss sustained in heavier products.

Texas Company.—The Texas Company has issued its annual report for the year ended June 30, but the statement of earnings does not contain any income account. Its balance sheet, however, shows an increase in the profit and loss account of $502,995, as compared with the previous year. On June 30 it had cash on hand, $4,268,491, compared with $2,123,438 the previous year. Lord Cowdray has arrived in Mexico, to make formal transfer of all the oil holdings of the Pearson syndicate to the Texas Company. It is reported that the transaction was closed in Europe by John W. Gates before he was stricken with his fatal illness. The reported consideration involved in the deal is $25,000,000 gold. The property embraces several hundred thousand acres of oil lands, a large refinery in Minatlan, the biggest producing oil well in the world at Potrero Del Lano, many smaller wells and about 200 miles of pipe line.

United Food Products Co.—A consolidation of the United Food Products Company and the Hazel Pure Food Company with a capitalization of more than $1,000,000, will take place within a few days, according to a letter sent to stockholders. Two hundred thousand dollars worth of preferred stock in the former concern will be called in and an equivalent value in the new stock will be issued. The Hazel Company has $500,000 of preferred stock in a cumulative 7 per cent issue, which is callable at 105. Robert F. Hotz will continue as president of the company. P. M. Hanney will be active manager. J. B. Debeltrand, president of the United Company, will manage one of the departments of the new concern.

United Railways Co. of St. Louis.—Current earnings of the United Railways Company of St. Louis are very much more favorable than a year ago, regarding both the gross and net, and it is obvious that the surplus available for dividends at the close of 1911 will be considerably more than is required to pay dividends of 5 per cent on the preferred stock outstanding. Before the dividend was passed about a year ago, dividend requirements was about $850,000 per annum. The company will probably have more than $1,000,000 surplus this year available for dividends. The application of this surplus to reducing the outstanding debt of the company will doubtless place the property in a much more favorable position financially at the beginning of 1912 than it was on January 1, last, or at the time dividends were suspended.

United States Steel Corporation.—Officials of the United States Steel Corporation are confident there will be no change in the present common dividend rate. They hold that dividends have been held on average operations of 60 per cent and that production will have to drop pretty far from the present level in order to endanger current payments. The Steel Corporation can maintain the present rate of 7 per cent on the preferred and 5 per cent on the common on net earnings of at least $20,000,000 a year, but not without serious impairment to regular depreciation charges. Then, again, provisions for new construction would have to be made through bond issues.

Western Maryland R. R. Co.—Western Maryland reports for June an increase in gross earnings of $17,276. Operating expenses and taxes increased $32,107, so that net showed a shrinkage of $14,831. For the fiscal year ended June 30, net earnings show a decrease of $242,627, due to an expansion of $361,710 in operating expenses and taxes.

FINANCIAL INQUIRY.

Parker Clark Electric Co.

21294. (New York, N. Y.) Will you inform us what you know about the Parker Clark Electric Company? Where are the properties located, present price of the stock and the brokers trading in same?

Ans.: This company was incorporated July 20, 1905, under the laws of New Jersey, for the purpose of manufacturing incandescent electric lamps and electric heater units. It operated a factory at Sherman avenue and Runyon street Newark, N. J., with a daily capacity of 5,000 lamps or units. The authorized and issued capital stock, as of March 1, 1911, is $1,000,000, the par value of shares being $100 each. Officers and directors are as follows: President, George N. Miller; vice-president and treasurer, W. H. Woodin; assistant treasurer, W. B. Hutchinson; secretary, R. W. Baker; W. H Marshall, H. C. Parker, Marshall P. Slade. We learn of no recent transactions in the stock, which is practically unknown, apparently, among the majority of New York dealers in unlisted securities

FRANKFORT, KY.—According to reports which were originally called for, Dr. Benjamin L. Bruner, secretary of state, the state banks of Kentucky are in a better condition, and show much larger assets than ever before. Four hundred and seventy-eight state banks reporting showed total assets of more than $104,942,403. These figures compare with total assets of $101,924,198 on June 29, 1907, with $100,627,219 on October 2, 1909, and with $104,265,254 on June 30, 1910.

MONATON REALTY INVESTING CORPORATION

Pays

6% COMPOUND INTEREST

On Money Invested in

Its Accumulative Certificates
Running terms of 10, 15 or 20 yr.

Payments may be made annually, semi-annually, quarterly or monthly.

SECURITY

OWNERSHIP OF NEW YORK INCOME PROPERTY

Affording

Immediate returns on investments and Opportunity for increase of valuation.

For illustrated Booklet, inquire:

Publicity Department

Times Building

Broadway & 42nd Street, New York City

The Non-Porous Everlasting Brick

There is a Clay in Pennsylvania, near Philadelphia, that makes a Brick as beautiful as Marble—as lasting as Granite—and that is as Impervious to Water as Porcelain.

WE CONTROL THAT CLAY—AND THERE IS PLENTY OF IT—AND WE CONTROL THE MARKET. WE CAN HANDLE THAT CLAY AND MANUFACTURE THOSE BRICKS AT A PROFIT OF 100%—AND WE CAN MAKE THEM AT A PRICE THAT WILL UNDERSELL HIGH PRICED BRICKS, AND THAT WILL COMPETE WITH THE PRICE OF LOW GRADE BRICKS.

WE HAVE A MONOPOLY

We make Sanitary Bricks—Absolutely So. We glaze them when so ordered—and the glaze is a Marble-like glaze that becomes a part of the Brick, and will not crack or dull.

90 DAYS FOR RESULTS

Within 90 days of order we can have a plant installed and at work with a daily capacity of 70,000 Bricks. These Bricks are in demand at $40 per 1000 Bricks, giving a net Annual Profit of $588,000. $588,000 annually will pay annual 100% Dividends, and create a Surplus of $88,000 to double capacity and dividends.

OFFERING OF STOCK

We are offering a limited number of the shares of the Preferred Stock at $1.00 per share, with bonus of Common Stock to install the equipment, which equipment is furnished by one of the most responsible concerns in this country.

WE HAVE NO COMPETITION

LET US MAIL YOU PROOFS. CALL, WRITE OR PHONE.

PERFECTION BRICK & TILE CO.

CAPITAL STOCK, $500,000 PAR VALUE $1.00
100,000 CUM. 7% PREFERRED, 400,000 COMMON

HEADQUARTERS: 18 Tremont St., Room 220, Kimball Bldg., Boston, Mass.

TELEPHONE FORT HILL 1801

Digitized by Google

The Best Purchases on the Railroad List

As Indicated by the Two Standards of Comparison: of Present Investment Yield on Basis of Current Dividends and Prevailing Market Price, and on Basis of Present Earnings on Prevailing Market Values.

The average net yield of the 50 railroad stocks quoted in the following table was 5.40 per cent on August 30, as compared with 5.26 per cent on August 23, 5.34 per cent on January 4, and with 4.71 per cent on January 2, 1910.

It is a peculiar coincidence that the two railroads which have submitted the most complete returns for the last fiscal year are those which lead in evidences of increased prosperity in their respective territories. The first of these is Canadian Pacific, the second the Erie. Another coincidence is to be found in the fact that it is these two roads which have done so well in the last twelve months, which, according to market gossip set afloat early in the summer, were about to join hands in a close alliance. In fact, despite the official denial of any contemplated absorption of the Erie by the Canadian Pacific, Wall street has not yet given up fully its expectation of some such development as this.

The Erie for the full fiscal year reports gross operating revenue of $56,649,908, an increase of $1,783,718, and gross corporate income of $20,345,669, an increase of $211,031. Interest, rentals, etc., were $627,162 larger than in the previous year, aggregating $14,955,257, and leaving net corporate income of $5,390,412, as compared with $5,806,543 in 1910, a decrease of $416,131. Appropriations for additions and betterment for the year were $602,650, in excess of similar appropriations in 1910, bringing the total for the year up to $1,339,737, and leaving a surplus available for the stock of $4,050,674, a decrease of $1,018,781. According to these figures, the company earned approximately 2½ per cent on its common stock in the late fiscal year. The new year is starting out very auspiciously, gross revenue for July amounting to $4,899,597, an increase of $224,343. Of this increase $119,476 was saved for operating income which amounted to $1,506,884 for the month. These figures certainly justify strong hopes of a resumption of dividends on the preferred shares at no very far distant date.

The Canadian Pacific reports for the fiscal year gross earnings of $104,167,808, or an increase of $9,178,318 over the previous twelve months. Working expenses were $67,467,978, an increase of $6,318,440, leaving net earnings of $36,699,830, an increase of $2,859,874. Interest on cash proceeds together with deferred payments for land amounted to $1,688,171, which added to other interest and dividends received brought the total up to $6,165,205, an increase of $2,829,492. Total income for the year was $42,865,035, and the balance after fixed charges was $31,773,964. The balance available for dividends on the common was $29,520,098, equal to 16.4 per cent on the $180,000,000 of this issue outstanding, as compared with a balance on the previous year equal to 16.4 per cent on only $150,000,000 of common stock, and the addition of $1,555,349 transferred to balance of interest from land surplus June 30, 1910, would increase this percentage to 17.26. On June 30, last, the road had total assets of $561,887,215, of which $24,371,551 was in cash. On that date, the company had a total surplus of $55,374,493.

STOCKS SHOWING BEST INVESTMENT YIELD.

Present rank.	Stock.	Present dividend.	Price.	Yield on present price.
1	Toledo, St. L. & W., pref....	4%	40	10.00
2	Detroit United.....	5%	67	7.46
3	Chesapeake & Ohio, com.....	5%	71	7.04
4	B. R. T.....	5%	75	6.66
5	Lehigh Valley.....	10%	159	6.29
6	St. L. & San F., 1st pref.....	4%	64	6.25
7	St. Paul, com.....	7%	113	6.19
8	Northern Pacific.....	7%	115	6.09
9	M., K. & T., pref.....	4%	66	6.06
10	K. C. Southern, pref.....	4%	66	6.06
11	N. Y., N. H. & H.....	8%	132	6.06
12	St. Louis S. W., pref.....	4%	66	6.06
13	Union Pacific, com.....	10%	167	5.99
14	Baltimore & Ohio, com.....	6%	101	5.94
15	Atchison, com.....	6%	103	5.82
16	Great Northern, pref.....	7%	122	5.74
17	Twin City R. T., com.....	6%	106	5.66
18	N. Y., C. & St. L., com.....	3%	53	5.66
19	Southern Pacific, com.....	6%	109	5.50
20	Delaware & Hudson, com....	9%	164	5.48
21	M., St. P. & S. S. M., com...	7%	131	5.34
22	Colo. Southern, 2d pref.....	4%	75	5.33
23	K. C., F. S. & M., pref.....	4%	75	5.33
24	P., C., C. & St. L., com.....	5%	94	5.32
25	C., C., C. & St. L., pref.....	5%	94	5.32
26	C., St. P., M. & O., com.....	7%	132	5.30
27	Colo. & Southern, 1st pref...	4%	78	5.13
28	N. Y., O. & W.....	2%	39	5.12
29	Illinois Central.....	7%	138	5.08
30	Chicago & N. W., com.....	7%	140	5.00
31	Pennsylvania	6%	120	5.00
32	Louisville & Nashville.....	7%	141	4.96
33	Norfolk & Western, com....	5%	101	4.95
34	Atlantic Coast Line.....	6%	122	4.92
35	Atchison, pref.....	5%	102	4.90
36	N. Y. Central.....	5%	103	4.85
37	M., St. P. & S. S. M., pref..	7%	146	4.80
38	St. Paul, pref.....	7%	146	4.80
39	Western Maryland, pref.....	4%	85	4.71
40	Central of New Jersey.....	12%	260	4.61
41	Baltimore & Ohio, pref.....	4%	87	4.60
42	Norfolk & Western, pref.....	4%	90	4.44
43	Union Pacific, pref.....	4%	91	4.40
44	Canadian Pacific.....	10%	229	4.37
45	Buffalo, R. & P., com.....	5%	115	4.35
46	Reading, com	6%	141	4.25
47	Colorado & Southern, com...	2%	48	4.17
48	Boston & Maine.....	4%	102	3.92
49	D., L. & W.....	20%	530	3.77
50	Southern Railway, pref	2%	67	2.99

STOCKS SHOWING BEST EARNINGS

Present rank.	Stock.	Price.	Earnings on present price.
1	St. L. & San F., 2d pref.....	41	24.05
2	Erie, 1st pref.....	49	23.40
3	M., K. & T., pref.....	66	20.65
4	Detroit United.....	67	18.40
5	Southern Railway, pref.....	67	15.50
6	Hocking Valley, com.....	128	15.00
7	K. C. Southern, pref.....	66	14.30
8	K. C. Southern, com.....	28	13.55
9	Buffalo, R. & P., com.....	115	11.15
10	P., C., C. & St. L., com.....	94	11.00
11	C., St. P., M. & O., com.....	132	10.90
12	Atlantic Coast Line.....	122	10.15
13	Twin City R. T., com.....	106	10.00
14	Union Pacific, com.....	167	9.96
15	St. Louis S. W., pref.....	66	9.30
16	Erie, com	28	9.30
17	Louisville & Nashville.....	141	9.20
18	Norfolk & Western, com.....	101	9.10
19	Colo. & Southern, com.....	48	8.90
20	Central of N. J.....	260	8.80
21	Southern Pacific, com.....	109	8.70
22	C., C., C. & St. L., com.....	51	8.25
23	D. & R. G., pref.....	51	7.80
24	B. R. T.....	75	7.75
25	Baltimore & Ohio, com.....	101	7.70
26	Canadian Pacific.....	229	7.55
27	Chesapeake & Ohio, com.....	71	7.20
28	Delaware & Hudson.....	164	7.10
29	M., K. & T., com.....	29	6.90
30	Northern Pacific.....	115	6.85
31	Illinois Central.....	138	6.80
32	Lehigh Valley.....	159	6.70
33	D., L. & W.....	530	6.70
34	N. Y., N. H. & H.....	132	6.60
35	Chicago & Alton, pref.....	40	6.40
36	Great Northern, pref.....	122	6.25
37	M., St. P. & S. S. M., com.....	131	6.20
38	St. Paul, com	113	5.95
39	Chicago & N. W., com.....	140	5.90
40	Atchison, com.....	103	5.80
41	Pennsylvania	120	5.60
42	Reading, com.....	141	5.10
43	N. Y. Central.....	103	5.10
44	N. Y., O. & W.....	39	5.05
45	Chicago Gt. Western, pref....	37	5.05
46	Rock Island, pref	48	4.90
47	Toledo, St. L. & W., pref.....	40	4.70
48	Western Maryland, pref.....	85	3.90
49	Boston & Maine.....	102	3.70
50	Missouri Pacific.....	40	0.85

Digitized by Google

IS STANDARD OIL WORTH $1,000?

(Continued from page 1472.)

parent company in New York at a price just enough under the selling figures to take care of selling expense. This system had many advantages, and was not abandoned on account of its lack of efficiency. The same system will now be reinstated in practical effect, and there can be no doubt that the results will be equally satisfactory.

Those who have been inclined to mourn about the dismemberment of Standard Oil, which is admittedly the world's greatest industrial enterprise, may safely spare their condolent endeavors, because the

OWNERSHIP OF STANDARD OIL

has not changed and cannot change until some group of capitalists with ambition and a matter of $400,000,000 or $500,000,000 comes along with a disposition to buy, and this eventuality appears to be very remote.

The properties of the company will remain the same, and if the ownership is unchanged, there can be no probability of any change in the management, except that some managers, superintendents and foremen may be given the more exalted titles of president, vice-president, secretary and treasurer. There unnecessarily may be some further change in that each company will collect its own profit and make proper distribution of them. In the past the Standard Oil has naturally been careless about which company showed, in the final results, the actual profits realized on its business, since it owned all of the stock of all the companies involved. For example, some of the pipe-line companies, notwithstanding the cost of their equipment, have been transporting oil for the various companies at a price just large enough to cover operating expenses, leaving a return on the investment out of consideration. Now, of course, each company will be on an individual basis and collect revenues and make returns based thereon. In other words, the results will probably be just the same, although in different accounts.

It is worthy of note that some of the most capable employes of the company are not alarmed about the Supreme Court's decree of dissolution, but on the other hand, are

INCLINED TO WELCOME IT,

as an enlarged opportunity for them. One of these employes, who is the head of a department, recently told me that in his opinion the division into many new companies would be the best thing that could happen from every standpoint, and particularly from his own. His theory was that at the present time his successful efforts were lost sight of, because he was only one part of a small cog in the big wheel, and that when his company was divorced, its achievements would be given better recognition, and that this would stimulate all men employed to greater endeavor. He, therefore, concluded that he and his associates would, in consequence, accomplish more and get better pay for what they did accomplish.

It is hardly necessary to suggest that every one of the 34 disjointed companies will have the benefit of the most efficient organization which the industrial world has ever produced, as well as the best equipped plants, and that in effect there will be no radical change in the corporation which has paid $718,000,000 in dividends in the past forty years. None of the Standard Oil factories nor their salesmen are likely to

LOSE THEIR EFFICIENCY,

nor are any of the consumers throughout the world likely to discontinue their habit of buying the best product at the lowest prices.

During the recent slump in the market price of Standard Oil stock, it was suggested by a number of financial writers that the insiders were probably unloading their stock as fast as possible. This was indeed a strange estimate of the discretion of a group of men who have been making well up towards a hundred million dollars a year in profit during the past decade. Such men do not unload on a declining market, and particularly where there is no market, as is the case with Standard Oil, which is dealt in only on the New York curb, and where the sale of 200 or 300 shares constituted a big day.

It should be borne in mind in this connection that while Standard Oil people have invited the investing public into Amalgamated Copper and numerous other enterprises they have never endeavored to get any of the public's money in Standard Oil stock, and, on the contrary, have done everything they could to keep the public out of it. No reports of the company have ever been made, no reliable market has been maintained, and all suggestions about listing the stock on the New York stock exchange have been emphatically vetoed.

Notwithstanding these facts, there are between five and six thousand different holders of Standard Oil stock, and the great bulk of these holders have less than fifty shares each. It may, therefore, be fairly assumed that when the Standard Oil insiders

GET READY TO UNLOAD

they will not only want to make a market, but will be forced to do so. If it should develop later on that the various Standard Oil companies are listed in the New York stock exchange and advancing prices are recorded, together with an abundance of encouraging information, then a warning note might be justified along the line that Standard Oil magnates were selling out. As this writing, however, the most reliable information is that none of the Standard Oil securities are to be listed.

In endeavoring to estimate what the fair value of Standard Oil stock is at the present time, it might be advisable to say at the outset that in May, 1901, the stock sold at $840 a share, and since that time the surplus earnings over and above dividends paid and put back into the property have aggregated over $400,000,000, or a matter of $400 per share.

Each holder of Standard Oil stock will retain his present certificate in the New Jersey Company, and will receive, in addition, his pro rata share of the stocks of

33 OTHER COMPANIES

now owned by the parent company. The following table gives the capitalization of these companies, the amount of net assets, and annual earnings in the year 1906, as well as the amount of stock in each company, which will be distributed on each share of Standard Oil stock.

Company.	Outstanding stock.	Net assets in 1906.	Net earnings in 1906.	Per cent of earnings on par, 1906.	Amt. st'k for each share Standard Oil stock.
1 Anglo-Amer. Oil	$5,000,000	$11,389,674	$1,262,551	25.9	$4.86
2 Atlantic Refining	5,000,000	20,620,846	5,500,238	110.1	5.00
3 Borne-Scrymser	500,000	186,199	37,458	18.7	.30
4 Buckeye Pipe Line	10,000,000	12,204,543	7,028,568	70.3	10.00
5 Chesebrough Mfg	500,000	1,090,581	231,714	46.5	.37
6 Colonial Oil	250,000	3,951,493	1,256,724	502?7	.35
7 Continental Oil	300,000	1,301,516	575,044	191.7	.30
8 Crescent Pipe Line	3,000,000	2,986,413	490,358	49.0	1.00
9 Cumberland P. L.	1,000,000	1,416,298	242,107	24.2	1.00
10 Eureka Pipe Line	5,000,000	6,121,756	2,435,106	48.7	5.00
11 Galena-Signal Oil	7,000,000	4,685,563	2,803,956	28.0	7.07
12 Indiana Pipe Line	1,000,000	4,565,743	2,518,554	251.4	1.00
13 National Transit	25,475,200	36,144,549	1,921,568	7.6	25.45
14 N. Y. Transit	5,000,000	7,222,115	2,343,293	46.9	5.00
15 Northern P. L.	4,000,000	4,005,513	1,591,614	39.8	4.00
16 Ohio Oil	10,000,000	9,251,136	2,090,492	104.5	2.09
17 Prairie Oil & Gas	10,000,000	20,666,000	4,000,000	40.0	10.09
18 Solar Refining	500,000	3,708,899	1,258,519	251.7	.50
19 Southern P. L.	10,000,000	11,020,160	4,649,306	46.5	10.01
20 South Penn. Oil	2,500,000	14,915,195	2,609,721	104.4	2.50
21 So. W. Penn. P. L.	5,500,000	4,736,784	577,384	107.7	8.50
22 Standard Oil (Cal.)	17,000,000	21,529,952	2,793,569	16.4	17.00
23 Standard Oil (Ind.)	1,000,000	24,823,977	10,516,053	1051.6	1.00
24 Standard Oil (Ky.)	1,000,000	4,223,885	1,307,791	130 8	1.00
25 Standard Oil (Kan.)	1,000,000	1,096,868	974,644	97.5	1.00
26 Standard Oil (Neb.)	600,000	679,191	79,191	13.2	.60
27 Standard Oil (N. Y.)	15,000,000	26,662,630	9,568,631	63.8	15.00
28 Standard Oil (Ohio)	3,500,000	4,317,036	1,009,538	28.8	3.50
29 Swan & Finch	100,000	601,485	150,080	150.1	.10
30 Union Tank Line	3,500,000	2,645,261	164,703	4.7	3 50
31 Vacuum Oil	2,500,000	7,643,577	1,449,375	58.0	2.50
32 Washington Oil	71,400	136,695	53,150	75 1	.07
33 Waters, Pierce Oil	274 400	6,228,832	2,699 818	980.0	.27
	$156,831,000	$279,942,680	$75,677,300		$144.44

In the above table the figures on the Prairie Oil and Gas Company are estimated because they were not given in the government suit in which the other reports were made public. The statement was made, however, in this suit that while a profit of 10 cents per barrel was necessary in the case of the competing Pure Oil Company to return 10 per cent on the investment, in pipe lines, in the case of the Prairie Oil and Gas Company a profit of only 3 cents per barrel was sufficient to accomplish this result.

In order to arrive at some basis of valuation for these various subsidiary properties, I have assumed that any stock which showed 10 per cent in net earnings was worth par. On this assumption the following table, giving

Digitized by Google

the estimated value per share of each one of the 33 companies, as well as the value on this basis of the amount of the stock of each one, which will be distributed to each share of Standard Oil stock:

Company.	Estimated value per share.	Amount for each share of Standard Oil stock.
Anglo Amer. Oil	$259	$12.00
Atlantic Refining	1,191	55.05
Borne-Scrymser	187	.37
Buckeye Pipe Line	703	70.30
Chesebrough Mfg.	465	1.25
Colonial Oil	5,027	12.55
Continental Oil	1,917	5.75
Crescent Pipe Line	490	4.90
Cumberland P. L.	242	2.42
Eureka Pipe Line	487	24.35
Galena Signal Oil	280	19.60
Indiana Pipe Line	2,514	25.14
National Transit	76	19.00
N. Y. Transit	469	23.45
Northern Pipe Line	398	15.92
Ohio Oil	1,045	20.90
Prairie Oil & Gas	400	40.00
Solar Refining	2,517	12.58
Southern Pipe Line	465	46.50
South Penn. Oil	1,044	26.10
Southwest Penn. P. L.	1,077	27.69
Standard Oil (Cal.)	164	27.20
Standard Oil (Ind.)	10,516	105.16
Standard Oil (Ky.)	1,308	13.08
Standard Oil (Kan.)	975	9.75
Standard Oil (Neb.)	122	.79
Standard Oil (N. Y.)	638	86.70
Standard Oil (Ohio)	288	10.08
Swan & Finch	1,501	1.50
Union Tank Line	47	1.64
Vacuum Oil	580	14.50
Washington Oil	751	.52
Waters, Pierce Oil	980	2.64
		$756.77

On this assumption the value of the stocks or the 33 companies to be distributed to each share of Standard Oil stock would be $756. These figures, however, are based on the 1906 earnings, and since that date no figures are available, except the admitted fact that the Standard Oil Company has added to its surplus more than

$40,000,000 EACH YEAR

since that time. This would amount to a matter of $200,000,000 on $200 per share.

It must be understood that in addition to what the Standard Oil stockholders receive in the way of new stock certificates, thirty-three in number, he still retains his certificate of the Standard Oil Company of New Jersey, and the best estimate of the value of the remaining Standard Oil of New Jersey stock is one-half of the present selling price of Standard Oil stock, or around $300 a share.

This theory is based on the fact that the New Jersey Company is the parent or holding company, and holds in its treasury the securities representing ownership of the foreign companies. The foreign business is responsible for about one-half of the profits of the corporation, so it is assumed that the Standard Oil Company of New Jersey, representing this ownership, is reasonably worth $300 per share after there is taken from its treasury the stocks of the various companies representing its subsidiaries in this country.

We, therefore, arrive at this conclusion: Standard Oil Company of New Jersey stock will be worth $300 per share; the stock of the various subsidiary companies was worth in 1906 $756 per share, and should be worth as much now; and $200 per share has been put back into the properties since 1906 in the way of surplus earnings over and above dividends paid. Standard Oil stock, therefore, appears at this time to have a value of $1,256 per share.

Let us suppose, for the purpose of

BOSTON STOCKS AND BONDS

For the Week Ending Thursday Evening, August 31, 1911.

Name.	RANGE FOR WEEK Low	RANGE FOR WEEK High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911. Lowest		RANGE FOR YEAR OF 1911. Highest		RANGE FROM JAN., 1879, TO JAN., 1911. Lowest	RANGE FROM JAN., 1879, TO JAN., 1911. Highest
Railroads.										
Boston & Albany	221	221	221	289	219 May 15		226 Feb 16		129 1879	*230 1899
Boston Elevated	127	127½	127½	61	126½ Aug 16		130½ Aug 2		62¾ 1898	130 1901
Boston & Maine	102	102¾	102¾	212	101 May 10		122¾ Feb 15		108¾ 1879	230 1857
do. pref.	147	147	147	30	150 Jan 17		154 June 5		134¾ 1891	190 1902
Cent. Verm't 4s	90	90	90	2,000	87½ Jan 25		92 Mar 22		75 1904	96½ 1899
C. B. & Q. Jt. 4s	96¼	96¼	96¼	17,000	95¾ Jan 5		98¼ June 2		82½ 1902	102 1906
Chic. Junc. R.	164	165	164	236	156 Apr 29		165 Aug 23		50 1897	183 1904
do. 5s	...	...	102	.....	101½ Aug 14		102 Aug 21		89¾ 1891	116 1899
Fitchburg pref.	127½	128	128	100	125 July 22		130 Jan 9		63½ 1879	143 1905
K.C., Ft S. & M. 6s	...	...	116½	.....	115 Mar 22		116¾ Jan 6		76 1896	136 1908
K.C.M. & B. newts	...	...	92	.....	91½ Jan 19		93¼ Jan 3		125¾ 1894	$103 1906
do. inc. 5s	...	...	89	.....	88 Apr 6		90 Mar 14		8 1895	104 1900
N.Y., N.H. & H.	131⅝	133½	131⅝	1,258	131⅝ Aug 31		151¾ Feb 22		127 1907	279 1899
Old Colony	187½	187½	187½	25	183 Mar 15		189 June 14		95 1879	221 1892
Rutland pref.	35	35	35	10	33 Jan 26		46 Aug 4		6¼ 1879	125¼ 1902
West End	87	88	88	267	87 Aug 29		95 Feb 6		63 1894	102 1905
do. pref.	100	100	100	62	100 Aug 21		106 June 22		78 1888	118¼ 1901
Miscellaneous.										
Am. Agri. Chem.	50	52	50¾	353	46½ Jan 6		60½ May 18		9 1903	59¾ 1909
do. pref.	102½	...	102¾	331	99 Jan 6		106¼ Mar 1		66½ 1903	105 1910
Am. Pneu. Ser.	3½	4	3¾	885	3½ Aug 29		6½ Jan 31		1 1903	29 1906
do. pref.	12¼	12⅝	12⅝	1,335	12¼ Aug 30		19¼ Jan 31		9½ 1906	46 1906
Am. Tel. & Tel.	131¾	133	132	9,869	131⅝ Aug 30		153¼ Jan 5		85 1907	186 1902
do. 4s	89¾	90½	89⅞	71,000	85½ Mar 24		92 May 23		71 1907	101¼ 1901
do. cons. 4s	...	104½	104½	5,000	104 Aug 25		111¾ June 19		80¾ 1908	107¾ 1909
Am. Woolen	28½	28½	28½	5	28¼ Aug 22		36¼ Mar 20		7¾ 1903	48 1906
do. pref.	88	88½	88½	460	85 Aug 30		96½ June 15		65 1903	110¾ 1906
B. & Wor. Elec.	...	...	12	.....	6 Feb 15		13 July 13		8 1910	33½ 1906
do. pref.	...	...	51	.....	38½ Jan 27		55 July 1		25 1910	80 1906
Cumberl'd Tele.	...	...	154½	.....	146 Jan 19		156 June 2		93½ 1907	152½ 1910
Dom. St'l Corp.	...	...	56¾	.....						
Dom. Coal 8s	...	...	96½	.....	90 Jan 4		98¾ Mar 21		90 1908	101½ 1906
E. Boston Land.	9½	10	10	325	7⅞ Jan 1		12 May 1		2⅜ 1893	15⅞ 1909
Edis. Elec. Ill.	286	287	286	196	281 July 5		292½ Feb 3		10 1893	310 1905
Gen'l Elec. Co.	151	153	153	317	145¼ Mar 3		167¾ May 29		30½ 1898	258½ 1901
Mass. Elec.	17	17½	17¾	2,281	15 Apr 24		24 June 3		6½ 1907	45¾ 1902
Mass. pref.	87	88¾	87	672	83¾ Jan 9		95 July 11		37 1907	99 1902
Mass. Gas	92½	93¾	92¾	804	87¾ Jan 3		98⅝ Aug 4		30 1908	91¾ 1910
do. pref.	97½	98	97½	205	91¾ Apr 13		98 Aug 24		74½ 1903	97 1910
Mergenthaler	226½	230	230	41	211 Jan 3		250 July 21		118¾ 1897	228 1910
N. E. Cot. Y'n.	111	112	111	105	109 Aug 17		119 Mar 14		40 1908	125 1909
do. pref.	...	...	108	.....	108 Jan 3		116½ Mar 15		24¾ 1903	113 1909
do. 5s	100¾	100¾	100¾	1,000	100¼ Aug 30		111 June 20		93 1908	105¾ 1901
N. E. Telephone	145	145¾	145¾	153	137 Jan 17		150½ June 10		78¾ 1879	270 1906
Pullman Car	156	158	156	214	156 Aug 31		163 Jan 30		5¾ 1901	224½ 1906
Reece But. H.	13½	14	13½	50	12 Jan 5		16¾ May 22		7½ 1884	163 1901
Torr'g'n Co. Cl. A	29½	30	29½	55	29½ Aug 28		36 Jan 7		18 1905	37 1910
do. pref.	25	28½	28½	130	27 Mar 31		39 July 26		20 1907	35 1906
U'ted Fruit Co.	180	183	183	356	180 Aug 28		192 June 12		73 1903	200 1910
U'ted Fruit 4½s	...	...	96½	.....	96¾ Apr 17		97½ Jan 6		86 1910	97½ 1910
Un. Shoe Mac'y.	40¾	44¾	44¼	7,849	40¾ Aug 28		58¾ Feb 13		*28 1900	90¾ 1906
do. pref.	28	28	28	12	27¾ Aug 22		29½ Mar 7		22 1900	88½ 1905
West. Tel. & T.	...	...	18½	.....	17 Aug 18		23¼ Feb 6		4 1908	33½ 1902
do. pref.	...	...	98	.....	89 Jan 23		100 July 28		50 1907	106½ 1903
do. 5s	98½	98¾	98½	2,000	90¾ Jan 3		100 July 25		74 1907	106¾ 1902
Mining.										
Adventure	4	5	4¾	635	4 Aug 25		7½ May 18		†.62½ 1907	32 1864
Allouez	27	27	26	1,840	21 Aug 28		... Jan 5		9c 1894	74¼ 1907
Amalgamated	56⅝	59	57¾	9,539	56⅜ Aug 31		71½ June 26		25⅝ 1903	129½ 1899
Am. Zinc	21	22¾	22½	1,710	21 Aug 25		30⅝ June 14		5 1901	67 1899
Arizona Com.	1⅝	2⅛	1⅞	5,665	1⅝ Aug 31		18⅝ June 14		7⅝ 1907	61¾ 1900
Bos. & Corbin	4⅝	5	4⅞	985	3⅝ Aug 24		13½ June 6		6 1907	25 1901
Butte Bal'kl'n	3¾	4	4	445	3¾ Aug 29		6¾ Jan 4		4½ 1910	18½ 1910
Butte Coalition	14	15⅝	15	4,581	14 Aug 25		20¾ May 24		10 1907	42 1906
Calumet & Ariz.	47½	50	50	4,060	46 Aug 17		... June 14		44¾ 1910	198 1907
Calum. & Hecla	*410	420	410	35	400 Aug 16		545 Jan 4		124 1884	1000 1907
Centennial	8	8½	8	120	8 Aug 30		15 Jan 3		10c 1896	61 1899
Copper Range	50	53¾	51½	2,178	50 Aug 26		69¾ Feb 2		37 1903	105 1907
Daly-West	5	5¼	5⅜	200	3 Feb 15		6¾ June 21		3½ 1910	56 1906
East Butte	8⅞	10⅜	10⅜	5,378	8⅞ Aug 29		14⅜ June 26		3½ 1908	18½ 1907
Elm River	...	...	10	.....	.10 July 24		20 Jan 6		.05 1910	7 1907
Franklin	6¾	7⅜	7⅜	6,755	5½ Aug 24		14 June 14		4 1879	30 1899
Giroux	4	4⅝	4	9,837	4 Aug 26		8¾ Feb 6		2⅜ 1907	13⅝ 1901
Granby	26	30	28	445	26 Aug 25		43½ June 21		20 1910	151 1907
Greene Cananea	6	6¼	6	3,040	5 5-16 Feb 9		8 June 26		5 1907	18 1907
Hancock, Con.	17⅜	19⅜	19⅜	916	17⅜ Aug 28		30¼ June 19		1⅜ 1907	36 1910
Helvetia	1	1	1	410	.50 Apr 28		2 Mar 4		1⅜ 1910	38 1900
Isl'd C'k Coal**	31⅜	33¼	33⅛	670	29⅜ May 9		40⅜ June 3		30⅜ 1910	33⅜ 1910
do. pref.**	84⅜	85¼	85	420	84⅜ Aug 30		91 June 13		84½ 1910	90⅝ 1910
Isle Royale	11⅝	13⅝	13⅝	557	11½ Aug 24		19½ June 13		5⅝ 1903	75 1899
Kerr Lake	4 1-16	4⅜	4 7-16	2,077	4 1-16 Aug 29		7⅞ Jan 23		6 1910	35 1907
Keweenaw	2⅛	2⅜	2⅛	110	1⅝ May 10		3⅜ June 14		2½ 1909	7⅜ 1900
La Salle	3½	4	4	205	3 Aug 18		6 Jan 3		3 1908	23¼ 1905
Lake Copper	21⅜	24¼	23⅜	4,073	21⅜ Aug 25		40 June 13		4 1907	94½ 1910
Mass. Cons.	4½	6	6	1,200	4½ Aug 25		10 June 19		2¾ 1908	37⅜ 1901
Miami	18⅜	18⅝	18⅝	70	18¼ Apr 21		27⅞ June 21		4⅜ 1908	29 1910
Michigan	2	2	2	300	1⅝ Apr 25		4⅜ May 6		3 1908	24½ 1907
Mohawk	37	40	39	558	36 Apr 24		53 June 15		11¼ 1908	*97 1907
New Cons.	16⅞	17⅝	17⅜	3,175	16⅜ Aug 26		21⅝ June 15		6¾ 1907	80 1899
New Arcadian	2	2	2	61	2 Aug 25		4⅜ May 17		1¼ 1905	166½ 1899
Nipissing	7½	7⅝	7⅜	837	7½ Aug 28		11½ Feb 17		5 1908	33¾ 1906
North Butte	21⅜	23⅛	23½	7,855	21⅜ Aug 28		36 June 13		18½ 1910	120 1907
North Lake	4	5¼	5¼	1,050	3⅜ Aug 23		9¾ June 3		4½ 1909	11⅞ 1900
Old Dominion	35½	38	37⅜	1,110	35 Aug 24		49 June 19		9½ 1904	65⅜ 1905
Osceola	88	89	89	215	88 Aug 31		124 Jan 4		7½ 1889	181 1907
Parrot	9½	10	9⅝	350	9½ Aug 28		13¼ May 22		8⅜ 1907	72½ 1899
Quincy	64	66	65	135	63 Aug 24		74 July 24		10 1879	190 1899
Ray Consol'ted	13½	14⅜	13⅞	1,490	13½ Aug 30		18⅜ Jan		7½ 1908	37½ 1899
Santa Fe	...	...	50	.....	.75 Apr 26		1⅜ June 13		1 1903	22 1899
Shannon	8	8⅝	8½	2,717	7¾ Aug 18		12½ Feb 6		3½ 1904	24⅜ 1907
Superior Copper	22	23¾	23¼	710	21 Aug 17		34½ June 14		7 1907	65½ 1910
Sup. & Boston	3	4	3¾	2,350	2 15-16 Apr 7		5⅝ June 15		16⅜ 1906	1⅝ 1900
Tamarack	22½	24½	24	445	22½ Aug 31		52 Jan 3		4⅝ 1910	261 1901
Tennessee	...	...	34⅝	.....	34⅝ Aug 9		43½ June 12		8⅝ 1911	65½ 1907
Trinity	2½	3	3	60	3 Aug 21		5 June 20		3⅝ 1904	42¾ 1907
U. S. Smelting	71	71	71	610	71 Aug 28		90¼ June 14		24⅝ 1907	70 1907
do. pref.	67½	68	68	300	67½ Aug 31		79½ June 26		27⅜ 1907	54¼ 1900
Utah Cons.	12¾	13	12¾	1,000	9½ Jan 26		20 June 26		12⅜ 1910	*79 1907
Utah Apex	2	2⅛	2	1,000	2 Aug 28		3½ June 15		1⅝ 1907	104¾ 1905
Victoria	1⅞	2 1-16	1⅞	1,200	1 Aug 29		2⅞ Feb 7		1 1908	12 1901
Winona	4¼	4¾	4	1,100	4½ Aug 24		9⅜ Feb 6		1 1902	22 1906
Wolverine	98	100	100	25	98 Aug 28		122 Feb 10		75c 1898	200 1907

* Ex-dividend. † Assessment paid. ‡ Rights off. ‖ Auction. § Old securities. ● Old stock. ** Temporary certificates.

Digitized by Google

argument, that mistakes have been made in calculation, and 20 per cent should be marked off for this account. 20 per cent in this case amounts to $200,000,000, which will take care of a considerable amount of over-valuation and expense of litigation. With this deduction, there still remains over $1,000 as the real value of Standard Oil stock, and for other reasons than that the stock jumped 46 points one day this week. I believe that this guess is not far from correct.

P. DE MEDICI.

MIDLAND PENNSYLVANIA FIVES.

We have received several inquiries in regard to the bonds of the Midland Pennsylvania Railroad, now in course of construction, between Millersburg and Ashland, Pa., through the Lykens Valley, a distance of 44 miles. We have made extensive inquiries, and find that this proposition is favorably regarded in financial circles.

The Lykens Valley is mostly rich farm land, and averages 40 well-cultivated farms to the mile. The population of the valley and 30 contributary towns is about 199,000, and there are ten prosperous towns on the line of the railroad. For some distance the road adjoins Short Mountain and Broad Mountain, which contain immense deposits of the best anthracite coal. That there is need of a railroad in this valley is shown in the fact that all its residents are without transportation facilities, except by horse and wagon, the nearest railroad point being from 4 to 17 miles away.

The new road will connect with three trunk lines, the Pennsylvania, the Lehigh Valley and the Reading, and will act as a feeder to all three rather than as a competitor, and it will be a short line between Ashland and Harrisburg, via Millersburg, reducing the distance 35 miles. Furthermore, the road is wanted by the inhabitants of the valley. The idea originated with them, and they have organized the Lykens Valley Board of Trade to develop the valley, and each of the ten towns which will be on the railroad have formed local boards,

PLEDGED TO CO-OPERATE

with the railroad. Again, the members of these boards, together with those interested in the railroad have incorporated the Lykens Valley Development Company to insure the development of mining, agricultural, industrial and real estate opportunities in the valley.

The Midland Pennsylvania Railroad was organized under the General Railroad law of Pennsylvania. Franchises are perpetual, and the rights of way are owned in fee simple. The company has a capitalization of $2,000,000, par value of shares, $50 each, and a bond issue of $2,000,000, the legality of which issue has been approved by John G. Johnson, Esq., of Philadelphia. The bonds are first mortgage 50-year sinking fund gold fives, are a first and only mortgage, and are tax free in Pennsylvania. They are of the denominations of $100 and $1,000, and are dated July 1, 1910, with interest payable January and July. The first interest payment was made July 1, 1911, and bonds now being offered are selling with interest accrued from that date. Until the road is completed, the payment of the bond interest is assumed by the Lykens Valley Construction Company, that being part of their contract. After the completion of the road, the Construction Company guarantees the prompt payment of the bond interest until after the annual surplus earnings of the road are double the amount of bond interest, this guarantee to be secured by collateral of $1,000,000 of the capital stock of the Midland Pennsylvania Railroad Company, which is to be held in trust by the Commonwealth Title Insurance and Trust Company of Philadelphia for this purpose.

It has been estimated by Dodge, Day & Zimmerman, the engineers, who are considered conservative, that the road should be able to

EARN MORE

than the interest charges of $100,000, the first year of actual operation. This estimate was based on the amount of passenger and freight business, which was then actually being transferred by coaches, wagons, etc., throughout the 44-mile stretch.

The management of the road is very good. The president, Walter E. Harrington, was formerly manager of the Eastern Pennsylvania Railway Company, and was also at one time the operating manager of J. G. White & Company, New York, and also president of the Merchants' National Bank of Pottsville, Pa. The other officers, three vice-presidents and secretary and treasurer, are respectively: Hon. Dimner Beeber, president of the Com-

PHILADELPHIA STOCKS

For the Week Ending Wednesday Evening, August 30, 1911.

Names.	RANGE FOR WEEK Low	RANGE FOR WEEK High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911. Lowest		RANGE FOR YEAR OF 1911. Highest		RANGE FROM JAN., 1879, TO JAN., 1911. Lowest		RANGE FROM JAN., 1879, TO JAN., 1911. Highest	
Amer. Cement..	...	...	12	.....	12	July 26	17½	Jan 4	5¼	1905	46	1909
Amer. Railways.	44¼	44¾	44¾	51	42	Jan 10	45⅞	Aug 5	21½	1900	56¾	1902
Bell Telephone..	...	...	116½	.....	.....		.....		46	1907	124¾	1909
Cambria Steel...	44	44½	44	1,406	42½	Jan 4	48¼	Feb 13	12¼	1908	49¾	1900
do. Iron	44	44	44	60	43½	Aug 10	46	Mar 27	42	1907	128	1883
Elec. Co. of Am.	11⅜	11⅜	11⅜	285	11¼	Jan 4	12½	Jan 14	5¾	1902	25	1899
Elec. Storage....	51½	52¼	52¼	873	48½	Jan 3	56¼	June 15	15	1894	194	1899
Gen'l Asphalt...	26½	29½	26½	263	28½	Aug 25	34¾	Jan 10	3	1907	34⅜	1910
do. pref.	68	70½	68½	119	68	Aug 28	83¾	Jan 30	11	1905	84¼	1910
Hunt. & B. T...	...	...	8	.....	6	June 13	8	June 19	7	1910	43	1899
do. pref.	...	...	14	.....	14	Aug 23	27	Feb 1	7⅜	1880	59¾	1902
Lake Sup. Corp.	22	24½	22	77	22	Aug 16	31⅜	Feb 4	3¾	1908	33⅜	1900
Lehigh Valley...	78 15-16	82	78 15-16	1,764	78 15-16	Aug 30	90½	Feb 2	17½	1897	121½	1910
Lehigh Navig'n.	86¼	89¾	86¼	202	85½	May 15	93½	July 29	35	1898	131½	1904
Marsden	...	...	1¾	.....	.....		.....		⅝	1907	23¾	1899
Penn. Steel.....	...	...	60	.....	.....		.....		5	1894	300	1881
do. pref.	...	...	106½	.....	104¾	May 4	108¼	Apr 13	10	1897	117½	1909
Phila. Co.....	51	52	51	9	50¾	Jan 4	59¾	June 5	33⅜	1907	56¼	1905
do. pref.	42½	42½	42½	134	42	Feb 20	45	Feb 8	34	1909	52	1908
Phil. Elec.....	16¾	17⅛	17	1,783	16	Mar 9	18	July 17	2	1900	16⅜	1911
Phil Rap. Trans	22¼	23	22⅝	1,420	16⅜	Apr 18	24¼	Aug 4	12	1907	37⅞	1899
Phil. Traction...	84½	85	84½	70	82¼	May 1	87½	July 14	5	1885	102½	1905
Tonopah Min'g..	5 11-16	6	5¾	1,212	5 3-16	Aug 23	8⅜	Jan 17	3 3-16	1907	21¼	1906
United Gas Imp.	85¼	86¼	85¼	1,091	85¼	Aug 28	89¾	Jan 9	50	1893	175	1899
Union Traction..	50	50⅝	50⅛	2,228	43	Jan 4	52⅝	July 14	8⅜	1897	65¼	1908
Warwick Steel..	...	...	10	.....	9¾	Jan 10	11¼	Feb 28	2½	1903	18	1899
W'stm'el'd Co'l.	80¾	80½	80¾	70	79	July 7	91½	Mar 20	45½	1879	114	1906

* Ex-dividend. † Trust certificates. ** Temporary certificates.

CHICAGO STOCKS

For the Week Ending Wednesday Evening, August 30, 1911.

Names.	RANGE FOR WEEK Low	RANGE FOR WEEK High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911. Lowest		RANGE FOR YEAR OF 1911. Highest		RANGE FROM JAN., 1879, TO JAN., 1911. Lowest		RANGE FROM JAN., 1879, TO JAN., 1911. Highest	
Am. Can.....	9⅛	9⅜	9⅜	1,000	8⅜	Jan 27	12⅝	May 23	2⅜	1903	31½	1901
do. pref.	82½	84¼	82½	950	76⅞	Jan 7	88⅜	May 23	25¼	1902	96	1909
Am. Radiator...	...	...	265	.....	265	Jan 9	265	Feb 18	30	1909	260¼	1910
do. pref.	...	...	131	.....	128½	Mar 9	131	Aug 29	98	1899	136	1900
Am. Shipbldg...	56	57½	57	60	54¼	Aug 22	79	Feb 6	19	1904	84½	1911
do. pref.	...	...	111	.....	110¾	Jan 16	113	May 18	83	1904	112	1910
Chic. City Ry....	...	...	190	.....	185	Mar 22	196	Apr 24	140	1906	476	1883
Chic. Pneu. Tl.	46	47¼	46	370	41	Jan 13	55½	Feb 22	18	1904	107½	1902
Chic. Subway...	2⅜	2⅜	2⅜	50	2⅜	Aug 18	6	Mar 1	2¼	1910	57⅜	1905
Chic. Telephone.	120	120½	120½	110	115	Jan 25	124¼	May 17	96	1907	206	1911
C'm'nw'th Edis.	132¾	133	132⅝	190	113	Jan 26	137⅜	July 15	77	1907	126	1910
Diamond Match.	104	104¾	104¾	265	90	Jan 16	105½	July 11	82½	1910	143	1893
Kan. City Light.	...	...	16	.....	16	Aug 10	25	May 23	20	1910	68¼	1906
do. pref.	...	...	41	.....	40	Aug 2	72½	Feb 25	68	1908	93½	1906
Met. El.....	...	...	27	.....	19½	Feb 1	26⅝	June 28	12	1899	43	1902
do. pref.	...	...	75	.....	64	Mar 16	***75	July 17	32	1909	93¼	1901
Nat. Carbon.....	100	101	100	120	100	Aug 23	120	June 3	15	1899	145	1910
do. pref.	...	...	106¾	.....	106¾	Aug 23	120	Apr 12	72	1900	124	1909
No. West. El....	...	...	29¼	.....	20¼	Apr 27	29¾	June 30	13⅜	1908	55	1901
do. pref.	...	...	68½	.....	60	Mar 1	67	Mar 30	44	1904	97	1901
Quaker Oats....	190	190	190	92	165	Mar 17	193	June 29	35½	1904	198	1910
do. pref.	106¼	106¼	106¼	10	102¾	Feb 8	107½	July 24	77	1903	109½	1905
So. Side El.....	...	...	80	.....	68	Feb 16	80	June 30	40¾	1897	199	1901
Streets' Car.....	9	9	9	35	8	May 31	13¾	Feb 24	10⅞	1910	54½	1909
do. pref.	...	...	50	.....	40	June 2	50	Aug 11	40	1910	111¾	1906
Swift & Co.....	101⅝	102¾	102¼	745	100½	Mar 13	104	June 8	75¼	1907	127½	1902
Un. Box Board..	1⅞	2⅛	2	911	2¼	Aug 10	7	Jan 5	⅛	1909	17½	1902
do. pref.	...	...	7⅜	.....	.....		.....		1¾	1908	71	1902
Western Stone..	...	...	191½	.....	191½	July 25	241¼	Jan 24	14	1908	50	1908

* Ex-dividend. † New. *** Receipts. ‡ Assessment paid.

monwealth Title Insurance and Trust Company of Philadelphia; Joseph Romberger, president of the Lykens Valley Bank, Elizabethville, Pa.; Finley Acker, president Finley Acker & Company, Philadelphia; John H. Williams, director, Merchants' National Bank, Pottsville, Pa., and S. F. Houston, vice-president, Real Estate Trust Company, Philadelphia. Among the stockholders are many men of importance in the business world, notably: William L. Austin, president Baldwin Locomotive Works; William Burnham, president Standard Steel Works; Wilmer Atkinson, publisher "Farm Journal," and W. Altee Burpee, seedsman.

The Lykens Valley Construction Company has an authorized capital of $125,000, and its officers and directors are all men of high standing. It holds the contracts for the construction and equipment of the road, and is paid in installments, as the work progresses upon certification by the engineers of the railroad company. This means that bonds can be issued only as

THEIR ACTUAL VALUE

goes into the road. The company has sold the entire bond issue of $2,000,000, to an underwriting syndicate, composed of a number of well-known bankers and business men. This syndicate guarantees the construction and full equipment of the road. Fifteen miles of road from Millersburg to Gratz are already graded and ready for the laying of the tracks. It is expected that this part of the line will be completed and in operation within thirty days. Passenger and freight equipment necessary for a start are bought and paid for, and the signal and telephone systems are contracted for, and will be installed as soon as they arrive. Combination freight and passenger trains will be used for the long hauls, and for the short frequent trip service self-contained gasoline motor cars will be used, making a great saving in expense.

We are informed confidentially that one of the largest national banks of Philadelphia and three of the best known trust companies have loaned up to $300,000 to the underwriters of the bonds of the company. The undertaking certainly has the confidence of banking circles, and prominent bank officials consider the bonds an excellent investment. H. E. WILSON.

Pearmain & Brooks, in a letter which they have sent out, say: "Boston coppers, because of the low price of the metal, decreasing business in the manufacturing world and perhaps over-production of the metal, have declined to lowest prices seen for months. As a climax, the financial difficulties of some large stockholders have caused heavy liquidation in an already discouraged market.

"We think it time to buy the local coppers which have declined so rapidly, to buy them with the idea that they may go lower; that is, to buy them on such a scale that purchases on the decline will make a low average cost.

"They should be bought with full knowledge that some may be assessed or reorganized, and that it is to be probably a long pull. The time to buy is when others are forced to sell, and after a big decline."

NEW YORK STOCKS AND BONDS

For the Week Ending Thursday Evening, August 31, 1911.

Names.	RANGE FOR WEEK Low	High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911. Lowest		Highest		RANGE FROM JAN., 1878, TO JAN., 1878, TO Lowest	Highest
Atch. & T. R R.	102¼	104⅛	103⅞	53,200	100⅝ Jan 3		116⅝ June 5		3 1-16 1894	152½ 1899
Atch. & Top. pf.	101⅝	101⅝	101⅝	700	100⅝ Jan 3		105½ June 12		14 1896	107½ 1901
Atch. & Top. 4s.	98⅜	99	98⅜	49,000	93 Mar 23		99⅝ Jan 4		61 1894	105⅝ 1902
do. adj. 4s....	91½	92	91½	16,000	90⅜ Mar 29		92½ Jan 26		26 1896	99⅛ 1906
At'tic C'st Line.	120⅜	122⅛	121½	1,300	117 Jan 3		132½ July 22		68 1907	170 1905
B. & O. Gold 4s.	98⅜	98⅝	98⅝	17,000	98 Aug 22		99¼ Feb 21		83 1907	108⅜ 1905
B & O.S. W.3½s.	90½	91⅛	90½	20,000	90⅜ Feb 28		93 Mar 11		80 1907	96 1899
Balti. & Ohio...	99⅝	100⅛	100⅛	5,100	100 Aug 22		108¾ July 22		9 1897	125⅛ 1906
do. pref.	85½	85½	85½	100	85½ Aug 30		91 Jan 4		67½ 1898	100 1905
Brooklyn R. T..	74⅝	76⅛	75⅛	5,500	74½ Aug 17		85⅜ July 20		18 1896	137 1899
B.R.T.conv't 4s.	83	83⅞	83⅞	134,000	82⅞ Apr 18		88⅜ Jan 26		56 1907	102⅛ 1905
Canadian Pac...	227⅜	232	229⅜	114,825	195⅝ Jan 3		247 July 21		33 1895	202⅜ 1910
Canada South...	....	....	68	.....	62 Mar 3		68 May 12		23 1886	87 1902
Cen.ofGa.Con.5s.	109	109	109	4,000	107⅜ Jan 13		110 July 26		55 1907	120⅛ 1901
do. 1st inc....	113½	113⅛	113⅛	3,000	96 July 25		114½ Apr 18		30 1890	102 1910
do. 2d inc.....	....	....	96	.....	96 Mar 1		106⅛ Apr 5		9 1899	101 1910
do. 3d inc.....	....	....	88	.....	85 Feb 24		102 Apr 4		6 1898	100 1910
Central N. J....	....	....	275	.....	270 Mar 11		286 June 3		31 1885	312 1910
Cent'l Pac. 3½s.	....	....	91	.....	91¼ July 10		92 Mar 8		75 1907	91 1910
Ches.O. gen.4½s.	106⅝	101¼	106⅝	23,000	100½ Apr 12		111 May 18		61 1893	111 1908
Chesapeake & O.	70½	72	71¼	27,375	70½ Aug 30		86⅝ Feb 10		1 1888	133⅜ 1881
Chic. & Alton...	15	15¼	15¼	220	15 Aug 28		31½ May 22		3½ 1907	74⅜ 1900
do. pref.	40	40	40	100	40 Aug 30		53 Jan 27		47 1906	85⅛ 1906
Chic. Gr't West.	17½	19½	18	2,840	17½ Aug 30		26¾ June 5		8⅜ 1897	37⅜ 1909
do. pref. A...	36½	38½	37	1,300	36½ Aug 30		49⅜ Feb 6		15½ 1906	90½ 1901
Chic. M. & St.P.	111⅜	111⅝	112⅝	32,140	111⅜ Aug 26		133½ Feb 7		34⅜ 1879	139⅝ 1906
do. pref.	146	146½	146	15,102	146 Aug 28		155½ June 15		74⅜ 1879	21⅛ 1906
Chic. & N. W....	139⅜	140⅜	140	3,847	139⅞ Aug 30		150½ June 12		49⅜ 1879	271½ 1902
do. pref.	197	197	197	163	197 Aug 30		201½ Aug 9		125 1883	274½ 1902
Chi.,St.P. & Om.	....	....	144	.....	120¼ Apr 20		151 June 12		13½ 1885	225 1905
do. pref.	....	....	155	.....	152 Feb 18		152 Feb 18		66 1885	230 1905
Chi. Ter. Trans	....	....	152	.....	.....		.....		1⅝ 1906	31 1901
do. pref.	....	....	165	.....	.....		.....		8⅜ 1906	57½ 1901
Chic. Un. Trac..	....	....	2	.....	2 Aug 23		5 June 2		⅝ 1908	23 1902
do. pref.	....	....	5	.....	5 Aug 23		7¼ Feb 6		3 1906	60 1902
C.,C.,C. & St. L.	51	51½	51	200	51 Aug 25		66 Jan 15		19½ 1896	111 1896
do. pref.	....	....	94½	.....	94½ Aug 22		98 Feb 1		62 1897	124¼ 1902
Colo. & South'n.	48	49¼	48	500	48 Aug 26		60 Jan 18		4⅜ 1859	68¼ 1909
Col. & So. 1st pf.	80	80	80	150	74½ Mar 27		84⅜ July 10		25 1899	86 1909
do. 2d pref....	....	....	75	.....	73½ Apr 12		75 Aug 8		12½ 1899	84½ 1908
Del. & Hudson...	164	165	164	500	164 Aug 25		175¾ June 8		22 1879	240⅜ 1905
Del., L'ck & W.	530	531	530	300	510 Feb 17		560 June 5		88 1879	650 1909
Den & Rio G'de	22¾	23½	22½	2,410	22¼ Aug 31		35 Feb 21		4⅜ 1885	98½ 1900
do. pref.	50⅜	52½	51	2,070	50⅜ Aug 28		74 Feb 21		24 1894	103⅛ 1921
Dul.,So.Sh.& Atl	....	....	10	.....	9⅜ Aug 5		15½ May 1		2½ 1896	24 1909
do. pref.	20	20	20	400	20 Aug 28		28⅜ Apr 4		5 1898	46⅜ 1906
Erie 1st gen. 4s.	....	....	77½	.....	73½ Jan 3		79⅜ July 19		55 1908	95 1905
Erie	27⅜	29¼	28½	3,273	27⅛ Jan 11		38⅛ June 20		3⅜ 1894	55⅜ 1851
Erie 1st pref....	47⅜	49	48⅝	7,450	45⅜ Jan 12		61⅛ July 1		15 1897	95 1887
Erie 2d pref.....	39½	40	40	500	35 Jan 13		49½ July 3		12 1896	78⅜ 1906
Ev's'le & T. H.	....	....	82½	.....	60 Feb 1		88 July 24		20 1897	152 1902
do. pref.	....	....	90	.....	85 June 5		90 July 24		72 1900	104⅜ 1902
Gr'neB&WdebB.	11	11½	11	16,000	11 Aug 28		15¾ Jan 28		3½ 1898	27½ 1903
Gt Northern pf.	120½	123⅛	122½	28,910	120½ Aug 29		140 June 8		44½ 1890	348 1906
Hock'g Valley**.	....	....	128⅝	.....	128 May 24		134 Apr 29		22 1899	140 1910
do. pref.	....	....	128	.....	.....		.....		53½ 1899	161¾ 1910
Illinois Central..	137	138¼	137	3,400	132 Jan 3		147 July 30		79⅜ 1879	184½ 1906
Inter-Met (w.i.).	13½	14⅜	14⅜	7,800	13½ Aug 26		20⅜ Feb 15		4⅝ 1907	55⅜ 1906
do. pf. (w. i.)	41½	44	43⅜	3,500	41¼ Aug 17		55⅜ Feb 10		14 1907	87⅜ 1906
Iowa Central....	16	17½	17½	400	15 May 12		19¼ Feb 3		3 1888	51⅛ 1932
do. pref.	....	....	34¼	.....	28 Apr 27		37 Aug 8		12 1899	90¾ 1932
Kan. City & So.	28	29	28	2,100	28 Aug 30		38¼ June 15		7 1900	50⅜ 1950
do. pref.	65½	65½	65½	125	64½ Jan 3		70 May 26		27½ 1900	75½ 1940
K.C.,Ft.S.&M.pf	....	....	75	.....	75 Aug 7		76 May 3		58 1900	88 1902
L'ke E. & West.	....	....	12¼	.....	12½ Aug 15		16¼ Feb 1		1⅜ 1885	76¼ 1931
do. pref.	....	....	37	.....	37 Aug 10		40 Jan 13		34 1908	138 1932
Louis. & Nashv.	140⅜	142	142	3,150	140⅜ Aug 26		156½ July 19		22 1880	162¼ 1940
Manh'ttan Elev.	135	135⅛	135	2,000	134 Mar 28		142½ July 19		64½ 1884	177 1905
Metrop St. Ry..	....	....	15	.....	.....		.....		15 1900	182 1909
Mex. Central....	....	....	23¼	.....	.....		.....		4 1886	33 1892
do. 1st 4s.....	....	....	56⅝	.....	.....		.....		32 1886	98⅛ 1910
do. 1st inc....	....	....	31	.....	.....		.....		8 1887	46 1996
do. 2d inc.....	....	....	24	.....	.....		.....		4 1886	26⅝ 1939
Minn. & St. L...	34½	37	37	400	21½ Apr 26		34½ Aug 23		3½ 1885	115 1932
do. pref.	61½	62	62	340	35 Mar 13		5[illegible] Aug 24		7⅜ 1895	127⅜ 1972
M.St.P. & S.S.M.	130	131⅜	130⅝	2,200	130 Aug 26		152¼ Mar 30		6 1897	164 1908
do. pref.	145⅜	145⅜	145⅜	100	140¼ Aug 26		156⅜ July 21		10 1897	193⅜ 1908
M.,K &T 1st 4s.	92¼	93⅛	93⅛	3,400	86½ Apr 22		98 Jan 31		30 1893	101⅞ 1905
do. 2d 4s.....	....	....	84¼	.....	83¼ Jan 5		90¼ Feb 17		27 1893	92⅜ 1909
M K. & T. 1st 5s	104½	106⅜	106⅜	2,000	100⅜ Aug 30		107⅜ July 10		72 1899	114½ 1909
Mo., K. & Tex..	29	30	29	6,120	29⅛ Aug 28		38¼ June 14		5⅜ 1879	54 1941
do. pref.	65⅜	68½	65½	700	63⅜ Jan 16		69 June 12		13⅜ 1899	78¼ 1909
Missouri Pacific.	39⅛	41⅝	40⅛	17,700	39¼ Aug 30		63 Feb 15		10 1897	125⅞ 1902
N. Y. Central...	103⅜	103⅝	103⅞	18,250	101⅞ Aug 25		115½ Feb 3		31⅜ 1867	174⅞ 1903
N.Y.,C. & St. L.	54	54	54	120	52½ Aug 15		65 Jan 31		9 1896	73½ 1905
do. 1st pref...	....	....	103⅝	.....	100 Aug 15		107⅜ Mar 20		4 1885	124½ 1902
do. 2d pref....	85⅜	85⅜	85⅜	.....	82½ Aug 25		90 Jan 30		14 1892	109 1902
N.Y., Ont. & W.	39⅜	39⅝	39	3,700	38⅜ Aug 30		46⅞ July 22		6⅜ 1885	64 1903
No & W.Con. 4s.	97⅜	97⅜	97⅜	40,000	97⅜ Aug 29		99½ Feb 3		74 1896	105 1905
Norfolk & West.	100⅜	101⅜	100⅜	4,800	100⅜ Jan 3		110⅛ June 26		¼ 1896	108⅜ 1910
do. pref.	....	....	90½	.....	86⅞ Apr 28		91 May 22		4½ 1896	98 1902
N. Pac. prior 4s.	98⅝	99⅜	98⅝	50,000	98⅝ Aug 30		106⅜ Feb 6		90⅛ 1900	109 1939
do gen. 3s....	70	70	70	6,000	69¾ Aug 22		73⅞ Aug 4		57 1896	79 1907
North'n Pacific.	114½	117⅛	117⅛	63,710	114⅜ Aug 28		133⅜ June 8		11 1897	1060 1961
Pacific Coast....	....	....	100	.....	100 Jan 11		102 Jan 10		34 1898	112 1906
do. 1st pref...	....	....	105	.....	.....		.....		65 1900	105 1910
do. 2d pref....	....	....	101	.....	101 Jan 11		101 Jan 11		56½ 1902	125 1910
Penn. R. R	120⅜	120⅝	120⅜	28,700	119⅜ Aug 26		130⅛ Feb 1		97½ 1895	170 1902
Peoria & East'n.	....	....	50	.....	.....		.....		2 1895	50 1901
P.,C.,C. & St. L.	91⅞	91⅞	91⅞	200	93 Aug 18		100 Jan 17		10½ 1891	105⅛ 1902
do. pref.	....	....	111	.....	108 Aug 11		112 Feb 17		40 1900	125 1902
Reading gen. 4s.	97⅛	98	97⅝	61,000	96⅜ Mar 15		98½ Aug 7		77 1896	104⅜ 1997
Reading	159⅜	163	161⅜	158,200	139⅜ Aug 26		161⅜ June 3		17⅜ 1896	117⅜ 1909
do. 1st pref...	89	89	89	.....	88 Mar 1		92 July 14		11⅜ 1902	81 1909
do. 2d pref....	90	90	90	.....	91 Aug 11		101 May 2		25⅜ 1902	94⅜ 1909
R.I. Island, new	24⅜	25⅜	24⅜	37,000	24⅛ Aug 30		34⅜ June 14		66⅜ 1902	86⅛ 1902
do. pref.	45⅜	45⅜	45⅜	2,000	47⅜ Aug 24		68⅜ June 14		9⅜ 1879	120 1907
St.L.&S.F.rfg 4s	79⅜	80½	79⅜	17,000	80 Aug 30		91 May 4		4⅛ 1879	84⅛ 1927
St.L.&S.F.1st pf	....	....	60	.....	60 Aug 14		69 July 25		50 1899	110⅝ 1905
St.L.&S.F.2d pf	40¼	41	41	300	36 Apr 21		49½ July 24		12 1897	80½ 1909
St.L.&S.W.1st 4s	....	....	....	.....	89⅞ Jan 24		96⅜ Aug 25		4⅜ 1896	173⅜ 1909
do. 2d gen. 4s	....	....	81	.....	78 Jan 9		92⅜ June 29		36 1898	97 1905

Digitized by Google

NEW YORK STOCKS AND BONDS

For the Week Ending Thursday Evening, August 31, 1911.

Names.	RANGE FOR WEEK Low	High	Last Sale	Sales for Week	RANGE FOR YEAR OF HIL Lowest		Highest		RANGE FROM JAN., 1879, TO JAN., 1911. Lowest	Highest
St. L. Southw...	30½	31	31	30	24 Jan 13		34 Feb 4		1 1897	39½ 1901
do. pref.	66	66½	66	400	59¾ Jan 3		72 June 27		21¾ 1900	90 1902
St'bd A.L.adj.5s.	77¾	77¾	77¾	11 000	75 Mar 15		82 July 19		65¾ 1910	77¾ 1910
San.Ant.&A.P.4s	87	87	87	2 000	86¾ Apr 8		88 May 16		45 1896	92½ 1909
So. Pac. rfd. 4s..	94¼	94½	94¼	79 000	94¾ Aug 17		96 May 8		94¼ 1908	98½ 1905
South'n Pacific..	107¾	110¾	108½	114,092	103¾ Aug 30		126¾ June 26		12 1898	139⅛ 1909
do. pref.	...	...	71¾	.....	.....		.....		94¾ 1906	137 1909
Southern	26½	26½	26¾	16 600	25½ Mar 4		33¾ July 22		62 1894	1,653 1901
do. pref.	66¾	67¼	67¼	4 000	61¾ Jan 11		75¾ July 5		112 1894	103 1901
Texas & Pacific.	23¾	24¼	23⅝	1,400	22¾ Aug 28		30½ June 9		4⅜ 1897	73¾ 1881
Third Avenue...	7⅜	8¼	8	1,700	7¾ Aug 28		28 Mar 2		5½ 1900	242 1899
Tol.Rys & Light	...	...	7	.....	6¾ Aug 16		8½ Jan 17		5½ 1910	38 1908
Tol., St. L. & W	17¾	18¼	17⅜	1,200	17¾ Aug 30		24½ Feb 8		10¾ 1901	64¾ 1909
do. pref.	38	40¾	39¾	2,500	38 Aug 26		50¾ Feb 3		22⅜ 1903	74¾ 1909
Twin City R. T.	...	...	103¾	.....	103¼ Aug 30		111 Feb 3		93¾ 1901	129 1902
U.P.cv.t. 4s, 1927.	101⅞	102⅜	102⅜	380,000	101⅞ Aug 30		109¾ June 27		78¾ 1907	124⅝ 1909
Union Pacific.....	165½	166⅞	165⅞	406,400	162¾ Aug 30		192⅜ July 22		3 1898	206⅜ 1910
do pref.	90	92	92	1,400	86 Aug 23		96 July 24		67 1898	118⅛ 1909
Wabash 1st 5s...	107⅜	108	107⅜	14,000	99¾ Aug 29		110 Mar 20		93 1898	121 1902
do deb. B's...	...	...	101	.....	.....		.....		19 1893	101 1909
Wabash	13¾	14	13¾	1,525	13¾ Aug 30		18⅝ Feb 22		3 1885	60 1881
do. pref.	28⅝	29½	29¼	2,600	28¾ Aug 30		40⅜ Feb 22		9 1884	96¾ 1881
Wheel. & L. E..	2¾	3	2¾	1,000	2¾ Aug 25		6¼ Feb 3		¼ 1897	61⅜ 1887
do. 1st pref...	...	...	7¾	.....	7¾ July 22		17⅜ Feb 3		2⅜ 1897	80¼ 1892
do. 2d pref....	...	...	3½	.....	3 Aug 23		8 Feb 22		1 1910	42⅜ 1892
Wis. Central....	51⅜	52	51⅜	600	51 Aug 28		72¼ May 1		4c 1899	64 1910
do. pref.	...	...	88½	.....	.....		8 Feb 22		50c 1898	91¾ 1909
do 1st 4s.....	92	93	92	12,000	92 Aug 28		93¾ July 5		127 1896	99¾ 1899
Miscel. St'ks.										
Adams Express.	...	...	100	.....	235 Jan 20		243 June 13		97½ 1898	315 1907
Allis Chalmers.	...	...	6½	.....	6¼ Aug 4		9¾ May 31		4 1901	27¾ 1906
do. pref.	17½	18	17¾	200	17 Aug 21		34 Feb 3		14 1906	87½ 1902
Amal. Cop.....	56⅞	58¼	57½	69 300	56¾ Aug 30		71⅜ June 19		33⅜ 1900	130 1901
Am. Car & F'd.	48	49¼	48⅝	6,300	48 Aug 30		58¼ July 19		10⅜ 1899	76½ 1899
do. pref.	115	115	115	300	114¼ Mar 13		120 May 22		51 1899	124⅜ 1909
Amer. Cot. Oil..	50½	53¾	52	4,500	49¾ May 22		62⅜ Feb 28		8 1898	79¾ 1909
do. pref.	...	...	100	.....	100 June 27		106⅛ Mar 21		27¾ 1898	107⅞ 1909
Amer. Express..	217	217	217	100	215 Aug 17		245 Mar 27		100 1853	301 1910
Am. H. & L.....	...	...	6	.....	3⅞ Jan 28		5 July 21		2¾ 1903	37⅜ 1899
do. pref.	20	20	20	100	20 Aug 25		36¾ June 14		10 1907	83¼ 1899
Am. Ice Sec.....	16½	18	17¾	2,800	16½ Aug 28		25⅜ July 12		8¾ 1907	98 1907
Am. Linseed Co.	8⅜	8½	8⅜	500	8 Aug 11		12⅜ Feb 14		5 1907	30⅜ 1901
do. pref.	29¾	29¾	29½	200	27¾ Aug 14		34 Feb 14		16½ 1907	66 1901
Am. Loco.....	36⅛	36⅞	34½	3,900	34¼ Aug 30		43¾ May 22		11½ 1903	78½ 1901
do. pref.	104½	104½	104½	100	104 Aug 10		110¾ Mar 1		67½ 1901	122½ 1901
Amer. Malt Co..	...	...	4¾	.....	3¾ Feb 17		6¾ July 11		2½ 1907	90¾ 1898
do. pref.	35½	35½	35¾	100	21¾ Mar 8		43¾ July 22		14½ 1901	50 1899
Am. Smelt. & Ref	67¾	70¾	68½	58 900	67¾ Aug 29		83¾ June 15		30 1900	174 1906
do. pref.	104¾	105	104¾	900	100¾ Mar 10		108¾ June 15		77½ 1899	137 1906
Am. St'l F'dry..	32	33¾	32	1,100	32 Aug 30		52½ Feb 9		3½ 1904	66¾ 1909
do. pref.	...	...	39	.....	.....		.....		20 1907	79 1902
Am. Sugar Ref.	115⅜	115⅜	115⅜	100	113 Aug 12		121¾ June 14		85 1899	182 1899
do. pref.	115½	116	115⅜	700	111 Jan 5		119½ Feb 14		66½ 1902	143 1906
Am. Tob. pref..	87½	92	92	4 400	87 Aug 24		102 May 23		60 1907	151½ 1902
Anaconda††	33¾	35	34½	3 200	32⅜ Aug 28		41⅛ June 20		11⅝ 1905	62⅜ 1907
Br'k Un'n Gas..	132	133	133	200	132 Aug 30		145½ June 8		80 1907	225 1910
Central Leather.	22	24	23½	6,700	22 Aug 28		33⅜ Feb 2		11¾ 1907	51⅜ 1909
do. pref.	96	97⅞	96	1 100	96 Aug 28		105 Feb 10		68 1907	111 1909
Colo. Ind. 5s....	75½	76⅝	76	11 000	73 Aug 12		79½ Feb 22		36 1907	85½ 1908
Colo. F'l & I'n.	27¾	28⅜	27¾	1,500	27¾ Aug 30		36⅜ Feb 6		14 1907	126½ 1907
do. pref.	...	...	110	.....	110 Aug 5		114½ Jan 9		30 1907	142½ 1909
C.&H.V.Coll&Ir.	...	...	14½	.....	4 Feb 9		4 Feb 9		⅝ 1896	92½ 1910
Consolid'td Gas.	153½	154	153⅝	7 600	132½ Aug 26		149¾ June 6		67 1897	241¾ 1897
Con. Tobacco 4s.	83¾	83¾	83¾	9 000	81½ Jan 11		89¼ July 10		51¾ 1907	83¾ 1914
Corn Prod'ts R.	13¾	13¾	13½	13 700	12¾ Aug 28		15¾ May 17		8 1907	28 1906
do pref.	79¾	79¾	79¾	100	74½ Jan 10		85 May 29		46 1907	93¼ 1910
Dist. Secur.....	30	31	30	2,700	30 Aug 29		38¾ June 6		18½ 1908	78 1907
Fed. M. & Smlt.	...	...	25½	.....	17¾ Jan 28		26 Feb 16		4a½ 1904	199 1906
do pref.	...	...	60½	.....	48¼ Jan 11		66½ May 19		47 1907	112¾ 1907
Goldfield Con....	5⅝	5⅝	5½	9 600	5⅛ Aug 28		7⅜ Jan 3		3¾ 1907	10 1906
Internat. Paper.	10½	10¾	10¾	2 200	9¼ Apr 27		13⅜ Feb 3		7½ 1907	68¼ 1899
do. pref.	47	47½	47½	800	44¾ May 15		56¾ Jan 21		47 1899	96 1898
Inter. Power....	...	...	28	.....	.....		.....		23 1907	199 1911
Inter Stm. P'mp	32½	33¼	32½	1,300	32½ Aug 12		44 Feb 10		7⅜ 1907	63 1910
do. pref.	...	...	87	.....	84½ Jan 26		90½ June 12		50 1907	95 1907
Nation'l Biscuit.	129¼	132	129¼	1 700	117¾ Jan 17		141 Apr 4		24 1901	130 1909
do. pref.	125¾	128⅜	126⅝	100	124 Jan 30		130 Feb 4		78½ 1901	130 1909
Nat. En. & St'p.	...	...	103⅜	.....	98¾ Aug 29		22 July 24		6½ 1907	30 1901
do. pref.	95	95	95	100	85 Jan 6		100¾ July 22		70 1907	90¼ 1909
Nat. Lead.....	48½	50	48⅜	2 800	45½ Aug 25		58⅜ Mar 15		10½ 1907	58¾ 1907
do. pref.	108	108½	108	700	103¼ Mar 21		109⅜ Aug 15		48 1907	117 1909
N.Y. Air Brake.	64½	66	64¼	50	64¾ Aug 28		76 June 19		14 1901	168⅜ 1907
North Amer. Co.	73¾	73¾	73¾	650	64 Jan 10		74½ May 22		32½ 1907	104 1907
Pacific Mail.....	27¾	28¼	28	1 100	22¾ Apr 24		34½ Aug 11		8½ 1907	70 1907
P'ple's G.L.& C.	101½	102	101½	2 200	101½ Aug 25		109 Jan 19		39 1907	120½ 1907
Pressed St'l Car	30	30½	30	1,300	30 Aug 30		37⅜ July 22		17⅜ 1907	67⅜ 1907
do. pref.	...	...	97	.....	92½ Jan 3		102½ June 16		50½ 1907	111 1907
Ry. St'l Spring.	30	31	30	1 500	28½ Aug 21		39 June 14		13⅝ 1907	67½ 1907
do. pref.	103½	104½	103½	1 000	99¾ Aug 21		103¾ May 24		67 1907	109 1907
Rep'b Ir. & St'l	24¾	25¾	25	1 000	23¾ Aug 17		39¼ Feb 6		5 1901	49¾ 1907
do. pref.	84¾	86¾	85¾	1,700	80¾ Aug 16		96¾ Mar 14		36¾ 1907	111½ 1909
Sloss-Sh. S. & I.	36	38	38	500	32 Aug 24		56¾ Feb 6		17 1907	135½ 1907
do. pref.	...	...	112	.....	112 Feb 1		112 Feb 1		50¾ 1907	120 1907
T. Pac. Ld. Tr..	...	...	86	.....	86 Aug 16		92 Jan 24		5 1898	95 1910
Un. Bag & Pap.	...	...	6½	.....	5¾ Aug 16		9 Feb 10		3⅜ 1904	45 1907
do. pref.	...	...	58	.....	54 Aug 14		69½ Jan 20		26 1907	89 1907
U.S Cast IP & F	13	14¼	13	96	13 Aug 30		19 Feb 24		6 1901	59 1907
do. pref.	46	46¾	46	1,500	46 Aug 30		70¾ Feb 24		32 1907	97¾ 1907
U. S. Express...	...	...	90	.....	90 Aug 14		101 Feb 1		25 1854	160 1907
U.S Rlty & Imp	66¾	69	67¾	600	63½ Jan 3		76¾ May 29		36 1907	94¾ 1907
U. S. Rubber....	37¾	37¾	37	2,500	37¾ Aug 12		43¾ Mar 1		7 1907	67⅜ 1907
U. S. Rubber pf.	110½	110½	110½	700	110½ Aug 29		115½ July 7		20½ 1907	120¾ 1907
U. S. Steel.....	69¾	71¾	70¾	217 600	69¾ Aug 28		82⅛ Feb 6		53 1901	91 1910
do. pref.	114	114½	114½	900	111 Aug 2		127⅝ Feb 4		93¾ 1907	127⅝ 1911
do. 5s	107	108¼	108¼	12 000	107⅜ Jan 4		110¾ May 27		65 1907	108 1910
Utah Copper....	43	47	47	2 300	41½ Aug 28		54 June 14		15 1907	67¼ 1909
Virg. Car Chem.	54½	54¾	54¼	600	53¼ Aug 28		70¾ Feb 28		12¾ 1907	72 1907
do. pref.	117	118½	118	700	117 Aug 2		125½ Mar 15		75 1907	120¾ 1907
West. Un'n Tel	72½	73¼	72½	2,000	71¾ Mar 20		84¾ May 24		41 1900	137¾ 1907
West. Mfg. Co..	63¾	65	64¼	2,700	63¾ Aug 28		79 May 29		26¾ 1898	154 1907
do. pref.	114	114	114	200	110½ Aug 16		123 Jan 5		44¼ 1895	160 1907

* Ex-dividend. ** New. † Assessment paid ‡ Ex-rights. ‖ Price bid. ¶ Price asked. § Old securities. ¶ Certificates. x Ex-interest. ||| Par value basis. *** Receipts.

THIS WEEK AND NEXT.

(Continued from page 1471.)

Ripley's pessimism results from declining earnings, or whether that order might be reversed. To put it another way, the figures suggest a desire to give wage-earners and government rate fixers an object lesson without alarming the holders of the common stock more than is necessary in the course of that educative process.

STRIKING CONTRASTS.

The Erie and the Canadian Pacific, the two roads which have reported their earnings for fiscal year most fully, show the other side of the picture. The latter reports an amount earned on the common stock equal to 17.26 per cent on the $180,000,000 outstanding common stock, as compared with 16.04 per cent earned on that issue in the preceding year, when there was only $150,000,000 outstanding. Moreover, the new fiscal year has started out very auspiciously, gross being $9,661,818, an increase of over $790,000, while net amounted to $3,703,028, the gain in this case being $218,409. In the case of the Erie, results were no less satisfactory, for the official figures presented show that there was earned on the common shares, after allowing for 4 per cent dividends on both preferred issues, 2.53 per cent, which might have been increased to 3.5 per cent had the management chosen to keep $1,000,000 additional, which, as a matter of fact, was turned back to subsidiary companies to be employed as working capital. Evidently, President Underwood has not gone out of his way to make a big showing for the stock but, on the other hand, he has not felt it necessary to pad the expense account beyond reason, as one may be excused for believing has been done in other instances. Canadian Pacific, too, has nothing to lose by attempting to create an impression of impending pauperism.

Meanwhile bargain pickers are still taking advantages of unusual opportunities which have been thrown in their path since the bear party gained the upper hand in market affairs. Preferred industrials and standard rails are fairly crying for the attention of investment funds, and their appeals are not passing unheard. The month of September begins with the advantage of prices down to a level where a public following of considerable proportions might be attracted under a careful leadership. The general expectation in July was that August would see a further advance in prices, to be followed by a decline as political conditions gained in influence. It is quite likely that the order of proceedings will be reversed; that the recovery which is bound to come sooner or later will appear on the scene very shortly, and that the bears will have to postpone the execution of their plans in a further campaign.

THE FORECASTER.

LITCHFIELD, ILL.—Application to convert the First State and Savings Bank of Litchfield into the Litchfield National Bank has been approved by the comptroller. The capital is $50,000.

Digitized by Google

RESERVE AGENTS APPROVED.

The National Commercial Bank of Albany has been approved as a reserve agent for the Haverhill National Bank of Haverhill, Mass.; the Phenix National Bank of Providence, R. I.; the First National Bank of Provincetown, Mass.; the Passaic National Bank of Passaic, N. J., and the First National Bank of Hyannis, Mass.

The First National Bank of Albany, New York, has been approved as reserve agent for the Broad and Market National Bank of Newark, N. J., and for the Orange National Bank of Orange, N. J.

The Anglo & London Paris National Bank of San Francisco, Cal., has been approved as reserve agent for the Redding National Bank, Redding, Cal.

The First National Bank of San Francisco has been approved as the reserve agent for the First National Bank of Chaska, Minn.

The National Bank of Commerce, St. Louis, Mo., has been approved as reserve agent for the First National Bank of Humboldt, Ill.

The Chatham & Phenix National Bank of New York City has been approved as reserve agent for the Mount Holly National Bank, of Mt. Holly, N. J.

The Corn Exchange National Bank of Philadelphia, Pa., has been approved as reserve agent for the First National Bank of Port Norris, N. J.

The National City Bank of New York City has been approved as reserve agent for the First National Bank of Lovelock, Nevada.

The Mellon National Bank of Pittsburgh, Pa., has been approved as reserve agent for the First National Bank of Irwin, Pa.

WASHINGTON BANKERS' MEET.

The programme for the sixteenth annual convention of the Washington Bankers' Association, which will be held at Wenatchee on Thursday, Friday and Saturday, September 14, 15 and 16, 1911, is practically completed, and it is replete with very interesting features which should appeal to all those who attend. The morning session of the first day will be devoted to the regular addresses of welcome and the address by President Purdy; the report of Secretary P. C. Kauffman, second vice-president of the Fidelity Trust Company of Tacoma, and the report of the treasurer, executive council, legislative and other committees. On Thursday afternoon Robert W. Bonynge, one of the members of the National Monetary Commission, will address the bankers on the "Reserve Association of America", and Joseph Chapman, Jr., of the Northwestern National Bank of Minneapolis, will speak on the relation of the banker to the farmer.

On Friday and Saturday addresses will be given by George P. Wiley, cashier of the Waterville Savings Bank; J. A. Swallwell of the National Bank of Commerce, Seattle; J. J. Rouse, of the First National Bank of Pullman; Hon. J. A. Gellatly, and Judge R. S. Steiner. The regular business programme will, of course, be gone through, and it is needless to say that the social feature has not been forgotten, such as the reception, ball, automobile ride, etc., and will be one in which all delegates will take a keen interest and enjoyment.

BANKS MERGE.

The directors of the Columbia National and of the Union National Banks of Indianapolis have voted to merge the two banks into one strong financial institution with increased capital and other facilities commensurate with the increasing demands of that city and community. Both banks will be liquidated, and a new bank, the National City Bank of Indianapolis, will be organized with a capital of $1,000,000 and a surplus of $200,000.

This stock will be allotted among new as well as present stockholders with a view to increasing the combined business of the two banks, and it is agreed that only 75 per cent of the present stock of each bank will be eligible in exchange for the stock of the new bank, and the same can thus be used on the basis of $1.20 value for the new stock. The remaining 25 per cent of the present stock in each bank, together with the surplus and profit accounts, will constitute a separate fund to be distributed in a dividend pro rata upon the completion of the liquidation. New stock to the amount of $325,000 will be sold and allotted at a premium in advance of the price above mentioned, this premium to be determined by the directors of the National City Bank, whose directors will be composed of the combined boards of the liquidating banks, who will later announce the officers of said new bank.

The National City Bank will start with approximately $4,000,000 of deposits and with assets absolutely clean and liquitable. The business can be operated at but little more than one-half the present combined expenses, and it is expected that the present growing business of each bank will be more rapidly enhanced by this combination with its increased earning capacity. The stockholders will meet on September 25, 1911.

BUILDING SOLD.

In the sale of its banking house at the corner of Fifth avenue and Wood street, at a price said to approximate $3,000,000, the First National Bank of Pittsburg has disposed of practically all of its real estate holdings, and as a result, it has just that much more available cash for its commercial customers. This sale, in fact, is an example of what the new management of that institution is doing to advance the interests of the bank, and shows their firm intention of making it one of the strongest banks in the state.

New York interests, who have associated themselves with Messrs. Horwitz and Starrett, respectively, president and vice-president of the Thompson-Starrett Construction Company, the company which has entered into a contract to complete the building now occupied by the First National Bank, were the purchasers, and they have organized themselves into a company called the Fifth Avenue and Wood Street Corporation. As a consideration of the transaction, the building will be known as the First National Bank Building, and the bank will retain its present quarters, with a lease for twenty years, carrying with it the privilege of two renewals at a rental very advantageous to the bank. The transaction is very gratifying all around, as the management of the bank have put through a profitable deal, and those who have purchased the building have a location in the very heart of the business section of Pittsburg.

The directors of the National Newark Banking Company have awarded the contract for the installation of a safe deposit vault to be located in the basement of the Mutual Benefit Life Insurance Company building, underneath the banking offices, and with an entrance direct from the bank. The vault is to be constructed by the Bethlehem Steel Company of Bethlehem, Pa., under the supervision of the Hollar Company, the well-known vault engineers of Philadelphia, and is to be built of Harveyized nickel steel armor plate, such as is used on the battleships of the United States Navy. The plates will be forged so that the entire structure is fastened together by a system of interlocking wedges instead of bolts and rivets, and the vault in its entirety is to be so constructed that it will withstand conflagration or earthquake as well as being mob and burglar proof. It is expected that, when completed, it will be the finest safe deposit vault in the state. There are at present no armor plate vaults in the state of New Jersey, and the National Newark Banking Company is giving to Newark the very latest and best in vault construction.

HINESVILLE, GA.—Lewis Ashmore, of Taylor Creek, has been elected to the cashiership of the Hinesville Bank.

7% PREFERRED STOCK AT PAR
with bonus of 50% common of the
Moisant International Aviators, Inc.

Foremost aeroplane manufacturers on the North American Continent. Now an established, **producing,** growing concern. From Jan. 1 to July 16, receipts from cash prizes, bonuses and percentage of gate receipts amounted to $144,339.08.

For full particulars address

GILBERT H. CARR
50 Congress St., Boston

AMERICAN CAR AND FOUNDRY COMPANY
New York, Aug. 31, 1911.
PREFERRED CAPITAL STOCK
Dividend No. 50
A dividend of one and three-quarters per cent (1¾%) on the Preferred Stock of this Company has this day been declared, payable Oct. 2, 1911, to stockholders of record at the close of business, Monday, Sept. 11, 1911.
Checks will be mailed by the Guaranty Trust Company of New York.
WM. M. HAGER, Secretary.
S. S. DELANO, Treasurer.

AMERICAN CAR AND FOUNDRY COMPANY
New York, Aug. 31, 1911.
COMMON CAPITAL STOCK
Dividend No. 50
A dividend of one-half per cent (½%) on the Common Stock of this Company has this day been declared, payable Oct. 2, 1911, to stockholders of record at the close of business, Monday, Sept. 11, 1911.
Checks will be mailed by the Guaranty Trust Company of New York.
WM. M. HAGER, Secretary.
S. S. DELANO, Treasurer.

Digitized by Google

Textile Manufacturing Shares

Mill security holders are standing firm, and transfers are recorded either at prevailing prices or perhaps at a fractional decline. The time to sell securities is not when they have been declining and are selling very low, as they are at present, but upon an advancing market. It follows, therefore, that stockholders of most textile concerns would be quite foolish to sell their holdings, providing, of course, they are in no immediate need of the money which they have invested therein. A word of advice to mill security holders would be: Do not sell your holdings now, and then be obliged to buy them back later, after some investor more shrewd had taken the cream of their appreciation in value.

POTOMSKA MILLS.

Stockholders in general were well pleased with the statement of the Potomska Mills Corporation, as made at the last annual meeting. The total assets, however, showed a decrease of $69,254 below last year. Renewals or improvement account, showed a decrease of $2,273, while the profit and loss account now standing at $411,180, shows a decrease of $71,569. Real estate and machinery show a slight marking down from $1,136,921 to $1,135,608. Current assets consisting of merchandise to the amount of $390,631, and cash and debts receivable of $136,971, are equivalent to $527,602, against which are current liabilities consisting only of accounts payable to the amount of $8,089. Net quick assets, therefore, are equivalent to $519,513, or to over $40 a share. As was expected, there has been a drop in the cash and receivables, while the merchandise account has jumped about $43,000. The Potomska Mills have about 500 stockholders, most of whom are women, many of them being guardians and trustees. Never has the policy which this management and other managements have persisted in in declaring a regular rate of dividends and saving up the surplus for a rainy day, been better justified than in the case of the Potomska. The fact as brought out at the meeting that many of the stockholders are women makes it all the more apparent that the policy of paying a fixed rate of dividends is to be commended, and that the criticism to which the Potomska management and managements, who have followed a like policy, have been subjected to in the past, has been wholly uncalled for. As a matter of fact, the Potomska probably did not earn, or at least, so it is reported, much more than 4 per cent, while it paid six. With its surplus of quick capital of over $500,000, however, the stockholders have little fear of this fixed rate being changed, at least, for some years to come.

SALMON FALLS MANUFACTURING.

From the fact that the dividends on the stock of the Salmon Falls Manufacturing Company were recently suspended, when Ronald T. Lyman was elected treasurer to succeed Edward P. Nichols, the statement, as filed the other day for the fiscal year ending May 31, 1911, is of considerable interest to stockholders in general. This statement shows total assets of $839,355, as compared with $921,476 a year ago. The item for real estate and machinery remains stationary at $492,425, but merchandise, stock in process, etc., and cash and debts receivable items both show a falling off. The former, from $277,068 to $246,985, or a decrease of $20,083, and the latter from $151,982 to $99,945, or a decrease of $52,037. While current assets have shown a decrease, so also have current liabilities, the former standing at $346,930, as against $429,050 a year ago, and the latter at $150,162, against $206,421 a year ago. Net quick assets are, therefore, equivalent to $196,768, or something over $30 per share. We have heard of no transfers in this stock since the suspension of dividends, and the last sale previous to that time took place at 275.

AMERICAN PRINTING.

The annual statement of the American Printing Company and of the Fall River Iron Works, as filed with the secretary of the state of Massachusetts, are about as we expected. While both statements show a heavy increase in total assets, their debt has increased to such an extent that this increase in assets has been more than nullified by debt.

The total increase in the assets of the American Printing Company is equivalent to $2,050,814. The equipment of the company has been marked up from $889,553 to $919,995. It is in the items for merchandise, etc., however, and in cash and debts receivable that the big increase has taken place, showing that the company has taken a loss on many of the goods which they sold and that they still have an immense quantity of unsold goods, the getting out whole on which is to be doubted, if the management is to pursue the same policies on which they have been operating. Current assets consisting of merchandise and cash and debts receivable are equivalent to $8,143,776, while current liabilities are equivalent to $7,832,295, so that net quick assets are equivalent to the magnificent sum of $311,481. They show a falling of, therefore, of $380,371, and an analysis of the last three or four statements of this company indicates that if conditions continue as they have been, it will not be many more years before the American Printing Company will be very seriously in debt.

FALL RIVER IRON WORKS.

The statement of the Fall River Iron Works is practically a repetition of the statement of the American Printing Company. Its total assets appear as $7,051,872, showing thereby an increase of $1,180,788, an increase, however, which, as in the case of the American Printing Company, has been equalized by a corresponding increase in debts. So also the net quick assets of the Fall River Iron Works are not half as large to-day as they were a year ago, just as last year they were far below what they were the year before.

Current assets are equivalent to $3,098,589, while current liabilities are equivalent to $2,786,080. Net quick assets are, therefore, equivalent to $312,809, an amount which compares with net quick of $724,565 a year ago.

The statement shows only a slight increase in the value of the merchandise, material, stock in process, etc., but in cash and debts receivable, the greater part of which is, of course, owed by the American Printing Company, a very heavy increase of $1,262,046 is witnessed. In floating indebtedness the company shows a very heavy increase, namely, $1,350,000.

BANK ITEMS.

BOSTON, MASS.—The Massachusetts City and Mercantile Trust Companies, of Boston, are to be merged with the Old Colony Trust Company, the latter increasing its capital from $2,500,000 to $7,500,000 to effect the merger.

DAYTON, MINN.—The Dayton State Bank has been organized with $10,000 capital. J. C. Pope is president, and Hugo Naumann, cashier.

ELDORA, IOWA.—W. E. Rathbone has been elected vice-president; A. W. Crossan, cashier, and O. M. Barnes, assistant cashier of the First National Bank.

RICHMOND, VA.—The Central National Bank, capitalized at $250,000, has been organized by C. Hutzler, W. M. Schwarschild, C. F. Grimmel, B. B. Bowles, Wm. C. Schmidt.

TUCKERMAN, ARK.—The First National Bank has been organized with a $25,000 capital. E. V. Holt, J. W. Londley, D. C. Dowell, L. D. Smith, L. T. Slayden and others are promoters.

Almoloya Mining Co.
60 Wall St., NEW YORK

FOR
Oil and Gas Land Leases
WRITE
C. W. DEMING & D. C. ACOSTA, Inc.
Tulsa, Okla.

FOR HIGH GRADE OIL STOCKS
WRITE
EQUITY BOND & SECURITY CO.
37 WALL STREET, NEW YORK CITY

EMNAHA GOLD MINING COMPANY
Incorporated under the laws of the State of Idaho. Capitalization, $500,000, divided into 500,000 shares. Par value $1.00 per share. Of which 200,000 shares have been placed in the Treasury, for the development of the property.
This Company owns and controls nine claims on Battle Creek, Imnaha, Willowa Co., Ore., on which there are three well defined parallel veins, carrying very rich gold quarts. A limited amount of the shares of the stock have been sold.
For full particulars, address
JOHN SENNETT, Treasurer
79 Milk Street, Room 602 Boston, Mass.

Digitized by

UPON PRESENTATION

at the Office of

THE MIDDLESEX BANKING COMPANY

OF MIDDLETOWN, CONN.

DEBENTURES of Series E13, maturing October first, and Series E14, maturing November first, WILL BE PAID at par with interest to the date of payment.

OUR NEW INVESTMENT PROPOSITION

is as

Sound and secure as a good bank and pays large dividends.

First class representatives wanted; must be men of good standing in their community

SECURED INVESTMENT TRUST

92 STATE STREET, BOSTON

6% NEW YORK CENTRAL REALTY CO.

A Good Investment

To investigate is the six per cent Realty Bond of the New York Central Realty Company issued in denominations of $1,000, $500, and $100.

It offers a high grade of security, a liberal cash availability and an interest earning of 6%.

WRITE for booklet illustrating the methods of the Company, describing its bonds, their redemptive privileges and advantages over other Realty securities. Everybody knows us.

New York Central Realty Co.

Suite 1190, 1328 Broadway, Cor. 34th St., New York City

CAPITAL AND SURPLUS, $1,464,588.34

6 PER CENT INTEREST PAID

By Coupon on Bonds Secured by Well Selected New York Real Estate.

"We Deal in No Other Securities"

THE DEBENTURE CORPORATION OF NEW YORK

334 Fifth Avenue New York City

YOUR MONEY

Is worth much more than double the rate you are now getting for it. Its safety will be beyond question—the best security in the world—

New York City Real Estate

Send for full particulars of our

PROFIT SHARING COUPON GOLD BONDS

which, with interest payments and PROFIT SHARING additions, have averaged over 17 per cent per annum for the last nine years. These Bonds are issued in denominations of from $5 to $1,000 and upwards, complete with interest coupons

INTER BOROUGH REALTY COMPANY

(ASSETS OVER $1,105,000.00)

10 WALL STREET, NEW YORK CITY

SIX NUMBERS FREE

Financial Converse (published every two months) answers more questions on mines than any periodical published. S. F. Campbell, of Chicago, says: "This paper is worth more than any other mining publication in the United States." Cut this out and send for six copies free covering the next year.

FINANCIAL CONVERSE

339 Monadnock Block, Chicago, Ill.

FUNDING COMPANY OF AMERICA

40 EXCHANGE PLACE, NEW YORK

INVESTMENT DEPARTMENT deals in Government, State, Municipal, Railroad, Public Service and Industrial Bonds and other high grade securities.

UNDERWRITING DEPARTMENT solicits correspondence with Railroad, Public Service and Industrial Corporations desirous of procuring funds, through first mortgage bond issues, for improvement or extension purposes.

FISCAL AGENCY acts as registrar and transfer agent for securities of Municipal, Railroad and other corporations.

OFFICERS AND DIRECTORS

Edward Staats Luther
President

Charles W. Abrams — Treasurer
John. W. Harding — Secretary

Howard S. Kennedy
Vice President Clust, Peabody & Co., Troy, N. Y.

A. H. Phelps
Director First National Bank
New Berlin, N. Y.

James D. Abrams
President Hudson Yacht & Boat Company
Nyack, N. Y.

CIROUX R. I. COAL

Our weekly market letter mentions the above, also Butte Coalition, Superior, Franklin, Crown Reserve, Kerr Lake, "Porcupines", and "Coppers" and "Curb" stocks in general. Mailed free upon request.

"Coppers" and Curb Stocks bought and sold for Cash or Carried on Margin

H. A. BROWN & CO.

Members Boston Curb Exchange

60 State St. Boston — 74 Broadway New York

Corporation Organizers

Delaware charters are inexpensive and perpetual, and permit stockholders and directors to hold meetings anywhere. The law is more stable, and grants greater powers than other states. $1,142,434,400 of capital organized in Delaware during 1910—double that of New Jersey or elsewhere. In selecting an agent to organize and represent your company, get the best—it will be cheaper and safer in the end and will add prestige to your enterprise. Lawyers' and Brokers' business a specialty. Corporation Law and forms sent on request

MERRICK SECURITY & TRUST CO.

Wilmington, Del.

WANTED

Kansas Defaulted Municipals
Hutchinson Water, Lt. & Gas 5s
Hurley Water Co. 4s
Seattle-Tacoma Pfd. Stock.
York Haven Water & Power 5s
Ouray County, Colo. 4s

H. C. SPILLER & CO.

Specialists in Inactive Bonds

27 STATE STREET BOSTON

PORCUPINE

[illegible] to BUILD or keep out, THE BOSTON DEVELOPMENT COMPANY LIMITED, is [illegible]. Large acreage; conservative capitalization. To [illegible]

A. S. FULLER & COMPANY

CANADIAN INVESTMENTS,

407 & 9 Old South Building, Boston, Mass.

BENNETT'S

INFORMATION AGENCY

INVESTMENT DEPARTMENT

The wisest men in the United States are those who never make a new investment which they consider good, and never get rid of an old investment which they consider bad, until they have made an investigation of the merits of the investment through BENNETT'S INFORMATION AGENCY.

CONGRESSIONAL INFORMATION

We attend to business at the Treasury Department as well as before Congress, the Courts, and all departments of the United States government, through our Washington office, 208 Corcoran Building, and through our staff of Washington correspondents. If you desire any information from Washington, or any business transacted at the National Capital, we shall be pleased to perform the desired service for our subscribers.

PROBATE DEPARTMENT

Information respecting probate matters, in any town or city of the United States, is furnished to our subscribers gratuitously if the inquiry is answered through the columns of the INVESTOR, or for $2.00 if the reply is by private letter.

LEGAL DEPARTMENT

Questions answered by prominent attorneys upon any desired subject for $2.00 each.

MERCANTILE DEPARTMENT

A report regarding the standing and reliability of any firm or individual in the United States furnished for $2.00. Our information goes into the character and individuality of members of a firm and its methods of doing business.

MISCELLANEOUS QUESTIONS

Inquiries of any sort answered for $2.00 each. Send for descriptive pamphlet of the agency.

REAL ESTATE DEPARTMENT

A report upon any piece of property in the United States furnished for $2.00

Conducted by

Frank P. Bennett & Co., Inc.

530 Atlantic Ave., BOSTON.
308 Chestnut St., PHILADELPHIA.
2 Rector St., NEW YORK.

Digitized by Google

GENERAL LIBRARY
UNIV. OF MICH.
SEP 11 1911

United States Investor

Copyright 1911, by Frank P. Bennett & Co., Inc.

Volume XXII. BOSTON, NEW YORK AND WASHINGTON, SEPTEMBER 9, 1911 Number 36

There is a notion which clings with such persistence to the minds of most New Yorkers that its eradication looks like a hopeless undertaking that in no other part of the United States is residence even endurable. Other parts of the country may be worthy of an occasional visit, a few cities may warrant a prolonged stay, but in none of them is permanent existence to be given a moment's consideration. The peculiar thing about this notion is that it is shared by many sober men of affairs. To be sure, with them it never reaches quite that state of unreasoning prejudice that is common to New Yorkers of narrower vision. They limit their declarations relative to their city to more exact statements as to its great mercantile transactions, its huge aggregate bank clearings, and its leadership in population and commerce. But even your most reasonable New Yorker often lacks proper appreciation of what the inhabitants of other cities are accomplishing. His attitude toward every other place is a patronizing one. He may admit that the bankers of other centres are keen and shrewd, that the merchants there are alert and enterprising, and the population rapidly on the increase, but that in many of these lines there ever should develop ability to cope with New York on even terms is something of which they cannot conceive. It is because, take them as a whole, the people of New York will persist in this provincial notion that from time to time it is well to record the achievements of the men of some other cities, and point out how in some lines they seem to be overtaking New York. To the recent achievements of one such city, we purpose to call attention this week, and although we shall speak only of a very limited range of achievements, they constitute rather remarkable performances.

Are New Yorkers Provincial

The city in question is Chicago. The limited range of achievements to which we have reference has all been within the business of banking. One would hardly select that field on first thought for the exhibition of Chicago's largest successes. The popular mind does not associate Chicago with the biggest undertakings in the realm of finance. Perhaps because New York has seemed to be so secure in the financial premiership of this land, or perhaps because Chicago has become so famous for what its people have done in commerce and transportation, the general impression has been that banking in that city is one of the subordinate arts to which the captains of industry of the city give their attention only because banks are essential for the prosecution of their mercantile and manufacturing enterprises. For example, in other parts of the country, you often hear certain Chicago banks referred to as dominated by this or that big business man, who is not pre-eminently banker, but is packer or merchant first and banker second. In New York, on the other hand, the shoe is frequently on the other foot. Instead of hearing a bank denominated as "beef trust bank" or "steel trust bank", you hear of certain mercantile enterprises as "controlled by the First National Bank Crowd" or "a National City Bank enterprise". That is, in the popular mind the bank at Chicago is at work for the big merchant or manufacturer, while in New York, the big merchant or manufacturer is at work for the bank. In the one city, the bank is dominated by the other enterprises, in the other, the bank is itself the dominant factor.

Chicago Bankers Forging Ahead

Very likely there was a time when this distinction that is made by the uninformed had sound basis in fact. The ambitious undertakings which the bankers of Chicago have set in motion of recent years, and have in more than one instance carried through to a successful outcome would never have been dreamed of by Chicago's bankers of a generation back. It was in the realm of transportation and merchandising that Chicago's biggest men then were most actively engaged. The railroads of the country were no farther sighted than they in their appreciation of the great opportunity Chicago's location gives it to be the country's first distributing centre for merchandise. Reaching out from Chicago, they made an enormous territory largely dependent upon Chicago for a market and for supplies. It is only within a very few years that Chicago has been able to entice into banking men of the same large calibre, the equals of the Chicago merchants and packers in business ability in every respect, and the inferiors even of the bankers of New York in absolutely no degree. Nevertheless, within these recent years just that is what Chicago has been able to do. To-day it no longer shrinks from the ambition to win the banking leadership of the country for itself, and whether or no the fulfillment of that ambition is to be delayed for a century or more, or only for a decade or two, the fact may as well be faced that these aspirations are breeding in Chicago, a group of bankers that is gaining constantly widening prestige in this country and abroad.

So much by way of introduction. What leads us to make these generalizations just at this time is the exceedingly active interest that the Chicago bankers are taking in the advocacy of several important banking reforms. There is something just a bit shocking to your self-satisfied New Yorker in the assurance with which Chicago bankers have been taking leadership in the promotion of the Aldrich currency plan, and in the way in which they have pushed the policy of clearing house bank examinations and various other bank reforms during the past year or more. It is not much more than five or six years since one of the most active factors in the management of the New York clearing house expressed himself in an interview with one of the staff of this paper on the subject of banking in Chicago, in quite as provincial language as the much less well-informed New Yorker would use to-day. His mental attitude toward the banks of Chicago was distinctly patronizing. They were very good banks, but they had a narrowness of vision. Their officers could handle credits and build up deposits. But to look beyond the boundaries of their own affairs, to conduct their institutions with consideration not only for the good of their own customers, but for the needs present and prospec-

Leading in Reforms

Digitized by Google

tive of the whole country, as the banks of New York City must do, that was not their forte. Their horizon must be pushed further out, their grasp upon the needs of a whole country must be strengthened, and their ability to initiate, to plan for big things and new wants must be increased before they would rank among the first institutions of the land.

What that banker then believed can hardly be his belief now. He has had most emphatic evidence that Chicago can devise banking improvements, as well as adopt them when devised by others. His own clearing house has just put into operation a department of such wide powers and such value to its members that it has been placed in charge of the best manager who could be obtained anywhere in this country for the purpose. This department is that of the Clearing House Bank Examiner and to Chicago banks must be given the credit for having devised this form of examinations, and having been bold enough to put it into use years ago, long before any comptroller of the currency had commended it and before its adoption and efficient work in other centres had proved its worth. Here was no narrowness of vision, and no such narrowness has been apparent on numerous other occasions during the past year or two in the undertakings of Chicago's big and ambitious banks.

Educating Big Bankers

Very likely the adoption of the Clearing House bank examination at New York and the headway which that scheme and certain other Chicago-borne devices have gained, have been due at bottom to what is after all the biggest accomplishment the banking profession of Chicago has ever scored. This has been the production of a numerous body of young bankers who have won such a reputation at Chicago for their skill in particular lines of banking that other cities have drawn them away. The procession of young Chicago bankers eastward began only three or four years ago, but it is a numerous body which has filled the ranks. The biggest national bank in New York City and therefore in the country, may almost be classed as Chicago-made for its executive staff includes a president, two vice-presidents, and some other officers who won their spurs in Chicago, and were toled away to New York, because the institution in question felt it needed them if it was to continue to be first among the banks of the country. One of the biggest of the other New York national banks recently replenished its staff from the same well filled Chicago store, finding in a Chicago trained official of the Treasury Department at Washington just that right combination of technical knowledge and vigorous young manhood which it needed. One of the trust companies of the city, having determined a few years back to operate a foreign exchange department on a scale in keeping with its huge resources reached to Chicago, instead of to some other New York institution, and brought from there the one who has ever since conducted the new department successfully.

These instances have been the more striking ones, and have acquired wider publicity than has the hegira of numerous less prominent Chicago bank men toward New York, but all of these instances constitute evidence that is significant. An old habit among people of Boston was to boast that although dominance in many important industries and many big corporations had passed from Boston to New York, yet this dominance rested still in the hands of Boston bred men who had gone to the metropolis, and that their assistants and successors were being obtained still from Boston. The boast was warranted for the business houses and banks of Boston have always been admirable training schools for the ambitous men who have entered them. That Chicago has won away from Boston the glory of growing the captains of industry for New York seems, however, an accomplished fact, in banking at least. Consequently, the adoption at New York of Chicago made bank reforms and a better spirit of appreciation of Chicago's banking eminence is bound to result, for what more natural than that the Chicago trained New York bankers should look with peculiar friendliness upon the work of their old associates in Illinois.

Centre For Reform Work

Perhaps, therefore, the decision of that substantial body of business men who have banded themselves together to work for currency reform along the lines suggested by the National Monetary Commission to centre their movements at Chicago is tactically judicious. Their idea is, as they frankly avow, to educate the business men of the country as well as the bankers first to appreciation, and then to enthusiastic support of this Aldrich plan. Of course, they must meet the criticism that such a movement ought really to start with the prestige that comes from being located at New York, the country's credit capital or at Washington, the political and law-making capital. Fifteen years ago, or at any event no longer ago than that, this criticism would be practically unanswerable. The battle for sound money was directed from New York no longer ago than that, and it is doubtful whether it would have been won if the big men of that city had not laid aside other matters to give to this battle all of the influence and acumen they had. At that time, there was no group of men in any other centre that could have mustered together so strong a battle line. As we have shown above, however, the bankers and business men of Chicago occupy to-day a much more eminent position. They have the skill required for the direction of big enterprises, and they have the requisite standing in the eyes of the country. What is perhaps almost as worthy of notice is that they have succeeded in altering the opinion of New York bankers relative to them from that of patronizing praise to that of respectful regard. The Chicago bankers are now received at the council board in great financial enterprises as worthy associates, instead of as merely capable vassals of the New York bankers.

Signs of the Times

Of course, the figures which one finds in the comptroller's report do not as yet indicate any reason for apprehension at New York that within the present generation New York bankers will have occasion to look to Chicago bankers for leadership in the big plans that have to be made in times of stress for the good of the whole country. The responsibilities that central reserve agents must ever shoulder will continue for years to come to weigh far more heavily upon New York banks than upon those of any other centre. But the signs of the times may often be read in other places as well as in columns of statistics. Very frequently, indeed, such columns have no prophetic value. They give no indication of what is to come, but merely record the past. There are other signs which deserve consideration that are more comforting to the Chicago heart and more ominous to those of other centres. Among such are the great strides the Chicago banks have made in obtaining balances from the far away banks of the cotton country in the face of the keenest kind of competition from

Digitized by Google

other reserve centres, including New York. Equally significant has been the rapid appreciation by the rest of the country of the innovation in bank supervision and examination to which reference has been made above. The steady progress of a somewhat less showy, and perhaps less noteworthy reform in which Chicago has taken the lead, the routing of checks and drafts by numerical code, is highly creditable also to the ingenuity of Chicago bankers and to the influence upon the opinions of other bankers which the fact seems to have that Chicago bankers are supporting the movement. All of these achievements will have the effect of arousing the New York banks to the highest degree of activity and efficiency. Altogether, it is good for them to realize that there is at least one other centre whose aspirations to occupy quite as high position in the financial affairs of the country as does New York are not to be looked upon as idle pretentions.

Detroit Collection Charges

Now for a word about another city of the middle West. News comes from Detroit that the clearing house of that city is about to consider some changes of its rules. For some years, the regulations which banks of Detroit have been compelled to observe as to collection charges have been well known to the entire country. The Chicago or Philadelphia national bank to whose lot has fallen the collection for customers and correspondents of quantities of Michigan items has known that no Detroit bank can give a better rate than that of 50 cents per thousand dollars on Detroit items and one dollar per thousand on items on any other point in Michigan. The clearing house of Detroit would permit none of its members or any bank clearing through a member to make any more liberal deal. The Philadelphia and Chicago bank discovered more than this, if it tried to encourage some Michigan bank outside Detroit to make it a better offer. It learned that while that other bank might be able to collect items on its own town and a few other points at better rates, it could not hope to do much more than that. The reason was, of course, that since Detroit is the only reserve centre in Michigan for national banks, only in that city can any quantity of Michigan banks be persuaded to keep balances. Since a bank which has not the legal power to act as reserve agent must always find it well nigh impossible to make advantageous collection arrangements with any great number of country banks, any Michigan bank outside Detroit which undertook to collect a substantial part of Michigan for a Chicago or Philadelphia bank would be compelled to make wholesale use of some Detroit bank.

But why could it not do just that and arrange with a Detroit bank to give it a better rate than the Detroit bank could offer directly to the Chi-

Western National Bank

PHILADELPHIA

Capital - - - - - - - $600,000.00
Surplus and undivided profits - 234,136.92

GEORGE E. SHAW, President
EDWARD J. DURBAN, Vice-President
SIDNEY LABE, Vice-President
E. E. LINDEMUTH, Vice-President
CHARLES F. WIGNALL, Cashier
JOHN BAUMGARTNER, Asst. Cashier

A conservatively managed bank invites your correspondence.

THE
German National Bank
PITTSBURGH, PA.

Capital and Surplus, - $1,200,000

Can offer you the personal service of officers who regard no account as unworthy their utmost skill.

OLDEST BANK IN AMERICA
Chartered by Congress, 1781.
The
Bank *of* North America
(NATIONAL BANK)
PHILADELPHIA, PA.

Capital ..... $ 1,000,000.00
Surplus 2,250,000.00
Undivided Profits 424,008.90
Deposits 15,269,000.00

HARRY G. MICHENER ..... President
SAMUEL D. JORDAN ..... Cashier
WILLIAM J. MURPHY ..... Asst. Cashier
RICHARD S. McKINLEY ..... Asst. Cashier
Accounts Solicited
Correspondence Invited

First National Bank
San Francisco, California

Capital - - - $3,000,000.00
Surplus and Profits - 1,865,492.48

OFFICERS
RUDOLPH SPRECKELS, President
JAMES K. LYNCH, Vice President
J. K. MOFFITT, Cashier
J. H. SKINNER, Asst. Cashier
C. H. McCORMICK, Asst. Cashier
GEO. A. KENNEDY, Asst. Cashier
Invites your business and places at your disposal facilities developed and perfected during forty years of successful banking.

The New Inheritance Tax Law Of New York State

Non-residents may *now* carry bank balances or deposit their securities in New York City, either temporarily or permanently, with the assurance that they will not be subject to the Inheritance Tax.

The new law, *now* in force, provides that *intangible property*, defined by the law as "incorporeal property, including money, deposits in bank, shares of stock, bonds, notes, credits, evidences of an interest in property, and evidences of debt," held in New York by bona fide non-resident decedents, is not taxable in that state.

This Company has complete facilities for handling active and reserve accounts and for the safe keeping of securities, and cordially invites such business.

We have prepared a booklet containing the text of the new Inheritance Tax Law, together with explanatory notes, which we will be pleased to furnish upon request.
Ask for our Booklet-N340

Guaranty Trust Company
of New York
28 Nassau Street

Capital and Surplus, - $23,000,000
Deposits - - - - 163,000,000

Franklin National Bank
PHILADELPHIA

Capital $1,000,000.00
Surplus and Undivided Profits. 2,730,181.17
INCORPORATED 1900.
OFFICERS:
J. R. McALLISTER, President.
J. A. HARRIS, JR., Vice-President.
E. P. PASSMORE, Cashier. L. H. SHRIGLEY, Assistant Cashier.
J. W. HARDT, Assistant Cashier.
Foreign Exchange Department.
WILLIAM WRIGHT, Manager.

Chartered 1836
GIRARD TRUST CO.
PHILADELPHIA
Capital and Surplus, $10,000,000
OFFICERS

E. B. MORRIS	::	President
W. N. ELY	::	Vice-President
A. A. JACKSON	::	Vice-President
C. J. RHOADS	::	Vice-Pres. & Treas.
E. S. PAGE	::	Secretary
G. H. STUART, 3d.	::	Asst. Treas.
S. W. MORRIS	::	Asst. Secretary

Portland National Bank
PORTLAND, MAINE
Union Mutual Life Insurance Co. Bldg.

Accounts received on the most liberal terms consistent with sound banking.
Collections receive prompt attention
WM. W. MASON ..... President
EDWARD W. COX ..... Vice-President
CHAS. G. ALLEN ..... Cashier
EDWARD L. PIPER ..... Asst. Cashier
Directors:
Fred E. Richards, Charles G. Allen,
Henry B. Cleaves, George F. West,
William W. Mason, George Westcott Beyer,
Lyman M. Cousens, Roswell C. Bradford,
Edward W. Cox.

Digitized by Google

UNION EXCHANGE NATIONAL BANK, NEW YORK
CLEARING HOUSE No. 100
CAPITAL AND SURPLUS $2,000,000 Organized 1903 DEPOSITS $10,000,000
SITUATED IN THE NEW COMMERCIAL AND MANUFACTURING DISTRICT, 5th AVE. AND 21st STREET
Banks that can handle to advantage the items payable in their locality are invited to correspond with us

cago or Philadelphia institution? For the reason that the Detroit clearing house has been shrewd enough to foresee and to make provision against any such clever enterprise. The regulations relative to collection rates were made to include a provision that any item sent a Detroit bank by any bank must be charged at the regular rates if the Detroit bank found upon the back of that item any endorsement which indicated that the check came to this other bank from outside the state where this other bank is located. Thus the Detroit bank would collect on more favorable terms Michigan items for a Michigan if that bank received the Michigan item from within Michigan, but not otherwise. The rule must have been rather effectual in forcing banks of the various reserve centres outside of Michigan to patronize the banks of Detroit and to pay the freight. That was its object, and it is difficult to see how the object can have failed of accomplishment.

Why These Rules?

Just why Detroit made these rules must also be readily appreciated. The state of which it is the business and banking metropolis lies close to Chicago and not very far out of touch of Cleveland and Buffalo. Chicago and Cleveland are reserve centres for any national bank, and Buffalo banks are lawful reserve agents for Michigan state banks. As for the banks of Philadelphia and Albany, which are also lawful reserve agents for national banks, no part of the country is distant in the eyes of their skilful transit men. Of course, the banks of every one of these five places will be invited by banks having quantities of Michigan items to undertake the collection of these. Their natural act would be to accept these items if a balance of sufficient size is placed with them to warrant them in so doing, and, once they have received them, make a deal with a Detroit bank to collect all or a major portion of the mass of Michigan items. If the Detroit banks had not met at clearing house and agreed upon a uniform rate for such labor, there must have resulted an unreasonable competition among them for this business from other centres that would result in rates from which no Detroit bank could hope to work out any profit whatever for its labor. The levying of this reasonable rate that the Detroit rules enjoin upon all Detroit banks prevents such competition and has still another desirable effect.

Many banks in other parts of the country will apply direct to Detroit banks for terms for the collection of Michigan items and to some of them that are not likely to become dangerous rivals of Detroit for Michigan col-

CAPITAL, SURPLUS AND PROFITS $3,300,000
THE NATIONAL BANK of the *REPUBLIC* OF CHICAGO
offers to conservative bankers its facilities developed and perfected by twenty years of close personal relations with correspondents in all parts of the country
JOHN A. LYNCH, President,
W. T. FENTON, Vice-President,
R. M. McKINNEY, Cashier,
O. H. SWAN, Assistant Cashier,
JAMES M. HURST, Assistant Cashier,
WM. B. LAVINIA, Assistant Cashier,
W. H. HURLEY, Assistant Cashier.

THE
Chatham and Phenix National Bank
NEW YORK
Capital and Surplus $3,000,000
All business under direct supervision of the officers.
LOUIS G. KAUFMAN, President.
GEO. M. HARD, Chairman of the Board.
F. J. HEANEY, Vice-President.
W. H. STRAWN, Vice-President.
A. M. BULL, Vice-President.
BERT L. HASKINS, Cashier.
H. L. CADMUS, Assistant Cashier.
N. P. GATLING, Assistant Cashier.
W. B. BOICE, Assistant Cashier.
H. C. HOOLEY, Assistant Cashier.
Your Account Solicited.

MARINE NATIONAL BANK BUFFALO
Capital and Surplus Earnings, - - - $3,500,000.00
Resources, - - - - - - - - - - $33,000,000.00
INVITES YOUR CANADIAN BUSINESS

New York State National Bank
ALBANY, N. Y.
Capital, $500,000 Deposits, $13,000,000 Surplus, $500,000
LEDYARD COGSWELL, President
LEDYARD COGSWELL, JR., 2nd Vice President LAURENCE H. HENDRICKS, Cashier
GEORGE A. WHITE, Asst. Cashier.
OVER 600 BANK DEPOSITORS IN THE UNITED STATES.

NATIONAL METROPOLITAN BANK
OF WASHINGTON, D. C.
Oldest National Bank in the District of Columbia
GEO. W. WHITE - - - President
CUNO H. RUDOLPH - - Vice-President
O. H. P. JOHNSON - - - Vice-President
GEORGE O. WALSON - - - Cashier
I. GALES MOORE - - - - Auditor

The Merchants National Bank Indianapolis Indiana
ESTABLISHED 1865
CAPITAL :: :: $1,000,000 SURPLUS FUND AND PROFITS, $900,000
Superior facilities for handling items on Indianapolis and State of Indiana.

FIRST NATIONAL BANK, Denver
Capital and Surplus .....$2,000,000.00 Resources $26,125,124.89
OLDEST BANK IN COLORADO.
A. V. HUNTER, President
THOMAS KIELY, Vice President
P. C. MOFFAT, Vice President
GERALD HUGHES, Vice President
C. S. HAUGHWOUT, Cashier
J. C. HOUSTON, Asst. Cashier
F. J. DENISON, Asst. Cashier
D. R. PLATT, Asst. Cashier
G. M. HAIK, Auditor

Digitized by Google

MELLON NATIONAL BANK, PITTSBURGH, PA.

Offers perfect service on attractive terms to other banks and bankers

CAPITAL $6,000,000 **SURPLUS $1,300,000**

lection business, it can make liberal terms in return for balances kept at Detroit. That is, the effect of the rule must be to diminish the volume of Michigan items which will accumulate in other centres. This is most desirable, one would imagine, for quite another reason than any that has been already suggested above. The accumulation of a great quantity of Michigan items in any centre outside of that state puts in the hand of that other centre a powerful bait for catching balances from Michigan country banks. Anything which tends to draw items to Detroit instead of the centres outside Detroit, helps to keep Michigan money within the state by drawing the reserve balances of country banks to Detroit. Detroit banks are hardly to be blamed if they argue that this Michigan money ought to be at work in loans to Michigan business men rather than in loans to the patrons of reserve banks that are not located in Michigan at all. They realize that Milwaukee as the reserve centre of Wisconsin, Indianapolis as the reserve centre of Indiana, and Detroit as the reserve centre of Michigan, must always expect that the banks of Chicago will get many balances away which the banks of these smaller reserve cities feel should logically stay with them. For their part, however, the Detroit banks do not purpose to lie supinely inoffensive, while the Chicago banks march off with Michigan balances. In a later issue we shall discuss some of the suggestions which Detroit bankers are now making for bringing these rules to a state which they conceive to be somewhat more in keeping with present conditions changed as they have since these rules were adopted.

FINANCIAL INQUIRY.

American Woolen Company.

21302. (New York City.) I am a small shareholder in the American Woolen Company and have been since the inception of the company. It has had an unbroken record of dividends during all these years. It is easy to understand why the stock sells at such a low price considering that the president of the United States has stamped Schedule K as "indefensible", and all the adverse attention paid to that schedule by the magazines and the press of the country. To me, this seems unfair, because the reports of the company during all these years have shown only a fair return for the capital invested. I would like to add a little more to my holdings, but before doing so, I would like to ask you if your views are different from those of mine and whether the company is still pursuing the policy of retiring its common shares.

Ans.—At the last meeting of the shareholders of the American Woolen Company and upon the recommendation of its directors, it was voted to discontinue the retiring of common shares, and therefore, no more of the stock can or will be retired without special authorization by the stockholders themselves at some regular meeting. Of course, you are correct in suggesting that the selling price of all stocks, industrials as well as railroads, is affected by the present period of political unrest. The effect, however, is upon the immediate selling price, rather than upon intrinsic values, especially as far as American Woolen common and preferred are concerned. These, and many other textile shares are worth buying and putting away at present prices.

CAPITAL $1,800,000.00 SURPLUS $2,000,000.00

Second National Bank

OF

PITTSBURGH, PENN'A.

HENRY C. BUGHMAN, President
WILLIAM McCONWAY, Vice President
THOMAS W. WELSH, JR., Vice President
JAMES M. YOUNG, Cashier
BROWN A. PATTERSON, Ass't. Cashier

The National Park Bank
OF NEW YORK
Organized 1856.

Capital	$5,000,000.00
Surplus and profits	12,941,415.18
Deposits, June 7, 1911	108,964,678.64

The Fourth National Bank
OF THE CITY OF NEW YORK

OFFICERS
JAMES G. CANNON, President
SAMUEL S. CAMPBELL, V. Pres.
CHARLES H. PATTERSON, V. Pres
DANIEL J. ROGERS, Cashier.
E. W. DAVENPORT, Asst. Cashier.
CHARLES E. MEEK, Asst. Cashier.

DIRECTORS:

James G. Cannon	L. F. Loree
Cornelius N. Bliss	Eugene Delano
Robert W. Stuart	M. Orme Wilson
William S. Opdyke	Elbridge G. Snow
T. Frank Manville	Welding Ring
Thos. H. McKinnick	Marcus F. Plant
Mortimer L. Schiff	Samuel S. Campbell

CAPITAL AND SURPLUS - $10,000,000

THE
SEABOARD
National Bank
of the City of New York

Capital - - - $1,000,000
Surplus and Profits (Earned) $2,075,000
Accounts Solicited

S. G. BAYNE	President
S. G. NELSON	Vice-President
C. C. THOMPSON	Cashier
W. R. CLEVERLEY	Assistant Cashier
L. N. DEVAUBNEY	Assistant Cashier
J. C. EMORY	Assistant Cashier
O. M. JEFFERDS	Assistant Cashier

Utah National Bank SALT LAKE CITY UTAH
CAPITAL AND SURPLUS $240,000.00
W. S. McCORNICK, President. T. R. CUTLER, Vice-President.
R. T. BADGER, Cashier. C. H. WELLS, Asst. Cashier.
UNUSUAL FACILITIES FOR COLLECTING ITEMS IN THIS TERRITORY

Atlantic National Bank, Providence, R.I.

Direct connections with every Town in R. I.

SEND US YOUR COLLECTIONS. MINIMUM RATES.

FIRST NATIONAL BANK
EUCLID AVENUE
CLEVELAND

CAPITAL $2,500,000 Surplus and Profits $1,250,000
ACCOUNTS OF BANKS AND BANKERS, MERCHANTS AND CORPORATIONS, SOLICITED
SPECIAL ATTENTION TO COLLECTIONS
DEPOSITS $25,000,000

Planters National Bank RICHMOND VA.
ORGANIZED 1865.
Capital $300,000 Surplus and Profits (earned) $1,160,000
Deposits $5,500,000
SUPERIOR FACILITIES FOR COLLECTING VIRGINIA ITEMS

Digitized by Google

An Attractive 8 1-2% Railroad Note

The Minneapolis & St. Louis Railroad Company 5 Per Cent Notes Due February 1, 1913, Are Now Selling Around 95, at Which Price They Yield About 8½ Per Cent—Merger of the Road With the Iowa Central.

The Minneapolis & St. Louis Railroad Company 5 per cent notes, due February 1, 1913 and now selling around 95, or on a basis which yields about 8½ per cent to the purchaser, ought to appeal to investors who may be inclined to keep on their toes with reference to investment commitments and at the same time want a large return for the temporary use of their funds while they are waiting. These notes also commend themselves to the investor of opportunist tendencies, because if our Canadian reciprocity tax goes through, they should speedily advance in market value, and even without Canadian reciprocity, new plans in process of development for the road suggest that the credit of the property should be much better than is now indicated by the ruling price on its $4,000,000 of notes which are due about a year and a half hence.

The Minneapolis & St. Louis Railroad is a part of the Hawley group, and Wall street has been saying bad things about Hawley because it has been guessed that he was a good judge of the trend of the times, and recently, in accordance with his custom, took advantage of his judgment

BY GOING SHORT OF

a few shares of the stock of some of the prominent corporations listed on the New York stock exchange, and thereby realized, or had an opportunity to realize, a considerable amount of profit. Mr. Hawley has not been accused of going short of his own securities, and financial writers generally have said he did not do this because it was impossible. I am inclined to the other view, however, and that he might have been inclined solely to profit by his well-known judgment of existing and prospective conditions, but whether he did or not, the stocks of companies with which he is identified have stood up as well as any others.

You can very easily get every kind of an opinion about Hawley in Wall street, but the fact remains that Hawley has never yet been identified with a losing venture, and that he has never made any money out of smash-ups by way of the reorganization route. The most conservative financial authorities say that he is an opportunist and that he is not entitled to a rating as a builder-up of properties, but should be regarded only as a buyer and seller of railroads. He has always been successful, however, and no one who ever followed him has ever lost any money from the investment standpoint. He may not be a big railroad builder in the way the term is ordinarily understood, but he has thoroughly demonstrated his habit of picking up railroad properties at a low price, and keeping them until a sale could be made at a higher price.

Mr. Hawley is chairman of the board of directors of the Minneapolis & St. Louis Railroad Company, and on this account alone I am inclined to believe that the short-time notes of this company which can now be bought on an 8½ per cent basis of income

ARE A BARGAIN PURCHASE

for any investor who at this time may be interested in a temporary investment for his funds.

It, of course, may be said that when the short-term obligation of an established steam railroad sells at such a low price that the only inference possible is that nearby disaster is forecasted. In this connection it only need be suggested that there were a number of foolish banking institutions and investors who were inspired by the same idea and sold at a sacrifice their notes of the Erie Railroad Company a few days before their maturity. The Erie Railroad notes were paid at par, and their situation was not nearly as well enforced as is the situation with these notes.

The Minneapolis & St. Louis has outstanding $6,000,000 of common stock and $4,000,000 of preferred. At this writing, the common stock is selling at 42 and the preferred at 68. On these figures the stock equity behind the $4,000,000 of notes represents in market value a matter of $5,240,000. It hardly need be stated that both the preferred and common stock of a corporation come behind its notes, and when the stock of such a corporation has a market value in excess of the amount of a note issue, it may be fairly presumed that the obligation is likely to be taken care of.

The low price prevailing for the notes is doubtless accounted for by the current opinion that Mr. Hawley has always

BEEN TOO LIBERAL

in his dividend disbursements. The 5 per cent dividend, for example, on the Minneapolis & St. Louis preferred stock has been maintained in recent years when the most conservative railroad policy of finance would not have permitted it. In 1907 the $200,000 in preferred dividends was paid, leaving a balance to the surplus account of only $114,424. In 1908 the dividend was continued and a deficit resulted of $86,813. In 1909 the 5 per cent dividend was again paid and a deficit remained of $180,437. In the fiscal year ending June 30, 1910, a dividend of only 2½ per cent for the year was paid on the preferred stock, and this resulted in a deficit of $44,010. In the fiscal year ending June 30, 1911, no dividends were paid on the preferred stock, and after the payment of all

[No. 1,499.]

REPORT OF THE CONDITION OF THE

CHEMICAL NATIONAL BANK OF NEW YORK

at New York, in the State of New York, at the close of business, September 1st, 1911:

RESOURCES.

Loans and discounts		$27,730,142 02
Overdrafts, unsecured		2,472 33
U. S. bonds to secure circulation		500,000 00
U. S. bonds to secure U. S. deposits		150,000 00
Bonds, securities, etc		1,191,208 67
Banking house		1,000,000 00
Due from National banks (not reserve agents)		1,689,185 47
Due from State and private banks and bankers, trust companies, and savings banks		170,202 29
Checks and other cash items		90,478 02
Exchanges for Clearing House		3,071,750 94
Notes of other National banks		21,000 00
Fractional paper currency, nickels, and cents		7,499 72
Lawful money reserve in bank, viz.:		
Specie	$5,400,885 00	
Legal-tender notes	1,699,701 00	
		7,100,586 00
Redemption fund with U. S. Treasurer		15,000 00
Due from U. S. Treasurer		35,000 00
Total		$42,621,618 54

LIABILITIES.

Capital stock paid in		$3,000,000 00
Surplus fund		5,000,000 00
Undivided profits, less expenses and taxes paid		1,799,875 54
National banknotes outstanding		277,200 00
State banknotes outstanding		10,428 00
Reserved for taxes		79,326 71
Due to other National banks	$3,743,909 97	
Due to State and private banks and bankers	802,946 55	
Due to trust companies and savings banks	1,560,738 06	
Dividends unpaid	43,637 50	
Individual deposits subject to check	25,430,919 58	
Demand certificates of deposit	50,468 10	
Certified checks	238,903 63	
Cashier's checks outstanding	342,677 10	
		32,204,230 54
United States deposits		149,985 75
Total		$42,621,618 54

State of New York, County of New York, ss.:

I, FRANCIS HALPIN, Cashier of the above-named bank, do solemnly swear that the above statement is true to the best of my knowledge and belief. FRANCIS HALPIN, Cashier.

Subscribed and sworn to before me this 6th day of September, 1911.

EDWD. P. BROWN, Notary Public.

Correct—Attest:

W. EMLEN ROOSEVELT,
GEO. G. DE WITT,
WM. H. PORTER,
} Directors

The National Nassau Bank of New York

OFFICERS

EDWARD EARL, President

J. CHRISTY BELL, Vice-President
JOHN MUNRO, Vice-President
W. B. NOBLE, Cashier

H. P. STURR, Asst. Cashier
N. D. ALLING, Asst. Cashier
R. M. BAILEY, Asst. Cashier

Statement of Condition at the Close of Business September 1, 1911

RESOURCES

Loans and Discounts	$9,253,237 96
Due from Banks and Bankers	1,[illegible] 942 61
Real Estate	[illegible]
U. S. Bonds to secure circulation	100,000 00
Other Stocks and Bonds	[illegible]
Cash in Vault	2,899,729 27
Foreign Exchange	137,916 39
Exchanges for next day's clearings	485,727 33
Redemption Fund with U. S. Treasurer	5,000 00
Due from U. S. Treasurer	4,000 00
	$14,568,286 58

LIABILITIES

Capital Stock	$500,000 00
Surplus and Undivided Profits	590,484 30
Circulation	99,200 00
Reserved for Taxes	10,000 00
Cashier's Checks	145,681 10
Deposits	13,222,901 18
	$14,568,286 58

DIRECTORS:

J. CHRISTY BELL
SAMUEL [illegible] WEED
HENRY C. MILLER
JOHN MUNRO
EDWARD EARL
HARRY BRONNER
RICHARD YOUNG

Digitized by Google

expenses and charges $75,884 was added to the surplus account.

These figures literally interpreted might be ample to justify a bearish conclusion on all Minneapolis & St. Louis securities, but I am inclined to believe it to be a fact that while Hawley is liberal in the payment of dividends, he does not pay any more than is justified by actual conditions. The figures of any railroad report do not

TELL THE WHOLE STORY,

and a very significant item of evidence along this line is in the fact that the common stock of the company which sold at 42 this week sold as low as 21½ on April 26 of this year, and the preferred stock which sold at 68½ on Thursday of this week sold as low as 35 on March 13 of this year.

The prevailing prices for the $10,000,000 worth of stock of the company might be regarded as high in view of the fact that for the fiscal year ending June 30, 1911, only a little more than 5 per cent in excess of fixed charges was earned. Since the close of the last fiscal year, too, it is worthy of note that the earnings have been decreasing instead of increasing. From July 1 until August 31, 1911, the gross revenue was $758,503, as compared with $846,869 for the corresponding period of last year, or a decrease of $88,366. These figures, however, take no account of the improvement and development of the property, both in the form of putting back earnings and the arrangements now concluded to very considerably enlarge the company's traffic through Canadian connections.

The Minneapolis & St. Louis Railroad and another Hawley road, the Iowa Central, are to practically be merged, and some days ago it was announced that Newman Erb, the well-known financier, had purchased a substantial interest in both roads and had been made a member of the board of directors of both properties. Mr. Erb, it should be recalled, is another man of the Hawley class who picks out winners, and it would seem to be very appropriate that he should become allied with Mr. Hawley in his railroad enterprises. It will be recalled that Mr. Erb was the leading spirit in the acquiring and development of the Wisconsin Central and selling it to the Canadian Pacific at a profitable figure

Of course, the logical and inevitable conclusion from

THE ERB-HAWLEY ALLIANCE

is that a far-reaching programme has been mapped out for the development of both the Minneapolis & St. Louis and Iowa Central roads by securing Canadian traffic. It has been announced that new lines will be built to make connection with both the Canadian Northern and the Grand Trunk. Whether reciprocity between this country and Canada becomes an accomplished fact or not, a very large amount of freight revenue is available for the Canadian extension of these two Hawley lines. The Canadian Northwest is a rapidly increasing producer of traffic whose natural tendency is South rather than East. The Mississippi Valley has become a consuming territory, and Mr. Hawley has apparently discovered that Canadian products can be shipped to this territory very advantageously west of Chicago.

The proposed Minneapolis & St. Louis 300-mile extension to the Canadian line will, therefore, furnish the Hawley roads with a rich volume of traffic which can be handled over the Iowa Central and Chicago & Alton into Chicago and to points farther east over the Toledo, St. Louis & Western.

It is worth mentioning that the betting odds in Canada indicate that at the approaching election the proposal for reciprocal trade agreements with this country will be ratified.

CANADIAN RECIPROCITY

on the terms which have just been agreed upon cannot fail to result in a very large influx of agricultural products from our northern neighbors, and of this traffic the Minneapolis & St. Louis, as well as the other Hawley roads, will greatly benefit. Naturally, every investor likes to take advantage of probable developments, and I believe that a purchase of the Minneapolis & St. Louis 5 per cent notes at 95 is an opportunity along this line which should appeal to even the most conservative. I believe the notes are good and will be paid in any event, but if the reciprocity agreement is finally ratified, the notes will have a more rapid advance in market value. In the meantime, work is rapidly progressing in the development of the property, so that Canadian reciprocity may not have to be called upon to explain the fact that these notes were at this time the only short-term obligation in their class selling on an 8½ per cent basis.

P. DE MEDICI.

REPORT OF THE CONDITION OF
THE MERCANTILE NATIONAL BANK
of the city of New York, at the close of business, September 1st, 1911:

RESOURCES.

Loans and discounts		$13,615,127 74
Overdrafts, secured and unsecured		444 16
U. S. bonds to secure circulation		300,000 00
U. S. bonds to secure U. S. deposits		1,000 00
Bonds, securities, etc.		514,156 89
Due from national banks		1,022,354 77
Due from State banks and bankers		239,398 63
Checks and other cash items	$74,268 92	
Exchanges for Clearing House	554,259 42	
Notes of other national banks	2,550 00	
Specie	2,142,803 52	
Legal-tender notes	1,040,000 00	
Redemption fund with U. S. Treasurer (5% of circulation)	13,000 00	
Due from U. S. Treasurer, other than 5% redemption fund	8,000 00	
		4,236,881 86
Total		$19,930,433 05

LIABILITIES.

Capital stock paid in		$2,000,000 00
Surplus fund		2,000,000 00
Undivided profits, less expenses and taxes paid		771,715 30
Reserved for taxes		38,461 59
National banknotes outstanding		300,000 00
Dividends unpaid		3,448 50
Due to other national banks	$3,643,369 11	
Due to State banks and bankers	404,739 68	
Due to trust companies and savings banks	1,678,319 40	
Individual deposits subject to check	7,492,647 62	
Demand certificates of deposit	17,094 54	
Certified checks	252,726 51	
Cashier's checks outstanding	336,860 80	
U. S. deposits	1,000 00	
		13,816,807 66
Total		$19,930,433 05

State of New York, County of New York, ss.:
I, EMIL KLEIN, Cashier of the above-named bank, do solemnly swear that the above statement is true to the best of my knowledge and belief. EMIL KLEIN, Cashier.
Subscribed and sworn to before me this 5th day of September, 1911.
ALBERT B. CORY, Notary Public.

Correct—Attest:
E. T. JEFFERY,
D. S. RAMSAY,
WILLIS G. NASH, } Directors.

Fourth Street
NATIONAL BANK

Philadelphia, Sept. 1, 1911.

RESOURCES

Loans and Discounts	$40,552,112.25
Due from Banks	7,171,730.52
Exchanges for Clearing House	2,379,758.17
Cash and Reserve	12,013,960.84
	$62,117,561.78

LIABILITIES

Capital Stock	$3,000,000.00
Surplus and Net Profits	6,498,154.16
Circulation	2,911,000.00
Deposits	49,708,407.62
	$62,117,561.78

R. J. CLARK, Cashier

REPORT OF THE CONDITION OF
THE CHASE NATIONAL BANK OF THE CITY OF NEW YORK,
at New York, in the State of New York, at the close of business September 1, 1911:

RESOURCES.

Loans and discounts		$62,974,345 79
Overdrafts, secured		3,462 10
U. S. bonds to secure circulation		1,000,000 00
U. S. bonds to secure U. S. deposits		1,000 00
U. S. bonds on hand		1,005,000 00
Premiums on U. S. bonds		117,423 99
Bonds, securities, etc.		23,705,017 56
Bonds loaned		650,000 00
Due from national banks (not reserve agents)	$3,721,576 36	
Due from State and private banks and bankers, trust companies, and savings banks	1,923,366 58	
Checks and other cash items	760,466 07	
Exchanges for Clearing House	12,090,548 06	
Notes of other national banks	156,200 00	
Fractional paper currency, nickels, and cents	1,934 65	
Lawful money reserve in bank, viz.:		
Specie	15,308,014 80	
Legal-tender notes	4,288,993 00	
		38,208,119 83
Redemption fund with U. S. Treasurer (5% of circulation)		50,000 00
Due from U. S. Treasurer		105,000 00
Total		$127,914,369 26

LIABILITIES.

Capital stock paid in		$5,000,000 00
Surplus fund		5,000,000 00
Undivided profits, less expenses and taxes paid		2,444,478 20
National banknotes outstanding		995,797 50
Due to other national banks	$35,499,356 43	
Due to State banks and bankers	10,061,387 91	
Due to trust companies and savings banks	30,878,721 63	
Individual deposits subject to check	30,855,421 99	
Demand certificates of deposit	37 16	
Certified checks	2,058,884 26	
Cashier's checks outstanding	4,037,189 18	
		113,423,098 56
United States deposits		1,000 00
Reserved for taxes		50,000 00
Total		$127,914,369 26

State of New York, County of New York, ss.:
I, HENRY M. CONKEY, Cashier of the above-named bank, do solemnly swear that the above statement is true to the best of my knowledge and belief.
HENRY M. CONKEY, Cashier.
Subscribed and sworn to before me this 8th day of September, 1911.
FRED. L. BATES, Notary Public.
Kings Co., New York, Ctf. filed in N. Y. County.

Correct—Attest:
JAS. J. HILL,
FRANCIS L. HINE,
ALBERT H. WIGGIN, } Directors.

Digitized by Google

COMMONWEALTH TRUST COMPANY.

In the fine and substantial new quarters which the Commonwealth Trust Company, of Boston, entered this week on the ground floor and basement of the new stock exchange building at 30 Congress street, the officials, customers and friends of this growing institution may take due pride. The occupancy by the company was ushered in by a reception on Wednesday and Thursday, and it is needless to say that the building was visited by the many friends and customers of the institution. On Friday morning, the bank opened up for business, and if the growth continues as strong as it has in the past, it is a question as to how long even the present roomy and substantial quarters will be sufficient to take care of their expanding business.

The new banking rooms will take the place of the old branch office in the Equitable Building which was opened up about two years ago, and from now on the company will have two offices, one in the financial and banking district in the new stock exchange building and the other in the shopping or merchants district, as at present, at the corner of Summer and Devonshire streets.

The new stock exchange building in which the Commonwealth Trust Company has taken a lease of part of the ground floor and basement, is already a familiar sight to those who visit the financial district. It was completed last winter.

OF IMPRESSIVE DESIGN,

with its 90 feet frontage on Congress street and 76 feet on Exchange place, it is in rather striking contrast, as it is only two stories high, to the tall office buildings surrounding it. The new banking rooms have their entrance on Congress street. One entering the lobby is impressed with the quiet, conservative and dignified atmosphere of its interior and also with the idea that it is in keeping with the class of business which is carried on by this institution.

The executive offices of the bank are located round the walls, with the centre given up to the public, and at the immediate right of the entrance is the private office of President Mumford, the walls of which are finished in oak with a dull finish, and the furniture of which is a rich mahogany, relieved by a dark green rug. The grill work at the tellers' windows is of solid bronze and is a handsome specimen of its kind, while each separate compartment is much larger than is ordinarily found in a banking house. There is a great deal of marble about the interior, beautiful in design, all tending to give that dignified appearance so suited to the banking business. This marble totalling many tons in weight is known as Tavernelle marble. It is imported from Italy and has been used very effectively to set off the bronze grill work. In fact, everything about the interior harmonizes, and the architects have succeeded in giving a color tone to the walls and ceiling which blend with the Tavernelle marble most effectively.

As one enters the lobby upon the immediate left is a solid bronze grill, the door of which leads into

THE SAFE DEPOSIT VAULTS

of the Security Safe Deposit Company, which is closely allied with the Commonwealth Trust Company, and which will furnish vault facilities for the customers of the latter.

The new safe deposit vaults are the strongest and most completely equipped vaults that human skill can construct when guided and directed by an experience of over thirty years in safe deposit work. The Security Safe Deposit Company has been in existence since 1879 and has from that time to the present devoted itself exclusively to the conducting of a safe deposit and storage business in Boston. In the safe deposit business, as in every other business, experience counts, and this company is able to apply all the lessons learned in the construction and maintenance of vaults during its thirty odd years of corporate growth.

The vault itself is unique, and it is wholly original in New England in that it is a two-story vault with a broad stairway within the interior of the vault itself leading from the ground floor to the basement. As previously stated, these vaults are models of their kind and were constructed by the well-known Mosler Safe Company of 51 Sudbury street, Boston. The vault has a capacity of about 1,500 feet of floor space, and a total of about 425 ton of steel has been used in their construction. The stairway within the vault has never before been attempted in this vicinity, and its utility lies in the fact that one gateman controls every person entering, and one set of attendants takes care of the business, thus increasing the safety and utility of the vault. There are three sets of doors, one leading from the banking rooms and one on each floor leading to the well-arranged and comfortable coupon rooms.

GREAT HEAVY DOORS.

These doors, each set consisting of two doors, and door frames weigh about 40 ton, and it is needless to say that they work and are operated in the usual efficient and successful manner, as do all that are put in by the Mosler Safe Company. The walls of the vault are made of concrete and grill proof steel, while all surface steel is machine-finished. The vault has a capacity of from 15 to 20,000 safe deposit boxes and the coupon rooms are well arranged with appropriate ladies' and gentlemen's waiting rooms. The lighting of the vaults is exceptionally fine. This is done by 112 eight candle-power lamps, and the whole establishment shows the great amount of thought and work put into its construction. In the basement of the building running along the Congress street side is a large storage vault in which silverware and the like may be stored. This vault is 10 feet wide, 66 feet long and about 10 feet high. The safety appliances were installed by the Bankers' Electric Protective Association, and are practically a duplicate of the work recently installed by that company in all the vaults in the United States Treasury in Washington.

Since the establishment of the Commonwealth Trust Company [illegible] institution has had an unqualified success, and upon the energetic policy which its management have pursued its growth has been very rapid. The bank officials are able and experienced bankers, and the courtesy which they have always shown to their customers and the good service that has been given the latter has been productive of results. Moreover, this institution advertises that the same careful attention and courtesy is shown to those keeping small bank balances as is bestowed upon the larger business and commercial deposits, and deposits to the amount of $500 and over draw interest at 2 per cent credited monthly. The institution has all the powers of a well-regulated trust company backed up by a directorate made up of some of New England's ablest financiers and business men.

THE MANAGEMENT.

Mr. George A. Mumford, president of the Commonwealth Trust Company, is a very able banker of long experience, while the other officers are of like character. Arthur P. Stone is treasurer, and Stephen W. Holmes vice-president. The board of directors is made up of the following well-known men: S. Reed Anthony, Schuyler S. Bartlett, George L. Batchelder, Walter C. Bavlies, Junius Beebe, Arthur T. Bradlee, Albert L. Brown, Robert W. Emmons, 2nd, Walter G. Garritt, William A. Gaston, Lincoln Grant, Robert F. Herrick, Francis L. Higginson, Jr., Charles W. Jones, Otis Kimball, George C. Lee, Charles A. Locke, Joseph P. Manning, George S. Mumford, Robert T. Paine, 2nd, Henry Parkman, A. Wilder Pollard, H. Staples Potter, James M. Prendergast, George F. Putnam, James L. Richards, Endicott P. Saltonstall, Horace B. Shepard, A. Shuman, Charles F. Smith, Charles G. Smith, Thomas C. Thacher, Edwin S. Webster, Edward B. Wilson and Robert Winsor.

6% First Mortgage Public Utility Bonds

Net earnings over 3½ times interest charges.

Bonded for only 47% of cost of property; Growing city.

An unusually attractive investment.

Descriptive circular upon request

William H. Byers & Co.

100 BROADWAY, N. Y.

NOW READY

Vol. II. Obsolete American Securities and Corporations

1,200 Pages. Containing nothing that is in Volume I.

Delivered anywhere on receipt of $5.00

R. M. SMYTHE

452 Produce Exchange, New York, U. S. A.

F. A. RUGGLES,

53 State St. Boston, Mass.

Digitized by Google

General Electric Donates $320,000

The Stipulated 5 Per Cent Dividend Rate on $2,000,000 of Preferred Stock of Its Subsidiary Electric Bond & Share Company is to Be Increased to 6 Per Cent—If the 20 Per Cent Increase in Income Rate is Reflected in Market Value, Preferred Stock Should Advance in Bid Price From 80 to 96—In Raising the Dividend Shareholders Are Requested to Authorize Change in By-laws Making It Easier for Company to Borrow Money—General Electric Agrees to Buy $1,500,000 of Increased Common Stock at Par—Transaction Means Increase in Profit Income of General Electric Company.

The General Electric Company, through its subsidiary Electric Bond & Share Company, is about to make a present of from $300,000 to $400,000 to several hundred investors who have bought Electric Bond & Share preferred. Some figure between $300,000 and $400,000 represents the actual amount, and this is the lump donation More is actually being given, because, aside from the enhancing market value by the increase of a fixed dividend rate from 5 per cent to 6 per cent, $20,000 a year in perpetuity has thereby been provided for.

Such generosity in these times of foreboding and depression is unusual and almost unexampled as well. At first glance a General Electric shareholder might be inclined to criticise the transaction, but a thorough and careful analysis of this donation is likely to convince him that this liberality is really a bull point on General Electric instead of being otherwise.

The development resulted as an incident of the increase in the capital stock of the Electric Bond & Share Company from $4,000,000 to $10,000,000. The original capitalization was $2,000,000 of preferred and $2,000,000 of common, and by reason of the recent action of the board of directors the capitalization of the company will soon be $5,000,000 of preferred and $5,000,000 of common. The company was incorporated primarily for the

PURPOSE OF WORKING OFF

some slow or dead General Electric accounts and an arbitrary figure of $4,000,000 was fixed for the capitalization.

The stock was equally divided between preferred and common and the General Electric Company took all of the $2,000,000 of common stock in exchange for securities turned over and good will. Of course, the preferred stock was accorded a 5 per cent dividend rate and sold for cash to furnish working capital for the company As the stock was sold at prices materially under par it may be safely assumed that the stock was first made fully paid by a transfer of property, and then legally made available for sale to investors at the most advantageous figure possible.

The preferred stock has sold in the market since the organization of the company at prices ranging from 75 to 90. What the company's treasury netted from these sales has never been stated, and probably never will be, because the General Electric Company officials are absolutely perverse in their disinclination to tell anyone about the details of financing their subsidiary companies, as well as to what these companies, profitable and unprofitable, are carried at on their books. A circular letter last week to shareholders of the Electric Bond & Share Company, announced in connection with the increase of the preferred shares from $2,000,000 to $5,000,000, and in the common shares from $2,000,000 to $5,000,000 that it was proposed to make the dividend rate on the outstanding preferred stock as well as the increased issue

6% INSTEAD OF 5%

which had been paid since the date of organization. The holders of the outstanding $2,000,000 of 5 per cent preferred stock were advised that they could send in their certificates with a proper authorization for the purpose of exchange for a new preferred stock, par for par, entitled to 6 per cent dividends. The preferred shareholders were given the opportunity of making this exchange without expense to them, and as from their standpoint the proposition simply meant that they were getting an increased dividend of 1 per cent, it can hardly be doubted that each and every shareholder will send in his stock for exchange as soon as he receives notice of the opportunity.

Coincident with this notice to preferred shareholders, it was stated that the common shareholders, which, of course, means solely the General Electric Company had agreed to buy $1,500,000 of the increased issue of common stock at par. The preferred shareholders were given no opportunity to purchase any of this new issue of common stock, so it may be presumed that the legal construction of the company provided for any such increase of the common stock without giving the preferred shareholders any privilege of subscribing for their pro rata share, which is done generally and almost without exception when the managers of a corporation

WANT TO SELL STOCK

instead of keeping it themselves.

Of the increase in the authorized issue of preferred stock amounting to $3,000,000, no statement has been made as to any contemplated sale. The officials of the company state that the increased issue will be marked from time to time in accordance with the necessities or desires of the corporation for the use of increased capital.

The increase in the dividend rate on the outstanding preferred stock from 5 per cent to 6 per cent represents an increase of 20 per cent in income to its holders, and besides this increase in dividend returns the preferred stock will necessarily have a considerably enhanced intrinsic value as $1,500,000 of new money or 75 per cent of the present amount of preferred stock outstanding will be invested in new common stock at par. It may, therefore, be assumed that with this increase in intrinsic value, together with the advance in the dividend rate of 20 per cent, that there should be a corresponding increase in the market value of the preferred shares of at least 20 per cent.

The last bid in the open market for the preferred stock before the company announced its intention to increase the dividend rate was around 80. If, therefore, the increase in the dividend rate is to be reflected in an equal 20 per cent increase in market value, Electric Bond & Share preferred should be soon quoted at 96 bid, instead of 80 bid. Under ordinary conditions it would be more natural to predict that the stock would soon be selling at very close to par, since it is practically an underlying General Electric security, is amply secured by good assets and demonstrated earning power, and also has the universally

RECOGNIZED VIRTUE

of having earned last year more than six times the amount necessary to pay its dividend.

The calculation, therefore, follows that the increased dividend as well as the reinforcement of the company's treasury resources through the sale of $1,500,000 of common stock at par will advance the market value of the preferred stock 16 points, or a matter of $320,000 on the $2,000,000 of preferred stock outstanding.

Another way of viewing the development is that the increased dividend of $20,000 a year represents 6 per cent on the capital sum of $333,333, so that whether the transaction is considered from the viewpoint of increased market value or the capitalized value of the increased income, it is apparent that the General Electric Company has presented to its investment clientele who are the holders of Electric Bond & Share preferred a sum of over $300,000.

A critical analyst of the transaction might say that instead of making this donation the company might have bought in its own stock at 80 or less before the dividend rate was increased and then after the increase resold it at a price well up towards par, and saved a matter of 15 points in net results. This, however, would have been a very short sighted and eventually unprofitable policy, even if it were not illegal. The present holders of preferred stock clearly represent a satisfied and most desirable

INVESTMENT CLIENTELE,

and it can hardly be doubted that when installments of the authorized increase of $3,000,000 in preferred stock are offered from time to time to present holders that they will generally be inclined to exercise their privilege and take the stock. In other words, the General Electric Company has very judicially paved the way for the securing of any portion of an additional $3,000,000 of capital for one of its most important subsidiary companies whenever the time arrives when it can use this additional capital to advantage.

Digitized by Google

The voluntary increasing of the fixed dividend rate on the preferred stock is, nevertheless, a new and almost unprecedented procedure. The only other case I can recall, and in any event, the only one of recent date, was that of the Dupont Powder Trust, which corporation some months ago offered the holders of its $16,000,000 of 5 per cent preferred stock an increase in their dividend rate to 6 per cent, on condition that they would surrender their voting 5 per cent shares for non-voting 6 per cent shares. The purpose of this transaction was, of course, very obvious, as the management felt inclined to pay $160,000 a year for a time, at least, in order to be

RELIEVED OF THE NECESSITY

of owning and carrying a sufficient amount of preferred stock which with their common holdings would constitute control.

In the case of the Electric Bond & Share Company this factor was not involved, as both the old 5 per cent and new 6 per cent preferred stock have full voting power. It should be added, however, in this connection that the voting power of the Electric Bond & Share Company preferred shareholders does not amount to anything, because the General Electric Company now owns all of the common stock amounting to 50 per cent of the total capitalization, and will very shortly increase its holdings of common stock to the extent of $1,500,000.

In addition to consenting to the increase in the dividend rate, the preferred shareholders have been asked by the board of directors to make some other changes in the by-laws, the most important of which is in reference to the borrowing of money. As the by-laws and articles of incorporation stand at the present time, none of the assets can be pledged without consent of the holders of three-fourths of the outstanding preferred stock. It is proposed to strike out this article, and in its place adopt a by-law authorizing the board of directors, or its executive committee to borrow money at any time by pledge of the company's securities or otherwise and in any amount, provided that the indebtedness of the company at any time shall not exceed the amount of outstanding preferred stock without the consent of a majority of all the outstanding stock.

This provision, of course, means that the Electric Bond & Share Company can at any time on the action of its board of directors borrow up to $2,000,000, and for that matter, if I were a shareholder I should be very willing to give the officials authority and

URGE THEM TO BORROW

at any and all times all the money they wanted, if they could get it on reasonable terms.

I am inclined to think that when the company was organized the General Electric officials did not anticipate the importance of the fact that they were about to give scope for the operation of the genius of the new president of the company, S. Z. Mitchell. In any event, it is now very apparent that they have discovered what Mr. Mitchell can do, and they propose to give him a greater opportunity.

The net earnings of the Electric Bond & Share Company for the first nine months of its career or from March 15, 1905, to January 31, 1906, were $236,127, which provided for the 5 per cent dividend on the $2,000,000 of preferred stock and left a very substantial amount of surplus income. The earnings have steadily increased, and in the year ending December 31, 1910, they amounted to $507,418, out of which after paying the 5 per cent dividend on the preferred stock and an 8 per cent dividend on the $2,000,000 of common stock, amounting to $160,000, there was left a balance of $247,419 to carry to surplus account.

The first dividend on the common stock was paid in 1909 at the rate of 4 per cent. The next year it was increased to 8 per cent, and still continues at that rate. This, of course, really means that a package of

GENERAL ELECTRIC JUNK,

which was arbitrarily capitalized some years ago at $2,000,000 in common stock of the Electric Bond & Share Company is now worth more than par and paying an 8 per cent return. According to the company's financial statement on December 31, 1910, the surplus and undivided profit account aggregated $1,286,626, so that the book value of the common stock is over 160, and that conservative book valuations prevail in any corporation managed by President Mitchell will be very readily conceded by anyone who knows him.

Another interesting feature of the transaction is that the General Electric Company, through its subscription for $1,500,000 of the common stock at par, simply takes that amount out of its plethoric bank balance, which, according to its report on December 31, 1910, amounted to $14,912,400. This bank balance probably does not earn over 2 per cent, so that $1,500,000 of it will now soon begin to earn 8 per cent, providing, of course, the Electric Bond & Share Company continues its 8 per cent dividend rate on the common. That this dividend rate will be continued, there is no reason to doubt, and I am more inclined to predict that the rate is likely to be increased. In all probability, the General Electric Company by this deal is likely to increase its profit account a matter of $90,000 a year, the difference between 2 per cent on the $1,500,000 bank balance and 8 per cent on the stock purchased at par.

Aside from this increased profit in direct cash revenue, the General Electric Cimpany is likely to further increase its profit through the enlarged operations made possible by this increase in capital of its important subsidiary company. The Electric Bond & Share Company advertises very generally and makes good on its claim that it will finance any live street railroad, electric light or water power proposition. The company actually does more than finance these concerns, because it will do the complete job of surveying, building, reconstructing, equipping, capitalizing, furnishing the money and selling the securities after the work has been done. Naturally and necessarily every enterprise which is handled by the Electric Bond & Share Company has to specify and use General Electric Company equipment exclusively.

The enlargement of the scope of the Electric Bond & Share Company, therefore, means increased profits to its controlling owner, the General Electric Company, in other ways than the 8 per cent dividend on the increased issue of common stock to be purchased, and I will venture the prediction that the General Electric management will never be criticised for having made this apparent donation of between $300,000 and $400,000 to the holders of the preferred stock of the Electric Bond & Share Company. P. DE MEDICI.

What Better Assurance

of the safety of the money you invest in the Public Utility bonds we offer can you have than the fact that we are co-investors with you, and that we devote our ability and experience as engineers and bankers to the conserving and developing of the properties in which you and we are jointly interested.

¶ Besides being thus strongly safeguarded, the bonds we offer yield a larger income than the majority of other high-grade issues. Moreover, the properties securing the bonds are constantly increasing in value as a result of improvements and extensions and the constant growth of the communities that they serve.

Write for Circular

Meikleham & Dinsmore

ENGINEERS AND BANKERS

25 BROAD STREET, New York City — 60 State Street, Boston

7% PREFERRED STOCK AT PAR

with bonus of 50% common of the

Moisant International Aviators, Inc.

Foremost aeroplane manufacturers on the North American continent. Now an established, **producing**, growing concern. From Jan. 1 to July 16, receipts from cash prizes, bonuses and percentage of gate receipts amounted to $144,339.08.

For full particulars address

GILBERT H. CARR

50 Congress St., Boston

INVESTMENTS

Bonds and Stocks

WM. F. CROSBY,

Tel. 4090. 311 Main St.

WORCESTER, MASS.

Digitized by Google

The Influence of A Tax Upon The Volume of Bank Notes

Mr. John Perrin, Chairman of the Board of the Fletcher American National Bank of Indianapolis, Takes Issue With the Views on This Subject Expressed in Our Issue of August 19, 1911.

ED. UNITED STATES INVESTOR:

Credit bank notes, such as are under consideration, are obligations of the issuing institution differing in form only and not at all in principle from deposit liabilities. Each is based alike upon gold and commercial assets. To liquidate by payment a given amount of bank notes would require no more and no less coin than to liquidate a like amount of deposits. Popularly speaking, one is said to have money in a bank when he has made a deposit. Strictly speaking, this could only be true if money to the amount of the deposit had been specifically set apart—a warehousing transaction. Through establishing a deposit credit one thereby acquires merely the "right to draw". A check drawn against a deposit is payable at the holder's option in lawful money or is available for deposit. Bank notes, likewise, are payable at the option of the holder in lawful money or are available for deposit. It is an underlying principle that there is complete interchangeability between deposits subject to check and bank notes, at the option of the depositor, not that of the bank.

Senator Aldrich's suggested plan recognizes this in the provision: "The Reserve Association shall at once upon application, and without charge for transportation, forward its circulating notes to any depositing bank against its credit balance".

Irving Fisher, in his admirable book recently published, "The Purchasing Power of Money", most lucidly demonstrates that the sum total of all currency in circulation (including not only all forms of money, but also deposit currency, that is, checks against bank deposits) is and must necessarily be in direct relation to the total volume of trade.

With free interchangeability between deposits and bank notes, it seems to follow conclusively that the convenience of depositors is the sole factor determining the ratio of bank notes to deposits, and that

RATIO WILL FLUCTUATE

from time to time according to trade requirements, that is, according to the change from time to time in the volume of cash transactions.

The conclusion has the corollary in the case of the National Reserve Association that it would be entirely beyond the power of its directors to determine what proportion of its liabilities would be in the form of deposits subject to check and what proportion in the form of bank notes. It could not refuse to pay in bank notes any part or all of a bank's deposit balance with it, nor could it refuse to receive as a deposit any of its bank notes offered by a bank customer.

The increased volume of cash transactions incident to the annual crop movement always requires an increase in the volume of currency in circulation. Shipments from banking centres to the interior evidence this. The work completed, re-shipments from the interior to the centres always follow. This means, first, an expansion and then a contraction of the volume of money in circulation.

In a condition of diminished business activity, with a contracted volume of

BODELL & CO.
PROVIDENCE, RHODE ISLAND
Boston Office, 35 Congress St.
Bonds and Preferred Stocks of Proven Value

American Industrials Co.
Broad Exchange Building, New York.
INVESTMENT SECURITIES.
6% Twenty Year First Mortgage Gold Bonds.
7% Preferred Stocks.
8% Preferred Stocks.

Baker, Ayling & Co.
50 Congress street, Boston
INVESTMENT BONDS
Philadelphia Office, Land Title Building

Assets Realization Company
Capital $10,000,000
Purchases Estates in Liquidation at any point in the United States
NEW YORK PHILADELPHIA CHICAGO

Hodenpyl, Hardy & Co.
BANKERS
7 Wall Street, New York
6% PREFERRED STOCKS A SPECIALTY

WE TRADE IN
Western Power Common
Western Pacific
United States Worsted Pref.
United States Worsted Com.
Detroit & Mackinac Com. & Pref.
Blaugas Company of America
Wells Fargo Express.
E. BUNGE & CO. 20 BROAD STREET, NEW YORK
Cable Address, "Ernestus, New York" Long Distance 'Phone 4735-4736 Rector

GEO. D. COOK & CO.
BANKERS
71 BROADWAY, NEW YORK
We make a Specialty of
Mexican Government and State Bonds

McCOY & COMPANY
Municipal and Corporation Bonds
181 LA SALLE STREET
CHICAGO

Boody, McLellan & Co.
111 BROADWAY, NEW YORK
MEMBERS OF NEW YORK STOCK EXCHANGE
Orders Executed for Investment or on Margin

We Have For Sale
First Mortgage Loans—3 Years 6%, 6½%, 7% Interest.
WM. D. PERKINS & CO., Bankers
No. 211 Cherry St., Seattle, Wash.
Established 1893
Oldest Bond House In Washington.

DOMINION BOND COMPANY
LIMITED
MONTREAL TORONTO OTTAWA
LONDON, ENGLAND
Dealers in HIGH-GRADE CANADIAN BONDS
List on Application

5% BONDS
Guaranteed by
National Light Heat and Power Co.
A. H. BICKMORE & CO.,
30 PINE ST., NEW YORK

6% Timber Bonds
Carrying With Them An Exceptionally Attractive Feature.
American Finance & Securities Co.
5 Nassau Street New York

H. C. Cibbs & Co.
Gas and Electric Light Bonds
To yield 5% to 5 1-2%
60 State Street BOSTON

CIRCULAR ON MISCELLANEOUS UNLISTED MILL AND MANUFACTURING SECURITIES
SENT UPON REQUEST
HORNBLOWER & WEEKS
40 CONGRESS ST., BOSTON

Digitized by Google

cash transactions—small payrolls, fewer goods bought—clearly a loss total of money

WOULD BE CIRCULATING

among the people than at a time of great business activity.

Assuming such a condition and at the same time a desire on the part of the association to expand instead of contract its note issues, how would it be physically possible for it to accomplish such expansion? If a farmer's habit is to carry ten dollars currency in his pocket, he will not be content to retain five hundred dollars bank notes received for his crop, but will make a deposit in bank. If a grocer's convenience requires that he have on hand only fifty dollars currency, and if he receives one thousand dollar bank notes from sales and payment of accounts due him, he will deposit the excess above the fifty dollars. If a bank's convenience and reserve requirements necessitate only one hundred thousand dollars currency, and if an additional one hundred thousand dollars of bank notes accumulate in its vaults, will it keep the additional amount even if the association should use persuasion to this end? Or, going a step further, if the association in an effort to expand its note issues should request this bank to permit the shipment to it of a still additional one hundred thousand dollars of bank notes, reducing correspondingly, of course, its balance subject to check, would it comply? Would it not surely decline and also insist on presenting for deposit the surplus one hundred thousand dollars already in hand?

It seems conclusive that credit balances with the association subject to check cannot be converted into bank notes at the will of the association, but only at the will of the depositors, whose convenience alone will determine the constantly fluctuating proportion of the total which they desire in bank notes.

If this analysis is correct, it follows that the same influences would work out exactly the same result whether the bank notes were taxed or untaxed. If a tax were imposed, the association would pay it. The depositor, deriving no advantage and suffering

NO DISADVANTAGES

from the tax, would not be influenced by it in any degree whatever, and would call for bank notes against his credit balance or present bank notes for deposit, thereby increasing his balance subject to check, solely according to his convenience.

Reference up to this point has been made only to credits with the association established by cash deposits and not to credits arising from discounts. A tax on bank notes would, doubtless, have some influence on discount rates, but not an important one. Discounts at low rates would encourage business activity and enlarged business, entailing a proportionate increase in the volume of cash transactions which would naturally call for a larger volume of currency. To the extent that such a tax would increase the current rates of discount, to that extent business activity and the volume of cash transactions would be correspondingly restrained and the need for bank notes proportionately reduced. But it must be borne in mind that, in this country, of the total transactions settled by cash and checks only about 8 per cent are settled by cash and about 92 per cent by checks. If a bank establishes a deposit credit subject to check by rediscounting commercial paper with the Association it does not follow that payment in bank notes would be desired. A typical instance would be the rediscounting of commercial paper maturing within two or three weeks to make possible the lending of a like amount to some merchant desiring to take advantage of cash discounts on purchases. In such a case no additional bank notes would be required, as the merchant would probably make remittances by drafts on New York or Chicago.

If extensions of credit by the Association resulted in increased trade transactions, it would seem

A PROPER INFERENCE

that such increase of transactions would likewise be settled on the average, 8 per cent by cash and 92 per cent by checks.

In Germany the check system is not developed to the same extent as in this country, and consequently they have a greater proportion of settlements by cash. Yet the experience of the Imperial Bank given below, confirms the correctness of the above view. If a tax on bank notes in Germany, with its larger proportion of cash settlements, does not have important influence upon the discount rate, a like tax on bank notes in this country would have a still less influence.

The main purpose of imposing such a tax would presumably be an automatic regulation of the discount rate. The conclusion seems warranted that it would be almost wholly ineffective to attain this end. If inflation is feared, it would seem that such a result could not arise through the issue of bank notes. Inflation of credit, I take it, is the expansion of credits without proportionate increase of reserves. Such inflation would undoubtedly arise if the Association should recklessly seek to exhaust its lending power. Presumably such a stimulus would temporarily increase general business activity with consequent increase in the volume of cash transactions, a corresponding increase in the volume of bank notes springing into existence to the extent that convenience in cash settlements required. Such

AN INCREASE

in the volume of bank notes would apparently be the result and not the cause of inflation, the cause lying in the reckless expansion of credit. We may, however, surely assume a wise and prudent management of the Association and not a purpose to encompass disaster.

The regulation of business activity by a fluctuating discount rate should be guided solely by the present or prospective condition of reserves. Diminishing reserves or expected reduction would call for an advance of the discount rate as a brake upon credit expansion. But this is different from placing a handicap upon business in the form of an arbitrary tax either upon bank notes, bank checks, account books, miners' picks, plows, locomotives, freight cars or any other tools of commerce. All such tools should be as efficient and economical as possible.

The consideration of greater profit to the Association in the absence of such a tax, or less profitable with a tax, should not weigh, as this would simply increase or decrease the excess profits paid to the Government above the limited dividends to shareholders.

The political aspect I do not undertake to discuss. I have endeavored to show that the Association cannot, of its own volition, contract or expand the volume of its bank notes outstanding; that the sole factor influencing this will be the acts of its depositors; that the volume of cash transactions will automatically determine these acts; that a tax on the bank notes will have no influence whatever in determining

THEIR VOLUME

except as it may increase the discount rate, and so serve to diminish business activity, thus reducing the volume of cash transactions and correspondingly the use of bank notes, but that the influence of such a tax on the discount rate would be slight. A like increase of the discount rate, without a tax on bank notes, would have exactly the same restraining influence upon business activity and so upon the volume of cash transactions.

The case of the Imperial Bank of Germany cited is an interesting one, but investigation does not confirm the suggestion that the tax occasions the elasticity in the volume of notes. If it were so occasioned, to what would be ascribed the similar fluctuation in the volume of notes of the Bank of France which are not taxed?

From time to time the "Kontingent" of the Imperial Bank (the amount of notes free of tax) has been increased. If the tax were influential in determining the volume of notes issued, the increase of the "Kontingent" would be expected to increase correspondingly the volume of notes. But such increase of the "Kontingent" has been wholly without influence upon the volume of notes. As bearing upon this point, I quote from the volume published by the National Monetary Commission, giving reports of interviews had in Europe regarding banking and currency systems.

The following appears in the report of the interview with the Reichsbank of Germany:

Q. Is there any agitation for a graded tax?

A. No.

Q. Do you always charge a higher rate of discount for bills when you have a large amount of taxed notes outstanding?

A. No. On occasions the Reichsbank has not increased its rate of discount above 5 per cent. At times we have discounted even at 3 per cent when we have had to pay a tax of 5 per cent.

Q. It has been suggested to us as a matter of policy in times of stress that it would be better for you to add the 5 per cent tax to the rate of discount.

A. The Reichsbank must be considered in the first place as a public institution which has to take care of the public interest and that it is secondarily a money-making institution.

Q. Is there any connection between the

Digitized by Google

SAFE DEPOSIT VAULT

having 1500 square feet floor space

for the

COMMONWEALTH TRUST CO.

in the

NEW BOSTON STOCK EXCHANGE BUILDING

Designed and Built by

THE MOSLER SAFE CO.

Also Safe Deposit Vaults for the

FIRST NATIONAL BANK, Boston

OLD COLONY TRUST CO., "

and over 150 others in New England

THE MOSLER SAFE CO.

GEO. E. FOSTER, New Eng. Manager **No. 51 Sudbury St., BOSTON**

rate of discount and the issue of taxed notes; in other words, could there be a condition of affairs when the rate was 6½ per cent and there were no taxed notes outstanding?

A. Yes, that has happened. The fact of the Reichsbank having to pay a tax at certain times does not in itself influence the rate of discount. The directors decide whether in their judgment the conditions warrant or require the raising of the rate.

Q. What is the system of bookkeeping if a man deposits to-day a Reichsbank note of 100 marks?

A. The Reichsbank would credit the man 100 marks and deduct 100 marks from circulation.

In the interview with the Deutsche Bank the following:

Q. Is it your observation that the note issue of the Reichsbank increases in corresponding ratio with the increase of commercial activity, and decreases in like ratio with the decrease of commercial activity?

A. Yes; it must be so.

In the interview with the Dresdner Bank the following:

Q. Has there been any evidence of uneasiness because of the increasing use of taxed notes?

A. No; they issued taxed notes twenty-five times during the past year; the amount was at one time as high as 650,000,000 marks, but I hardly think there is much importance to be attached to that fact.

Q. Does it create more or less of a feeling of uneasiness in business circles?

A. I do not think that it does. The notes must always be coverd by at least one-third in gold and coin. I think it would be much better to do away with the Kontingent (note: the amount arbitrarily fixed by law of untaxed notes) feature altogether and to provide that if the reserve goes down to 40 or 45 per cent, the amount of notes issued above that should be taxed. The tax is only a fiscal matter, nothing else.

Q. Would you consider the issue of taxed notes in a sense an evidence of an abnormal condition?

A. No, on the contrary, it is quite normal. Last year, it happened twenty-five times.

[Mr. Perrin's communication is a most helpful one. We are in entire accord with him in his belief that the value of the tax on circulation can be overestimated. No holder of a note is going to present it for redemption one moment sooner merely because the note is taxed. The entire effect of the tax will be, for the most part, upon the bank which issued the note, namely, the Reserve Association. Where we find ourselves unable to agree entirely with Mr. Perrin is in his belief that the prudence and good sense of the management of the National Reserve Association may be counted upon with entire confidence to do voluntarily everything of precautionary nature which the tax could compel the management to do. Having no desire to inflate the currency, the Reserve Association would take steps to prevent any inflation as a result of its own emissions. Our own belief is that with all the prudence and sanity it may possess, the management may find a tax upon its emissions a help instead of a nuisance, and that, in any event, the people of the country may well hesitate to take away this brake on emissions which by its very nature must help to some extent in preventing inflation.

The article to which Mr. Perrin makes answer above gave in some detail our reasons for favoring a tax upon the emissions of the Reserve Association beyond such circulation privileges as it may acquire in succession to the circulation rights of existing national banks. In brief, they are that the existence of the tax will be of real help to the directors of the Reserve Association by justifying them in making those higher rates for money, which discourage applications for loans; that, looking at the matter from a political standpoint, a tax provision in the Aldrich bill will offset to some degree the demagogue's argument against letting any bank make money from the power to issue paper currency, which these critics believe to be a function that should be vested only in the government; and that, finally, the application to the Reserve Association management itself of a spur to work for redemption of their notes, so soon as need for their circulation has diminished, is not without warrant.—Ed.]

R. M. Grant & Company, bankers, New York City, beg to announce that Seneca D. Eldredge, who has been associated with them for the past seven years, and held power of attorney for five years, has become a general partner in the firm.

Digitized by Google

Municipal Bond Sales

MUNICIPALITY.	Date of sale.	Classification of bonds.	Amount.	Rate of interest. Per cent.	Maturity.	Sales price.	Purchaser.	Income basis.
Plainfield, N. J.	Aug. 11	Street imp.	$34,000	5	**1-3	101.39	Plainfield Trust Co.	3.51
Beverly, Mass.	Aug. 29	Sewer l'n No. 2	23,000	4	*5¾	101.653	Kuhn, Fisher & Co., Boston	3.677
Rockland, Mass.	Aug. 23	School	12,000	4	**1-12	101.73	E. M. Farnsworth & Co., Boston	3.89
Mansfield, Mass.	Aug. 29	School	10,000	4	**1-10	102.77	Estabrook & Co., Boston	3.714
Mansfield, Mass.	Aug. 29	Lighting pl't	22,500	4	*12	102.37	Estabrook & Co., Boston	3.714
No. Andover, Mass., Bradstreet Sch. Dist.	Aug. 28	Building	26,000	4	**1-13	101.74	N. W. Halsey & Co., Chicago	3.778
Sandusky, Ohio	Aug. 21	Paving	4,500	4	1920	100.50	Citizens Banking Co., Sandusky	3.933
Sandusky, Ohio	Aug. 21	Paving	6,500	4	1920	100.50	Citizens Banking Co., Sandusky	3.933
Sandusky, Ohio	Aug. 21	Street imp.	15,000	4	1920	100.50	Citizens Banking Co., Sandusky	3.933
Lexington, Ohio	Aug. 31	Town Hall	8,000	4	1921	100.06	Bank of Mansfield Mansfield, O.	3.992
Plainfield, N. J.	Aug. 14	School	40,000	4	*24¾	100.125	State Trust Co., Plainfield	3.992
Newark, N. J.	Aug. 31	School	200,000	4	140-50	100.09	J. S. Rippel, Newark	3.996
Chicago, Ill.	Aug. 24	Sanitary Dist.	500,000	4	**10-19	99.49	N. W. Halsey & Co.	4.04
Chicago, Ill.	Aug. 24	Sanitary Dist.	100,000	4	*10¾	99.64	Nat. Bank of the Republic	4.04
Kansas City, Mo.	Aug. 28	Workhouse	25,000	4½	1930	104.429	Pioneer Trust Co., Kansas City	4.079
Kansas City, Mo.	Aug. 28	Sewer	50,000	4½	1930	104.429	Pioneer Trust Co., Kansas City	4.079
Kansas City, Mo.	Aug. 28	Levee	60,000	4½	1930	104.429	Pioneer Trust Co., Kansas City	4.079
Kansas City, Mo.	Aug. 28	Hospital	25,000	4½	1930	104.429	Pioneer Trust Co., Kansas City	4.079
Chicago, Ill.	Aug. 24	Sanitary Dist.	400,000	4	**2-9	99.29	Emery, Peck & Rockwood, Ft. Dearbrn Trust Co., & Savings Bank, Union Trust Co., Chicago Savings Bank & Trust Co., C. F. Childs & Co. Peoples Trust & Savings Bank	4.12
Oxford, O., Sch. Dist.	Aug. 21	Building	6,500	4½	*16¾	104.38	Provident S. B. & T. Co., Cincinnati.	4.121
Hamilton, Ohio	Aug. 16	Sewer ass'm't	9,884	4½	**1-10	101.679	First National Bank, Hamilton	4.155
Bedford, Ohio	Aug. 21	Sewerage disp.	8,000	4½	**3¾	102.53	Otis & Hough	4.17
Oneida, N. Y.	Aug. 23	Sch. ser. "W"	43,000	4½	*14 2-3	100.731	Rhoades & Co., New York	4.186
Bedford, Ohio	Aug. 21	Water main	3,600	4½	*5	101.183	Cleveland Trust Co.	4.235
Oswego, N. Y.	Aug. 18	School	45,000	4½	**1-10	101.214	Farson, Son & Co., New York	4.25
Fostoria, Ohio	Aug. 28	Street imp.	9,272	4½	*5	101.11	New First Nat. Bank, Columbus	4.251
Cotteville, Township, Ohio	Aug. 26	School	10,000	4½	**4-13	101 71	New First Nat. Bank, Columbus	4.258
Wyandot County, Ohio	Aug. 17	Road	6,800	5	*4	102.62	Citizens Sav. Bank, Upper Sand'sky.	4.28
Beaver, Pa.	Aug 22	Municip. bldg.	30,000	4½	*19¾	102.937	F. S. Wheeler, Pittsburg	4.294
Beaver, Pa.	Aug. 22	Paving	20,000	4½	*19¾	102.937	F. S Wheeler, Pittsburg	4.294
Dunmore, Pa.	Aug. 19	G. imp. s. No. 2.	80,000	4½	*21	102.747	Farson, Son & Co., New York	4.30
Kansas City, Kan.	Aug. 17	Park	30,000	5	t10-15	106.50	Commerce Trust Co., Kansas City	4.317
Ramapo, N. Y., Sch. Dist. No. 3.	Aug. 22	Building	60,000	4.35	**5134	100.391	Harris, Forbes & Co., N. Y.	4.319
Pana, Ill.	Aug. 21	Water imp.	49,000	4½	**1-20	101.36	Harris Tr. & Sav. B'k, Chicago	4.327
Orange County, N. Y.	Aug. 21	Hospital	23,000	4½	*3 2-3	100.40	Ferris & White, New York	4.382
Pine Plains, N. Y., Sch. Dist. No. 1.	Aug. 24	Building	10,000	4½	**1-20	100.85	Isaac W. Sherrill, Poughkeepsie	4.38
Bremen, Ohio	Aug. 26	S. w. s. d. No. 1	3,848	5	**1-5	101.64	Bremen Bank Co., Bremen	4.41
Sacramento County, Cal., High Sch. Dist.	Aug. 22	Building	100,000	4½	*27¾	101.226	Commercial Bank, Santa Barbara	4.422
Sacramento Co., Cal., Sch. Dist.	Aug 22	Building	300,000	4	*1	100.31	W. R. Staats Co., Los Angeles	4.453
Bedford, Ohio	Aug. 22	Water supply	35,000	4½	*20 2-3	100.465	Cleveland Trust Co.	4.465
South Charleston, Ohio	Aug. 24	Street repairs	2,300	5	**9 5-6	104.13	T. B. Houston	4.477
Jackson, Tenn.	Aug. 25	Sch. l'p. & ref.	135,000	4½	t20-30	par	Union Bank & Trust Co., Jackson	4.50
Jackson, Tenn.	Aug. 25	Light'g system	20,000	4½	1931	par	Union Bank & Tr. Co., Kansas City.	4.50
Barberton, Ohio	Aug. 28	Imp. ass'm't	4,705	5	*4¼	101.912	Barto, Scott & Co., Columbus	4.512
North Bergen, N. J.	Aug. 19	Sinking fund	174,000	5	1941	107.579	A. B. Leach & Co., New York	4.535
Duval County, Fla.	Aug. 28	County	250,000	5	1939	108 45	Well, Roth & Co., Cincinnati, R. M. Grant & Co., New York	4.538
Waco, Texas	Aug. 22	St. series 7	50,000	5	1941	106.47	Texas Fidelity & Banking Co.	4.60
Martin County, Minn.	Aug. 28	J'dic'l d. No. 10	65,000	5	*11¾	103.20	Wells & Dickey Co., Minneapolis	4.639
Marion County, Ohio	Aug 8	Turnpike	26,500	5	*4 1-8	101.19	New First Nat. Bank, Columbus	4.69
Waco, Texas	Aug. 22	Sani. sw. ser. 2	45,000	5	1941	104.30	Commerce Trust Co.	4.73
Waco, Texas	Aug. 22	St'm sw. ser. 1	35,000	5	1941	104.30	Commerce Trust Co.	4.73
Waco, Texas	Aug. 22	Pub. sch. ser. 7.	70,000	5	1941	104.30	Commerce Trust Co.	4.73
Wellsburg, West Va., Sch. Dist.	Aug. 15	Building	85,000	5	t10-24	101.63	Devitt, Tremble & Co., Chicago	4.792
Martin County, Minn.	Aug. 23	Ditch No. 3	13,000	6	*9	107.96	Wells & Dickey Co., Minneapolis	4.956
Mt Pleasant, Texas	Aug. 8	Sewer	16,000	5	1941	100.50	Devitt, Tremble & Co., Chicago	4.967
Bradentown, Fla.	Aug. 24	Wat., st. & sw.	46,000	5	t20-30	100.01	Bank of Manitee	4.99
Cornelia, Ga.	Aug. 31	Sewer	5,000	5	1941	par	J. B. McCrary Co., Atlanta	5
King Co., Wash., Sch. D. No. 175.	Aug. 26	School	10,500	5	t1-20	par	State	5
Lexington, Miss.	Aug. 1	Water & sewer	62,500	6		par	Merchants & Farmers B'k & Tr. Co.	6
Harrison, Ark., Spec. Sch. Dist.	Aug. 30	Building	20,000	5	1931	96	Francis, Bros., St. Louis	5.34
Humboldt, Tenn.	Aug. 28	C. H. & fund'g	27,000	5-5½	1941	102.19	Provident S. B. & T. Co., Cincinnati	5.35
Grants Pass, Ore.	Aug. 16	Fire apparatus	5,500	6	1921	101 85	Security Sav. B'k & Tr. Co., Toledo.	5.757
Chaves Co., N. M., S. D. No. 12.	Aug. 21	Building	2,400	6	t10-30	101.08	J. M. Hawkins, Alamagordo	5.87
Broadwater County, Mont.	Aug. 15	Building	1,500	6	t5-10	par	State Land Board	6
Olathe, Colo.	Aug. 24	Water works	59,700	6	t10-15	par	Barnes & Stephens, Contractors	6
Sonoma County, Cal.	Aug. 10	Building	1,000	6	**1-10	par	Santa Rosa Bank, Santa Rosa	6
Chicopee, Mass.	Aug. 30	Temporary lo'n	45,000	3.96	5 mos		F. S. Mosely & Co., Poston	
Hale Center, Tex., Sch. Dist.	Aug 31	Building	5,000	5	t10-40		State Board of Education	
Iron Mountain, Mich.	Aug. 29	High sch. dist.	100,000	5			Unknown	
La Grange, Ill.	Aug. 29	Special ass'm't	12,500	5	1913		Mercantile Trust Co., St. Louis	
Lake Township, Mich.	Aug. 26	Road	50,000	5		108 25	Dumpus-Stevens Co., Detroit	
McQuinn County, Tenn.	Aug. 15	Road	300,000	5	1941		Unknown	
New York, N. Y.	Aug 29	Special	200,000	3½			Perry, Coffin & Burr, Boston	
New York, N. Y.	Aug 29	Various	200,000	3	1960		Unknown	
New York, N. Y.	Aug. 29	Various	1,000,000	3½	1960		Unknown	
New York, N. Y.	Aug. 29	Current exp.	3,000,000	3½			Unknown	
New York, N. Y.	Aug. 29	Current exp.	2,000,000	3½			Unknown	
New York, N. Y.	Aug. 29	Current exp.	500,000	3½			Unknown	
New York, N. Y.	Aug. 29	Current exp.	3,000,000	3½			Unknown	
New York, N. Y.	Aug. 29	Current exp.	3,000,000	3			Unknown	
Oklahoma	Aug. 15	Pub. sch. fund	1,750,000	5	*16¾		L. N. Nakdimen, Sallisaw	
Rogers, Texas	Aug. 18	Water	14,000				Unknown	
Scottsbluff County, Neb.	Aug. 21	Building	10,500				State	
Seneca County, N. Y.	Aug. 23	High way	11,500	4 40			Seneca Falls Savings Bank	
Salem, Va., Sch. Dist.	Aug. 23	Building	17,000	5	115-20		Cutler, May & Co., Chicago	
Santa Barbara County, Cal.	Aug. 5	Goleta R'd div.	50,000	6		93 10	First Nat. Bank, Santa Barbara	
Sauk Center, Minn.	Aug. 12	School bldg.	20,000				State Board of Investment	
Sauk Rapids, Minn.	Aug. 17	School	16,000	4			State	
Tishamingo County, Miss.	Aug. 24	Bond	35,000			100.57	Wm. R. Compton Co., St. Louis	
Vermillion, Ill.	Aug. 19	School	10,000	5			Unknown	
Warroad, Minn.	Aug. 31	Funding	7,000	6	**9-15		State	
Westchester, Pa.	Aug. 29	Sewer	70,000	4	t10-30		Local investors	
Youngsville, Township, N. C.	Aug 29		12,000	6	1941		Chas. S. Co., Chicago	

* Year average. ** Year serial. t Y[illegible]al.

PROPOSAL FOR BONDS.

DALLAS, TEX.—Sealed bids will be received by the city until October 2, for $250,000 four per cent permanent school improvement bonds in the denomination of $1,000 each, dated July 1, 1911, and maturing serially one to forty years beginning July 1, 1912, as follows: $6,000 each year $8,000 each tenth year until 1951, when $10,000 will mature. Each bid must be accompanied by a certified check, payable to W. T. Henderson, commissioner of finance and revenue, for two per cent of the face value of the bonds bid for.

MUNICIPAL SHORT TERM LOANS.

CHICOPEE, MASS.—The treasurer has awarded a temporary loan of $15,000 maturing February 10, 1912, to F. S. Moseley & Company, at 3.86 per cent discount plus a premium of $1.15. Blake Bros. & Company bid 3.87 per cent discount.

BANK ITEMS.

BALDWIN, WIS.—The State Bank of Baldwin has been converted into the First National Bank of Baldwin. Capital, $25,000.

BATESVILLE, MISS.—The Peoples Savings Bank has been organized with $30,000 capital. P. C. Stovall, T. T. Pollard, R. S. Smith and C. G. Deaton are interested.

COLUMBUS, O.—A new state bank, capitalized at $150,000, has been proposed for this place.

COURTLAND, KAN.—The new Peoples State Bank has opened for business. Capital stock, $22,500. Oliver Johnson is president and J. D. Johnson, cashier.

EAGLE LAKE, MINN.—A new bank will be organized at this place with a capital of $15,000.

FALLS CITY, NEB.—The directors of the Falls City State Bank have decided to increase the capital of the institution from $50,000 to $75,000.

HAMPTON, GA.—The First National Bank will increase its capital stock from $25,000 to $30,000.

LEWISBURG, TENN.—The Peoples Bank has increased its capital to $60,000.

LISBON, O.—The private bank of Firestone Bros. has been incorporated under the name of the Firestone Bank. Capital $50,000. S. J. Firestone is president and R. W. Firestone, cashier.

LITCHFIELD, ILL.—The First State & Savings Bank has been converted into the Litchfield National Bank, capital, $50,000.

MORO, ARK.—The Bank of Moro has filed articles of organization with a capital of $10,000 by W. S. Humphries, C. E. Dozier and others.

Bond Certification

Modern conditions make the registration and certification of municipal and corporate obligations desirable and convenient. We have a department maintained exclusively for this purpose.

First National Bank of Boston
70 Federal Street

Sealed bids will be received by the City of Dallas, Texas, until 12:00 o'clock noon, Monday, October 2nd, 1911, for the issue of Two Hundred and Fifty Thousand Dollars ($250,000.00) four per cent (4%) Permanent School Improvement Bonds, bearing date of July 1st, 1911. Principal and interest payable at the Chase National Bank, in New York City. Interest payable semi-annually. Bonds mature serially one to forty years, beginning July 1st, 1912; $6,000.00 each year, with $8,000.00 each tenth year, until 1951, when $10,000.00 will mature.

Each bid for the above bonds must be accompanied by a certified check payable to W. T. Henderson, Commissioner of Finance and Revenue, for two percent (2%) of the face value of the bonds bid for. Money to be paid and bonds to be delivered at Dallas, Texas.

The bonds are in denominations of $1,000.00 each.

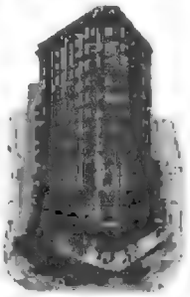
The City of Dallas reserves the right to reject any and all bids.

J. B. WINSLETT
City Secretary, City of Dallas, Texas.

Have You $100, $1,000 or $10,000 To Invest?

For twenty-nine years we have been investment advisors to thousands of people—some with $100, some with $100,000 to invest—and during all this time not one of our clients has ever lost a dollar of principal or interest.

The Straus Building



Home of S. W. Straus & Co.

First mortgage bonds on improved, income-producing real estate in selected sections of Chicago offer the maximum of safety, because back of them is the ultimate security of every investment—the land itself.

The security in every case is at least double the amount of the mortgage and the property must be producing an annual income several times the amount of the interest and all other fixed charges.

These bonds are in denominations of $100, $500 and $1,000 and yield 5½ and 6 per cent. It is and has been our custom to repurchase them at any time on request, less a handling cost of 1 per cent.

Write to-day for Special Circular 100.

S. W. STRAUS & CO.
Mortgage and Bond Bankers
Established 1882
Straus Bldg. CHICAGO

NOTICE

Is hereby given that the undersigned will receive bids for the purchase of $50,000.00 of refunding and general liability bonds of School District No. 7, Josephine County, Oregon; said bonds to be paid at any time after ten years at the option of the district and payable absolutely in twenty years, and to draw five per cent interest, payable semi-annually. Each bid must be accompanied with a certified check of $2,000.00 and must be placed with the Board of Directors of said District on or before the 19th day of September, 1911, at 7:30 o'clock P. M., at Grants Pass, Oregon.

The undersigned reserves the right to reject any and all bids.

Signed BOARD OF DIRECTORS OF SCHOOL DISTRICT NO. 7,
Of Josephine County, Oregon.
By EDWARD S. VAN DYKE, Clerk.

Merganthaler Linotype Company

New York, August 15, 1911.

A regular quarterly dividend of 2½ per cent and an extra dividend of one-half of one per cent on the capital stock of Merganthaler Linotype Company will be paid on September 30, 1911, to the stockholders of record as they appear at the close of business on September 9, 1911. The Transfer Books will not be closed.

FREDERICK J. WARBURTON, Treasurer.

THE CONCHO VALLEY LOAN AND TRUST CO.
OF
SAN ANGELO, TEXAS.

Capital stock $200,000.00. Organized and operating under the Texas Banking Laws, offer to investors some high grade paper, netting from 6 to 7%. Secured by first Mortgage on improved farm and ranch lands. Our paper carries our endorsement and guarantee of payment of principal and interest. Write for information.

T. C. WYNN, Pres. C. C. KIRKPATRICK, Sec. & Treas.

DENVER Bonds Stocks

Denver Union Water — Denver Gas & Electric
Denver Tramway — Cities Service
Denver & Northwestern — Northern Colorado Power
Nevada-California Power

We buy and sell the bonds and stocks of all the above companies.

Nathan Cregg & Company
Century Bldg., Denver.

CONSIDERING SECURITY

high grade industrial bonds pay the *highest income* and offer the best chance for rising profits. Send for circular "M".

BEARDSLEY AND COMPANY
Henry Sheld Beardsley, President
Pullman Building, Madison Square New York

Island Creek Coal Company

PREFERRED STOCK DIVIDEND.

The Directors of the Island Creek Coal Company have declared the regular quarterly dividend of $1.50 per share upon the preferred capital stock of this Company, payable October 2, 1911, to stockholders of record at the close of business, September 21, 1911.

F. W. BATCHELDER, Treasurer.

UNION PACIFIC RAILROAD COMPANY.
ANNUAL MEETING.

120 Broadway, New York, N. Y.

The annual meeting of the stockholders of UNION PACIFIC RAILROAD COMPANY will be held at its office at Salt Lake City, Utah, on TUESDAY, OCTOBER 10TH, 1911, at twelve o'clock noon, for the purpose of electing fifteen Directors of the Company, and of transacting such other business as may legally come before the meeting.

For the purposes of the meeting, the books for the transfer of stock (both Preferred and Common) will be closed at 3 o'clock P. M. on MONDAY, SEPT. 11, 1911, and will be reopened at ten o'clock A. M. on Wednesday, OCTOBER 11, 1911.

ALEX MILLAR, Secretary.

Dated August 25, 1911.

Digitized by Google

United States Investor

Published Every Saturday Morning by

FRANK P. BENNETT & CO., Inc.

SUBSCRIPTION RATES

$5.00 per annum in United States and Mexico; $6.50 per annum in Canada.

$7.00 per annum in England, the Continent, Australia and Countries in the Postal Union.

$10.00 per annum for Investor and Inactive Securities Supplement, including privilege of inserting quotations in the Supplement.

ADVERTISING RATES

Twenty-five cents per agate line. There are fourteen agate lines to the inch.

PUBLICATION OFFICE,

530 Atlantic Avenue, Boston.

NEW YORK OFFICE,

2 Rector Street, New York.

JOSEPH L. BARKER, Manager.

Washington Office, 206 Corcoran Building; Philadelphia Office, 308 Chestnut Street.

Entered at the Post Office at Boston, Mass., as second class matter.

It is not clear why New York bankers should object, as they seem to be doing, to the Liverpool cotton bills of lading plan. The southern banks and cotton shippers do not like the scheme because it entails some cost. But this cost is not great as compared with the important advantage to be gained by placing our cotton bills absolutely above suspicion. Part of the cost of the plan would be shifted to the carriers, since the reduction in risk would diminish the rates they would be warranted in asking for their services in transporting the goods. Ultimately, whatever increase in the expense of marketing there may be as a result of this new system will be shifted to the consumer of cotton in the form of higher prices. The contest, therefore, seems to be devoid of any really adequate basis. Meantime, Congress is proving extremely slow in passing suitable legislation designed to improve the present bill of lading system. Several measures for that purpose have been offered, but none of them has seemed to have adequate support. Not the slightest attention was given to the subject during the whole course of the special session. It would aid in the solution of the bill of lading question from the commercial standpoint if Congress would define the status of these bills much more exactly.

Comptroller Murray is continuing his plan of making public the papers read by national bank examiners at the district meetings in various parts of the country. The papers have now been issued in sufficient numbers to permit a judgment as to their quality. In general, a great advance over last year is observable. Mr. Murray has wisely selected only the best of this year's set for publication, but these are decidedly superior to the best of last year's so that the comparison is fair. The experience of last year and this shows that not much is to be expected of the rank and file of the examiners in the preparation of theoretical papers dealing with abstract problems of banking. They are at their best in discussing technical questions relating to banking practice, problems of examination of discounts, value of local collateral and the like. These, moreover, are the topics on which the examiners can be of most service to one another. If that line of discussion is closely followed, the district meetings will not be occasions for hazy debate on vague general issues, but opportunities for the interchange of exact ideas on professional problems

A TAX ON BANK NOTES.

According to reports from Washington, one of the chief topics to which Ex-Senator Aldrich, the chairman of the National Monetary Commission, expects to devote his chief attention during the few months remaining to that organization is the question of a tax on note-issues. The original "Aldrich plan" provided for such a tax on the issues of the so-called "central reserve association" which it sought to establish. This tax, in imitation of the practice of some foreign countries which have chartered central banks, was to be proportioned to the output of notes in excess of a certain specified minimum. Presumably, the purpose of this tax was to prevent the undue expansion of the circulation.

Quite naturally, one of the first suggestions that has come from the independent critics of the proposed plan is that the basis for levying the tax suggested is absurd and injurious. It is pointed out with unanswerable logic that if the desire of those who are framing this bill is to restrain the supposed over-issue of notes, the proper way is not to base the tax upon the quantity of notes outstanding in excess of a fixed minimum volume, but to determine it upon the quantity of notes in excess of reserves. There would be no sense or justice in taxing a note issue which was backed dollar for dollar by coin, or whose basis of coin was so large as to make the note-issue practically no more than a paper convenience taking the place of metal. This view as to the proper basis of such a tax has been so forcibly put as to arrest Mr. Aldrich's attention, and it is now reported that he will consider the question of reversing his first plan of taxation and substituting the more reasonable and workable proposition. He has had to surrender practically all of his earlier notions on money and banking in the course of the campaign of education he has been conducting, and there is no reason why he should not modify his views on this question of taxation as well. Granting that it is intended to apply a tax to the bank notes issued by any new organization such as that proposed by Mr. Aldrich, there can be no question that the change of method indicated must be made.

DOUBT ABOUT INVESTMENTS.

A good many of those who are studying the current markets, particularly for investment securities, seem to be badly puzzled by the extent and comprehensiveness of the current depression of values. As specialists, they usually find it easy to explain the advance or decline of a given issue by conditions peculiar to it, and affecting its capital value or income-producing power. When practically all shares are affected in the same way, they can find an adequate explanation only in a threatened "panic" or general "shortage of capital". At present, nothing of the sort is in sight. The banks are well supplied on the whole, with reserve money, and while business is not universally active, it continues to maintain a fair volume. There are no signs of financial stress or panic.

What seems to be neglected by those who want to find an explanation of current depression is that the situation to-day is simply one of general doubt about the future of investments and that this doubt is made up of a number of elements. The combination of these elements has produced a condition which affected several important classes of securities simultaneously and in very similar ways. Railroad stocks have been in a difficult position ever since the attempt was first made by the roads to bring about a general advance of rates. Depression of a serious character was avoided, pending the decision of the Interstate Commerce Commission, and even when that was rendered there was no occasion for any violent movement or for any over-rapid sale of holdings. But it had been plain that the roads were to enter upon a period of difficult financing, and the refusal of the commission to permit the advance in rates to occur, naturally tended to keep many investors out of the market, notwithstanding the abundance of loanable funds, since shrewd observers could see no good reason for any substantial growth of values in the near future. The decisions simply suspended the interest in railway shares that would

Digitized by Google

otherwise have been exhibited. The point of view of the attorney-general with respect to industrial concerns had been slowly developing, while the railroad situation was being gradually worked out. At first, some doubt was felt regarding the attitude of the Taft Administration toward so-called "trusts", but political considerations shortly dictated the adoption of a rather strenuous policy. This became more evident as the Democrats in control of Congress showed their plans more and more plainly, for there was an apparent feeling that it was good "politics" for each legislative group to outdo all others in showing hostility to "trusts", no matter what might be the methods and purposes of the combinations. The Department of Justice has done several things adjudged absolutely unnecessary by the sober sense of the community, and the tendencies thus displayed have been anything but encouraging to the sounder elements in the business world. It is a singular coincidence that the tariff agitation should have gained such large headway just at the moment when other factors of unusual power were making themselves felt. In fact, the demand for tariff reduction did not become really serious until about the time that the other depressing influences already enumerated began to be taken very seriously. The opening of the special session of Congress was followed by a long period of inactivity, and not until after the Supreme Court decisions in the Oil and Tobacco cases, did the real intent of the Democratic leaders on the tariff come into view. Under such conditions, it is not strange that investors should have been reluctant to buy freely of industrial shares. There was no reason why they should forecast a material advance, certainly where any speculative element of value was involved, pending a much closer determination of several important features in the situation.

This doubt about the future of investment values explains many features in the present situation that would otherwise seem rather obscure. Large resources in the banks such as now exist are a natural result of the unwillingness to make commitments while the prospects are insecure. The same conditions explain the relatively light demand for loans in many parts of the country. Conditions are admittedly sound, but in a period of uncertainty regarding values, with extensive readjustments in plain sight, there is good reason for doubt as to prices. This is a condition that can be only gradually dispelled as the causes of doubt are removed. The process may be longer or shorter according to the skill and sincerity shown by those in charge of national affairs. Some phases of the problem cannot be disposed of until after the next presidential election, but there is no reason why others should not be dealt with at once.

REVENUE PROBLEM OF CONGRESS.

A futile controversy has been raging between Republican and Democratic leaders in the House of Representatives with reference to the "economies" said to have been effected in government administration. Democrats assert that a few thousand dollars were saved during the special session by revoking earlier appropriations and cutting off legislative expenses. Republicans deny the alleged saving, and assert that more was lost than was gained. The only significance of the petty debate lies in the fact that both parties to it evidently recognize the seriousness of the revenue problem by which Congress is confronted. The experience of the past session has made it plain that there is nothing more urgent than finance in the whole range of national legislation now demanding attention. The minute issue raised in connection with the work of the past session is no more than a bare scratch on the surface of the problem.

The fundamental fact in the situation is that Congress is now evidently determined to revise the tariff without much regard for the revenue requirements of the case. In the Democratic tariff bills brought forward at the close of the special session, there was only a very moderate regard for these demands, despite the fact that they were nominally drafted on a distinctly revenue basis. When they were pushed forward to passage, and the compromises necessary to gain the aid of the Republican insurgents were introduced, they were still further removed from any revenue considerations, and the effect they would produce upon the Treasury became proportionately harder to calculate. It cannot be reasonably doubted that future tariff legislation will be vitiated in the same manner, and that in such measures as may be passed under present conditions or any like them, serious inroads upon the money yield of existing legislation will be likely Meanwhile, there is little reason to look for any substantial economies in Federal finance. President Taft has not found it possible to point out any considerable retrenchments. The "commission" which he named to assist him in this particular has done nothing of importance thus far, and is not likely to. At best, it may introduce an improved system of bookkeeping which will trim off rough edges here and there, but the total saving made in this way will be insignificant.

Congress last winter showed itself unwilling to make response to the executive's suggestions of economy, even in details, and the demand of Democrats for large public building outlays, river and harbor appropriations and the like is fully as intense as that of the Republicans. The disintegrated conditions of party organization in Congress is such that concessions in expenditure are encouraged, rather than hindered, in order to placate political prejudice.

The resource which seems to be most favorably regarded under these circumstances, as the most available means of obtaining revenue is the corporation tax. This tax has not given grounds for a more favorable opinion of it during its second year of life than was entertained during its first. There is, however, no reason to doubt that it could be made far more productive than at present by increasing the rate and improving the conditions of assessment. That is the quarter to which many Democrats are now looking in the search for means of making up such deficiencies, as may be caused by changes in the tariff. Others urge a stamp tax as an auxiliary to higher rates of corporation taxation and there are many who believe in adding an income tax over and above all the other possible sources of revenue. Bills to these ends are already before Congress. In brief, the shortage of income from the tariff, present and prospective, is conceded, and the only question is where to look for the means to overcome it. This is a situation whose significance the House leaders will do well not to overlook. They may think that the reduction of taxes under the tariff system will produce popular approval, but it is doubtful whether the approval thus earned will not be more than offset by the dissatisfaction due to the imposition of unwisely adjusted taxes, or the increasing of unpopular and partial exactions like the corporation tax or an unfairly constructed income tax. The Democrats criticised President Taft very severely for his action in introducing the corporation tax, and it is questionable whether they could afford the inconsistency of adopting and extending the legislation in question, notwithstanding the extreme unpopularity that has been visited upon it. Before going further with a programme of revenue destruction, they will find it advisable to reach some

Digitized by Google

feasible agreement regarding a substitute for what they propose to take away.

In spite of the causes for discouragement regarding the immediate future of stocks and bonds, it is noteworthy that most of those authorities on the situation who are now expressing themselves are taking a rather hopeful view. The action of the President in vetoing the reckless tariff legislation presented to him has had an undoubtedly steadying effect, while the speculative public is feeling that probably nothing worse is in store for the coming months than has been suffered during the past year. Some had expected that the undertaking of a trust inquiry by Congress during the fall would have a bad influence, but apparently, the reverse has been the case. Not a few business men believe that the inquiry may prove a means of encouraging greater conservatism than of leading to radical legislation. There has been a manifest reaction against the purely political type of legislation, of which Congress was guilty during the past session, and members are feeling the weight of public disapproval. This will have a calming tendency during the coming winter, and will somewhat tend to restrain rash measures. With fair crop yields, a tolerable autumn's business may be expected. This of course, does not relieve the uncertainties growing out of possibilities of legislation of a political type, but a few months of good trade will help to tide over the period of controversy which must certainly continue until after the next presidential election.

BILLS OF LADING STATUS.

The Committee on Bills of Lading of the American Bankers' Association voted at its recent session to recommend that the proposed plan for the establishment of a Central Bureau in New York City for the validation of cotton mills be given favorable consideration by the exchange buying bankers of the country. It recommended, however, certain changes in the details of the plan from the shape in which it was originally discussed at an earlier meeting of the committee held in Nashville last May.

For example, to obviate the objection that the location of the Central Bureau in New York City would give unfair advantage to the exchange buyers of that place, it was decided by the committee that the Central Bureau instead of sending acknowledgements of each bill of lading in response to notification, would give no information to any one concerned, except where particular bills of lading had been found forged or otherwise ineffective. This amended provision relative to the Central Bureau seemed to the committee to provide an agency that would at least prevent pyramiding or cumulation of losses.

An alteration was also made by the committee in the form of notification to the Central Bureau. In its original shape, southern bankers had feared that the form would be construed as placing additional responsibility upon the exchange buying banks for genuineness of bills of lading. The General Counsel of the American Bankers' Association, at the behest of the committee, redrafted the form of notification, so as to make it clear that the bank handling a bill of lading holds the same merely as a pledge for collateral security, that it assumes no responsibility for its genuineness, or for the quantity or quality of the cotton described therein.

There were present as members, or interested parties, John E. Gardin, of the National City Bank; Max May, of the Guaranty Trust Company; Walter E. Frew, of the Corn Exchange Bank of New York; F. I. Kent, of the Bankers' Trust Company, and J. A. Lewis, of the National Bank of Commerce, in St. Louis.

BANK ITEMS.

COLUSA, CAL.—The comptroller has issued a charter to the First National Bank of Colusa. The bank has a capital of $75,000, and the officers are as follows: U. W. Brown, president; R. E. Blevins, vice-president, and H. F. Osgood, cashier.

DOWAGIAC, MICH.—The Dowagiac National Bank has been chartered with a capital of $50,000. George B. Phillips is president; Charles Heddon, vice-president, and Clare F. Pugsley, assistant cashier.

HARRISBURG, PA.—The West End Bank has been chartered with a capital of $50,000. F. A. Gibson, James J. Lynch, John M. Siebert, M. C. Clay, J. Nelson Clark, Warran Van Dyke and S. S. Sollenberger, are promoters.

MONMOUTH, ORE.—The First National Bank, of Monmouth, with a capital of $50,000, has received its charter. This bank is a conversion of the Polk County Bank, and the officers are as follows: J. H. Hawley, president; J. B. V. Butler, vice-president, and Ira C. Powell, cashier.

NEW LONDON, OHIO.—Application to organize the Third National Bank of New London has been received by the comptroller. The capital is to be $50,000, and among the incorporators are H. W. Townsend, A. J. Gridley and E. R. Stillson.

NEWARK VALLEY, N. Y.—The First National Bank, capitalized at $25,000 has been organized by M. O. Benham, Newark Valley, T. F. Chamberlain, Bert Cliff, M. J. Clark and E. L. Knatt.

PHILADELPHIA, PA.—The Colonial Trust Company has increased its capital stock to $500,000.

REDDING, CAL.—A charter has been issued to the Redding National Bank with a capital of $50,000. Alden Anderson is president; C. W. Leninger, vice-president, and Edwin L. Bailey, cashier.

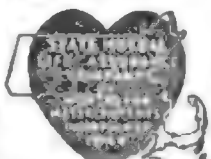
WHITE SULPHUR SPRINGS, MONT.—The Central State Bank, with a capital of $50,000, has been organized by M. T. Grande, William Luppold, G. K. Spencer and S. S. Collins.

WILLARD, MO.—The Farmers & Merchants Bank has been chartered with a capital of $10,000. J. E. Hahill, J. W. Clutter and others are promoters.

UNUSUAL FEATURES
In Life, Accident and Health Insurance
New Methods of Compensation
Short Form Policies Clear—Terse
Easy to Read and Understand
Low Non-participating Rates
The Columbian National Life Insurance Company, Boston, Mass.
ARTHUR E. CHILDS, President
Wm. C. Johnson, Vice-Pres. and Gen'l Mgr

National Life Insurance Company
MONTPELIER, VERMONT.
Mutual. Organized 1850.
This company has increased its dividend scale this year for the third successive year, and the increase applies to all participating policies in force from 1850 to date.
An attractive monthly income policy just placed on the market.
A good agency opportunity for the right man.
Correspondence invited.

Before All Else
there is found in every Union Mutual Policy the first and strongest Purpose of Life Insurance.
Protection
Clear, Faithful Reasonable Contracts. Ask for Particulars.
Union Mutual Life Insurance Co.
Portland, Maine
Fred E. Richards, President.


JANUARY 1, 1911
Insurance in force more than $140,000,000
ASSETS - $36,327,679.03
LIABILITIES 33,371,841.25
SURPLUS - $ 2,955,237.78
1910 MOST PROSPEROUS IN HISTORY OF THE COMPANY

HARTFORD LIFE INSURANCE CO.
Chartered 1866 Hartford, Conn.
OFFERS SPLENDID OPPORTUNITIES UNDER DIRECT CONTRACTS.
All Forms of Policies.

THE BOSTON MUTUAL LIFE INSURANCE COMPANY
141 MILK STREET, BOSTON, MASS.
HERBERT O. EDGERTON, Pres. FRANK H. VIELE, Sec'y and Treas.
A corporation operating under the stringent Insurance Law of Massachusetts.
All desirable forms of up-to-date policy contracts issued.
All weekly premium policies in full immediate benefit.
CORRESPONDENCE SOLICITED.

Digitized by Google

An Ideal Reorganization.

Holders of the First Mortgage 6 Per Cent Bonds of the Conrad Land & Water Company Get Par and Accrued Interest in the Bonds and Scrip of the New Company—A Banking Syndicate Furnishes $1,000,000 of New Capital Besides Taking Care of All the Expense of Reorganization—If Such Liberal Treatment Can be Accorded Bondholders of a Small Irrigation Company in the West, It Is Suggested That Holders of Third Avenue and Wabash-Pittsburgh Terminal Bonds Apply to the Same Banking Syndicate for Similar Terms on Their Much More Valuable Properties.

Waverly, N. Y.

ED. UNITED STATES INVESTOR:

Am enclosing herewith subscription blank and check for $10, for which kindly send us the United States Investor and the "Inactive and Unlisted Security Supplement," for one year. Kindly start our subscription, including this week's issue.

We have two or three clients who are holders of Conrad Land & Water Company 6s. These bonds were sold by Trowbridge & Niver Company last year, and we believe at the present time, are in default. We are advised that a reorganization has been practically completed and four large banks in New York, are arranging to advance a million dollars to complete the project. Undoubtedly, this is not news to you, but we should like very much to get a quotation, if possible, on about $4,000 of these bonds.

If you are able to give us this information, we would appreciate it. We would not care to list these bonds inasmuch as our client has only given us a subject offer on the bonds, asking us to secure best price possible they would be able to realize. Very truly yours, S. A. B.

The reorganization of the Conrad Land & Water Company referred to by our correspondent deserved more consideration than has been given it by financial papers, because a bad situation was handled in an idealistic manner and a record made in the treatment of first mortgage bondholders, which, from the standpoint of bond investors, should be always referred to and held up as a model.

This question of the rights of a bondholder has been argued ever since the day of Wall street reorganizations began. No conclusive formula has been arrived at, and in every case there has been prescribed for the bondholder a different brand of medicine, according to the exigencies and the controlling influence in each particular case.

The Conrad Land & Water Company reorganization incidentally should be of particular interest to the holders of the first mortgage bonds of the Wabash-Pittsburg Terminal Company and the 4 per cent bonds of the Third Avenue Railroad Company at this time, since in this case there has been accomplished for the relatively insignificant irrigation bondholders what has been construed by the regular reorganization committees of Wall street to be

AN ABSURD CONTENTION

on the part of the bondholders in these other two companies.

Every buyer of a bond is told that he has a specific mortgage on specific property, and his belief is justified, because his bond says so, and all the circulars and advertising matter by which he is induced to buy confirm this idea. If the same bond buyer loans money on real estate and takes a mortgage to secure it, if he does not get his interest and principal proceeds to take the property. This same theory has always been the controlling influence in inclining investors to take a smaller rate of interest on their capital by the purchase of bonds than they could secure from stocks. But in practical operation, the bond investor has never, so far as I am able to discover, been able to put into practical effect this theory that he should either have his money back with interest or the property.

There are outstanding over $30,000,000 of the Wabash-Pittsburgh Terminal first mortgage 4 per cent bonds and over $17,000,000 of the Third Avenue 4 per cent bonds, in both of which cases the unfortunate bondholder has a complication of reorganization committees and legal difficulties, but at the same time, the actual value of the property in both cases is more than the face value of the bonds outstanding and the bondholders, if they could secure the property for their bonds subject only to underlying liens which exist, would actually make money on their investment and yet they have been unable to do this, although there is a steadily increasing amount of agitation looking toward this end. Wabash-Pittsburgh Terminal bonds are selling in the forties and the Third Avenue bonds in the sixties when if these bondholders could get together and

ENFORCE THEIR DEMAND

for either par and interest or the property they could speedily secure par and interest for their bonds, or even more than that.

In comparison, the Conrad Land & Water Company is a small affair, because the amount of its first mortgage bonds outstanding at the time of the receivership was only $1,000,000. This company was one of a group of ill-fated enterprises which were handled by the firm of Trowbridge & Niver, who, for a considerable time, were known as the leading irrigation bond house. $1,000,000 worth of first mortgage 6 per cent bonds were sold to investors, but the enterprise was never completed. It is now apparent that the promoters did not provide for a sufficient amount of capital to carry out the project in the first place, and it is also a well-known fact that an altogether too small percentage of the proceeds of bond sales reached the company's treasury. Nevertheless, the original bondholders now have a fair prospect of eventually realizing par and interest on their holdings through the reorganization plan now completed which is fairly described as ideal in its terms.

The syndicate of bankers determined that a maximum amount of $1,500,000 of new capital was necessary to carry out the original plans of the company, so a new first mortgage 6 per cent bond issue of $1,500,000 was authorized, known as Series "A", of which $1,000,000 has been underwritten at 90, making immediately available $900,000 for the development of the property to a revenue-producing point. To the holders of the outstanding defaulted first mortgage 6 per cent bonds originally issued

PAR WAS GIVEN

in Series "B", 6 per cent first mortgage bonds and 6 per cent gold scrip was also issued to them to the extent of $120,000, representing the past due interest on their holdings. The new corporation also had an authorized issue of $1,000,000 of 6 per cent non-cumulative preferred stock and $2,000,000 of common stock. $500,000 of the preferred stock and $500,000 of the common was left in the treasury and the balance of $500,000 of preferred and $1,500,000 of common was given to the underwriters who furnished the $900,000 for the new issue of first mortgage bonds.

The original bondholder, therefore, received mortgage securities representing par and interest on his original investment. Of course, the mortgage securing his bonds is a second lien, as it was absolutely necessary to give a first mortgage lien to secure the new money necessary to complete the project. The preferred and common stock representing control of the enterprise was given as a bonus to the banking syndicate which furnished the new capital, but none of the bondholders could object to this, because as a matter of fact, they were all given the opportunity of participating to any extent they desired with the banking syndicate in furnishing the new money and getting the stock bonus.

It is a well-known fact, however, that the ordinary purchaser of a few thousand 6 per cent irrigation bonds at par, which was the class of people involved in this instance, are not likely to be in a position to underwrite new securities or put in new capital, even though it may be necessary to protect the investment they have made.

THE COMMENDABLE FEATURE

of this reorganization, therefore, is that the small original bond buyer, whether he puts up any new money or not, is going to have a good opportunity to get back par and interest on his investment, and this is a particularly happy result when the fact is borne in mind that unless the new capital had been furnished promptly and the defunct enterprise taken in hand in an energetic way, the former first mortgage bondholders would have in all probability lost nearly all of their original investment.

Our correspondent asks as to the market value of the new second mortgage bonds which have been issued to the original first mortgage bondholders. In reply, we will say that there is practically no market for them, because the reorganization has only just been effected and the new capital will have to be invested and show returns before any market value on the junior securities can be expected. The new Series "B" 6 per cent bonds, if offered at a ridiculously low price, might tempt a speculative buyer, but we should advise our correspondent to hold his securities, as there would be no advantage in sacrificing them

Digitized by Google

at the present time when no one knows how well the reorganized company may work out.

Another interesting feature of the reorganization of the company is that all of the

EXPENSE OF REORGANIZATION

has been taken care of by the underwriting syndicate, so that the depositing bondholders have secured entirely, without cost to them, new securities representing par and interest for their bonds.

The banking houses of Knauth, Nachod & Kuhne and Chas. D. Barney & Company with the Guaranty Trust Company, of New York, are responsible for this plan, and I can hardly refrain from suggesting that other holders of defaulted first mortgage bonds should apply to the same banking group for relief and help in their troubles. Par and interest in bonds of a new and well-financed company in exchange for defaulted bonds of a bankrupt company is a novel idea in Wall street, the liberality of which is almost without precedent.

The query naturally follows that if such generosity could be accorded the holders of $1,000,000 of bonds of an uncertain irrigation scheme in the West, why could not relatively as decent treatment be given to mortgage holders of the Third Avenue Street Railway Company in New York City as well as those of the Wabash-Pittsburgh Terminal Company, representing the only independent railroad with an entrance into Pittsburgh and extending to four terminals on the Great Lakes?

P. DE MEDICI.

FINANCIAL INQUIRY.

Industrial Stock Table.

21291. (Hay Island, Ontario, Can.) Kindly change my address for numbers following your issue for August 19, 1911, to that in my letter. Regarding the comments upon your table "Best Purchases on the Industrial List", it has frequently occurred to me that the value of this table could be greatly enhanced if an additional column could be added, giving the date of revision of any figures. This would not require anything but the month and day thus 8-12, the month alone being better than no date. It would seem to me of much greater importance than the column "Present Rank."

Ans.: It seems to us that our inquirer's idea is feasible, and might add to the value of our industrial stock table. We do not think it at all necessary to make a similar change in the railroad stock table, as it is a matter of general knowledge that earnings are reported monthly, so that it is possible to revise estimates every few weeks.

We think it best to base our figures of industrial stocks upon official reports, even though that decision has in many cases involved a twelve months' wait between the revision of earnings given. Certain industrial corporations, notably the United States Steel Corporation, report quarterly, and others semi-annually, and in other cases reports are given at irregular intervals, as when statements are submitted to the stock exchange, accompanying the request for the listing of additional shares. Of course, we always make it a point to base our estimates of earnings upon the latest official report, whether it be annual, semi-annual or quarterly. This question was covered at some length in the United States Investor of August 12, page 1375.

Lake Coppers Losing Ground

Expert Finlay's Radical Report on Michigan Mines Creates a Sensation—Night Settling Down on This District—With Values Shrinking and Production Forced, the End is in Sight—Effect of This Report on New England Investors—Does It Mean a General Liquidating Movement?—The Decline of Calumet & Hecla as a Leader in Production and Dividends a Sign of the Times—An Ill Wind Which Is Likely to Benefit the Porphyries.

Such important members of the porphyry copper family as Utah Copper, Nevada Consolidated, Ray Consolidated, Chino, Inspiration, Miami and Braden have made numerous emphatic bids for popular favor since they first attained a position demanding public attention, but at no time have they treated their own case with greater force and eloquence than an outsider has done for them recently. I refer to the report of expert J. R. Finlay to the Michigan legislature concerning the values of the copper mines in that state. There is no escaping the fact that the Finlay report has created a sensation, particularly in the Boston market, where the copper shares have had various other depressing influences to contend with since August 1. Mr. Finlay states in his report that only nine copper companies in Michigan made money during the last five years. He says, "If we could assume that these mines would last forever, the investor would probably be

SATISFIED WITH 5 PER CENT

income, and he would probably capitalize their average earnings of $8,240,000 into a present value for the group of $164,800,000. The fact is that these mines are not worth even half this amount, because their future life is not by any means perpetual. On the contrary, their future is much less promising than it is popularly supposed to be. These mines have shown unusual persistence in depth, but the limit in profitable working is now in most cases in plain sight. It must not be forgotten that the tonnage maintained now is three times as great as the mines have averaged in their fifty years of life."

The copper mines are valued by Mr. Finlay by counties as follows: Keweenaw, $10,700,000; Houghton, $58,815,000; Ontonagon, $300,000. These valuations, Mr. Finlay says, are based substantially on past and present earnings. He states that during the past five years profitable copper mines earned $50,937,690 over expenditures but he considers these earnings abnormal, being mainly due to the great boom of 1906 and 1907.

A DECIDED SHOCK.

Such a report as this is naturally a decided shock to those holders of Michigan copper shares, who have forgotten that there is a limit to the amount of metal which may be extracted from any one mine or from any one group of mines, or who, if they have given the subject any thought at all, have rested secure in the belief that this district, the first American copper field of importance, and now one of the oldest of the leading copper producing districts of the world, had before it many more years of life which would permit of profitable operation under favorable copper market conditions.

The shareholders of these Lake Superior properties have been disturbed by the continued heaviness of the metal market, and by the internal affairs of the companies operating in that territory, notably those involved in the Calumet and Hecla consolidation plans. The Finlay report may be, and probably is, more or less extreme in its terms, but for all of that, the smile with which the copper men are reported to have received this sensational document has been rather forced in its character. It is a matter of knowledge that the older among the Michigan properties are being worked at great depth, and that as the workings have gone lower and lower, there has been ashrinkage in the

AVERAGE COPPER YIELD,

which has meant a necessary increase in production to maintain earnings at anything like their previous level. This, of course, means a more speedy exhaustion of the copper resources of the district in question.

No doubt, the disclosures of the last two or three years regarding the exhaustion of rich ore bodies in such properties as the North Butte, Utah Consolidated, and Granby has had a tendency to create a more or less pronounced feeling of uncertainty among holders of the shares of those companies which have not as yet given evidence of any such condition of poverty. The valuation of $58,815,000, which Expert Finlay places upon all the copper mines of Houghton county, is but little more than one-half of the amount the Calumet & Hecla alone has sold for in the open market, within a comparatively few years. As a matter of fact, the Michigan mines are selling in the Boston market to-day for nearly twice that amount, even taking into consideration the substantial depreciation which has taken place in the quoted prices for those shares. Of course, if the Finlay report is to be accepted at its face value, the Michigan copper properties are selling for more than they are worth, even at existing low levels. Despite the general feeling that the report paints the situation in colors considerably darker than are warranted by actual conditions, it is probable that it will set many investors to thinking, and will result in more or less sustained liquidation as the opportunity may be presented. Doubtless, the feeling is quite general among individual holders of such shares who have held these stocks, that it would be foolish to sacrifice them during a bear cam-

Digitized by Google

paign, such as has been under way for the past month or more, but it is equally probable that the knowing ones will seize upon any subsequent boom which may accompany an improvement in the metal market as an excuse for getting out from under.

A NEW VIEWPOINT.

If the Finlay report serves no other purpose, it should be of benefit in recalling in the minds of investors the fact that no copper mine can hope to emmulate the brook in "going on forever", for each ton of ore taken out means that the life of the property is shortened by just that much. Boston investors, until a comparatively recent date, have maintained unswerving allegiance to the deep vein copper properties of Michigan, trusting quite as much to past performances as to future expectations. It is hardly surprising, therefore, to find the New England metropolis refusing to credit the Finlay report, even though that expert, a New Yorker, was educated at Harvard. Yet it is perhaps a sign of the times that the Calumet and Hecla which for many years was the premier copper mine of the world, from the standpoint of production and dividends paid, has been compelled to surrender its leadership to first one and then another of the newer propositions until it has dropped back into fourth place with another low cost producer, Nevada Consolidated, threatening to force it still further down the list in the near future. The 1910 figures of production show the Amalgamated in first place, with the Phelps-Dodge properties second, and the Utah Copper Company third, although the latter returned to its shareholders a larger aggregate of dividends last year than either of the other groups

WILL SENTIMENT CHANGE?

Thus far New England investors in copper shares have not gone into raptures over the new porphyries mines, refusing in their conservative way to forswear short notice their deep-seated confidence in the Lake mines. If the Finlay report is to be considered authentic, the time has come for a transfer of allegiance, and it would not be at all surprising to find that by the time metal market conditions again round into something approximating a boom, the low cost properties to which I referred in the earlier part of this article will be numbering among their shareholders a considerably larger proportion of investors in and around Beacon Hill and Back Bay.

P. De Medici.

BANK ITEMS.

BURBANK, CAL.—The Burbank State Bank is to be converted into a National bank. It will be capitalized at $25,000.

LANSING, IOWA.—The Peoples State Bank has been organized with the following officers: A. M. Fellows, president; John Decker, vice-president, and R. G. Miller, cashier.

MACON, MO.—The new Macon County Bank has elected the following officers: John W. Riley as president; J. E. Kennedy, vice-president, and R. A. Baldwin, cashier. The capital of the institution is $40,000.

Financial Summary of the Week

American Beet Sugar Co.—This company has declared the regular quarterly dividend of 1½ per cent on the preferred stock payable October 2, to stock of record September 20. No action was taken on the common stock. An interest of the company said, however, that the matter had received serious discussion, but that a declaration at the present time had been considered inadvisable.

American Locomotive Co.—This company issued its pamphlet report for the fiscal year ended June 30, showing that after the payment of the preferred dividend there was a balance left equal to 7.26 per cent on the outstanding common stock. This compares with 1.35 per cent earned on the common the previous year, and nothing in 1909. Gross earnings of the company in the year ended June 30 were $60,619,385, an increase of $6,415,993. After allowing for the cost of manufacture, maintenance and depreciation, all of which increased $6,921,072 there were net earnings left of $4,122,870, from which were deducted interest charges. The balance available for dividends on the preferred stock was $3,565,562, a gain of $1,480,803, while the balance available for dividends on the common was $1,815,562, an increase of $1,480,503. The company appropriated $300,000 for additions and betterments, so that it has a surplus left of $1,515,562, an increase of $1,180,803.

American Milling Co.—It is understood that a movement has been started in Philadelphia to establish a voting trust in the American Milling Company. The originators of the movement are chiefly stockholders who are opposed to the present management. It is said that at present about 100,000 shares out of a total of 350,000 can be counted on. While this is much less than a controlling interest such a block of stock, it is said, would be much larger than any other united interest, and hence, it is believed, could exercise a practical control. In addition, it is anticipated that other stockholders might come in later.

American Sugar Refining Co.—It is understood that there is a very strong possibility of the American Sugar Refining Company having its best year in 1911. To do this, it will have to earn better than 17 per cent on its stock. Last year it earned only 9½, but the raw sugar market has been greatly in its favor this year, and then again, the company has had the benefit of a strong business management, which has brought about economies in operation, and many trade improvements, which have accrued to the company's benefit.

Atlantic, Gulf & West Indies Steamship Lines.—Earnings of this company for the first half of its fiscal year have had a fairly satisfactory gain of 5.8 per cent in gross, and a decrease of 7.8 per cent in net profits, after charges on bonds of the operating companies. The gain in gross of $480,390 for the first half year, was extremely satisfactory, considering transportation conditions in general. In view of a record cotton crop in the South and the customary freight producing qualities of cotton to the Mallory and Clyde lines, it seems reasonable to expect that the last half of 1911 will run away from the same six months of 1910.

Bethlehem Steel Corporation.—Last year this company earned approximately 14 per cent for its preferred shares. The showing this year is expected to be well up to 1910, and if present operations can be maintained for the rest of the year, it is likely that more than 14 per cent will be revealed for the preferred. President Schwab expects to have most of his new construction work completed with the closing of this year. Not until after then will the question of paying dividends be taken up. Mr. Schwab's conservatism in this respect is readily seen when it is said that he owns 56,871 of the 149,000 preferred shares outstanding, which is equal to 38 per cent. Based upon the showing made by the company last year, he could have easily declared a dividend on the preferred, thus securing an income upon his large investment.

Booth Fisheries Co.—Chairman Lett says that a dividend on Booth Fisheries preferred stock is not considered at this time; that surplus can be better employed in handling the heavy salmon catch this year, which will require upward of $1,000,000 cash.

Canadian Pacific Ry. Co.—Candian Pacific's pamphlet report of earnings for the fiscal year ended June 30, last, showed gross earnings of $104,167,808, or an increase of $9,178,318 over the previous 12 months. Working expenses were $67,467,978, an expansion of $6,318,440, and net earnings were $36,699,830, an increase of $2,859,874. Interest on cash proceeds together with deferred payment for land, amounted to $1,688,171, which added to other interest and dividends received, amounted to $6,165,205, an increase of $2,829,492. Total income for the year amounted to $42,865,035, a gain of $5,689,366. After deducting fixed charges and other funds, there was a balance of $31,773,964 available for dividends on the preferred stock. The balance available for dividends on the common was $29,520,098, or $5,456,302 larger than in the previous 12 months. Dividends amounting to $5,250,000 were paid out from special income, so that there was a balance left of $11,670,098, to which was added $1,555,349 received from the land surplus, increasing final surplus to $13,225,447. The balance available for dividends on the common stock was equal to 16.40 per cent on $180,000,000 of common stock outstanding. This compares with a balance the previous year equal to 16.04 on only $150,000,000 of common stock.

Central of Georgia Ry. Co.—This company reports for the year ended June 30, total gross earnings of $12,907,788, an increase of $855,032 over the preceding year; total operating expenses of $9,020,093, an increase of $545,182, and net operating revenue of $3,887,695, an increase of $309,849, comparisons being made with the preceding year. Net revenue from outside operations was $77,856; accrued taxes were $560,125, and other income was $768,873, making total gross corporate income $4,174,360. After all deductions and $415 credited to profit and loss account, there was a balance of $575,433. The company reserved for interest payable October 1 on income bonds $608,320, so that net income item for the year showed a deficit of $32,471. The deficit is due to the fact that in the income account with income bondholders the $32,500 interest on short term notes is not deducted, and the net income available for interest on income bonds is thus increased to $608,3[illegible]8.41. The deduction from this available net income of the reserve for interest on income bonds, $608,320, leaves in the account with the income bondholders a credit balance of $28.41 carried forward to the next year.

Copper Market.—Copper metal continues quiet and firm, sales being made at between 12.55 cents bid for electrolytic, thirty days, and 12⅝ cents asked. There is a good demand for October, but November metal will probably not be generally offered until after the holidays, and the producers have reported for August. Castings are selling on a parity with electrolytic. Government export figures will probably total close to 60,000,000 pounds in August, and the producers will likely show somewhat larger, owing to the difference in the periods covered by the two sets of statistics. General feeling is that the monthly statement will be favorable, although not much in the way of any decrease in stocks is expected.

Delaware & Eastern R. R. Co.—The Public Service Commission of New York has received a petition from a committee of first mortgage bondholders of the Delaware & Eastern Railroad Company, asking for the approval of a proposed plan and agreement of reorganization, and the proposed securities to be issued in connection therewith. The plan provides for the organization of a new corporation to be known as the Delaware & Northern Railroad Company, having an authorized capital stock of $1,250,000, of which $250,000 will be preferred stock with cumulative dividends at 6 per cent and $1,000,000 common stock. A reorganization agreement has already been signed by the holders of $906,000 of the bonds of the Delaware & Eastern Railroad Company. The railroad property is located in Delaware county, and its total length is 46 miles. Judge Hough, in the United States Circuit Court, has confirmed the sale of the Delaware & Eastern Railroad Company in the foreclosure proceedings.

Denver & Rio Grande R. R. Co.—This company, in its report for the year ended June 30, 1911, shows an operating revenue of $23,391,771, against $25,563,437 of the previous year. Its net earnings were $2,-

Digitized by Google

363,044, equivalent to 4.74 per cent on $48,779,800 preferred stock, compared with 5.8 per cent last year. The profit and loss surplus this year after preferred dividend payment is $1,118,549, against $399,177 of the year before.

Electric Bond and Share Co.—This company will issue immediately $1,500,000 new common stock at par, which is to be acquired by present common stockholders of the company in accordance with a plan recently submitted to preferred stockholders to increase the authorized capital stock of the company from $2,000,000 common and $2,000,000 preferred stock to $5,000,000 each. The plan provides that preferred stockholders shall receive, share for share, 6 per cent preferred stock in exchange for 5 per cent stock deposited. Common stockholders have already assented to the plan and agreed to purchase $1,500,000 of the new common stock at par, as stated above.

International Harvester Co.—In his quarterly statement to stockholders of the International Harvester Company, President McCormick says total volume of business this date is slightly in excess of last year. Foreign trade shows substantial increase. Shortage in grass crop in this country and subsequent falling off on sale of haying machinery has been partially offset by increased trade in corn machines. Collections in country are not as good as last year. This situation will be helped to some extent in western Canada and in the cotton belt, where good crops are maturing.

Kansas City, Mexico & Orient Ry. Co.—This company's extension to a connection with the Southern Pacific at Alpine, Tex., will probably be completed from San Angelo to Fort Stockton (164 miles) about January 1, 1912. Alpine, 65 miles beyond Fort Stockton, will be reached a few months later. Track is now being laid at the rate of five miles per week, almost a mile per day, and the road is now ready for operation 45 miles beyond Mertzon, the present terminus. The grading gangs are being pushed to keep sufficiently ahead of the track layers, while financial arrangements are under way for connecting the line in Texas with the lines in Mexico as soon as Alpine is reached. This Alpine extension goes through the centre of a territory 230 miles long, 80 to 240 miles wide, approximately 23,000 square miles (over 20,000,000 acres), in which there were no railroads prior to the extension of the Orient.

Mexican Northwestern Railway Co.—This company reports for the year ended December 31, 1910, total net earnings of $972,115; bond interest $861,340; surplus, $50,775; previous surplus, $248,652; profit and loss surplus $519,427. The balance sheet, as of December 31, shows cash at banks and on hand amounting to $82,-980. The consolidated system, according to the report, at the present time, consists of 365.4 miles of railroad, having its principal terminals at El Paso, Tex., and Chihuahua, Mex. An extension of the El Paso division from Terrazus, is well under way, which will connect that division with the Chihuahua division at Madera, a distance of 116 miles.

Midland Linseed Products Co.—The Midland Linseed Products Company, of Minneapolis, capitalized at $5,000,000, has been incorporated by E. C. Warner, Walter D. Douglas, George F. Piper and Arthur L. Eisbee. It practically means that the Midland Linseed Oil Company, of Minneapolis, will increase its capital stock from $2,100,000 to $5,000,000. The company is now engaged in the construction of a new oil mill in New York, which E. C. Warner says is the reason for the increase of capitalization.

National Biscuit Co.—Business of the National Biscuit Company has not been affected by the general depression that has overspread the country in the past few months, according to a director of that corporation. It is expected that the sales made in the first seven months of the fiscal year ended to-day will show an increase of around 10 per cent, compared with the corresponding period last year.

New York Central Lines.—New York Central Lines reported an increase in operating revenue in July of $576,031, and a decrease in operating expenses of $1,277,-928. Operating income was $1,847,959 larger than in July last year. For the seven months ended July 31, operating income shows a decrease of $1,315,640.

New York, New Haven & Hartford R. R.—The New Haven's earnings in July probably were the cause of President Mellen's recent pessimistic statement regarding business conditions. Its gross revenue was $51,924 smaller than in the same month last year. Operating expenses were reduced $25,744, so that the net operating revenue showed a decrease of $46,-180. Taxes were $43,000 smaller, and revenue received from outside operations increased $3,844, so that operating income of the company were $664 larger than in July last year.

Pennsylvania R. R. Co.—This company has made a report to the Public Service Commission for the quarter ended March 31, showing a decrease in operating revenues of $2,436,253, and in operating expenses of $356,718. The net corporate income was $6,964,382, a decrease of $1,097,-689. The general balance sheet, compared with that of June 30, 1910, shows total permanent investment of $658,840,839, against $633,021,365; cash of $25,376,448, against $48,912,824; marketable securities of $61,836,324, against $69,457,864, and total working assets of $120,698,584, against $156,408,916. This company's August dividend of $6,764,610 will be distributed to 69,780 persons, or the largest number of stockholders the company has ever had. The average holdings of each of these persons was 129 29 shares on August 5, the day of record for the dividend.

Philadelphia Co.—Change in dividend rate is not anticipated by officials of the company. Present rate is 6 per cent on the common, with an extra dividend of 1 per cent annually. For the fiscal year ended March 31, last, the company showed a surplus of $3,630,610, equal to 5 per cent on the preferred and 8 63 per cent on the $76,000,000 common. While it is early in the year to estimate earnings of the company, yet it can be conservatively said that the Philadelphia Company will report gross earnings of approximately $22,000,-000 for the fiscal year ended March 31, next. This would compare with $24,140,-035 for the past year, and $19,147,517 for 1909.

Reading Co.—This company's net income in July was $167,608, an increase of $18,332. Net earnings of all companies were $1,056,979, a decrease of $54,100. After allowing for fixed charges and taxes for all companies, there was a surplus of $188,729, a decrease of $33,749. The Philadelphia & Reading Coal & Iron Company was operated at a deficit, while net earnings of the Philadelphia & Reading Railway were $57,510 smaller.

St. Louis, Rocky Mountain & Pacific Co.—This company reports for the month of July as follows: Gross, $115,222, a decrease of $51,-72; expenses and taxes, $76,856, a decrease of $36,369; net, $38,-365, a decrease of $15,102; interest, $30,-504, a decrease of $3,026; profits, $7,860, a decrease of $12,076.

Stewart Mining Co.—Profits of the Stewart Mining Company for the half year ended June 30, were $140,796, according to a semi-annual statement of condition compiled by the company. Actual operations during the half year resulted in total revenue of $321,310, of which $320,435 came from concentrate returns. Expenses amounted to $180,514, leaving profits for the period of $140,796. As of June 30, the balance sheet showed cash of $14,945 and accounts receivable totalling $60,121. Bills payable, payrolls and accounts payable amounted to about $88,000. The Stewart Company has for the past few years been in Heinze control, and at the moment, with the possible exception of Ohio Copper, which has a larger floating debt, is the only one of F. A. Heinze's properties which is making money.

Temiskaming & Hudson Bay Mining Co.—The recent payment of a dividend of 300 per cent by the Temiskaming & Hudson Bay, of Cobalt, the fourth 300 per cent dividend this year, brings the total profit distribution of the company to $1,428,024, the 32 dividends paid totalling 18,400 per cent. The company has stock outstanding of a par value of but $7,761, the mine having paid almost from incorporation. In 1905, dividends of 200 per cent were paid; in the following year 9,000 per cent was declared, but in 1907 only 300 per cent was distributed. In 1908, the stockholders received 2,500 per cent, and in each of the two following years 2,100 per cent was the rate; the same rate is expected to be observed in 1911.

Union Pacific R. R.—This company's gross earnings in July of $7,278,570, show a decrease of $589,305, and the net, $3,022,-216, a decrease of $56,280. The expenditures, however, are less than last year, which item showed an increase over 1909 out of proportion to the increase in gross. This made in 1910 a loss in net of about $400,000, despite a gain in gross of over $500,000. This year's figures make a showing more favorable than last year's in this respect, for the relation of expenses to gross earnings is still considerably higher than in 1909. The gross this year was about $200,000 less than in 1909, but the net was less by $700,000.

United Dry Goods Co.—The net income of the United Dry Goods Company for the six months ended July 15, 1911, is $1,014,856, an increase of $61,774 over 1910. Preferred stock dividends of 3½ per cent, and common stock dividends of 4 per cent show an increase of $136,927 over 1910. President Claflin reports confidence that the investment in the business of Lord & Taylor, amounting with cash for further investment to $3,264,400, will prove advantageous.

Western Pacific Railway.—The total cost of the Western Pacific to June 30, when the construction account was closed and the railroad was put on an operating basis, was $73,027,955. This is at the rate of about $79,000 per mile. The information is contained in the annual report of the Denver & Rio Grande. Concerning the Western Pacific, President E. T. Jeffery estimates the July gross earnings at $420,-000.

MONATON
REALTY INVESTING
CORPORATION

Pays

6% COMPOUND INTEREST
On Money Invested in

Its Accumulative Certificates
Running terms of 10, 15 or 20 yr.
Payments may be made annually, semi-annually, quarterly or monthly.

SECURITY
OWNERSHIP OF NEW YORK INCOME PROPERTY
Affording
Immediate returns on investments and Opportunity for increase of valuation.
For illustrated Booklet, inquire:

Publicity Department
Times Building
Broadway & 42nd Street,
New York City

FOR

Oil and Gas
Land Leases

WRITE

C. W. DEMING &
D. C. ACOSTA, Inc.
Tulsa, Okla.

FOR HIGH GRADE
OIL STOCKS

WRITE

EQUITY BOND & SECURITY CO.
37 WALL STREET, NEW YORK CITY

Digitized by Google

The Best Purchases on the Railroad List

As Indicated by the Two Standards of Comparison: of Present Investment Yield on Basis of Current Dividends and Prevailing Market Price, and on Basis of Present Earnings on Prevailing Market Values.

The average net yield of the 50 railroad stocks quoted in the following table was 5.34 per cent on September 6, as compared with 5.40 per cent on August 30, 5.34 per cent on January 4, and with 4.71 per cent on January 2, 1910.

It is to be expected, of course, in view of the growing tendency of operating expenses that from time to time there will be considerable discussion concerning the ability of the country's railroads, particularly those which are sailing rather too close to the wind for safety, to maintain dividend payment at the rate which is now in force. In some instances, there may be good reason for apprehension on this score, and indeed instances of this kind are to be found at the present time. On the other hand, there will be attempts made to cast discredit upon the dividend permanency of stocks whose position is such that there is actually no reason for such apprehension. We have had an instance of this in the attack made within the last few weeks on Union Pacific by bear operators who care not how much they may disturb public confidence provided they attain their own selfish ends. The Union Pacific management having denied any intent to pay less than 10 per cent on the stock, the attack has been directed toward other quarters, Lehigh Valley having been pointed to as an issue which is likely to be compelled to reduce its rate. In this instance, as in the case of Union Pacific, there has been evidenced a suspicious degree of haste in jumping to conclusions, for the possibility of such a dividend cut appears to be rather remote.

In the case of the Clover Leaf preferred, there is, of course, much more reason for apprehension on the part of the holders. The directors of this road are scheduled to meet very shortly to decide upon this question, and it appears more than probable that the present 4 per cent rate will be cut off. Certainly, the market position of the issue would seem to forecast some such move as this, for the shares have sold below 40, netting over 10 per cent. Net earnings of the Clover Leaf in the year ended June 30, last, amounted to $1,079,900. Assuming that the charges for the year were approximately the same as those of the preceding fiscal period, it can be seen that there is very good reason for doubting the company's ability to maintain the 4 per cent rate, particularly in view of the fact that the road's income from its holdings of Alton preferred shares has been cut.

The current fiscal year promises to be an eventful one in the history of the St. Paul, since it is likely to decide the much-discussed question as to that road's ability to maintain a 7 per cent rate on its common shares. The St. Paul, a few weeks ago, issued a brief income account showing a deficit after interest and dividend requirements of $3,294,213. The annual report will show other income of about $600,000 which was not shown in this income account, and in addition, there is to be added $2,700,000 received from the 2.7 per cent dividend recently declared on the Chicago, Milwaukee & Puget Sound stock, so that the annual report will apparently show that the St. Paul has earned its full 7 per cent dividend requirements on the common stock with a slight margin to spare.

R. R. TABLE:

STOCKS SHOWING BEST INVESTMENT YIELD.

Present rank.	Stock.	Present dividend.	Price.	Yield on present price.
1	Toledo, St. L. & W., pref...	4%	39	10.26
2	Detroit United	5%	67	7.46
3	Chesapeake & Ohio, com....	5%	73	6.85
4	B. R. T.	5%	76	6.58
5	St. L. & San F., 1st pref...	4%	63	6.35
6	Lehigh Valley	10%	159	6.29
7	St. Paul, com.	7%	115	6.09
8	M., K. & T., pref.....	4%	66	6.06
9	K. C. Southern, pref.....	4%	66	6.06
10	N. Y., N. H. & H.	8%	133	6.02
11	Baltimore & Ohio, com.....	6%	100	6.00
12	Northern Pacific	7%	118	5.93
13	Union Pacific	10%	170	5.88
14	St. Louis S. W., pref.....	4%	69	5.80
15	Atchison, com.	6%	105	5.71
16	Twin City R. T., com.....	6%	106	5.66
17	Great Northern, pref.	7%	124	5.65
18	N. Y., C. & St. L., com.....	3%	54	5.55
19	Southern Pacific, com.....	6%	110	5.45
20	Delaware & Hudson	9%	164	5.43
21	P., C., C. & St. L., com.....	5%	92	5.43
22	Colo. & Southern, 2d pref....	4%	75	5.33
23	K. C., F. S. & M., pref.	4%	75	5.33
24	C., C., C. & St. L., pref.....	5%	94	5.32
25	M., St. P. & S. S. M., com...	7%	132	5.30
26	C., St. P., M. & O., com.....	7%	132	5.30
27	N. Y., O. & W.	2%	39	5.13
28	Illinois Central	7%	138	5.08
29	Colo. & Southern, 1st pref...	4%	80	5.00
30	Chicago & N. W., com.....	7%	140	5.00
31	Pennsylvania	6%	121	4.96
32	Louisville & Nashville	7%	141	4.96
33	Atlantic Coast Line	6%	122	4.92
34	Norfolk & Western, com.....	5%	102	4.90
35	Atchison, pref.	5%	102	4.90
36	N. Y. Central	5%	103	4.85
37	M., St. P. & S. S. M., pref..	7%	146	4.80
38	St. Paul, pref.....	7%	146	4.80
39	Western Maryland, pref.	4%	85	4.71
40	Central of N. J.	12%	260	4.61
41	Baltimore & Ohio, pref.....	4%	87	4.60
42	Norfolk & Western, pref.....	4%	90	4.44
43	Canadian Pacific	10%	229	4.37
44	Union Pacific, pref.....	4%	92	4.35
45	Buffalo, R. & P., com.....	5%	115	4.35
46	Colorado & Southern, com...	2%	47	4.26
47	Reading, com.	6%	143	4.20
48	Boston & Maine	4%	103	3.88
49	D., L. & W.	20%	530	3.77
50	Southern Railway, pref.	2%	67	2.99

STOCKS SHOWING BEST EARNINGS

Present rank	Stock.	Price.	Earning on present price.
1	St. L. & San F., 2d pref.....	41	24.05
2	Erie, 1st pref.	49	23.40
3	M., K. & T., pref.....	66	20.65
4	Detroit United	67	18.40
5	Southern Railway, pref.	67	16.50
6	Hocking Valley, com.	128	15.90
7	K. C. Southern, pref.....	66	14.30
8	K. C. Southern, com.....	28	13.55
9	P., C., C. St. L., com.....	92	11.25
10	Buffalo, R. & P., com.....	115	11.15
11	C., St. P., M. & O., com.....	132	10.90
12	Atlantic Coast Line	122	10.15
13	Twin City R. T., com.....	106	10.00
14	Union Pacific, com	170	9.80
15	D. & R. G., pref.....	51	9.30
16	Louisville & Nashville	141	9.20
17	Colo. & Southern, com.	47	9.10
18	Norfolk & Western, com.....	102	9.00
19	St. Louis S. W., pref.....	69	8.85
20	Central of N. J.	260	8.80
21	Erie com.	30	8.65
22	Southern Pacific, com.	110	8.55
23	C., C., C. & St. L., com.....	51	8.25
24	B. R. T.	76	7.75
25	Baltimore & Ohio, com.....	100	7.75
26	Canadian Pacific	229	7.55
27	Delaware & Hudson	164	7.05
28	Chesapeake & Ohio, com.....	73	7.00
29	Illinois Central	138	6.80
30	Northern Pacific	118	6.70
31	Lehigh Valley	159	6.70
32	D., L. & W.	530	6.70
33	M., K. & T., com.	30	6.60
34	N. Y., N. H. & H.	133	6.55
35	Chicago & Alton, pref.	40	6.40
36	Great Northern, pref.	124	6.20
37	M., St. P. & S. S. M., com.....	132	6.15
38	Chicago & N. W., com.....	140	5.90
39	St. Paul, com.	115	5.85
40	Toledo, St. L. & W., pref.....	39	5.80
41	Atchison, com.	105	5.70
42	Pennsylvania	121	5.60
43	Reading, com.	143	5.20
44	N. Y. Central	103	5.10
45	N. Y., O. & W.	39	5.05
46	Chicago Gt. Western, pref.....	38	4.90
47	Rock Island, pref.	50	4.70
48	Western Maryland, pref.	85	3.90
49	Boston & Maine	103	2.25
50	Missouri Pacific	41	0.85

Digitized by Google

The Best Purchases on the Industrial List

As Indicated by the Two Standards of Comparison: of Present Investment Yield on Basis of Current Dividends and Prevailing Market Price, and on Basis of Present Earnings on Prevailing Market Values

The average net yield of the 50 industrial stocks quoted in the following table was 6.25 per cent on September 5, as compared with 6.26 per cent on August 29, 6.30 per cent on January 3, and 5.76 per cent on January 2, 1910.

A change will be found in the make-up of our industrial stock table this week, in accordance with a suggestion made by one of our Canadian subscribers. The change, we believe, will add to the practical value of this table from the reader's point of view, as it affords a ready means of determining just how closely to date the revision in earnings has been made. The column which will be found at the right of the page under the caption of "Year Ending—" gives the date of termination of the period covered by the last official report, representing in the majority of instances a full fiscal year. In cases where an official report has been presented since the close of the fiscal year, the period covered in months by this report is given in addition to the date of its expiration, as in the case of the American Telephone & Telegraph Company, the International Steam Pump Company, the United States Realty & Improvement Company, and the United States Steel Corporation. Of course, it is not necessary to run a similar column of dates in connection with the list of "stocks showing best investment yield", since the "yield on present price" is changed each week in the case of each individual stock listed, provided, of course, that the price quoted on the day upon which the table is made up differs from that which prevailed on the corresponding day of the previous week. It will be noted that in a few instances there has been no revision of earnings since June 30, 1910, or more than a year ago. This is due to the fact that the corporations concerned have not yet submitted their annual reports for the twelve months to June 30 last. These figures will be revised as soon as the official reports are obtainable.

One of the most encouraging showings made by any industrial corporation this year is that recorded by the American Locomotive Company for the twelve months ended June 30 last. Gross business amounted to $40,649,385, as compared with $32,203,300 in 1910, $19,068,634 in 1909 and $37,384,417 in 1908. The increase over 1910 amounts to $8,145,995, or 26 per cent. Operating expense, including maintenance and depreciation, showed an increase of $6,921,072, leaving net earnings of $4,122,870, an increase of 58.7 per cent over 1910. The surplus available for preferred dividends amounted to $3,565,562, equal to 14.27 per cent on the $25,000,000 7 per cent cumulative preferred stock outstanding. After deducting preferred dividends, there was a balance of $1,815,562, equal to 7.26 per cent on the outstanding common stock, as compared with 1.34 per cent earned on the same stock in the 1910 fiscal period. In 1909, a deficit after preferred dividends of $762,861 was shown. The report shows that the company is in a strong position regarding working capital.

Stocks.	Present dividend.	Price.	Yield on present price.	Present rank.	Stocks.	Price.	Earnings on present price.	Year ended.
Am. Cotton Oil, com	6%	61	9.80	1	Inter. Merc. Marine, pref	14	66.95	Dec. 31, 1910
U. S. Rubber, 2d pref	6%	72	8.33	2	Bethlehem Steel, pref	60	22.40	Dec. 31, 1910
American Woolen, pref	7%	88	7.95	3	Am. Beet Sugar, com	50	21.90	Mar. 31, 1911
Republic I. & S., pref	7%	89	7.87	4	American Locomotive, com	35	20.75	June 30, 1911
United Dry Goods, com	8%	102	7.84	5	Westinghouse, com	64	20.40	Mar. 31, 1911
Nat. Enam. & Stpg., pref.	7%	95	7.37	6	Ry. Steel Spring, com	30	20.00	Dec. 31, 1910
Central Leather, pref	7%	95	7.37	7	Pressed Steel Car, com	31	17.90	Dec. 31, 1910
U. S. Realty & Imp	5%	68	7.35	8	Am. Ag. Chem., com	51	17.75	June 30, 1911
U. S. Steel, com	5%	69	7.25	9	Allis-Chalmers, pref	18	17.15	June 30, 1910
Am. Writing Paper, pref	2%	28	7.14	10	American Linseed, pref	28	15.35	June 31, 1910
Pressed Steel Car, pref	7%	100	7.00	11	Am. Ice Sec. Co	17	14.85	Oct. 31, 1910
Ry. Steel Spring, pref	7%	101	6.93	12	United Fruit	183	14.65	Sept. 30, 1910
Un. Bag & Paper, pref	4%	58	6.90	13	American Woolen, com	28	14.45	Dec. 31, 1910
Int. Steam Pump, pref	6%	87	6.89	14	Am. Car & Foundry, com	49	14.30	April 30, 1911
Va.-Carolina Chem., pref.	8%	117	6.84	15	Sears, Roebuck, com	138	14.10	Dec. 31, 1910
People's Gas	7%	103	6.80	16	Colo. Fuel & Iron, com	28	14.05	June 30, 1910
Laclede Gas	7%	104	6.73	17	Inter. Harvester, com	106	14.00	Dec. 31, 1910
Am. Smelt & Refg	7%	105	6.66	18	U. S. Realty & Imp	68	13.80	April 30, 1911
Crex Carpet	5%	75	6.66	19	Am. Cotton Oil, com	51	13.20	Apr. 31, 1910
Am. Locomotive, pref	7%	105	6.66	20	Inter. Paper, pref	76	11.50	June 30, 1911
Distillers' Sec. Corp	2%	30	6.66	21	General Electric	152	10.95	Dec. 31, 1910
Am. Tobacco, pref	6%	92	6.52	22	Nat. Enam. & Stmpg., com	17	9.95	June 30, 1911
National Lead, pref	7%	108	6.48	23	Republic I. & S., com	25	9.90	June 30, 1911
Corn Prod. Refg., pref	5%	80	6.25	24	Union Bag & Paper, pref	58	9.55	Jan. 31, 1911
Am. Beet Sugar, pref	6%	96	6.25	25	Am. Smelt. & Refg., com	69	9.25	April 30, 1911
Westinghouse, 1st pref	7%	114	6.14	26	U. S. Steel, com	69	9.20	June 30, 1911 (3 mos.)
American Sugar, com	7%	116	6.09	27	Corn Products Refg., pref	80	8.80	Feb. 28, 1911
Am. Car & F'dry, pref	7%	115	6.09	28	United Dry Goods, com	102	8.75	July 15, 1911 (6 mos.)
U. S. Steel, pref	7%	115	6.09	29	People's Gas	103	8.75	Dec. 31, 1910
American Sugar, pref	7%	116	6.03	30	National Lead, com	50	8.65	Dec. 31, 1910
Mackay Companies, com	5%	83	6.02	31	U. S. Cast Iron Pipe, pref	46	8.45	May 31, 1911
National Lead, com	3%	50	6.00	32	American Can, pref	85	8.05	Dec. 31, 1910
Am. Tel. & Tel	8%	134	5.97	33	Distillers' Sec. Corp	30	8.00	June 30, 1910
American Can, pref	5%	85	5.88	34	Utah Copper	42	7.80	June 30, 1911 (6 mos.)
Pacific Coast, com	6%	102	5.88	35	National Biscuit, com	129	7.65	Jan. 31, 1911
Am. Ag. Chem., pref	6%	102	5.88	36	American Tel. & Tel	134	7.40	June 30, 1911 (6 mos.)
Inter. Harvester, pref	7%	120	5.83	37	Am. Malt Corp., pref	38	7.35	Aug. 31, 1910
Am. Smelt. & Refg., com.	4%	69	5.80	38	N. Y. Air Brake	64	7.00	Dec. 31, 1910
Va.-Carolina Chem., com.	3%	52	5.77	39	Tennessee Copper	52	6.95	Dec. 31, 1910
National Biscuit, com	7%	129	5.43	40	Amalgamated Copper	58	6.80	April 30, 1910
General Electric	8%	152	5.26	41	Western Union	75	6.70	June 30, 1911
Am. Malt Corp., pref	2%	38	5.26	42	American Sugar, com	115	6.25	Dec. 31, 1910
Sears, Roebuck, com	7%	138	5.07	43	Mackay Companies, com	83	6.20	Jan. 31, 1911
Inter. Harvester, com	5%	106	4.71	44	U. S. Rubber, com	77	5.95	Mar. 31, 1911
Underwood Typewriter	4%	89	4.49	45	Va.-Carolina Chem., com	52	5.95	May 31, 1911
Consolidated Gas	6%	134	4.48	46	Consolidated Gas	134	5.55	Dec. 31, 1910
Inter. Paper, pref	2%	46	4.35	47	Sloss-Sheffield, com	38	5.30	Nov. 30, 1910
Am. Car & F'dry, com	2%	49	4.08	48	Central Leather, pref	95	4.70	Dec. 31, 1910
Western Union	3%	75	4.00	49	Am. Steel Foundries	32	4.45	Mar. 31, 1911 (3 mos.)
Amalgamated Copper	2%	58	3.45	50	Inter. Steam Pump, com	73	2.95	June 30, 1911 (3 mos.)

Digitized by Google

Papers By Bank Examiners

At a meeting of the national bank examiners, held recently at Chicago, the following paper upon "The Correcting of Wrong Tendencies" was read by Charles H. Meyer, one of the Chicago National Bank examiners. The subject is a very timely one, and is of interest for the knowledge it imparts to the bank examiner and the banker alike, pointing out to the former wherein he may look for certain wrong tendencies, and to the latter wherein he may avoid these tendencies. It is a subject requiring not only careful consideration, but a very close analysis as well. Mr. Meyer, however, has handled his subject in a very capable manner, and in it he shows not only the result of careful thought, but also that he knows what he is writing about.

Correcting Wrong Tendencies.

[By Charles H. Meyer, a Chicago National Bank Examiner.]

The object of all bank examinations being to correct wrong tendencies, this subject will naturally be more along the lines of discussion of the various violations of the letter and the spirit of the law, as found by the examiner, than the methods to be employed in correcting these violations or wrong tendencies—the title of this subject seems to warrant these introductory remarks.

As a further introduction to my subject, I feel that the experience of every examiner is such as to justify the statement that he is often called upon to analyze conditions that have a most important bearing as to whether he is right in insisting that a so-called violation of the spirit of the law shall be corrected. This analysis calls for the most careful consideration of details. Once you arrive at a decision and act accordingly, you have burned the proverbial bridge behind you, for no examiner can expect to maintain the confidence of his superiors or the professional respect of the banks he examines if he is not prepared to defend his attitude by sound and practical reasoning. If he is not firm in his stand, it is a confession of weakness regarding his ability to analyze the situation.

The foregoing may be more or less interesting to the average individual not familiar with the various problems the examiner is called upon to solve, inasmuch as he may be under the impression that all violations of the law would be such as to make it simply a matter of being posted as to the particular national or state law under which the bank is operated. Were this true, examinations would be more or less mechanical, and it might be well to add that so-called mechanical examinations are of little practical value to either department or the officers and stockholders of the bank you are examining.

My understanding of wrong tendencies is everything encompassed within the range of apparent indifference to the safety of depositors' funds to that of adding a year's interest to a demand note for $5,000 the day it is dated, and passing the interest to the profits in order to maintain a high dividend rate to the stockholders—the latter being

AN ACTUAL INCIDENT

of an examination made before I took charge of the territory to which I am at present assigned.

If this understanding of wrong tendencies is accepted, it naturally follows that it is difficult to specifically enumerate them further than to refer in a general way to your own actual experience, and all of my observations are made on this basis.

To my mind, one of the most common wrong tendencies found, especially in country banks, consists in carrying the "Furniture and Fixtures" account year in and year out at a figure beyond all reason. I examined one bank for extension of charter that was paying 16 per cent dividends right along. It was a solid financial institution,—but, nevertheless, "Furniture and Fixtures" had stood at $3,000 fifteen or twenty years, according to the books, and a most charitable inventory would have netted about $1,000, and this only provided the entire "plant" were sold to some one who would use it as it stood. An antiquated safe was the only tangible asset carried in this account, and when I directed attention to this fact, during a directors' meeting I had called, one director haughtily took issue with me when I said it had been carried on the bank's books for twenty years at the purchase price, saying, "No, sir, we have had that safe only fifteen years." I said, "Very well, we will call it fifteen years, or even ten years for the sake of argument, and if you still insist on defending such a condition, your ideas of what should be carried as an asset in your bank need enlightening."

I do not believe in working a hardship on any bank—"Furniture and Fixtures" account is legitimate and every bank should be allowed to carry it to a reasonable extent, but at the same time, it would seem that it should not be necessary for any examiner to point out the abuse to which this account is subjected. A good banker will provide for a gradual reduction at stated intervals which will eventually wipe it out entirely and with very little hardship. The asset side of a bank's statement should be dollars and cents, or their equivalent. By this is meant liquid assets, and when a bank has been running twenty or forty years with practically the same fixtures they began business with carried in the statement.

IT IS A PLAIN CASE

of "plugging" the assets. It would seem to me the mere matter of pride would enter here, as anyone qualified at all to analyze a statement is not fooled by such an entry and will in most instances question the motive. Conditions calling for this criticism are very seldom serious, and I may be accused of "Making a mountain out of a mole hill", but the abuse of this account is so general that it cannot be lightly passed.

Another item calling for a firm stand is the one of overdrafts—our country friends especially are guilty of permitting this practice of overdrawing accounts with the defense that conditions there are such that they are hard to cope with. They will tell you that their customer goes out on a cattle-buying expedition and does not know how much money he will need, hence, they allow him this privilege—I notice that generally these accounts so defended are the chronic ones,—in other words, the customer becomes his own discount committee, and in this manner notifies his banker that he has negotiated a loan with him and uses the money before the banker knows it. I recognize that there are exceptions and that in some instances this is unavoid-

First Mortgage Bond

Maturing in Eight Years

TO YIELD 6% NET

Among our current offerings is a first mortgage bond issued at less than one-third the market value of the property; further the bonds are

Unconditionally Guaranteed

by a prominent corporation with net resources of $4,000,000. Earnings are seven times interest charges. A compulsory sinking fund retires the whole issue before maturity.

National, State and Savings banks have purchased more than one-half of this conservative issue.

Write for Circular 614

George H. Burr & Co.

BANKERS

35 Wall St., N. Y. C.

Chicago Boston St. Louis
Philadelphia San Francisco

WANTED

Kansas Defaulted Municipals
Hutchinson Water, Lt. & Gas 5s
Hurley Water Co. 4s
Seattle-Tacoma Pfd. Stock.
York Haven Water & Power 5s
Ouray County, Colo. 4s

H. C. SPILLER & CO.

Specialists in Inactive Bonds

27 STATE STREET BOSTON

Copper Range Consolidated Company

At a meeting of the Board of Directors of the COPPER RANGE CONSOLIDATED COMPANY held this day, a dividend of 75c. per share, being Dividend No. 31, was declared, payable on Monday, October 2nd, 1911, to Stockholders of record at the close of business on Saturday, September 9th, 1911.

FREDERIC STANWOOD, Treasurer.

Boston, September 6th, 1911.

REPUBLIC IRON & STEEL COMPANY

DIVIDEND NO. 39.

At a meeting of the Executive Committee of the Republic Iron & Steel Company, held August 15th, 1911, the regular quarterly dividend of 1¾% on the Preferred Stock, was declared payable October 2, 1911, to stockholders of record, September 16th, 1911. Books remain open.

R. JONES, Jr., Secretary.

OFFICE OF THE
LANSTON MONOTYPE MACHINE COMPANY
PHILADELPHIA, PA.

The Board of Directors has this day declared a quarterly dividend of 1½ per cent. on the Capital Stock of this Company, payable on the 30th day of September, 1911, to stockholders of record at the close of business September 23, 1911.

J. SELLERS BANCROFT, Treasurer.

Philadelphia, September 5, 1911.

NEW YORK CENTRAL & HUDSON RIVER RAILROAD COMPANY.

New York, Sept. 7th, 1911.

A Quarterly Dividend of One and One-quarter per cent. (1¼%) on the capital stock of this Company, has been declared payable on Monday, October 16th, 1911, at the office of the Treasurer, to stockholders of record at the close of business on Thursday, September 21st, 1911.

EDWARD L. ROSSITER, Treasurer.

Digitized by Google

able, but once we admit this, all want to be classed with the "exceptions."

If the examiner will dig into the chronic overdrafts he will find conditions that call for the sharpest criticism—investigation will show interest running into hundreds of dollars has never been figured or collected—one particular bank I examined showed a certain account continually overdrawn for several years. When I questioned the president of the bank he frankly admitted that the party running the account (and he was running it in every sense of the word) was in control of public funds on deposit, that it was his personal account and that he, the banker, would not dare charge him interest on the overdraft or even refuse his check, for if he did the customer would transfer the public funds to the "bank across the street." This account at the time I examined the bank was nearly $5,000 overdrawn, and had shown a continual overdraft, never below $3,000, for over two years. I performed a particular service for this banker by sending for the aforesaid customer and in as polite a way as possible made him realize he was practicing a regular "hold up." However, if any banker has to pay a penalty such as this for an account his continuing to stand for it is, to my mind, a reflection on his methods to hold business.

Just

ONE WORD OF ADVICE

to the banker: "Your overdraft account abuses are generally of your own making. When you started your bank, you did not educate your customers properly, and what now is a difficult task would have been easy had you started to educate the offender at the right time."

All that has been said of wrong tendencies up to this point is of a more or less technical nature, or rather tendencies that while wrong are seldom if ever found within themselves to affect the solvency of the institution under examination.

We now come to the Bills Receivable, where wrong tendencies affect the very life or existence of the institution, and I feel I am not in a class by myself when I confess that every time I finish my work with these I have had another lesson in that which, if made a special subject, would be called, "What I Don't Know About a Bank's Assets," and I always feel that a full and candid treatise of the aforesaid subject would make a volume about the size of Webster's Unabridged Dictionary. This is a frank confession for any examiner to make, but as far as I am concerned, I do not consider it a confession of weakness in the sense that the public, in general, may interpret it. On the contrary, were I to infer that I knew all about them, I would be delegating myself with knowledge that even the bank's officers, no matter how conscientious they may be in administering its affairs, do not possess. Bank officials know what I mean when I make this statement, and will respect me more when I make it than they would were I to clothe myself with superhuman knowledge by claiming otherwise, and bank examiners know what it is without further discussion. The general public may, however, say, "What are you here for?" when you frankly put yourself

BOSTON STOCKS AND BONDS

For the Week Ending Thursday Evening, September 7, 1911.

Names.	RANGE FOR WEEK		Last Sale	Sales for Week	RANGE FOR YEAR OF 1911.						RANGE FROM JAN., 1879, TO JAN., 1911.		
					Lowest			Highest					
Railroads.	Low	Hig									Lowest	Highest	
Boston & Albany	*219	221	220	21	218	Sept		226	Feb	15	129	.872	*230
Boston Elevated	127¼	127¼	127¾	53	126½	Aug	16	130½	Aug	2	52¾	1886	130
Boston & Maine	103	104	104	45	101	May	10	125¾	Feb	15	106¾	1879	220
do. pref.	148	150	148	11	148	Sept	5	154	June	5	134¾	1881	190
Cent. Verm't 4s	...	...	90	.....	87½	Jan	24	92	Mar	22	75	1904	96½
C. B. & Q. Jt. 4s	96¼	96½	98¼	6,000	93¾	Jan	5	98¼	June	2	82¾	1907	102
Chic. Junc. R...	...	...	164	.....	158	Apr	29	167	Aug	23	59	1879	182
do. 5s	...	...	102	.....	101½	Aug	14	102	Aug	24	89¾	1893	116
Fitchburg pref.	*126¾	126¾	126¼	7	125	July	22	130	Jan	9	63½	1880	148
K. C., Ft. S. & M. 6s	...	...	115	.....	115	Mar	22	116¾	Jan	6	76	1885	126
K. C. M. & B. new 4s	...	...	92	.....	91¾	Jan	19	93½	Jan	3	25¾	1894	102
do. inc. 5s	...	...	89	.....	88	Apr	6	90	Mar	14	8	1882	104
N. Y., N. H. & H.	132	132¾	133½	856	131¾	Aug	31	151¾	Feb	22	127	1907	279
Old Colony	...	...	187½	.....	183	Mar	15	189	June	14	96	1879	221
Rutland pref.	35	35	35	27	32	Jan	26	45	Aug	4	6¼	1879	130
West End	88½	88	88½	906	86½	Sept	7	96	Feb	6	43	1894	107
do. pref.	100	100½	100½	127	100	Sept	6	105	June	22	78	1888	118¾
Miscellane's.													
Am. Agri. Chem.	50	51½	50½	260	46½	Jan	3	60½	May	25	9	1903	86¾
do. pref.	102¾	103¼	103	110	99	Jan	6	103¾	Mar	1	66½	1903	105
Am. Pneu. Ser.	3¾	4½	4	231	3½	Aug	29	6½	Jan	31	3	1903	29
do. pref.	13¼	17¾	15	85	12¾	Sept	1	19¼	Jan	31	9¼	1906	46
Am. Tel. & Tel.	133¾	136	135½	5,640	131¾	Aug	30	153¼	Jan	5	88	1907	198
do. 4s	90¼	90¾	90¾	8,500	89½	Mar	22	92	May	23	71	1907	103½
do. cons. 4s	107¼	107½	107¾	4,000	104	Aug	25	111¾	June	19	107¾	1908	107¾
Am. Woolen	...	...	28½	.....	28¼	Aug	22	36¾	Mar	20	7¾	1903	48
do. pref.	88¾	90	90	181	88	Aug	30	96½	June	15	65	1907	110¾
B. & Wor. Elec.	...	...	12	.....	6	Feb	15	12	July	13	3	1910	29¼
do. pref.	...	...	51	.....	23½	Jan	27	58	July	1	25	1910	90
Cumberl'd Tele.	...	...	154½	.....	146	Jan	19	158	June	2	93¼	1907	152½
Dom. St. Corp.	...	...	66¾	.....									
Dom. Coal 6s	...	...	96½	.....	90	Jan	4	98¾	Mar	21	90	1908	101½
E. Boston Land.	9¾	10	10	145	7¾	Jan	1	12	May	1	2¾	1893	15¾
Edis. Elec. Ill.	284	285	284	2	281	July	5	292½	Feb	3	10	1893	319
Gen'l Elec. Co.	151	153	153	155	145¾	Mar	3	167¾	May	29	30½	1896	258¼
Mass. Elec.	17½	19	18½	315	16	Apr	24	24	June	3	6½	1907	43¾
Mass. pref.	86	88	87	1,734	83¾	Jan	9	96	July	11	57	1907	99
Mass. Gas	92¾	93¼	92¾	390	87½	Jan	3	96¾	Aug	4	30	1908	91¾
do. pref.	97	97½	97	98	91¾	Apr	13	98	Aug	24	74¼	1903	97
Morgenthaler	228¾	229¾	229¾	50	211	Jan	3	250	July	31	118¾	1897	228
N. E. Cot. Y'n.	...	...	111	.....	109	Aug	17	119	Mar	14	40	1908	125
do. pref.	...	...	108	.....	106	Jan	3	116½	Mar	15	24¾	1903	118
do. 5s	100	100	100	10,000	100	Sept	6	103	June	20	93	1908	105¾
N. E. Telephone	145	145¾	145¾	74	137	Jan	17	150½	June	10	78¾	1879	270
Pullman Car	156	157	156	15	156	Sept	6	163	Jan	30	65	1901	234
Reece But. H.	...	...	13½	.....	12	Jan	5	16¾	May	22	7¼	1884	163
Torr'g'n Co. Cl. A	96½	96½	96½	2,000	29½	Aug	28	36	Jan	7	18	1903	37
do. pref.	30	30	30	31	27	Sept	6	30	July	26	20	1907	35
U'ted Fruit Co.	27	27	27	1	180	Aug	28	197	June	12	73	1901	200
U'ted Fruit 4½s	182	189	189	458	95¾	Apr	17	97¼	Jan	6	86	1910	97¼
Un. Shoe Mac'y.	42	46	42¾	4,005	40¾	Aug	25	58¾	Feb	18	*28	1900	96½
do. pref.	27¼	28	28	322	27¼	Aug	22	29¾	Mar	7	22	1900	39¼
West. Tel. & T.	16	17	16¾	122	16	Sept	5	22¼	Feb	6	4	1908	33¼
do. pref.	96½	98	98	41	89	Jan	23	100	July	28	50	1907	104½
do. 5s	98½	98¾	98¼	2,000	90¾	Jan	3	100	July	25	74	1907	106¾
Mining.													
Adventure	4¾	4½	4½	265	4	Aug	25	7½	May	15	†.62½	1907	33
Allouez	25	27½	26	450	21	Aug	26	39	Jan	5	9c	1894	74¾
Amalgamated	57¼	59¾	57¾	3,365	56¾	Aug	31	71½	June	26	23¾	1900	129¾
Am. Zinc	22¾	23¾	22¾	610	21	Aug	25	30¾	June	14	5	1903	67
Arizona Com.	1½	2	1½	2,650	1½	Sept	7	18¾	June	14	7¾	1907	51¾
Bos. & Corbin	4½	4¾	4½	175	3¾	Aug	24	15½	June	5	6	1907	35
Butte Bal'k'l'a	3¾	4½	4½	320	3¾	Aug	29	8¾	Jan	4	4½	1910	18¾
Butte Coalition	14¾	15¼	15	2,360	14	Aug	25	20¾	May	24	10	1907	43
Calumet & Ariz.	50	52	50½	2,072	46	Aug	17	63	June	14	44¾	1910	198
Calum. & Hecla	*410	415	415	15	400	Aug	16	545	Jan	4	126	1884	1000
Centennial	9	9½	9¾	160	8	Aug	30	16	Jan	3	10c	1896	61
Copper Range	52	54½	52½	625	50	Aug	26	69¾	Feb	2	37	1903	105
Daly-West	5¼	5¾	5¼	115	3	Feb	15	6¾	June	21	3½	1910	56
East Butte	10¾	11¼	10½	1,630	8½	Aug	26	14¾	June	26	3½	1908	13½
Elm River	...	...	10	.....	.10	July	31	20	Jan	6	.05	1910	7
Franklin	7¾	7¾	7¾	2,465	5½	Aug	24	14	June	14	4	1879	80
Giroux	4	4¾	4 1-16	5,050	4	Sept	7	8¼	Feb	6	2¾	1907	13¾
Granby	29	29	29	75	28	Aug	25	43½	June	21	20	1910	151
Greene Cananea	5 15-16	6¼	6	65	5 5-16	Feb	9	8	June	26	5	1907	18
Hancock, Con.	19	21	20	75	17¾	Aug	26	30¼	June	19	1¾	1907	36
Helvetia	90	99	99	200	90	Sept	1	2	Mar	4	1¾	1910	38
Isl'd C'k Coal**	32¾	34	34	110	29¼	May	9	40¾	June	3	30¾	1910	33¾
do. pref.**	85	85¾	85¾	331	84¾	Aug	30	91	June	13	84½	1910	96¾
Isle Royale	14	14¾	14¼	490	11¾	Aug	24	19¾	June	13	5¾	1903	75
Kerr Lake	*6¾	4 1-16	4	1,130	3¾	Sept	6	7¾	Jan	23	6	1910	35
Keweenaw	...	...	2¾	.....	1¾	May	10	3¾	June	14	2¼	1909	7¾
La Salle	3½	4	3¾	35	3	Aug	18	6	Jan	3	1	1908	23¾
Lake Copper	24	26¾	24½	1,965	21¾	Aug	26	40	June	13	4	1907	94¼
Mass. Cons.	6	6½	6	170	4½	Aug	25	10	June	19	2¼	1908	37¾
Miami	...	...	18¾	.....	18¼	Apr	21	22¾	June	21	4¾	1908	29
Michigan	2	2	2	200	1¾	Apr	25	4¾	May	6	3	1908	34¾
Mohawk	40	42	40	221	36	Apr	24	53	June	15	11¾	1903	*97
Nev. Cons.	17	17½	17½	982	16¾	Aug	26	21¾	June	15	6¾	1907	30
New Arcadian	2¾	2¾	2¾	335	2	Aug	26	4¾	May	17	11	1905	136¼
Niplssing	7¾	8¼	8¼	415	7¼	Aug	26	11¼	Feb	17	5	1906	33¾
North Butte	23¾	24¾	23¾	2,730	21¾	Aug	26	36	June	13	18¼	1907	130
North Lake	5¾	5¾	5¾	855	5¾	Aug	25	9¾	June	3	4½	1909	11¾
Old Dominion	39¾	40	39	44	36	Aug	24	49	June	19	9¼	1904	66¾
Osceola	88	89	89	37	88	Sept	5	124	Jan	4	7½	1889	181
Parrot	9½	9¾	9¾	80	8½	Aug	26	13¾	May	22	8¾	1907	73¼
Quincy	67	69½	66	61	63	Aug	24	74	July	24	10	1879	190
Ray Consol'ted	13¾	14	13¾	681	13½	Sept	5	18¾	Jan	4	7¾	1908	37¾
Santa Fe	80	80	80	100	75	Apr	26	15	June	13	1	1902	22
Shannon	8¼	8¾	8¾	31	7¾	Aug	18	12¾	Feb	6	3½	1904	24¾
Superior Copper	23¾	24¼	25	725	21	Aug	17	34½	June	14	7	1907	69¾
Sup. & Boston	3¾	3¾	3¾	2,310	3 15-16	Apr	7	5¾	June	15	18¾	1908	1¾
Tamarack	24¾	25	24¾	90	23¾	Aug	31	52	Jan	3	45¼	1910	383
Tennessee	...	...	34¾	.....	34¾	Aug	9	43¾	June	12	9¾	1901	55¼
Trinity	3¼	3½	3	140	3	Aug	21	5	June	20	1¾	1904	42¾
U. S. Smelting	33¾	34¼	33¾	961	31	Aug	28	40¼	June	14	24¾	1907	79
do. pref.	44¼	46¼	46¼	648	45¾	Aug	30	49½	June	26	27¾	1907	64¾
Utah Cons.	12	13	13	605	9½	Jan	20	20	June	26	12¾	1910	*73
Utah Apex	2¾	2¾	2¾	250	2	Aug	28	3¾	June	15	1¾	1907	10¾
Victoria	2¼	2¼	2¼	150	1	Aug	19	3½	Feb	7	1	1900	12
Winona	5¾	5¾	5	350	4½	Aug	24	9¾	Feb	6	1	1902	22
Wolverine	99½	103	101	183	98	Aug	28	122	Feb	10	75c	1898	300

* Ex-dividend. † Assessment paid. ‡ Rights off. ‖ Auction. § Old securities. ● Old stock
** Temporary certificates.

Digitized by Google

on record to this extent. To the latter I can only say that we examiners do all we conscientiously can to absorb all the so-called "Credit Information" that is extant by virtue of our coming in contact with various extended lines of borrowers, but even at the best, we are but human, and we have not the occult powers that would give us information that any bank is spending all the time and knowledge its honorable board of directors may possess, to get first hand before it lets its good American dollars go for the "I promise to pay document" we find among its assets. I do not wish to infer that we mechanically list and foot the bills receivable—many is the time that the examiner has given

VALUABLE INFORMATION

to the officers of a bank, which has enabled them to drive an extra nail in a line of discounts, which if not given would have ultimately resulted in a big loss.

On the other hand tendencies have been corrected which were the result of loose banking, and which the officers were allowing to accumulate. These, if allowed to continue, would ultimately mean an insolvent bank. In fact, many times, conditions have been found that already showed the bank to be insolvent. Here is where the examiner's real work begins. It is an easy matter to close an insolvent bank, but a difficult one to save it, and I entertain the highest regard and respect for the examiner who hurriedly grasps the situation and saves the bank instead of gaining cheap notoriety by closing it up and having his name paraded. I do not infer that every bank that is closed could be saved, sometimes conditions are such that this is impossible.

Right here I think it timely to digress from my subject just long enough to pay a deserved tribute to our present comptroller, Mr. Murray, in acknowledgement of his unselfish efforts to bring about results along the lines above pointed out—I mean the raising of examinations to a plane that will reduce to a minimum the possibility of a bank going into the hands of a receiver. Some time ago every national bank examiner received a letter from Mr. Murray, the import of which was that if a bank in said examiner's district failed the examiner would be held personally responsible; in other words, the letter went into such detail as to plainly indicate that where an examiner failed to discover tendencies that ultimately tended to place the bank in such a condition as to warrant a receivership, he was not the man wanted, and in case he did not want to assume this responsibility his resignation would be in order. To the credit of his examiners I have heard of no resignations on this account, and I, for one, have enough confidence in the judgment which prompted him to take this stand to the extent of feeling he will do me justice should one of my banks fail for reasons entirely beyond my ability to check the tendency in time.

One of the most dangerous tendencies is the loaning of the bank's funds, beyond the limit prescribed by law, to one individual or firm. Offhand, this may be looked upon as an easy matter to discover during your examination, but they are instances of willful attempts to conceal this by accommodation notes and otherwise. Again too much is loaned to one interest or interests indirectly connected in such a manner as to apparently

JUSTIFY THE CLAIM

of the officers of the bank that they had no connection, but on close analysis they are generally made to see the inconsistency of their claims. One of the most persistent methods of apparently deceiving themselves as to the extent of a line granted to one firm or interest consists of carrying notes against a firm, or an individual, as "commercial" or "indirect paper," in addition to the regular direct line.

This class of wrong tendencies is, however, more easily analyzed than the method of using accommodation notes. I have come across instances of the latter class where practically the entire capital stock of $300,000 and over has been loaned to one officer of the bank covered up by demand loans of even amounts, signed by various individuals, and it developed that the entire board of directors was aware of this; here was a tendency that had to be adjusted quickly in order to avoid serious consequences. Too much care can not be exercised in trying to discover practices of this kind. They generally begin in a small way only to grow to dangerous proportions, especially so if a one man spirit rules the bank's affairs. So called "Commercial" or "Indirect Paper" should always be regarded with the closest scrutiny.

In specific cases I have found banks

PHILADELPHIA STOCKS

For the Week Ending Wednesday Evening, September 6, 1911.

Names.	RANGE FOR WEEK Low	RANGE FOR WEEK High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911. Lowest		RANGE FOR YEAR OF 1911. Highest		RANGE FROM JAN., 1879, TO JAN., 1911. Lowest	RANGE FROM JAN., 1879, TO JAN., 1911. Highest
Amer. Cement..	...	...	12	.....	12 July 25		17½ Jan 4		5¼ 1906	46 1900
Amer. Railways.	44	44¼	44¼	32	42 Jan 10		45¾ Aug 5		21½ 1900	56¾ 1902
Bell Telephone..	...	...	116½	.....	.....		.....		45 1907	124½ 1909
Cambria Steel...	44	44⅞	44	2,611	42½ Jan 4		48⅞ Feb 18		13½ 1909	49¾ 1900
do. Iron	...	...	44	.....	43½ Aug 10		46 Mar 27		42 1907	133 1892
Elec. Co. of Am.	11¾	11¾	11¾	143	11½ Jan 4		12½ Jan 14		5¾ 1902	25 1899
Elec. Storage....	53½	53¼	53½	600	43¼ Jan 3		56½ June 15		15 1894	194 1899
Gen'l Asphalt...	30	32⅜	32½	600	25½ Aug 25		34⅜ Jan 10		3 1907	34⅜ 1910
do. pref.	68½	72	72½	506	68 Aug 26		82⅜ Jan 30		11 1906	84¾ 1910
Hunt. & B. T....	...	...	8	.. .	5 June 13		8 June 19		7 1910	42 1898
do. pref.	...	...	14	.....	14 Aug 22		27 Feb 1		7⅜ 1850	58¾ 1902
Lake Sup. Corp.	22¾	24	24	634	22¾ Sept 5		31¾ Feb 4		3⅜ 1908	33⅞ 1909
Lehigh Valley...	78 5-16	79¾	79¾	2,445	78 5-16 Aug 31		90½ Feb 3		17½ 1897	121¾ 1910
Lehigh Navig'n.	86	87⅜	87⅜	142	85½ May 15		93½ July 29		35 1898	131½ 1904
Marsden	...	...	1¾	.....	.....		.....		⅝ 1907	28⅜ 1899
Penn. Steel.....	...	...	60	.....	.....		.....		5 1894	200 1881
do. pref.	106	106	106	9	104½ May 4		108¼ Apr 12		10 1897	117½ 1909
Phila. Co.....	51	51	51	122	50¾ Jan 4		59½ June 5		33⅜ 1907	55¾ 1905
do. pref.	42¾	42¾	42¾	25	42 Feb 20		45 Feb 8		34 1909	52 1906
Phil. Elec.....	16¾	17	17	715	16 Mar 9		18 July 17		2 1900	16¾ 1910
Phil. Rap. Trans	**23⅜	23	23	310	16¾ Apr 18		24¼ Aug 4		12 1907	37⅞ 1909
Phil. Traction...	84⅜	85½	85½	111	82¾ May 1		87½ July 14		5 1885	102½ 1905
Tonopah Min'g..	6	6⅜	6 9-16	5,465	5 3-16 Aug 23		8⅜ Jan 17		3 3-16 1907	21¼ 1906
United Gas Imp.	85⅜	86	86	507	85¼ Aug 28		89¾ Jan 9		50 1893	176 1899
Union Traction..	50¾	51	51	770	43 Jan 4		52⅜ July 14		8⅜ 1897	65¼ 1906
Warwick Steel..	...	...	10	.....	9¾ Jan 10		11½ Feb 28		2½ 1903	18 1899
W'stm'el'd Co'l.	79	79	79	10	79 Aug 31		91½ Mar 20		45½ 1879	114 1905

* Ex-dividend. † Trust certificates. ** Temporary certificates.

CHICAGO STOCKS

For the Week Ending Wednesday Evening, September 6, 1911.

Names.	RANGE FOR WEEK Low	RANGE FOR WEEK High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911. Lowest		RANGE FOR YEAR OF 1911. Highest		RANGE FROM JAN., 1879, TO JAN., 1911. Lowest	RANGE FROM JAN., 1879, TO JAN., 1911. Highest
Am. Can.....	10	10⅜	10⅜	400	8⅜ Jan 27		12¼ May 23		2⅜ 1903	31½ 1901
do. pref.	84	86½	86½	575	76⅜ Jan 7		88¾ May 22		25⅜ 1902	86 1900
Am. Radiator....	...	...	265	.....	265 Jan 9		265 Feb 18		30 1900	260¼ 1910
do. pref.	...	...	131	.....	128½ Mar 9		131 Aug 29		90 1899	136 1900
Am. Shipbldg...	56	57	56	72	54½ Aug 22		79 Feb 6		13 1904	84½ 1910
do. pref.	108½	108½	108½	10	110¾ Jan 16		113 May 18		52 1904	112 1910
Chic. City Ry...	...	...	190	.....	185 Mar 22		190 Apr 28		140 1900	476 1892
Chic. Pneu. Tl.	46½	46¾	46¾	150	41 Jan 13		55½ Feb 22		18 1904	107½ 1902
Chic. Subway...	2¾	2¾	2¾	450	2¾ Aug 18		6 Mar 1		2¼ 1910	57¾ 1905
Chic. Telephone.	123	123	123	27	115 Jan 25		124¼ May 17		95 1907	205 1901
C'm'nw'th Edis.	133½	133½	133½	73	113 Jan 24		137¾ July 15		77 1907	126 1910
Diamond Match.	103	103½	103	171	90 Jan 16		106½ July 11		82½ 1910	163 1893
Kan. City Light.	...	...	16	.....	16 Aug 10		25 May 23		20 1910	63½ 1906
do. pref.	...	...	41	.....	40 Aug 3		72½ Feb 25		68 1906	93¼ 1906
Met. El.....	...	...	27	.....	19½ Feb 1		28⅜ June 28		12 1899	43 1902
do. pref.	...	...	75	.....	64 Mar 16		***75 July 17		32 1899	93¼ 1901
Nat. Carbon.....	...	...	100	.....	100 Aug 25		120 June 3		15 1899	145 1910
do. pref.	...	...	106¾	.....	106¾ Aug 23		120 Apr 12		72 1900	124 1900
No. West. El...	...	...	29½	.....	20½ Apr 27		29½ June 30		13¾ 1908	55 1901
do. pref.	...	...	65½	.....	60 Mar 1		67 Mar 30		44 1904	97 1901
Quaker Oats....	...	...	190	.....	185 Mar 17		193 June 29		35½ 1904	186 1910
do. pref.	...	...	106¼	.....	103½ Feb 8		107½ July 24		73 1903	109½ 1905
So. Side El.....	...	...	80	.....	68 Feb 16		80 June 30		40¼ 1897	199 1901
Streets' Car.....	8⅞	8⅞	8⅞	25	8 May 31		12¾ Feb 24		10⅝ 1910	54½ 1900
do. pref.	...	...	50	.....	50 June 2		50 Aug 11		40 1910	111¼ 1906
Swift & Co.....	102½	103⅜	102⅝	474	100¾ Mar 13		104 June 8		75¼ 1907	177½ 1902
Un. Box Board..	2	2¼	2	238	2 Sept 5		7 Jan 5		¼ 1908	17½ 1902
do. pref.	...	...	7⅜	.....	.....		.....		1⅞ 1908	71 1902
Western Stone..	...	...	19½	.....	19¼ July 25		24¾ Jan 24		14 1903	50 1906

* Ex-dividend. † New. *** Receipts. ‡ Assessment paid.

Digitized by Google

with a capital and surplus of as high as $500,000 loaning this entire amount to one firm—the direct line would show up to the regular legal limit, then they would carry what they called "Commercial paper" or "Indirect paper" against the same firm for the balance. If this so called "Commercial paper" really was such, the case would be worthy of charitable consideration, but it was as far from removed from what this term implies as to warrant the inference that the bank was wilfully misinterpreting the definition. A note running three years with a contract back of it, the terms on which, if not lived up to, will throw a large tract of land on the bank's hands, is certainly not commercial paper.

Again if the entire capital stock of a manufacturing plant is subscribed by individuals and then their notes for same with the stock as collateral is carried on the bank's books as an indirect loan to the manufacturing plant, and the bank tells you they consider it

COMMERCIAL PAPER,

it is high time the officers of this bank take lessons in what constitutes commercial paper if they are really sincere,—the latter I question. The bank's officers being also officers in the manufacturing plant fully explains the bank's capitalizing the manufacturing plant in this manner.

Legitimate loans to officers of banks, properly secured, are all right if moderately granted, but when the loans are full of evidences that the bank is being used to further and promote their outside interests it is the examiner's duty to call a halt. What defense can any examiner put up when later on the receiver reports the failure of a bank as being the result of loaning all the bank's funds to one or a set of enterprises fostered by the bank's officials? If these enterprises prosper they become wealthy and respected citizens, if they fail, in most instances the misery and suffering of depositors who lose their all stands as a living monument to the wrong that has been fostered by indifferent examinations.

Many a wrong tendency can be corrected by having a heart to heart talk with the officials. I have in mind an instance where I found a line in excess of the legal limit. In addition to a straight loan up to the limit, accommodation notes made by the president of the firm, and a bond issue covered by a mortgage on the plant, and carried in the bond account, showed that the bank was practically running the plant. The president of the bank pleaded with me not to report the line as excessive, saying it would be an awful hardship on the firm were they compelled to reduce it. I asked him where he figured I would "get off" should his bank go into the hands of a receiver as a result of "putting all his eggs in one basket." The account of the failure would call attention to the conditions that brought it about and at the same time the public would want to know what bank examiners were for if they didn't correct a wrong tendency of this kind. We all ke-

NEW YORK STOCKS AND BONDS

For the Week Ending Thursday Evening, September 7, 1911.

Names.	RANGE FOR WEEK Low	RANGE FOR WEEK High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911 Lowest			RANGE FOR YEAR OF 1911 Highest			RANGE FROM JAN., 1878, TO JAN., 1879, TO Lowest	RANGE FROM JAN., 1878, TO JAN., 1879, TO Highest
Atch. & T. R. R.	105⅝	106⅞	105⅝	21,300	100⅜	Jan	3	116⅝	June	5	$ 1-16 1884	152½ 1906
Atch. & Top. pf.	100¼	101⅛	101⅛	600	100¼	Jan	3	106½	June	12	14 1896	107½ 1901
Atch. & Top. 4s.	94	95	95	68,000	93	Mar	22	95⅝	Jan	4	61 1894	106⅞ 1902
do. adj. 4s....	91½	91⅝	91½	29,000	86⅝	Mar	29	97½	Jan	26	26 1896	99⅝ 1905
Atlic C'st Line.	122	122	122	300	117	Jan	3	123½	July	22	58 1897	170 1905
B. & O. Gold 4s.	98⅜	98⅜	98⅜	14,000	98	Aug	22	99⅜	Feb	21	83 1900	106⅜ 1905
B. & O. S. W. 3½s.	90¼	90¼	90¼	10,000	87⅜	Feb	28	93	Mar	11	90 1897	96 1939
Balti. & Ohio...	99⅝	100⅜	99	15,300	98⅜	Sept	7	109⅜	July	22	9 1897	125⅛ 1906
do. pref.	86	87	86	200	85½	Aug	30	91	Jan	4	67⅛ 1899	110 1905
Brooklyn R. T..	77	77	75⅜	5,600	74⅜	Aug	17	85⅝	July	20	18 1895	137 1909
B. R.T. conv't 4s.	84	84	84⅛	43,000	82⅞	Apr	14	89⅜	Jan	26	56 1897	103½ 1906
Canadian Pac...	228	229⅜	227⅝	89,900	190⅜	Jan	3	247	July	21	33 1896	202⅝ 1910
Canada South...	...	...	...	...	62	Mar	8	68	May	12	22 1888	97 1902
Cen. of Ga. Con. 5s.	...	...	108	.....	107½	Jan	13	110	July	26	66 1907	120½ 1907
do. 1st inc....	...	...	113¾	.....	96	July	25	114½	Apr	18	30 1890	102 1910
do. 2d inc.....	...	...	96	.....	96	Mar	1	106¼	Apr	5	9 1899	101 1910
do. 3d inc.....	...	...	98	.....	85	Feb	24	102	Apr	4	6 1898	100 1910
Central N. J....	...	...	275	... ..	270	Mar	11	295	June	2	21 1885	212 1910
Cent'l Pac. 1¾s.	...	...	91	.....	91¼	July	10	92	Mar	8	75 1897	91 1910
Ches. O. gen 4½s.	101	101½	101	71,000	100½	Apr	12	102	May	18	61 1897	111 1908
Chesapeake & O.	71⅜	74½	72⅝	13,200	70¾	Aug	30	86⅝	Feb	10	1 1893	135⅝ 1893
Chic. & Alton...	...	...	15¼	.....	15	Aug	28	31⅜	May	23	8⅛ 1897	74⅝ 1909
do. pref.	...	...	40	.....	40	Aug	30	85	Jan	27	47 1908	85¼ 1908
Chic. Gr't West.	19¾	19¾	19⅝	1,300	17½	Aug	30	25⅛	June	6	3⅜ 1897	37⅝ 1909
do. pref. A....	37	38⅜	37⅜	400	36½	Aug	30	49⅛	Feb	6	15½ 1908	90½ 1901
Chic. M. & St. P.	113⅝	113⅝	113⅜	14,900	111⅛	Aug	28	123¼	Feb	7	34⅜ 1879	139⅝ 1906
do. pref.	145	146	146	250	145	Sept	1	155⅞	June	15	74⅜ 1879	218 1906
Chic. & N. W...	139½	141¼	140½	1,350	138½	Sept	1	156½	June	12	49⅞ 1879	271¼ 1902
do. pref.	...	...	197	.....	197	Aug	30	211¼	Aug	9	128 1893	274½ 1902
Chi., St. P. & Om.	...	...	144	.....	130¾	Apr	20	144	June	12	18½ 1882	225 1905
do. pref.	...	...	150	.....	153	Feb	13	152	Feb	13	66 1895	230 1905
Chi. Ter. Trans	...	...	152	.....	.....			.....			1⅜ 1900	31 1901
do. pref.	...	...	165	.....	.....			.....			6⅝ 1900	67½ 1901
Chic. Un. Trac..	...	...	3	.....	2	Aug	23	5	June	2	⅝ 1908	23 1902
do. pref.	...	...	5	.....	5	Aug	27	7¾	Feb	6	2 1900	60 1902
C., C., C. & St. L.	...	...	51	.....	51	Aug	26	66	Jan	15	18½ 1896	111 1905
do. pref.	...	...	94½	.....	94½	Aug	27	98	Feb	1	63 1897	124½ 1902
Colo. & South'n.	47¾	47¾	47½	100	47½	Sept	5	60	Jan	18	4⅜ 1899	68¾ 1909
Col. & So. 1st pf.	...	...	80	.....	74½	Mar	27	84¾	July	10	26 1898	86 1900
do. 2d pref....	...	...	75	.....	73½	Apr	13	75	Aug	8	12½ 1899	84½ 1900
Del. & Hudson...	162	163½	162	200	162	Sept	7	175⅞	June	8	23 1879	240¾ 1905
Del., L'ck & W.	...	...	530	.....	510	Feb	17	560	June	5	48 1879	630 1909
Den. & Rio G'de	23⅜	23½	23⅜	715	22½	Aug	31	35	Feb	21	4⅝ 1895	498½ 1900
do. pref.	48½	51	48	2,464	48½	Sept	7	74	Feb	21	24 1894	103¾ 1901
Det., So. Sh. & Atl	9½	9⅝	9½	30	9½	Sept	5	15½	May	1	2½ 1895	34 1902
do. pref.	21	21	21	100	20	Aug	28	28⅝	Apr	4	5 1898	46⅜ 1905
Erie 1st gen. 4s.	76½	76½	76½	1,000	73¾	Jan	3	79⅝	July	19	55 1908	86 1905
Erie	29⅜	30⅜	29⅝	28,089	27¼	Jan	11	38½	June	30	3⅝ 1894	52⅞ 1851
Erie 1st pref....	48⅝	51⅜	49⅜	6,250	45⅝	Jan	12	61½	July	1	15 1897	95 1891
Erie 2d pref....	41	41½	41½	240	38	Jan	13	49½	July	3	13 1886	78⅜ 1906
Ev's'le & T. H.	...	...	82½	.....	80	Feb	1	88	July	24	20 1897	152 1882
do. pref.	...	...	90	.....	85	June	6	99	July	24	72 1894	104¾ 1902
Gr'neB. & W. deB.	...	...	11	.....	11	Aug	28	15¼	Jan	28	2½ 1898	27½ 1900
Gt. Northern pf.	122¾	124⅝	123	7,845	120½	Aug	29	131	June	8	44½ 1900	348 1906
Hock'g Valley**.	...	...	128½	.....	128	May	24	134	Apr	29	22 1890	140 1910
do. pref.	...	...	128	.....	.....			.....			53½ 1895	101⅝ 1910
Illinois Central..	137⅝	138⅝	137⅝	800	132	Jan	3	147	July	20	79⅞ 1879	164½ 1900
Inter-Met (w.i.).	14½	16	15	5,000	12¾	Aug	28	20⅜	Feb	15	4⅛ 1907	15⅜ 1908
do. pf. (w. i.)	43½	46½	43⅜	6,000	41⅜	Aug	17	65⅜	Feb	10	14 1907	37⅜ 1908
Iowa Central....	18	22	20⅜	1,600	15	May	12	27	Feb	2	2 1883	51⅜ 1907
do. pref.	34	42	41	3,300	28	Apr	27	57	Aug	8	12 1898	90⅜ 1907
Kan. City & So.	29¾	30	29½	400	28	Aug	30	38¼	June	15	7 1900	50¼ 1909
do. pref.	...	...	65	.....	64½	Jan	3	70	May	26	27½ 1900	75½ 1909
K. C., Ft. S. & M. pf	...	...	75	.....	75	Aug	7	76	May	3	58 1900	88 1902
L'ke E. & West.	...	...	12½	.....	12½	Aug	18	16⅝	Feb	1	1⅜ 1885	78⅛ 1901
do. pref.	25	25	25	200	25	Sept	5	40	Jan	13	34 1900	138 1902
Louis. & Nashv.	147⅞	149¼	148¾	800	140⅝	Aug	26	154½	July	19	22 1885	162¼ 1909
Manh'tan Elev.	135	135	135	175	134	Mar	28	142½	July	19	64½ 1884	175 1905
Metrop. St. Ry..	...	...	15	.....	.....			.....			15 1910	182 1910
Mex. Central....	...	...	23¾	.....	.....			.....			4 1884	33 1893
do. 1st 4s.....	...	...	58¾	.....	.....			.....			22 1886	98¼ 1910
do. 1st inc....	...	...	31	.....	.....			.....			8 1893	46 1896
do. 2d inc.....	...	...	24	.....	.....			.....			4 1886	25¼ 1910
Minn. & St. L...	20½	22¼	22	50	21½	Apr	26	34½	Aug	23	3½ 1889	115 1902
do. pref.	60	65½	65½	1,200	55	Mar	13	85½	Aug	24	7⅜ 1889	127⅜ 1902
M. S. P. & S. S. M.	130¾	132	131	800	130	Aug	28	152¾	Mar	30	6 1897	164 1908
do. pref.	...	...	147⅜	.....	146⅜	Aug	28	156⅜	July	21	10 1897	193⅜ 1908
M., K. & T. 1st 4s.	...	...	97¼	.....	96½	Apr	22	98	Jan	21	50 1902	104⅜ 1905
do. 2d 4s.....	85	85	85	5,000	84¼	Jan	5	94⅜	Feb	17	27 1897	92⅜ 1909
M. K. & T. 1st 5s	...	...	104½	.....	104½	Aug	30	110⅜	July	10	72 1896	114⅛ 1909
Mo., K. & Tex..	29½	30⅛	30	3,400	29⅛	Sept	7	38⅜	June	14	5⅜ 1879	54 1951
do. pref.	66	66	65¾	200	65½	Jan	16	69	June	12	13⅜ 1895	78⅜ 1909
Missouri Pacific.	37¾	41¼	38⅝	17,600	35⅜	Sept	7	43	Feb	15	19 1897	125⅛ 1923
N. Y. Central...	140	140⅛	139⅞	3,700	136⅜	Aug	25	115½	Feb	3	31⅜ 1885	174⅛ 1901
N. Y., C. & St. L.	...	...	61	.....	58½	Aug	18	68	Jan	20	9 1896	73½ 1905
do. 1st pref...	...	...	101½	.....	100	Aug	15	103⅜	Mar	20	4 1885	124½ 1902
do. 2d pref....	...	...	87	.....	86	Aug	25	90	Jan	30	18 1899	100 1902
N. Y., Ont. & W.	43	43	43	300	42	Aug	29	49¾	July	22	4⅜ 1885	64 1905
No. & W. Con. 4s.	96⅞	97⅛	97⅛	1,000	96½	Aug	29	98½	Feb	3	74 1896	105 1905
Norfolk & West.	104	106	105	1,500	104⅜	Jan	3	114⅜	June	26	⅛ 1896	108⅜ 1910
do. pref.	...	...	90½	.....	90½	Apr	28	93	May	22	4⅛ 1896	98 1912
N. Pac. prior 4s.	96⅜	96⅝	96⅜	6,000	96⅜	Aug	29	104⅜	Feb	6	9⅛ 1900	109 1999
do. gen. 3s....	70	70	69⅝	2,000	69⅜	Aug	28	77½	Aug	4	57 1896	79 1905
North'n Pacific.	115⅜	116⅛	115⅞	17,275	111⅜	Aug	28	127⅜	June	5	11 1897	160 1904
Pacific Coast....	...	...	110	.....	110	Jan	11	112	Jan	10	34 1900	142 1906
do. 1st pref....	...	...	130	.....	.....			.....			65 1900	165 1910
do. 2d pref....	...	...	101	.....	101	Jan	11	101	Jan	11	50⅛ 1900	135 1908
Penn. R. R....	130¾	132⅛	130⅝	9,600	129⅜	Aug	28	139⅛	Feb	1	97⅛ 1899	170 1902
Peoria & East'n.	...	...	20	.....	.....			.....			2 1897	50 1901
P., C., C. & St. L.	92	92	92	200	87	Sept	1	100	Jan	17	10⅜ 1901	105½ 1902
do. pref.	...	...	111	.....	110	Aug	11	112	Feb	17	40 1893	128 1902
Reading gen. 4s.	95⅞	97⅛	96⅞	94,000	96⅜	Mar	1	99⅜	Aug	2	77 1896	104¼ 1997
Reading	159	161⅜	161⅜	1,500	156⅜	Aug	28	169⅞	June	3	17⅜ 1879	117⅜ 1970
do. 1st pref...	89	89	89	200	88	Mar	1	97	July	14	13⅜ 1907	81 1909
do. 2d pref....	...	...	82	.....	81	Aug	11	90	May	2	37½ 1907	94⅝ 1908
Rock Island, new	20⅜	20⅜	20⅛	11,100	20⅛	Aug	30	31⅝	June	14	6½ 1907	86½ 1901
do. pref.	46	46	46	1,100	45	Aug	31	65⅜	June	14	8⅜ 1879	120 1907
St. L. & S. F. 1st 4s	79	80	79	400	78	Aug	31	90	May	4	41 1879	84⅜ 1987
St. L. & S. F. 1st pf	58	58⅜	58	100	58	Aug	31	69	July	27	20 1883	110½ 1905
St. L. & S. F. 2d pf	41	42	42	600	39	Aug	2	60½	July	24	13 1883	80½ 1902
St. L. W. 1st 4s	...	...	85⅜	.....	85⅜	Jan	24	93⅜	Aug	25	4⅜ 1896	17⅜ 1989
do. 2d 4s	...	...	61	.....	58	Jan	9	82⅜	June	29	36 1893	97 1906

Digitized by Google

NEW YORK STOCKS AND BONDS

For the Week Ending Thursday Evening, September 7, 1911.

Names.	RANGE FOR WEEK Low	High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911. Lowest			Highest			RANGE FROM JAN., 1879, TO JAN., 1911. Lowest			Highest		
St. L. Southw....	29½	32½	29½	200	24	Jan	13	34	Feb	4	1	1897		38½	1901	
do. pref.	68	69	69	1,150	58¾	Jan	3	72	June	27	21¾	1900		80	1902	
St'd A.L.adj.4s.	75¾	76¾	75¾	15,000	75	Mar	15	82	July	19	49¾	1910		77¾	1910	
San.Ant.&A.P.4s	86¾	86¾	86¾	4,000	86¾	Apr	8	88	May	16	45	1898		92¾	1909	
So. Pac. rfd. 4s..	94	94¾	94¾	101,000	94	Sept	5	96	May	8	94½	1906		98½	1905	
South'n Pacific..	108¾	111¾	109	33,845	107¼	Aug	30	126⅝	June	26	12	1898		139½	1909	
do. pref.	...	...	71¾	.....	.....			.....			94¾	1909		137	1909	
Southern	26¾	27⅜	26⅞	8,150	25½	Mar	4	33⅜	July	22	12	1894		1253	1852	
do. pref.	67	68½	68	3,400	61¾	Jan	11	75¼	July	20	212	1891		108	1906	
Texas & Pacific.	24¾	24⅝	24¾	900	22¾	Aug	26	30½	June	9	4⅜	1880		73⅝	1881	
Third Avenue...	5	5⅞	5⅝	400	5¾	Aug	28	2⅝	Mar	2	5½	1910		243	1899	
Tol Rys & Light	...	...	7	.....	6½	Aug	16	8¼	Jan	17	5½	1910		38	1902	
Tol., St. L. & W	17⅝	18½	18½	700	17¾	Sept	1	24⅜	Feb	8	16⅜	1901		64⅞	1909	
do. pref.	38	39⅝	38¾	2,000	38	Sept	1	53⅜	Feb	8	22¾	1903		74⅛	1909	
Twin City R. T.	...	...	105¾	.....	105½	Aug	14	111	Feb	8	9⅛	1897		129	1902	
U. P. cvt. 4s, 1927.	102¼	103⅛	102⅝	189,000	101⅜	Aug	30	109⅝	June	27	78¼	1897		124¼	1909	
Union Pacific....	166⅞	170⅜	167¼	271,850	165⅜	Aug	30	192⅜	July	22	3	1896		204⅜	1910	
do. pref.	92	93¼	92⅜	200	90	Aug	23	96	July	24	47	1898		113½	1900	
Wabash 1st 6s...	107⅝	107⅞	107⅝	8,000	99¼	Aug	26	110	Mar	20	93	1890		121	1902	
do deb. B's....	...	...	101	.....	.....			.....			78	1893		101	1909	
Wabash	...	...	13¼	.....	13¼	Aug	30	18⅜	Feb	22	3	1895		60	1901	
do. pref.	29¼	29⅝	29½	450	28¾	Aug	30	40⅜	Feb	22	9	1894		96¼	1901	
Wheel. & L. E..	2⅝	3	3	200	2⅝	Sept	1	6¼	Feb	3	½	1897		63⅜	1887	
do. 1st pref...	...	...	7¾	.....	7¼	July	22	17⅜	Feb	3	2⅜	1897		80½	1892	
do. 2d pref....	3	3	3	100	3	Sept	5	8	Feb	22	4	1910		42⅜	1902	
Wis. Central....	53⅜	53⅝	53⅞	100	51	Aug	16	72⅛	May	1	4c	1893		64	1910	
do. pref.	...	...	88½	.....	.....			8	Feb	22	50c	1899		91⅜	1909	
do. 1st 4s.....	92	93	93	2,000	92	Aug	28	93⅝	July	5	127	1896		99½	1890	
Miscel. St'ks.																
Adams Express.	...	...	160	.....	235	Jan	20	243	June	13	97¼	1898		315	1907	
Allis Chalmers.	...	...	6½	.....	6¼	Aug	4	9¾	May	31	4	1907		37⅜	1906	
do. pref.	18	18½	18	700	17	Aug	21	24	Feb	3	14	1908		87⅛	1903	
Amal. Cop.....	57⅛	59½	57⅞	25,725	56⅞	Aug	30	71⅝	June	19	23⅝	1909		130	1901	
Am. Car & F'd.	48½	49¾	48	1,400	46	Aug	30	58⅜	July	19	10⅝	1899		76⅛	1909	
do. pref.	...	...	115	.....	114¼	Mar	13	120	May	23	61	1899		124⅜	1909	
Amer. Cot. Oil..	51½	53⅜	51⅜	2,200	49¼	May	22	62⅜	Feb	28	3	1898		79¼	1909	
do. pref.	100	100	100	100	100	Sept	7	106⅛	Mar	21	27¼	1890		107⅞	1909	
Amer. Express..	...	...	217	.....	215	Aug	17	245	Mar	27	100	1853		301	1910	
Am. H. & L....	...	...	4	.....	3⅞	Jan	28	5	July	21	2¼	1903		37⅜	1899	
do. pref.	...	...	20	.....	20	Aug	26	26⅝	June	14	10	1907		92½	1899	
Am. Ice Sec....	17¾	19½	18½	1,100	16½	Aug	28	25⅜	July	12	8⅜	1907		86	1907	
Am. Linseed Co.	9½	9¾	9¾	100	8	Aug	11	13⅜	Feb	17	5	1905		80⅜	1901	
do. pref.	29¼	30⅞	29¾	400	27¼	Aug	14	34	Feb	14	16¼	1907		68	1901	
Am. Loco.....	34⅜	36	35½	1,100	34½	Aug	30	48¼	May	22	11½	1903		78½	1906	
do. pref.	105¾	106¾	106¾	200	104	Aug	10	110⅝	Mar	1	67½	1903		122½	1906	
Amer. Malt Co..	4½	4¾	4¾	1	3⅝	Feb	17	5¾	July	11	2½	1907		90⅝	1898	
do. pref.	39½	40¾	40¾	1,100	31¾	Mar	9	43⅝	July	22	14½	1908		59	1909	
Am. Smtl. & Ref	69¾	71¾	69½	14,400	67⅜	Aug	26	82⅞	June	15	30	1899		174	1906	
do. pref.	105	105	105	100	103⅜	Mar	10	108¼	June	15	77⅛	1899		137	1905	
Am. St'l F'dry..	30	32	30¾	200	30	Sept	7	52¼	Feb	9	3½	1904		66¾	1909	
do. pref.	...	...	39	.....	.....			.....			20	1907		70	1902	
Am. Sugar Ref.	117	117	117	300	113	Aug	12	121⅞	June	14	65c	1889		182	1559	
do. pref.	116	116	116	100	111	Jan	5	119½	Feb	14	66½	1892		143	1905	
Am. Tob. pref..	92	96¾	94	5,000	87	Aug	14	102	May	23	60	1907		151½	1902	
Anaconda.....	34	35½	34½	900	33¾	Aug	28	41¾	June	20	1125	1907		302¾	1907	
Br'k Un'n Gas..	...	...	133	.....	133	Aug	30	145½	June	6	90	1907		253	1902	
Central Leather.	23¾	24⅜	23⅝	1,500	22	Aug	28	33⅜	Feb	2	11⅞	1907		51⅜	1909	
do. pref.	96	97	96	500	95	Sept	5	105	Feb	10	69	1907		111	1909	
Colo. Ind. 5s....	...	...	74	.....	73	Aug	12	79½	Feb	22	36	1907		88½	1906	
Colo. F'l & Ir'n.	28	28¾	28⅝	200	27¾	Aug	30	38⅜	Feb	6	14	1907		136¼	1901	
do pref.	...	...	110	.....	110	Aug	5	110½	Jan	9	30	1907		142½	1901	
C.&H.V.Co'l&Ir.	...	...	14½	.....	4	Feb	9	4	Feb	9	⅝	1896		92½	1910	
Consolid't'd Gas	127½	128	124	2,800	122½	Aug	26	148¼	June	6	67	1887		241¾	1857	
Con. Tobacco 4s.	85½	86¼	86	31,000	81¼	Jan	11	89⅛	July	10	61¼	1902		85⅜	1904	
Corn Prod'ts R.	12⅜	12⅝	12⅝	900	12⅜	Aug	28	15⅜	May	17	8	1907		28	1906	
do. pref.	79½	80⅞	80⅜	700	74½	Jan	10	85	May	29	46	1907		98¾	1909	
Dist. Secur.....	30⅜	32	32	700	30	Aug	30	38⅛	June	6	19½	1901		73	1907	
Fed. M. & Smlt.	...	...	28⅜	.....	17⅜	Jan	28	35	Feb	16	4¾	1904		100	1906	
do. pref.	...	...	69½	.....	48½	Jan	11	66½	May	19	47	1907		112⅜	1901	
Goldfield Con....	5⅜	5⅝	5⅜	4,700	5⅜	Aug	26	7⅜	Jan	2	3⅞	1907		10	1906	
Internat Paper	10	10½	10½	300	9¼	Apr	27	13⅜	Feb	3	7½	1907		68½	1899	
do. pref.	46	46¼	46	600	44⅜	May	15	56⅜	Jan	21	47	1909		95	1898	
Inter. Power....	...	...	39	.....	.....			.....			23	1903		100	1902	
Inter. Stm. P'mp	33½	33½	33	1,000	32½	Aug	12	44	Feb	10	7⅜	1907		60	1906	
do. pref.	...	...	87	.....	84½	Jan	26	90½	June	12	50	1907		95	1901	
Nation'l Biscuit	127⅜	131½	127⅜	800	117¾	Jan	16	141	Apr	4	23	1906		120	1899	
do. pref.	130⅜	136⅝	130⅝	100	124	Jan	20	139	Feb	4	79½	1900		130	1899	
Nat. En. & St'p	14½	17	16½	400	16½	Sept	7	22	July	24	9½	1907		36	1903	
do. pref.	95	96	96	400	85	Jan	4	100⅜	July	22	70	1898		89½	1899	
Nat. Lead	50	51¾	51¾	200	48½	Aug	25	58⅝	Mar	15	410½	1902		96⅝	1907	
do. pref.	...	...	108	.....	105¾	Mar	24	109⅜	Aug	15	48	1893		115	1899	
N.Y. Air Brake	...	...	64½	.....	64½	Aug	28	76	June	19	14	1898		168⅜	1905	
North Amer. Co	69½	70	69½	200	64	Jan	10	76⅛	May	22	2½	1892		134	1902	
Pacific Mail....	23	23⅝	23½	1,700	23¼	Apr	24	30⅝	Aug	11	3½	1893		70	1895	
Pitts'g C.L.& C.	101½	103⅜	103½	200	101¾	Aug	25	109	Jan	19	39	1893		129½	1899	
Pressed St'l Car	30½	31	30¾	400	30	Aug	30	37⅜	July	3	15⅜	1907		65⅜	1903	
do. pref.	96	98	98	100	92¼	Jan	3	102⅜	June	16	52½	1907		111⅜	1909	
Ry. Stl. Spring	...	...	30	.....	21⅜	Aug	26	39	June	14	15⅜	1894		63½	1902	
do. pref.	...	...	103⅜	.....	85⅝	Aug	30	102⅝	May	24	67	1902		109	1909	
Rep'b Ir. & St'l.	25¼	26⅜	25½	900	25	Aug	17	35⅛	Feb	6	5	1904		49¼	1902	
do. pref.	90	92	92	50	90¼	Aug	16	99⅝	Mar	14	36⅜	1907		111¾	1909	
Sloss-Sh. S. & I	50½	52½	52½	100	52	Sept	6	56⅛	Feb	6	17½	1900		118½	1902	
do. pref.	...	...	112	.....	112	Feb	15	113	Feb	15	89¾	1900		130	1905	
T. Pac. Ld. Tr.	...	...	96	.....	96	Aug	18	92	Jan	24	5	1898		96	1910	
Un. Bag & Pap	6	6	6	100	5⅜	Aug	16	9	Feb	10	3⅞	1904		45	1899	
do. pref.	...	...	58	.....	54	Aug	11	69½	Jan	20	36	1900		89	1899	
U.S Cast Ip & F	12	13	13	300	12	Sept	1	19	Feb	21	6	1907		53	1903	
do. pref.	16	16	16	500	16	Sept	6	59⅜	Feb	24	32	1907		97⅜	1905	
U. S. Express..	...	...	90	.....	90	Aug	11	104	Feb	1	35	1854		160	1902	
U.S.R'lty & Imp	68	68	68	10	67¾	Jan	25	79⅝	May	25	38	1907		98½	1907	
U. S. Rubber....	36	37	37	2,700	35¾	Aug	12	43⅜	Mar	1	7	1907		60⅝	1892	
U. S. Rub'r 1st pf	109	109	109	200	108½	Aug	29	117½	July	7	30½	1907		123¼	1909	
U. S. Steel....	...	...	...	37,700	69¼	Aug	26	82¾	Feb	6	8⅜	1901		91	1910	
do. pref.	110	110½	110	600	111	Aug	25	120⅝	Feb	4	45¾	1902		125⅜	1910	
do. 5s	101¾	102¾	102¾	118,000	100⅜	Jan	4	106⅜	May	27	65	1903		106½	1909	
Utah Copper....	44	44	43¾	1,500	41½	Aug	26	52	June	14	17	1907		67¼	1909	
Virg Car Chem ..	51	51	51	200	51¼	Aug	28	70⅝	Feb	28	12¾	1907		72	1901	
do. pref.	115	115	117	200	112	Sept	1	128½	Mar	17	75	1907		123⅜	1902	
West Un'n Tel ..	70	72	71¾	1,400	71¾	Mar	20	84⅜	May	24	41	1896		127⅞	1881	
West Mfg Co	67	68	67¾	600	67¾	Aug	28	79	May	29	26½	1898		154	1907	
do. pref.	111	111	111	100	110½	Aug	16	123	Jan	5	45¾	1895		160	1907	

* Ex-dividend. ** New. † Assessment paid. ‡ Ex-rights. § Price bid. ‖ Price asked. ¶ Old certificates. ** Ex-interest. ††† Par value basis. *** Receipts.

that many a bank failure is a result of just such wrong tendencies.

ANOTHER FORM.

Another form of wrong tendencies is the promoting of some scheme by a bond issue, said bond issue being put on the market by loans secured by the bonds, and all of said loans being in one bank. Added to this a block of the bonds will be found in the bank's bond list, and further investigation will develop the fact that the bank's officers are promoting the whole scheme. Can a worse tendency be imagined, especially so if the bonds represent a speculative scheme and have no quotable value?

The examiner's duty in all these cases is self-evident. He is on the ground and he should see to it that immediate steps are taken to correct the wrong. He must be diplomatic about it, for he can do great harm by acting hastily, and no greater seal of incompetency can be stamped on an examiner than the one of hasty and irrational action,—there are very few cases that can not be righted without quarrelling with the bank's officers and directors.

While in a few cases there is evidence of willful wrongdoing, the average wrong tendency is such that the banker is more interested than any one in having it corrected; he is proud of the esteem in which he is held by the community, and is generally trying to conform with the laws under which his charter was granted.

A great deal more could be written on this subject, but, after all has been said, wrong tendencies are apt to present themselves at any time in various new guises. When they do they must be corrected as the conditions warrant, and, in conclusion, it will be well to remember that you may be an examiner of the highest ability, and during your years of work you may save any number of banks by correcting wrong tendencies, but should you finally allow just one to fail, the general public will know of the one case only and judge you accordingly.

COLUMBIA NATIONAL BANK.

The Columbia National Bank, of Pittsburg, has reason for the pride it feels in the steady growth of deposits which this year has recorded. Each succeeding call of the comptroller of the currency upon the national banks of the country for statements of condition has shown a material increase in the deposits of this bank. Between January 7 and September 1, a space of less than nine months, an increase of $4,314,548.85 has occurred. This achievement is in itself abundant evidence of the first-class management which the bank is receiving, and of the confidence which the people of Pittsburg and patrons outside of the city have in the bank. The following figures show the volume of deposits at the time of each of the comptroller's calls during the present year: January 7, 1911, $6,803,742.84; March 7, 1911, $8,071,632.56; June 7, 1911, $9,928,919.73, and September 1, 1911, $11,118,291.69.

ST. LOUIS, MO.—The International Bank increased its capital to $500,000.

Digitized by Google

Textile Manufacturing Shares

Any one having any idea of the textile industry, and with a knowledge of what the Atlantic Cotton Mills have been accomplishing in the last few years, does not need to stretch his imagination any to appreciate the value that must lie within them at the present quotation. It is the management's aim, and they are doing it in a commendable manner, to place the equipment of this mill right up to snuff and to make and keep its product at the highest standard. As a matter of fact, at 50¾, we have a proposition operating more than 100,000 spindles, and with a capital of $1,000,000, yet selling at $502,500, or for about $5 a spindle. The company also controls valuable water rights which must ultimately become a big asset to the stockholders. It is true that the company has recently passed its dividends, but the fact that last week found another large lot of shares selling at the same mark as previously would indicate that the shares have about touched bottom. There is no question in our minds, therefore, but that these same shares

CAN BE PURCHASED NOW,

put away in investors' strong boxes and in a few years be turned over at a very nice profit.

It is very noticeable at this time that the shares of mills manufacturing woolen textiles are stronger to-day than are the shares of many of the cotton mills. The basis reason for this is, of course, that present conditions in the woolen and worsted industry make for a stronger position. In the cotton industry, while the mills have been obliged to sell their product at a very low figure, they have had to purchase high priced raw material. While the product of the woolen mills has also had to be disposed of at bargain prices, yet the mills have been fortunate in having had very low priced raw material at their command. In short, the conditions which are present in the cotton industry are not either so depressing or are not present at all in the woolen end of the textile industry.

AMOSKEAG'S NEW DEPARTURE.

Since the announcement of its new plan of organization, there have been sales of 400 shares at private sale of Amoskeag Manufacturing Company stock at $400 per share, which is a good deal above the recent current market price. This purchase could only have been made upon an interpretation that the new organization is to enable the stockholders to make considerable saving by avoiding taxation. Not only is the individual shareholder expected to escape taxation, but the company is also expected to escape federal taxation of corporations by becoming essentially a partnership. At $400 per share, counting each of the new preferred shares at $100, the price paid for the three common shares would be $67 each. Of course, it would be remarkable if the new common stock should sell at any such price. Aside from transactions like the above, which may have occurred, the sentiment of financial and industrial circles respecting the Amoskeag reorganization is a good deal puzzled. The theory that it has anything to do with the manufacturing end of the business of the Amoskeag Mills, is not convincing, because the company does not obtain any new money, or any advantage in that direction from the reorganization, except, perhaps, in an immediate saving of dividends to the amount of $172,800 per annum, because the reorganization is equivalent to a reduction of dividends from 12 per cent to 9 per cent per annum, until dividends begin to be paid upon the common stock, and it is hardly likely that these will be commenced with less than 3 or 4 per cent per annum. Of course, so meagre a saving as the reduction in the preferred stock dividends would not have been an impelling motive in inducing so strong a corporation as the Amoskeag to reorganize, but many expect the shares on a 9 per cent basis to sell as high as formerly, because they will now be free of taxes. As Treasurer Dumaine and his board of directors are leaders in the manufacturing world, it is fair to assume that the financial advantages of the change will be considerable. If there is much saving in taxation, and in similar directions, of course more corporations having their mills in other states, but the bulk of their investors in Massachusetts, will follow the example of the Amoskeag.

NEW YORK KNITTING MILLS.

Until very recently New York city has not been a considerable market for the shares of textile mills and excepting the listed textile securities, practically the only textile concerns which had any wide distribution of their securities were the older New England textile corporations, and those securities were absorbed and held mainly by New England investors. Of course, textile corporations of size with considerable capitalization are located and have been located outside of New England for a good many years, but where these corporations were not wholly owned by their management, the distribution of the securities has not been wide, being confined mainly to local investors. Southern mill securities, for instance, have no ready market, one reason being that they are not widely distributed, although they are scattered to a considerable extent throughout the South, but mainly among people who have particular knowledge of particular mills. The management of those mills, selling arrangements, etc., although, in a few instances, big interests representing moneyed families, are interested in many southern mills. For instance, the Dukes, of tobacco fame, are certainly interested in a great number of southern cotton mill corporations, in fact, it is said that there is Duke's money in every large open textile manufacturing corporation in North and South Carolina.

New York city is now financing textile mills, and the investment bankers of New York city are distributing textile mills' securities widely. It is a fact that the securities dealt in New York city are mainly of New York state corporations and largely represent knitting mills. These corporations differ from the old New England textile corporations in that in the case of the New York mills there is both preferred and common stock, while in the case of New England mills, generally the securities are all common stock, with no preferred stock authorized or outstanding except in such cases as the American Woolen Company, the New England Cotton Yarn Company, the Hartford Carpet Corporation and a few others.

These New York knitting mills, whose preferred stock is now being or has recently been distributed, are not new corporations, but have been in every case long established, and in some cases, they are consolidations of existing mills, and in every case, except one, they represent the issue of securities to supply working capital or to provide for the recent purchase of other plants or to finance the removal of stockholders in plants which have been combined with the larger corporations, such stockholders not being necessary in the management of the new combinations. In only one case does the sale of this preferred stock represent the pocketing of invested capital by an original owner, that case being in the new financing of Julius Kayser & Company.

The preferred share issues discussed here all represent good investment issues with a satisfactory yield and with satisfactory assets back of the securities. In fact, they are in each case practically first mortgage bonds of the issuing corporation, as bonds do not come ahead of the preferred shares in any except one case, and that being a very small issue, which is being rapidly cancelled.

STEVENS MANUFACTURING CO.

One of the Fall River mills which has attracted considerable attention recently has been the Stevens Manufacturing Company. Investors were made to sit up and take notice when the directors of this prosperous mill declared a regular dividend at the rate of 6 per cent for the last quarter. This mill is still keeping busy according to all reports, and is still earning its dividends.

Early in the year, despite the dull conditions generally in the textile industry, we analysed the statement of the Stevens, and showed that in the shares of this mill there were attractive possibilities. The mill has one of Fall River's ablest managements in the persons of Treasurer George H. Hills, and Superintendent Charles B. Chase. Simeon B. Chase, one of Fall River's captains of industry, is president, and altogether the management is one which must appeal to followers of mill shares. This, of course, is one reason for the present strength of the stock. Another cause is probably the variety and quality of this mill's product. The Stevens, by its last annual statement, showed a rather heavy floating indebtedness or, to give it in figures, $810,207. The company has, however, a small capitalization, and according to the last statement, its net debt is now only $96,515.

This net debt naturally tends to keep the price of the stock down. The Stevens Manufacturing Company, however, has a plant which is well worth the $1,277,455, at which it is carried on the statement, and last year the company carried a profit and loss surplus of $370,970, a surplus which we expect to appear larger in the next annual statement, which ought to appear about two months hence. In Clarence Whitman & Company the company has the best of selling connections, and in the last 10 years the stock has sold as high as 132½, and has never sold below 91. From 1900 to 1903, inclusive, it paid 8 per cent in dividends, but in 1908 paid only 1½ per cent. For the last three years, however, dividends have been paid at the rate of 6 per cent. Certainly, therefore, if a company can continue to pay this rate in a period such as the textile industry has just been through, with the purchase of its stock at 98 to par, cannot help but show a good profit ultimately.

YUMA, COLO.—George A. Todd is president, John F. Heiserman, vice-president, and Rex Shepard, cashier, of the new Farmers' State Bank. The capital of the institution is $25,000.

Digitized by Google

FINANCIAL INQUIRY.

Southern Mortgage & Loan Co.

21297. (Bethlehem, Pa.) Can you give me any information in reference to the Southern Mortgage & Loan Company of Atlanta, Georgia?

Ans.: The Southern Mortgage & Loan Company was organized a few years ago on the plan of a building and loan association. We understand they started out with the plan of issuing bonds by their company which are not secured by mortgage and to mature in a series of years. Albert Howell, Jr., who is at the head of the company, is one of the most prominent attorneys of Atlanta, and is well thought of locally. We are advised that the corporation has been successful in business and care for their obligations promptly.

MINING INQUIRY.

Mascot Copper.

21283. (Iowa City, Ia.) Kindly give us a report on Mascot Copper, (Arizona). Is it worth $6 per share? What are prospects of early dividends?

Ans: The Mascot Copper Company owns 200 acres, which contain 14 veins, upon which 11,688 feet of development work have been done. The ore, as a rule, carries enough gold and silver to pay smelting charges, and engineers have reported enough ore in sight to last fifteen years. Up to date, no ore has been shipped, owing to the fact that the nearest railroad point is 22 miles distant from the property, three miles of which are over a mountainous road. Until such time as the company can profitably ship ore, there is little chance of a dividend, and you might prefer to buy some other mining stock, which is now paying dividends. Our correspondent believes the company has a bright future.

FIRST MORTGAGE BONDS.

Geo. H. Burr & Company, bankers, 37 Wall street, New York, are offering $300,000 first mortgage 6 per cent gold bonds of the Choctaw Lumber Company, principle and interest unconditionally guaranteed by strong interests. Thes bonds mature in eight years and are secured by magnificent tracts of timber approximating seven hundred million feet in Arkansas. The guarantors are the Dierks Lumber & Coal Company, of Kansas City, Mo., whose net assets are in excess of $4,000,000. The net earnings for the past fiscal year were $141,569, or seven times the interest on this issue of bonds. An unconditional sinking fund has been provided sufficient to retire the bonds before maturity. These bonds appear an attractive purchase

One hundred and fifty thousand dollars Bartlesville Interurban Railway Company, first mortgage 6 per cent bonds are being offered by Wm. H. Byers & Company, 100 Broadway, New York City. This road connects the cities of Bartlesville and Dewey, Okla., does the electric lighting business in these cities and operates eight miles of electric railway in Bartlesville, one of the largest and most prosperous cities in Oklahoma. There is tributary to the loan a population of at least 200,000. The road is now earning more than five times the interest charges. The bonds are a direct first mortgage on all the property of the company. The cash and cost of the property, including real estate is over $320,000, so that the outstanding bonds ($150,000) are only 47 per cent of the actual cost and less than 43 per cent of the replacement valuation of $350,000.

BANK ITEMS.

NEW YORK CITY.—James S. Alexander, formerly vice-president of the National Bank of Commerce of New York City, was this week elected president to fill the vacancy made by the resignation of Valentine P. Snyder. R. G. Hutchins, Jr., was elected vice-president to succeed James S. Alexander.

CHEWELAH, WASH.—John R. Lewis, formerly with the Spokane & Eastern Trust Company, has become assistant cashier of the State Bank of Chewelah.

NEW YORK, N. Y.—The Equitable Trust Company, with deposits of $44,000,000, will merge with the Knickerbocker Trust Company, having deposits of $38,000,000. The Equitable probably will be the surviving corporation, and with total deposits of $82,000,000, it will rank among the most powerful trust companies in the United States.

MADOC, S. C.—The Bank of Madoc has been organized with a capital of $25,000. W. McDaniel, A. V. Bussey, J. T. Reise, of Madoc, and Edwin A. Green, of Aiken, are interested.

NEW AUGUSTA, IND.—The new Augusta State Bank is organizing with $25,000 capital. W. W Maines is president and W. Burchard, cashier.

PATEROS, WASH.—Theodore Johnson, of Lincoln, Neb., has taken over his duties as cashier of the State Bank of Pateros.

HARRISON, IDAHO.—Herman Rossi, of Wallace, and A. A. Crane and W. B. Hager, of Harrison, Idaho, have acquired control of the First National Bank of Harrison. Its capital stock is $25,000 and $5,000 surplus. The bank was owned by B. F. O'Neil, of Wallace; E. C. McEachran, of Latah, and A. V. Chamberlain, Ira Schallis, J. F. Pollok, J. P. Dwyer and George Freelander, of Coeur d'Alene.

LOS GATOS, CAL.—The First National Bank of Los Gatos has been organized with a capital of $25,000. Zedd S. Riggs, N. G. Rogers, F. W. Knowles, C. H. Caldwell and W. Darneal are interested.

SOUTHPORT, N. C.—The Bank of Brunswick has been organized with a capital stock of $25,000. The incorporators are Price Turpless, John Jeannette, C. Edward Taylor, J. B. Ruark, Jens Berg, W. H. Pykes, Wm. St. George, all of Southport, and Robert Ruark, of Wilmington.

GRIDLEY, ILL.—The German-American State Bank has filed articles of organization, capitalized at $25,000. John A. Sterling, George P. Davis and Mercer Davis, all of Bloomington, Frank L. Smith, of Dwight, John H. Curtis, of Chicago, William J. Harry, of Lincoln, and others are promoters.

RICHMOND, VA.—Application to organize the Central National Bank of Richmond has been approved by the comptroller. The bank is to have a capital of $250,000, and the incorporators are: C. Hutzler, Richmond; W. M. Schwarschild, C. F. Grimmell, B. B. Bowles and Wm. C. Schmidt.

RUSHVILLE, IND.—The corporate existence of the Rushtown County National Bank, of Rushville, has been re-extended until August 24, 1931.

PROVIDENCE, R. I.—The Atlantic National Bank has been authorized to increase its capital to $300,000.

SUSSEX, WIS.—The Sussex State Bank has been organized with $10,000 capital. Theo. Landmann, Chas. Walsch and C. A. Nicholaus are interested.

VARINA, IA.—Application has been received by the comptroller to organize the First National Bank of Varina, capital, $25,000. Among the organizers are H. A. Schoenberger, J. D. Fitzgerald, and W. C. Parath.

KANSAS CITY, OKLA.—A charter has been issued from the comptroller's office to the Farmers National Bank. The capital is $25,000 and the officers are: John E. Hoefer, president; W. S. Cline, vice-president; H. E. Guy, cashier, and A. W. Sanderson, assistant cashier. This is the conversion of the First State Bank.

WELLSBURG, W. VA.—The corporate existence of the Wellsburg National Bank has been re-extended until September 5, 1911.

BALDWIN, WIS.—Application to convert the State Bank of Baldwin into the First National Bank of Baldwin, has been received by the comptroller. The bank has a capital of $25,000.

WINTERS, CAL.—Application to convert the Bank of Winters into the First National Bank of Winters has been received by the comptroller. The capital is $75,000.

RATON, N. M.—The Raton National Bank went into voluntary liquidation on September 1, 1911.

Oil and Gas leases on five hundred acres

in Kansas-Oklahoma Oil Field for sale. Partly developed, all well located. Company already organized. A snap for some one for quick action. Don't answer unless you mean business.

"Oil"

Care United States Investor.

Almoloya Mining Co.

60 Wall St., NEW YORK

PORCUPINE

Get in RIGHT or keep out. THE BOSTON DEVELOPMENT COMPANY, LIMITED, is operating along the right lines. Large acreage, conservative capitalization. For prospectus, engineer's reports etc. address

A. S. FULLER & COMPANY
CANADIAN INVESTMENTS,
407-8-9 Old South Building, Boston, Mass.

Utah Copper Stocks

Write for my weekly Market Letter.

WM. H. TIBBALS,
Salt Lake City, Utah.

EMNAHA COLD MINING COMPANY

Incorporated under the laws of the State of Idaho. Capitalization, $500,000, divided into 500,000 shares. Par value $1.00 per share. Of which 200,000 shares have been placed in the treasury, for the development of the property.

This Company owns and controls nine claims on Battle Creek, Imnaha, Willowa Co., Ore., on which there are three well defined parallel veins, carrying very rich gold quartz. A limited amount of the shares of the stock have been sold

For full particulars, address

JOHN SENNETT, Treasurer
79 Milk Street, Room 602 Boston, Mass.

Digitized by Google

UPON PRESENTATION

at the Office of

THE MIDDLESEX BANKING COMPANY

OF MIDDLETOWN, CONN.

DEBENTURES of Series E13, maturing October first, and Series E14, maturing November first, WILL BE PAID at par with interest to the date of payment.

OUR NEW INVESTMENT PROPOSITION

is an

Sound and secure as a good bank and pays large dividends.

First class representatives wanted; must be men of good standing in their community

SECURED INVESTMENT TRUST

92 STATE STREET, BOSTON

6% NEW YORK CENTRAL REALTY

A Good Investment

To investigate is the six per cent Realty Bond of the New York Central Realty Company issued in denominations of $1,000, $500, and $100.

It offers a high grade of security, a liberal cash availability and an interest earning of 6%.

WRITE for booklet illustrating the methods of the Company, describing its bonds, their redemptive privileges and advantages over other Realty securities. Everybody knows us.

New York Central Realty Co.

Suite 1190, 1328 Broadway, Cor. 34th St., New York City

CAPITAL AND SURPLUS, $1,464,588.34

Corporation Organizers

Delaware charters are inexpensive and perpetual, and permit stockholders and directors to hold meetings anywhere. The law is more stable, and grants greater powers than other states. $1,142,434,400 of capital organized in Delaware during 1910—double that of New Jersey or elsewhere. In selecting an agent to organize and represent your company, **get the best**—it will be cheaper and safer in the end and will add prestige to your enterprise. Lawyers' and Brokers' business a specialty. Corporation Law and forms sent on request.

MERRICK SECURITY & TRUST CO

Wilmington, Del.

6 PER CENT INTEREST PAID

By Coupon on Bonds Secured by Well Selected New York Real Estate.

"We Deal in No Other Securities"

THE DEBENTURE COPPORATION OF NEW YORK

334 Fifth Avenue New York City

SIX NUMBERS FREE

Financial Converse (published every two months) sets more questions on mines than any financial publication. S. F. Campbell, of Chicago says: "Enterprise is worth more than any other mining publication in the United States." Call this out and send for six copies free covering the next year.

FINANCIAL CONVERSE

339 Monadnock Block, Chicago, Ill.

6% BONDS

Certainty Adaptability Convertibility

NO element of an investment approaches in importance that of *certainty*—certainty that it will conserve and return principal intact, and pay the contract rate of interest. A-R-E 6's have done this for nearly a quarter of a century.

¶ They are adaptable, being issued to return interest on current funds or to provide for saving surplus earnings, returning the latter with interest compounded at 6%.

¶ Their *cash convertibility* safeguards the investor against temporary financial need.

¶ This Company is engaged solely in the business of investment and operation in New York real estate, a stable and profitable investment field, and offers us 6% Gold Bonds in these forms:

6% COUPON BONDS

For those who wish to invest $100 or more

6% ACCUMULATIVE BONDS

For those who wish to save $25 or more a year

Descriptive Booklets and map of New York showing location of properties sent on request.

AMERICAN REAL ESTATE COMPANY

Capital and Surplus, $2,011,247.80

Founded 1888 Assets $23,026,889.67

Room 502, 527 Fifth Avenue, New York

First Mortgage Bonds

For Small Investors

WEEKLY OR MONTHLY PAYMENTS

Government, State and Municipal Issues, also Standard Railroad, Public Service and Industrial Bonds sold in any amount for Cash or on Weekly or Monthly Payments. **Best, Easiest and Safest way to provide for your future.**

Circulars 104 on request; Correspondence invited

Resident Representatives Wanted

FUNDING COMPANY OF AMERICA

40 EXCHANGE PLACE, NEW YORK

GREEN CANANEA & BAY STATE CONS.

Our weekly market letter mentions the above, also Inter Central, Nevada Hills, Ely Gold, Tonopah Extension, and "Coppers" and "Curb Issues" in general. Mailed free upon request.

"Coppers" and Curb Stocks bought and sold for Cash or Carried on Margin

H. A. BROWN & CO.

Members Boston Curb Exchange

60 State St. 74 Broadway

New York

BENNETT'S

INFORMATION AGENCY

INVESTMENT DEPARTMENT

The wisest men in the United States are those who never make a new investment which they consider good, and never get rid of an old investment which they consider bad, until they have made an investigation of the merits of the investment through BENNETT'S INFORMATION AGENCY.

CONGRESSIONAL INFORMATION

We attend to business at the Treasury Department as well as before Congress, the Courts, and all departments of the United States government, through our Washington office, 308 Corcoran Building, and through our staff of Washington correspondents. If you desire any information from Washington, or any business transacted at the National Capital, we shall be pleased to perform the desired service for our subscribers.

PROBATE DEPARTMENT

Information respecting probate matters, in any town or city of the United States, is furnished to our subscribers gratuitously if the inquiry is answered through the columns of the INVESTOR, or for $2.00 if the reply is by private letter.

LEGAL DEPARTMENT

Questions answered by prominent attorneys upon any desired subject for $2.00 each.

MERCANTILE DEPARTMENT

A report regarding the standing and reliability of any firm or individual in the United States furnished for $2.00. Our information goes into the character and individuality of members of a firm and its methods of doing business.

MISCELLANEOUS QUESTIONS

Inquiries of any sort answered for $1.00 each. Send for descriptive pamphlet of the agency.

REAL ESTATE DEPARTMENT

A report upon any piece of property in the United States furnished for $5.00

Conducted by

Frank P. Bennett & Co., Inc.

530 Atlantic Ave., BOSTON.

308 Chestnut St., PHILADELPHIA.

2 Rector St., NEW YORK.

Digitized by Google

United States Investor

GENERAL LIBRARY
UNIV. OF MICH
SEP 18 19--

Copyright 1911, by Frank P. Bennett & Co., Inc.

Volume XXII. BOSTON, NEW YORK AND WASHINGTON, SEPTEMBER 16, 1911 Number 37

A Banking Reform

It's a little peculiar that one of the biggest reforms which has been brought about in the banking industry in recent years, might almost be called "a step backward". This sounds paradoxical. It is not at all flattering to the belief we like to hold that each generation does things better than any generations that have gone before. Nevertheless, it is entirely true that in at least one respect the banks of today are having held up before them, as a proper model for them to emulate, one of the conspicuous features of banking of a generation ago. The comptroller of the currency may really be said to have begun the movement. Public opinion rushed to his aid enthusiastically. The better sense of the most influential bankers led them to enlist in the same cause and to apply the suggested remedies to their own institutions so far as need for this course existed. Only the willfully perverse, or the laggards among our banks, have failed to do a little introspection with a view to discovering how much they need to take some of the same treatment for their ailments. Almost no bankers care to be regarded as opponents of the new order of things, which, as we have said, is only the old order restored. The place where the reform has taken place is in that most fundamental of all the divisions of a bank, the board of directors. It has consisted of a complete revamping in the minds of a very large number of directors of their notions as to their duties and privileges. They have been given some fundamental lessons in a most elementary subject. To these lessons may fairly be given the title, "the art of making a director direct".

Too Many Directorships

To tell the literal truth, there was plenty of reason for the activity which both Comptroller Murray and his immediate predecessor, Mr. Ridgely, have shown in applying the prod to the whole body of national bank directors. Most directors would be ready now to admit it, although when the process was begun, some of these same men were not a little inconvenienced by the comptroller's drastic acts. One did not need to have the daily experiences which the comptroller was having to realize the need for activity on his part. He was having brought to his attention instance after instance of banks in difficulty because some one individual had been allowed too free rein and directors had neglected to watch and curb him. Without being in possession of all this inside information, however, almost any person could see readily enough that many directors were taking the duties of their position too lightly. Each directory of directors revealed this fact convincingly. After the names of some men were lists of directorships which they respectively held, so numerous that no mere human being could possibly have given proper attention to all of them. Even if these individuals had that exceedingly broad mental equipment which diligent attention to these various activities would have required, they must have thrown up their hands in despair at that very physical difficulty which conscientious attention to all these directorships would have involved, namely, presence in more than one place at the same time. Were they to desire to attend the various board meetings religiously, they could not, for, frequently, two or more boards would be meeting at one and the same time.

Banks vs Railroads

Fortunately for all concerned, the names of banks have not appeared in these over-lengthy lists with quite such frequency as have the names of railroads and industrial corporations. Even your most ambitious business man has seen that it is wholly out of the question for him even to attempt to act as director for as large a number of banks as of other enterprises. It would be a mere pose if he pretended to do so. A railroad or industrial corporation may be a one-man institution with much less danger than can a bank. The services of directors of a railroad or factory or mercantile establishment are needed primarily for the sake of establishing a general policy. They are not needed for dealing with each individual transaction that daily business involves. At a bank, on the other hand, directors ought to know sooner or later a good deal about every loan of any size. Such knowledge requires of directors an attention to duty that a railroad need not expect.

Nevertheless, it was apparent from these lists in directories that directorships of banks were receiving too finely subdivided a fraction of the time of some of our leading business men. Their value to their respective bank boards was much more slight than the value of the bank directorship was to themselves. They gave the bank little or nothing in the way of advice or information, while they received in return some prestige and, frequently enough, loans that were more valuable than prestige. The excessive borrowing of directors has at times been quite as much a source of trouble to the comptroller as has any inattention to duty on their part. Since the cure of both faults might well be attempted, however, at one and the same time, by educating directors to a generally higher conception as to the responsibility of their posts, it was determined to undertake such instruction. And, as we have said, the instruction has been given by contrasting with modern notions about directorships the much sturdier notions on the subject that prevailed a generation back.

How Some Banks Do

The comptroller's task in his self-appointed role of instructor in methods of the last generation was made much easier by the fact that at many banks these good old-fashioned methods still were in use. Especially was this true at country banks, if under that term we include the banks of many of the cities of moderate size. Although at some small institutions one frequently does discover a greater readiness on the part of directors to let the cashier or president run the bank than ought to prevail, the inquisitive director who is bound to know everything is pretty generally in evidence there, too. The private business affairs of the directors of such banks are not so huge that the habit of taking some other one's word for things has become second nature with them as it has with directors of some of the larger institutions. One of the best suburban banks of which we have knowledge is a good sample of the old-fashioned type of banks and

Digitized by Google

is altogether very like a host of medium sized banks of this country. Every director regards his position as almost equivalent to that of a trustee. If he advocates any loan he feels that he has assumed a particular obligation toward the bank with regard to that loan. Frequently, he has opportunity to show by his acts how deeply he senses his obligation. More than one of the members of this board has, of course, at times seen some loan turn out badly which they advocated. In such cases, the advocate has made good the loss out of his own private means, although at no time has he been legally responsible or has he profited by the loan to the slightest degree. His obligation has been merely a moral one. Still another practice at this bank indicates the high conception of their duty which the directors hold. The action by the board is in all instances unanimous. If a single director raises any objection to any loan, that loan is refused. It goes without saying that this bank has obtained very high standing in the community. While the methods it follows are rather too exacting for a great big bank, this institution has actually acquired two or three million dollars of deposits, and is the financial stay of its city in times of trouble. Although big banks cannot adopt its methods in their entirety, moreover, probably they can approximate them to some degree. The spirt in the board which actuates these methods surely can be adopted without modification.

Other Instances

And banks surely are trying as never before to impress customers and the general public with the high sense of responsibility that actuates their directors. More than one bank makes conspicuous mention in its advertising of the fact that its directors owe it nothing and are never numbered among its borrowers. They wish to make clear to depositors that no inside coterie is using this institution for its own aggrandizement. The action of these institutions constitutes in itself evidence that a public demand for a high sense of duty among directors is being felt everywhere. Banks are making an effort, too, to persuade directors to attend meetings of the board, knowing full well that the public will soon learn and approve of this course. At some small banks the scheme of paying directors a trivial sum for each meeting they attend has most salutary effects. Those who have tried it allege that even so slender a payment as almost the very smallest bank can afford to pay is surprisingly efficacious in drawing out a good meeting of the board. There are numerous banks which ought to pay nothing to their directors because the meagreness of the assets handled does not warrant such outlay. There are others, however, where the payment of even so little as a dollar per meeting to each director who attends can not only be afforded, but may well prove an altogether judicious outlay. There are many banks who are trying the experiment of paying this sum where heretofore they have paid nothing, and they declare that the results justify the plan.

A Boston Expedient

One of the best adaptations of old-fashioned notions of directorial responsibility to modern conditions is that which a Boston national bank of large resources has made. In the first place, it requires of every director the ownership of not less than one hundred shares of stock. The effect of this requirement has been twofold. As the board of the bank is large, a big fraction of the entire capital of the bank is owned by those who manage it. As a matter of fact, at few other banks in Boston or elsewhere do members of the board own so large a fraction of the entire volume of shares, and this, too, in spite of the fact that this is a big, highly-regarded bank, whose stock is one of the very few bank stocks which Massachusetts savings banks are ready to buy. The other effect, of course, is to make every director feel a strong interest in the use to which the bank puts any considerable amount of money. He has too much at stake to be willing to leave everything to the president, skillful though that president is. The next requirement is that every director shall protect every dollar he borrows from the bank with a generous amount of collateral. This is less drastic, of course, than the policy followed at banks where the directors never borrow at all, but it is a pretty drastic requirement after all. Finally, and this stipulation is insisted upon with great seriousness, no director shall ever be interested in any loan at this bank without telling his fellow directors very frankly the full extent of his interest.

How great store the bank sets by this rule was clearly shown by an occurrence of some time ago, which has become public knowledge more recently. Among the acquisitions to its board of directors at a meeting a few years ago, was a very prominent business man of Boston, who had acquired large means by aggressive methods in the big manufacturing business which he owns, and by very shrewd investments in the stock market. The first two of the above mentioned requirements of directors he satisfied to the letter. He owned the necessary amount of stock, and he amply protected his own borrowing with collateral. It soon began to be discovered, however, that he wasn't so frank as he should be with his fellow directors about his interests in other loans at the bank. More than once it was found that some loan which he advocated as a director was not without advantage to himself. The other directors felt obliged to deal with their recalcitrant associate, although his own financial worth was ample to protect the bank in any event.

The trouble was that he was violating the rules of behavior which the fellow directors felt should be religiously obeyed. Consequently, they saw to it that he was dropped from the board at the first opportunity, and, whether they were justified in so doing or not, they gave him no notification in advance that he was to go. Instead, he found himself, after the meeting, and much to his surprise, no longer a member of the board.

From that day to this, he has cherished a desire, so it is said, to get even with the more active members of the board to whose charge he lays his abrupt dismissal. He has committed acts of reprisal upon them on occasions that have caused them serious annoyance, if not distinct monetary loss. As for them, they have enjoyed no personal advantage from his ousting. Neither has the bank received any advantage that can be measured in dollars and cents. It cannot advertise the occurrence and win public confidence, and a consequent increase of deposits as a result. That it will profit in the long run by adhering to this programme which he was unwilling to respect, is, however, extremely probable.

Daily Meetings of Directors

If the palm were to be awarded any city for the high regard in which its bank directors hold their duty, we have little hesitation in suggesting that probably that palm should pass to Pittsburgh. Little by little that city is emerging from the inconspicuous position it used to hold in the public mind as a bank centre. The fame of its steel mills has obscured its high standing as a banking centre almost as much as the smoke of its factories clothes the whole city in a haze before

Digitized by Google

THE NATIONAL CITY BANK OF CHICAGO

CAPITAL :: :: $2,000,000.00
SURPLUS & PROFITS 500,000.00
DEPOSITS :: :: $29,259,966.56

United States Depository — *Accounts of Banks and Bankers solicited. Correspondence invited.* — Organized 1907

the eyes of the visitor who looks down upon it from the surrounding hills Gradually people are discovering that its pre-eminence in manufacturing is nearly equalled by its pre-eminence in banking. Within a few weeks we purpose to print an article on Pittsburgh that shall set forth some of the great achievements of the banks of that community. Those achievements may fairly be attributed, to considerable extent, to the close personal interest which the directors of the Pittsburgh banks take to their conduct. It is an absolute fact that the directors of most of the banks there meet every single day. Sometimes their fidelity to this practice is rather noteworthy The spectacle in a Pittsburgh bank in the heart of summer of a gathering of considerably more than one-half of the directors every single day is about as edifying a thing as one ever sees. Nevertheless, it does occur day after day at most of the banks, with only this variation that most of the year the attendance is far larger each day than in summer. There must be times when this practice makes considerable trouble for the directors themselves Perhaps that is why the board generally arranges to have lunch served at the bank to all directors present, so that every precious minute may be turned to account while the directors are about. That the practice is persisted in, however, is in itself evidence that directors and banks alike find it distinctly worth while. Surely, to be able to say to prospective customers that the directors do take this constant personal interest in the doings of the bank is one of the strongest claims the bank can possibly make for business. It must bring many accounts that otherwise would come more slowly.

TRUST COMPANIES TO MERGE.

It is reported that the merging of the Equitable Trust Company and the Knickerbocker Trust Company, of New York, the former having deposits of $44,000,000, and the latter $38,000,000, is soon to occur. It is probable that the Knickerbocker will lose its identity in the Equitable. The combined deposits of $82,000,000 will make the new company one of the most powerful in the country. Taking the present capital and surplus of the two companies as a basis, the new trust will probably show a capital and surplus of $26,278,000 after the merger is effected. The present bid price for Equitable Trust shares is $500, and for Knickerbocker Trust shares $300.

Alvin W. Krech some months ago bought 9,300 shares of Equitable Trust stock from the Equitable Life for $4,594,200. After that purchase, the life company still held 5,231 shares of the trust company stock, which was 17 per cent of the total capitalization.

COLUSA, CAL.—The First National Bank has succeeded the Farmers & Merchants Bank, the officers remaining the same: W. W. Brown, president; R. E. Bleving, vice-president; H. F. Osgood, cashier and C. Bowes, assistant cashier.

YORKVILLE, S. C.—The Farmers & Peoples Bank has been chartered with J. M. Stroup, president; W. W. Lewis, vice-president, and A. M. Haddon, cashier.

THE
Chatham and Phenix
National Bank
NEW YORK

Capital and Surplus
$3,000,000

All business under direct supervision of the officers.

LOUIS G. KAUFMAN, President.

GEO. M. HARD, Chairman of the Board
F. J. HEANEY, Vice-President.
W. H. STRAWN, Vice-President.
A. M. BULL, Vice-President.
BERT L. HASKINS, Cashier.
H. L. CADMUS, Assistant Cashier.
N. P. GATLING, Assistant Cashier.
W. B. BOICE, Assistant Cashier.
H. C. HOOLEY, Assistant Cashier.

Your Account Solicited.

THE
OLD NATIONAL BANK
OF SPOKANE

OFFERS ITS CORRESPONDENTS
Better Banking Service

The Largest Number of direct connections of any bank in the Inland Empire.

Send us your Washington, Oregon, Idaho and Montana Items.

Franklin National Bank
PHILADELPHIA

Capital $1,000,000.00
Surplus and Undivided Profits. 2,730,181.17
INCORPORATED 1900.

OFFICERS:
J. R. McALLISTER, President.
J. A. HARRIS, JR., Vice-President.
E. P. PASSMORE, Cashier. L. H. SHRIGLEY, Assistant Cashier.
J. W. HARDT, Assistant Cashier.

Foreign Exchange Department.
WILLIAM WRIGHT, Manager.

Portland National Bank
PORTLAND, MAINE
Union Mutual Life Insurance Co. Bldg.

Accounts received on the most liberal terms consistent with sound banking.
Collections receive prompt attention

WM. W. MASON .....President
EDWARD W. COX .....Vice-President
CHAS. G. ALLEN .....Cashier
EDWARD L. PIPER .....Asst. Cashier

Directors:
Fred E. Richards, Charles G. Allen,
Henry B. Cleaves, George F. West,
William W. Mason, George Westcott Beyer,
Lyman M. Cousens, Roswell C. Bradford,
Edward W. Cox.

OLDEST BANK IN AMERICA
Chartered by Congress, 1781.
The
Bank *of* North America
(NATIONAL BANK)
PHILADELPHIA, PA.

Capital .....$ 1,000,000.00
Surplus 2,250,000.00
Undivided Profits..... 371,000.00
Deposits 15,075,000.00

HARRY G. MICHENER.....President
SAMUEL D. JORDAN.....Cashier
WILLIAM J. MURPHY.....Asst. Cashier
RICHARD S. McKINLEY.....Asst. Cashier
Accounts Solicited
Correspondence Invited

Chase National Bank
NEW YORK

Capital .....$ 5,000,000
Surplus and Profits (earned) 8,382,871
Deposits 118,848,700

A. BARTON HEPBURN, Chairman of the Board
ALBERT H. WIGGIN, President
SAMUEL H. MILLER, Vice-President
HENRY M. CONKEY, Cashier
CHARLES C. SLADE, Ass't Cashier
EDWIN A. LEE, Ass't Cashier
WILLIAM E. PURDY, Ass't Cashier
ALFRED C. ANDREWS, Ass't Cashier

DIRECTORS
Henry W. Cannon
James J. Hill George F. Baker
Grant B. Schley Albert H. Wiggin
A. Barton Hepburn George F. Baker, Jr.
John I. Waterbury Francis L. Hine
FOREIGN EXCHANGE DEPARTMENT

The National Park Bank
OF NEW YORK
Organized 1856.

Capital .....$ 5,000,000.00
Surplus and profits 12,947,463.12
Deposits, Sept. 1, 1911..... 105,550,902.43

Digitized by Google

ANGLO & LONDON PARIS NATIONAL BANK
SAN FRANCISCO
Capital, Surplus and Profits, $5,700,000.00 Deposits, $25,600,000.00 Cash and Sight Exchange, $10,300,000.00
Issues Travelers' Letters of Credit, available in all parts of the world; buys and sells Foreign Exchange, and issues Drafts and Cable Transfers
ACCOUNTS OF BANKS, BANKERS, CORPORATIONS, FIRMS AND INDIVIDUALS INVITED

Has President Mellen Overreached?

Wall Street Believes That the New Haven President Will Resign, and That a Reduction in the Dividend Rate Will Be Made—The Stock Has a Record of Having Paid Dividends at the Rate of 10 Per Cent for 22 Years—President Mellen Has Been Efficient and Aggressive, But Too Ambitious and Opinionated as Well as Indiscreet in Handling the Public—His Avowed Purpose Was to Dominate Every Transportation Line in New England.

That President C. S. Mellen, of the New York, New Haven & Hartford Railroad Company, has overreached in his aggressive programme of monopolizing all the transportation facilities of New England is the general conclusion in Wall street, regardless of the many contradictory stories which have appeared this week in the newspapers regarding his resignation.

It was first announced that Mr. Mellen had resigned, then that he had not, next that he might resign, and finally, that he was going to resign at some indefinite time in the future. When these conflicting statements were referred to an official of the company, the explanation was offered that the New Haven president was sometimes inclined to indulge in jokes. There is a matter of $177,000,000 of New Haven stock outstanding on which a quarterly dividend at the rate of 8 per cent was recently declared, and Wall street is now rife with rumors about a reduction in the dividend rate at the next meeting to 6 per cent, as well as regarding the president's resignation, so that the time can hardly be regarded as appropriate for indulging in jokes, if it really

WAS A MENTAL EVOLUTION

of President Mellen which was responsible for the newspaper stories.

From 1873 until 1889, the New Haven paid dividends at the rate of 10 per cent per annum. In 1890, the rate was reduced to 7½ per cent, but the 10 per cent dividend was again resumed in 1891, and continued until 1895. In 1896, the rate was reduced to 8 per cent, and has continued at this rate up to the present time. Altogether, the New Haven has paid 10 per cent dividends for 22 years, so it is not strange that the stock should be regarded in the strictly high-grade investment class. President Mellen became the chief executive of the road in 1903, when the 8 per cent dividend rate had been in force for seven years, so that he cannot be charged in any event with the responsibility for the reduction from the 10 per cent rate of former years, as has been intimated in some of the newspaper articles.

It is generally believed that President Mellen's resignation is likely to be accepted by the board of directors in the near future, but as far as I can learn, this will not be the result of any lack of efficiency or ability on his part, but solely because he has been too ambitious, too opinionated in his dealings with his customers, as well as with the general public, and too hasty in carrying out his aggressive plan for dominating every transportation possibility in the New England states. A considerable amount of capital has been raised by the company through the sale of stock at various prices above par, and as a generalization, it may be said that

THIS MONEY HAS COST

well up toward 6 per cent, and not an unlimited amount of money can be borrowed at 6 per cent when the properties purchased with that money return in revenue nothing, or 3 per cent or 4 per cent.

No one has contended that Mr. Mellen has bought any properties which will not eventually be profitable, but there is necessarily a limit to the amount which any railroad corporation can invest in properties which require many years to develop.

Mr. Mellen's ambition was not circumscribed by steam railroads, as he wanted all the street car lines and steamboats which competed with his system. That he paid some fancy prices for street railroads is well known, and when anyone got in the way of the carrying out of one of his street railroad or water transportation ideas, the almost invariable result was a very liberal disbursement of New Haven money.

In the line of water competition, he was equally aggressive. Everyone who travels from Boston to New York remembers the "Yale" and "Harvard" boats which plied between New York and Boston, making the complete trip by water. These boats were luxurious in character, and always sailed with a capacity load. This, of course, resulted in a considerable decrease in the revenue of Mr. Mellen's Fall River line, which offered a combination of boat and rail trips between New York and Boston. The "Yale" and "Harvard" boats flourished for only a brief time, and were then sent to the Pacific Coast. Now aggressive Mr. Mellen furnished an inferior all-the-way-by-water service between New York and Boston.

Mr. Mellen was president of the Northern Pacific up to the time, in

The Fourth National Bank
OF THE CITY OF NEW YORK

OFFICERS
JAMES G. CANNON, President
SAMUEL S. CAMPBELL, V. Pres.
CHARLES H. PATTERSON, V. Pres.
DANIEL J. ROGERS, Cashier.
E. W. DAVENPORT, Asst. Cashier.
CHARLES E. MEEK, Asst. Cashier.

DIRECTORS:

James G. Cannon	L. F. Loree
Cornelius N. Bliss	Eugene Delano
Robert W. Sunet	M. Orme Wilson
William S. Opdyke	Eldridge G. Snow
T. Frank Manville	Wedding Ring
Thos. H. McKittrick	Morton F. Plant
Mortimer L. Schaf	Samuel S. Campbell

CAPITAL AND SURPLUS - $10,000,000

The Commercial National Bank OF WASHINGTON D. C.
Capital $500,000 Surplus and Undivided Profits $296,000
ASHTON G. CLAPHAM, President
ELDRIDGE E. JORDAN, First Vice-pres. N. H. SHEA, Second Vice-pres.
T. K. SANDS, Third Vice-president
JOHN POOLE, Cashier HERBERT V. HUNT, Asst. Cashier.

THE DEXTER HORTON NATIONAL BANK of Seattle maintains a department organized for the especial care of the accounts of banks and bankers. Our officers will be pleased to correspond with bankers contemplating the establishment of relations in the Pacific Northwest.
CAPITAL & SURPLUS $1,440,000

FIDELITY TRUST CO. TACOMA, WASHINGTON
CAPITAL AND SURPLUS, $900,000
General Banking
Largest Trust Company in the State of Washington.

Digitized by Google

NATIONAL BANK 3rd OF ST. LOUIS

CAPITAL $2,000,000
SURPLUS $2,000,000
DEPOSITS $35,000,000

NATIONAL BANK 3rd OF ST. LOUIS

1903, when he took the presidency of the New Haven. He did not get along well with James J. Hill, and it was understood that Mr.

MORGAN WAS RESPONSIBLE

for placing him in charge of the New Haven. At that time the New Haven was regarded in the class with the Lackawanna, and that it had to bury earnings instead of being concerned about funds for the payment of dividends. Since that time, the gross earnings of the New Haven have increased from $47,296,000 and $62,153,000, but only once during the past four years has the New Haven fully earned the 8 per cent dividend which it has paid.

Mr. Mellen's explosive tendencies were exhibited only a few months ago, when in reference to a current report that the New Haven dividend would soon be reduced, he stated, "All rumors that any reduction in the New Haven dividend rate is even a possibility are the vaporings of a disordered mind." It hardly need be recited that railroad presidents do not declare dividends, and like other human beings, they are not able to forecast future earnings, to say nothing about the action of a large and representative board of directors which the New Haven road has. Dividends are always declared by the board of directors and the above statement of President Mellen was commented on at the time as being one the

MOST ABSURD UTTERANCES

ever made by a railroad executive.

The inconsistency of this statement was proved by President Mellen himself a few weeks later, when he said that the dividend rate depended on the future course of the earnings, and that the outlook for the future required the strictest economy along every line. He went even further by saying that every employe would be laid off who could be spared, that nothing new would be started, and only such work would be completed as would cost more to leave uncompleted than to finish.

A considerable amount of the New Haven's revenue is from commuters on both ends of the line, so it was regarded as strange that President Mellen was so arbitrary in his conference with a committee of New York commuters some time ago, when they called on him to complain about their treatment. He at that time made this remarkable statement: "If you wish to organize, organize, and get me a list of every person between New York and New Haven using the railroad daily, and if these thousands of persons will agree not to use the New Haven road, I will pay them five cents a day each, and I will still be making money."

His justification for this statement was the fact that the New Haven Company under its contract with the New York Central has to pay 10.72 cents for every passenger carried from Woodlawn to the Grand Central Station, and on account of this charge, the New Haven is said not to be making any money on its suburban traffic. In the controversy, when this interesting

FACT WAS BROUGHT OUT,

one of the commuters said to President Mellen: "If you do not wish our trade, why has the New Haven been at such pains recently to buy the Westchester & Boston line that promised for a time to give us some relief?" Mr. Mellen replied with considerable spirit, "I will sell that road to-morrow if you will find someone to pay all that it cost."

These and other injudicious exhibits of temper on the part of Mr. Mellen, together with the declining surplus available for dividends, has doubtless influenced many large stockholders in the property, and it cannot be doubted that at the present time there is a rapidly developing sentiment among the owners of the road to the end that a new executive should be secured who will be more discreet, and at the same time who is not so much of a plunger. Investors in a railroad stock like to see their railroad go ahead, but they do not enthuse about such a rapid programme of progression that their stock continues to decline in the market, and the prospect of a decrease in their dividend rate becomes a matter of general discussion.

Mr. Mellen is now down in Maine examining one of the divisions of the Boston & Maine, which is now the northern section of the New Haven road. When last year's statement of the Boston & Maine was made public this week, it was suggested in financial circles that there was apparently plenty of opportunity in this field for Mr. Mellen to devote some of his time. The Boston & Maine's annual report for the fiscal year ending June 30, 1911, showed

A DEFICIT OF $1,602,983,

as compared with a surplus for the preceding year of $783,260. In other words, the company earned less than one-half of 1 per cent on its $38,912,540 of common stock, on which 4 per cent dividends are being paid. In the preceding year, there was outstanding only $28,841,690 of common stock, and the earnings available for dividends amounted to over 8 per cent.

The Boston & Maine had run down, it is true, and after the control of the property was secured with much difficulty, Mr. Mellen went after its complete rehabilitation with a very free hand. The figures of the current report would indicate that he had undertaken to do the job too quickly to conform with the requirements of peace of mind for the ordinary investor.

The New Haven president, as the stockholder looks at it, has not only tried to buy everything in sight and develop everything owned and acquired to its maximum in an inordinately short space of time, but has at the same time been equally aggressive in forestalling any possibility of competition in his territory. The Grand Trunk, for example, has been endeavoring to increase its facilities for New England traffic, and the New Haven has fought every inch of the ground of their aggression. This has naturally cost the New Haven a considerable amount of money, and whether funds so expended are a judicious investment is a very serious question, particularly in the minds of stockholders who are likely to suffer by the result.

Along this same line, it has always been believed that New Haven resorted the

INTRUSION OF N. Y. CENTRAL

into the New England field through acquisition of the Boston & Albany. A subsequent development was the Buffalo, Rochester & Eastern which was to parallel the New York Central from Albany to Buffalo for the alleged purpose of furnishing transportation facilities inadequately supplied by the New York Central from the West to New England points. A New England connection at Albany was, of course, necessary for this new line, and as the New Haven through its control of the Boston & Maine had this only connection, it was naturally assumed that the New Haven was directly or indirectly interested in the new line. The promoters made a vigorous fight for several years to secure a charter, but after it was announced that the New York Central had turned over to the New Haven a half interest in the Boston & Albany lease, besides having sold them one-half of its controlling interest in the Rutland Railroad, the ambitious Buffalo, Rochester & Eastern project quietly expired.

New Haven stock this week sold at 128¼, which suggests the panic prices of 1907, and is entirely out of line for an established 8 per cent dividend payer in the investment class which the stock has heretofore been regarded. I am, therefore, inclined to predict that the New Haven will soon have

A NEW PRESIDENT,

that there will be a reduced dividend, that properties now owned will be developed, instead of buying any more, and that this change in policy, when announced, will be of such reassuring influence that better prices will be recorded for the stock on the reduced dividend rate than now prevail.

P. De Medici.

NEW LONDON, WIS.—The Farmers State Bank, recently organized, has the following officers: S. E. Wright, president; J. W. Werner, vice-president, and E. C. Jost, cashier.

Digitized by Google

IF YOU HAVE NO CORRESPONDENT
IN CINCINNATI
WE WILL WELCOME THE OPPORTUNITY OF PROVING TO YOU THE BENEFITS WHICH WILL ACCRUE FROM FORMING A CONNECTION WITH US.
RESOURCES
TWENTY-FIVE MILLION DOLLARS
And every facility for the satisfactory handling of Bank Accounts.
THE FIFTH-THIRD NAT'L BANK CIN'TI O.

St. Paul Div. Surplus 9-100 of 1%

Expenditure of Over $150,000,000 in the Pacific Coast Extension, Increased Cost of Operation and Declining Revenue Has Reduced Company's Surplus Over Common Dividends to the Vanishing Point—After Paying Last Year's Dividend of $8,116,220 on the Common Stock Only $126,862 Was Left For Surplus—Claim That Income Figures in Last Year's Report Have Been Juggled Does Not Seem to Be Justified—The Pacific Coast Extension Up to the Present Time Has about Paid Its Way.

The most casual examination of the last annual report of the Chicago, Milwaukee & St. Paul Railroad Company for the fiscal year ending June 30, 1911, can hardly fail to disclose the fact that the accounting department used a comprehensive drag net in a most effective and exhaustive manner in order to maintain last year's dividend at the rate of 7 per cent on the common stock. The gross earnings were $64,975,995, or practically the same as last year. Operating expenses and fixed charges increased substantially, so that the balance after paying $8,116,220 in common stock dividends was only $126,862. This small margin of really insignificant proportions compares with a surplus in the 1910 report of $2,450,352 on the same amount of common stock outstanding. The comparison is much more unfavorable for the fiscal year ending June 30, 1909, when there was a smaller amount of common stock outstanding and the 7 per cent dividend called for only $5,817,266. In that year, after paying the common dividend, there was added to the surplus account no less than $3,796,566. The slump, therefore, in three years' time from a surplus over common dividends of $3,796,586 to $126,862 might be fairly construed as indicating that the St. Paul must be

ON A TOBOGGAN SLIDE

and at an alarming rate of retrogression.

There is, however, nothing strange or startling about the figures, because in the past few years the St. Paul has spent over $150,000,000 in its Pacific Coast extension which is only now in the process of development, so far as its possibilities are concerned, and business conditions, as well as unsatisfactory crops, are all necessarily being reflected in the railroad's revenues, to say nothing about governmentally decreased freight rates and increased wages.

To put the case baldly and in the briefest manner, the St. Paul Company last year out of its current earnings did not earn enough to maintain its dividend rate of 7 per cent on the common stock, but this dividend was paid, because in previous years the company had husbanded its surplus earnings and during the past lean year was able to draw on this accumulation of surplus to keep up the dividend rate.

The directors of our best railroads do not follow this course as a rule, unless they believe that the failure of a company to earn its dividend in any such lean year is a temporary matter, because if they are honest and intelligent, they have no desire to mislead their shareholders or dissipate the resources of their company.

A very influential director of the St. Paul road told me one day this week that he as well as his associates felt

JUSTIFIED IN CONTINUING

the 7 per cent dividend on the common stock last year, but that it would not be continued next year at this rate unless business improved and unless there were better earnings than July and August had shown.

At the same time, the St. Paul case is not nearly as bad as has been stated in a number of reviews of the current annual report, and particularly is this true of the emphatic and undisguised intimation of the leading New

Ladd & Tilton Bank
PORLAND, OREGON.
Established 1859.
Capital $1,000,000.
Surplus & Undivided Profits $700,000.
OFFICERS
W. M. LADD, President
EDWARD COOKINGHAM, Vice Pres.
W. H. DUNCKLEY, Cashier
ROBERT S. HOWARD, Asst. Cashier
J. W. LADD, Asst. Cashier
WALTER M. COOK, Asst. Cashier
DIRECTORS:
EDWARD COOKINGHAM J. WESLEY LADD
WILLIAM M. LADD S. B. LINTHICUM
HENRY L. CORBETT FREDERIC B. PRATT
CHARLES E. LADD THEODORE B. WILCOX

RUEL W. POOR, President
JAMES McCUTCHEON, Vice-President ARTHUR W. SNOW, Cashier
W. L. DOUGLASS, Second Vice-President RALPH T. THORN, Asst. Cashier
The Garfield National Bank
OF NEW YORK CITY
Capital and Surplus - - - $2,000,000
Offers to Banks, Bankers, Corporations and Firms the services of a thoroughly equipped and conservatively managed bank.
YOUR BUSINESS SOLICITED

METACOMET NATIONAL BANK
OF FALL RIVER, MASS.
Capital, $750,000 Surplus and Undivided Profits, $333,000
SIMEON B. CHASE, President
MILTON REED, Vice-President CHARLES B. COOK, Cashier
Special attention given to the handling and collecting of cotton drafts, sent direct from the South

The MECHANICS and METALS NATIONAL BANK
OF THE CITY OF NEW YORK
OFFICERS
GATES W. McGARRAH, President WALTER F. ALBERTSEN, Vice-Pres.
ALEXANDER E. ORR, Vice-Pres. JOSEPH S. HOUSE, Cash.
NICHOLAS F. PALMER, Vice-Pres. ROBERT U. GRAFF, Ass't Cash.
FREDERIC W. ALLEN, Vice-Pres. JOHN ROBINSON, Ass't Cash.
FRANK O. ROE, Vice-Pres. CHARLES E. MILLER, Ass't Cash.
Capital, Surplus and Undivided Profits, $14,000,000

IZENS NATIONAL BANK BALTIMORE, MD.
APITAL, $1,000,000 SURPLUS, $2,000,000

Digitized by Google

York City daily financial paper that the figures of the report had been juggled and falsified.

The principal indictment of this publication was with reference to the income account of the company representing the Pacific Coast extension and known as the Chicago, Milwaukee & Puget Sound. In addition to the net operating income of that company of $5,711,205, there was added in the report the item of other income amounting to $2,079,412. The principal part of this other income amounting to $1,729,431, was on account of "hire of equipment balance". In other words, the new company as a final result of its operation in loaning its own cars and borrowing cars from other roads had an available surplus of earnings amounting to over $1,700,000.

This entry in the profit account was criticised on the ground that the Puget Sound division had only 11,515 cars, and that in order to produce this amount of revenue, it would have been necessary for practically all of the cars to have been used throughout the year by other lines. The argument was further carried out by the statement that not only must all of the company's cars have been loaned all the time, but in addition, no rental payments could have been paid for cars of other companies which must necessarily have been used.

THIS SUPERFICIAL CONCLUSION,

like all others, overlooks many facts. In the first place, it is not stated in the annual report that the balance of revenue on equipment account was solely for the current year, and in fact, I understand that it represents the balance for practically the whole period of the new company's operation. It was intimated that the company's entire equipment income must necessarily be limited to its 11,515 cars. The company has this number of freight cars and besides has 200 or 300 passenger cars, as well as 398 engines, so that the apparently abnormal receipts from the rent of equipment in last year's statement, instead of covering the use of its freight cars for one year alone, really covers its returns since organization from the rental of passenger as well as freight cars and engines. The company had a considerable amount of cars and engines available before its line was completed, and it was not strange that this equipment was loaned temporarily. Another fact is that a considerable proportion of the traffic originating on the Puget Sound road is lumber which when shipped necessitates the company's cars being out one or two months. Further, the nature of the company's traffic is such that very few cars of other companies can be used for the return load. There is really nothing strange, therefore, about the fact that the Puget Sound extension in two years should have accumulated a balance of $1,729,431 on equipment rental account, even though the parent company on similar account disbursed last year $1,945,000.

The same financial writer who insinuated that the St. Paul officials had

MANIPULATED THE FIGURES

of the Puget Sound extension recently published a story in his paper in which the statement was made that the capitalization of the St. Paul extension was $127,000 a mile, or considerably in excess of any other railroad in that territory. In this calculation he included the $100,000,000 of capital stock of the Puget Sound Company, which was issued and put into the St. Paul treasury entirely without consideration, and purely as a matter of form and compliance with the law. The state law requires that no railroad corporation can issue bonds to an amount exceeding the capital stock outstanding, and in the incorporation of the St. Paul's Pacific Coast extension the capitalization was fixed at $100,000,000 in 4 per cent bonds and an equal amount of stock issued, all of which was placed in the company's treasury. Since that time, the authorized capital stock has been increased to $200,000,000, so that the bond issue can be increased from time to time as may be necessary. No pretence or claim was ever made that the $100,000,000 of stock of the Puget Sound Company represented any cash investment, but notwithstanding this fact, the financial writer referred to included this stock capitalization in the cost of the road, and hence figured it out that the new line to the Pacific Coast had been

CAPITALIZED AT $127,000 A MILE,

when $77,000 was the actual figure, the other $50,000 simply being the amount of necessary stock which had been issued.

The St. Paul treasury last year received from the Puget Sound Company $5,000,000 in dividends, or 5 per cent on the 100 per cent of stock it was necessary to issue with the bonds representing the actual cost of the property. The last dividend on this stock of 2.3 per cent was declared in June as representing the balance of net earnings for the fiscal year as estimated at that time. The dividend was, of course, declared in this manner in order to increase the St. Paul's income account for dividend purposes. All financial writers promptly concluded that this dividend represented the last dollar of available income which the St. Paul could secure from its subsidiary. As a matter of fact, however, it has since developed that the Puget Sound extension earned last year $472,197 in excess of the 5 per cent dividend declared and paid.

There has been much criticism of the St. Paul management in building its extension to the Pacific coast, because it has been assumed that the money cost 7 per cent in dividends on the increased issue of common stock and that the company could hardly fail to jeopardize its dividend rate on this account. It is true that the St. Paul Company sold to its shareholders $100,000,000 of common stock which now receives 7 per cent dividends to secure funds for this purpose. The company has also invested an additional $50,000,000 which will cost about 4½ per cent a year in this project.

Hence, it may be assumed that the fixed charge on the Puget Sound extension is $9,250,000 a year. Last year, the company received from this investment in the form of dividends and interest $9,470,000, so that for this period, in any event, the

EXTENSION SHOWS A PROFIT.

It should be stated, however, that in order to pay last year's dividend of 5 per cent on the Puget Sound stock $2,700,000 of the previous year's earnings had to be used, so that during the current year, the Pacific Coast line will have to earn over $2,000,000 more than it did last year, or else the revenues of the parent company must improve to an equal amount, otherwise the dividend on St. Paul common will probably have to be reduced.

The subsidiary Tacoma & Eastern Railway Company reported for the year a surplus of income amounting to only $13,661, but dividends on the preferred and common stock of the company outstanding amounting to $165,000 were declared. All of this company's stock is held in the treasury of the St. Paul-Puget Sound Company, and the transaction simply represented an appropriation of a substantial proportion of the previously accumulated surplus. Other railroads besides the St. Paul have heretofore accumulated surplus earnings in their subsidiary companies, and whenever they have needed the money have had these companies declare dividends entirely out of proportion to the current year's earnings, so there does not seem to be anything very startling in this feature of the report.

The published balance sheet of the Chicago, Milwaukee & Puget Sound Company shows on the liability side of the account a matter of

$3,000,000 DUE FOR DIVIDENDS

unpaid, and this feature has been criticised. The fact is, however, that the St. Paul owns all of the Puget Sound Company stock and that the dividend money had not been transferred from the treasury of the Puget Sound Company to the St. Paul clearly reflects only the circumstance that the Puget Sound Company could use the money and that the St. Paul Company did not need it. If this feature of the report is to be criticised, then any person may be criticised if he carries his money in two pockets instead of one.

P. DE MEDICI.

BUILT ENGINE FOR JAPAN.

Mr. Lewis Nixon, president of the Standard Motor Construction Company, builders of the "Standard" marine engine, reports the recent successful ending of the strike of machinists, which was declared at the Standard Motor Company's plant last March. The plant, which is in Jersey City, was kept in constant operation, while the strike was on.

The Standard factory is now operating full force for this season, and reports that the demand for engines is being steadily maintained, with an increase in the demand for the larger types. During the progress of the strike, the company completed and delivered a 1,000-horse power gasoline motor, built under a contract with the Japanese government for use in a powerful submarine boat in the Japanese navy. This is one of the largest, if not the largest, marine gas engine ever installed.

BUTLER, PA.—A new bank is organizing here with A. S. Wrightman, president and C. W. Wick, cashier.

Digitized by Google

No Reason To Fear With 6 1-2%

A United States Investor Reader Boards the Market on the Way Down and Emerges With Rich Spoils—No Room for Superstition in a List of Thirteen Issues Which Return Nearly 6½ Per Cent at the Prices Paid.

That these are days of good picking for the investor, large or small, who possesses foresight mingled with courage to hold on to a good thing in the face of bear arguments and possibly receding values, is a fact to which attention has been called at various times in these columns, particularly since the beginning of August, when the downward movement in stock values became so pronounced as to attract general attention. Early in the summer, when the bulls controlled the situation, and were engaged in putting values upward by fair means or foul, the absence of the public from the speculative arena was a very noticeable feature, and one which proved decidedly disconcerting to the commission house interests, who recalled past days when a rising market was an irresistable attraction to those who had idle money to invest. The increase in the cost of living within the last few years has had more than a little to do with the change in the public's attitude toward the market, for in these days there is a desire to get the most out of individual investments in the way of net return. There are, of course, two ways of accomplishing this end: First by limiting one's commitments to issues which are decidely speculative in character, and which, according to natural market laws, sell at a figure which makes it possible to obtain a very large return. Investors of this class, who make no bones about announcing that they desire the greatest possible return on their investment, afford a shining target for the unscrupulous promoter, with his hints of enormous speculative advances and large dividend payments, and all too often fall a victim to his wiles.

THE OTHER CLASS

pursues a much saner and wiser course, which consists of confining its attention to issues which have a record behind them, and a promise of good things to come. In such instances as these, the ability to secure an ample return depends upon the patience, foresight and courage of the investor in waiting for the arrival of conditions which cause a material depression in values all along the line. Such an opportunity was afforded in the latter part of 1907, and was taken advantage of by a goodly number of people who had the good sense to realize that the panicky feeling then evident could not last forever.

Here in the United States Investor office we receive numerous inquiries from our readers which afford an interesting insight into the public attitude towards the market. Months ago, when operations on the stock exchange were almost exclusively professional, I knew by the manner in which subscribers were asking about stocks and bonds that preparations were even then under way for a substantial buying movement to be begun when conditions were deemed favorable. For a considerable time this interest failed to reflect itself in actual market results, but of late, it has become an important part of the day-to-day market proceedings.

AN INTERESTING INQUIRY.

One of the most interesting of the numerous inquiries received from subscribers in various localities comes to me from a New York state reader of the United States Investor, and is couched in the following terms: "Some time ago I received an opinion from you in regard to the railroad and industrial stocks that I own, and you regarded them all as a good business man's investments. Since that time I have increased my holdings, mostly from your comments in the United States Investor. Please give me your opinion as to the price I have paid for them and your judgment as to their value; I would also be pleased to have you state the interest that I am receiving on these stocks at the price I have paid for same."

The list of stocks which this investor names includes thirteen issues of unquestionable merit, and I am positive that inside of, say, two years, a period which will carry the market over the next presidential campaign this foresighted individual will be in a position to reap very substantial profits, if he chooses to do so, receiving in the meantime, a very good return on his investment. I give herewith a list of his holdings, with the prices at which they were acquired, and the net return at those prices:

Name of stock.	Cost per share.	Pays per share.	Net yield.
Union Pacific, com.	$168.70	10%	5.93
Illinois Central	132.75	7%	5.30
Great Northern, pref.	136.23	7%	5.52
Atchison, com.	160.00	6%	6.82
Pullman Co.	155.25	8%	5.15
General Electric	149.25	9%	6.00
Am. Car & F'd'y, pref.	112.00	7%	6.25
U. S. Steel, pref.	115.12	7%	6.08
U. S. Steel, com.	73.13	5%	6.84
Am. Woolen, pref.	89.69	7%	7.80
U. S. Rub., 1st pref.	100.75	8%	7.29
Virg.-Carol. Chem., pf.	118.12	8%	6.77
Nevada Consolidated	18.85	*	7.96
Average net yield			6.35

* 1.50 per share.

I have written to him as follows regarding this selection: "The average return on these 13 issues is nearly 6½ per cent, so that taken all together, you are receiving a very substantial return on your investment without taking excessive speculative risks."

CAUSE FOR CONGRATULATION.

"I stated in my previous letter that in my opinion you were to be congratulated upon the selection of stocks which you owned that time and your subsequent selections have not inclined me to change my opinion in the least. You are especially open to congratulation on having acquired these securities when the market was scraping the bottom of its recent downward movement. At yesterday's closing prices, you already have a paper profit, averaging three or four points per share. It is evident that you are holding these stocks for investment, and I take it, therefore, that having acquired them in the midst of depression, you will not be frightened by any further display of bear strength. I say this because it is quite likely that some or all of these shares will sell below the price at which you bought them before a sustained recovery develops. The political and industrial situation is so clouded at the present time that the bears are likely to make further raids on the market with a considerable degree of success."

"Your list of stocks is one of which any investor might well be proud, being so well distributed over railroads and industrials preferred and common shares. You are particularly fortunate in having selected such a strongly entrenched issue as Nevada Consolidated for your venture into the mining list, and the income from this issue adds very materially to the average yield shown by your list of 13 stocks. There is no doubt in my mind but that this list will in the course of time show very substantial speculative profits, practically from one end to the other."

NEW LOW RECORDS.

Since this letter was written, there has been a fresh outburst of liquidation, which has carried some of these issues down to new low levels for the year, but this development need not worry my correspondent, and I do not believe that it does. For his further information, and for that of other interested readers, I am presenting at this point another tabulation of these stocks, showing the amounts earned on them in the last fiscal year, as compared with the amounts actually paid out in dividends.

	Earned.	Paid
Union Pacific	16 61	10
Illinois Central	11.11	7
Great Northern, pref.	7.95	7
Atchison, com.	9.91	6
Pullman Co.	11 61	8
General Electric	16 65	9
Car & Foundry, pref.	14 11	7
U. S. Steel, pref.	24.35	7
U. S. Steel, com.	12 22	5
American Woolen, pref.	9 99	7
U. S. Rubber 1st pref.	10.97	8
Va.-Caro. Chem., pref.	12 83	8
Nevada-Consolidated	34 60	30
Total	192 58	118
Average	14.31	9 08

In the case of the railroads in this list, the amounts given as representing the earnings for the last fiscal year may not be absolutely accurate, as the full and complete reports for that period are not yet available, but the figures given are approximately correct. They show that collectively and individually, these stocks earned more than was paid in dividends, the average earnings being more than 50 per cent greater than the returns to shareholders in a year which was not remarkable by any means for its evidence of prosperity. Therefore, a steadying down of the present tendency towards excessive distrust and a return to the prosperity which the country enjoyed prior to the 1907 upheaval, will, no doubt, convince this canny investor that the number thirteen is not always an omen of bad luck. At all events, there are plenty of people who would be more than willing to run the risk of a visitation from a "hoodoo" for the sake of holding such a strong collection of investment issues as this. P. DE MEDICI.

Digitized by Google

Inter-Met Hazy Finance

The Increased 1 Per Cent Dividend of Subway Company Only Takes Care of the Interest on Short-Time Notes Left Out of the Last Annual Report—Announcement That of This Increased Dividend of $339,138 Accruing to the Interborough-Metropolitan Company, $300,000 Was to Be Used Annually as a Sinking Fund to Buy 4½ Per Cent Collateral Bonds, While the Overlooked Interest on Notes Calls for $392,964—New York State Public Commission Seems to Block the Financial Legerdemain Necessary to Put Substantial Value Into the Company's $139,000,000 of Inflated Capitalization.

Coincident with the announcement a few days ago that the Interborough Rapid Transit Company, the real subway company in New York City, had increased its dividend rate from 9 to 10 per cent, President Shonts made an explanatory statement which seemed to gladden the hearts of stock and bond holders of the Interborough-Metropolitan, the aqueous subway holding company. Both Interborough-Metropolitan stocks and bonds advanced when the authorized interview was given out, but when the situation is carefully analyzed, it does not appear that the increased dividend is really such an inspiring development to those unfortunate investors who hold parcels of the $139,000,000 of preferred and common stock of the Interborough-Metropolitan Company outstanding.

The statement made by President Shonts with reference to the increased dividend of the underlying company and its proposed utilization and possibilities was as as follows:

"On June 2, 1910, a resolution was passed by the directors of the Interborough-Metropolitan Company appropriating $300,000 annually out of any surplus income in the hands of the company after the payment of interest and taxes upon its obligations to the acquisition of its 4½ per cent collateral trust bonds. These bonds are to be

ACQUIRED IN THE OPEN MARKET

at not exceeding par and interest, and to be turned in to the trustee of the mortgage so as to operate as a sinking fund.

"The time now having come when the Interborough Rapid Transit Company has felt justified in increasing its dividend beyond 9 per cent per annum heretofore paid, the Interborough-Metropolitan Company will be in a position to put into effect the declared policy of the company with respect to its 4½ per cent bonds. Inasmuch as these bonds, when turned in to the trustee as additional security for the mortgage, cannot, under the terms of the resolution of June 2, 1910, be released, and will continue to draw interest, which must also be devoted to sinking fund purposes, a sum of over $40,000,000, or a larger amount if the bonds can be secured at less than par, will have been accumulated before their expiration for the purpose of paying off the $67,825,000 4½ per cent bonds outstanding.

"Contemporaneously, by reason of the paying off of the 5 per cent bonds of the Interborough Rapid Transit Company by the sinking fund provided for by that mortgage, the equipment of that company, now valued at $38,000,000, will have been released from that mortgage and the assets of the Interborough-Metropolitan Company will have been enhanced by a corresponding increase in the value of its stock by the Interborough Rapid Transit Company. There will remain the lease of the Manhattan Railway Company, which has been earning at a rate approximately of

$1,400,000 SURPLUS

to the Interborough Company."

The prospect of injecting real value into the $139,000,000 of fictitious capitalization of the Interborough-Metropolitan is very hopefully forecasted in this statement, but the general rule applies in this case that it is not safe to believe all you read. The additional 1 per cent dividend declared by the Interborough Company will put into the treasury of the Interborough-Metropolitan Company an aditional $339,138 each year, and the presumption would naturally follow that $300,000 of this amount could be used to provide for an annual sinking fund to be devoted to the purchase of the outstanding 4½ per cent collateral trust bonds.

As a matter of fact, however, it is not possible to figure out how any such sum is available, and this conclusion is based on all the published data of both corporations involved. The Interborough-Metropolitan Company in its statement on December 31, 1910, recorded the fact that it had outstanding $6,549,400 of 6 per cent notes on which the annual interest charge must necessarily have been $392,964. It may be assumed that the Interborough Company, like every other mortal, is required to pay interest on money borrowed, but in the statement for the fiscal year ending December 31, 1910, of receipts and disbursements

THERE WAS NO ENTRY

on the disbursement side of the account representing interest which must have been paid in some way on these 6 per cent notes. The published list of disbursements was as folows:

Interest on $67,825,000 Interborough-Metropolitan collateral trust bonds for nine months ending September 30, 1910	$2,289,098.00
Accrued interest for three months to December 31, 1910	763,031.25
Administration and general expense account	92,436.08
Taxes	24,776.47
Paid on New York City Railway Company claim	36,405.41
Total	$3,205,732.96

The company's gross revenue for the same period, consisting of dividends on Interborough Rapid Transit Company stock held, interest on bank balances and refund from state of New York on assessments was $3,261,243.10. The significant and interesting feature of this tabulation of receipts and disbursements is that the company apparently had to pay no interest on the $6,549,400 of short-time notes it had outstanding.

In the year ending December 31, 1911, the Interborough-Metropolitan Company will probably have to account for this item of interest on the 6 per cent notes, because such an item

COULD HARDLY BE OVERLOOKED

for two years consecutively, and if this is done, and the other income as tabulated is the same as last year, there would result not a surplus of $55,510, but a deficit of $337,454, disregarding the increased dividend.

Instead of this increased dividend of 1 per cent on the Interborough stock, amounting to $339,000, being used as announced for the purpose of providing for the new $300,000 annual sinking fund, it would appear that the increased disbursement would be practically absorbed in taking care of the annual interest on the short-time notes outstanding, which item was lost sight of in the last annual report.

The Interborough-Metropolitan, nevertheless, constitutes a very interesting study in the possibilities of the speculative mind. The company actually owns nothing but equities, and well-mortgaged equities, in well-exploited properties. Its holdings of surface railroad stocks are in companies in the hands of receivers whose bonds are selling at a very substantial discount. On its lease guaranteeing 7 per cent dividends on the stock of the elevated road is an apparent profit of over $1,400,000 a year, but if a proper depreciation account was maintained, this asset would not look so hopeful.

Its most real asset in the ownership of the equity of the subway company stock has tangible value, but hardly sufficient by any

STRETCH OF THE IMAGINATION

to be spread very thickly over the $139,000,000 of capitalization. The company owns most of the $35,000,000 of stock of the Interborough or real subway company, which stock is mortgaged for $70,000,000 at 4½ per cent interest. Nine per cent dividends on the subway stock, of course, just pays the interest on the purchase money collateral bonds issued, so the increase in the dividend rate from 9 to 10 per cent produces an apparent margin of 1 per cent profit.

Notwithstanding this situation, the preferred and common stock of the inflated Interborough-Metropolitan maintain a market value of over $33,000,000, which is somewhat strange in comparison with similar market figures in the case of the Brooklyn Rapid Transit Company dominating an almost equally congested field across the East River. The Brooklyn Company is earning and paying $2,292,130 each year in dividends, and its stock is quoted in the market at $33,923,530, yet the Interborough-Metropolitan equity represented by its preferred and common stocks paying no dividend and having no immediate prospect of any, are quoted in the market at almost as much, or to be exact, $33,199,128. The intangible and remote it must, therefore, be observed is regarded by speculative Wall street as worth almost as much as something tangible and established.

Of course, it is a well-known matter

Digitized by Google

of history that something like $100,000,000, has heretofore been stolen in the exploitation of New York City railroads, and the prevailing quotations on Interborough-Metropolitan stock can hardly fail to suggest that those who maintain these quotations believe in the possibility of

GRABBING ANOTHER $100,000,000

from some inconceivable source which will give substantiality to the $139,000,000 of stock outstanding.

Those halcyon days of capitalizing a horse-car line at $3,000,000 per mile, however, are over, and when it is borne in mind that the Public Service Commission of the state of New York stands up so vigorously against even a dollar of over-capitalization above actual value that they will fight to maintain their rulings even to the court of last resort, it requires no brilliant prophet to suggest that there is not much probability of the Interborough-Metropolitan managers, shrewd though they may be, of grabbing without consideration any substantial amount of property value to fill up their looted treasury. All shares and bonds issued by public service corporations in the state of New York from this time on are likely to represent actual value, and if it is impossible to get three or four dollars of value for the investment of a new dollar, it is impossible to figure out how the Interborough-Metropolitan can permanently bolster up its big capitalization.

According to the last annual report of the Interborough Rapid Transit Company for the fiscal year ending June 30, 1911, there was a final surplus after payment of 9 per cent dividends, of $1,390,037 which amounted to 4.3 per cent on the $45,740,000 of Interborough-Metropolitan preferred stock outstanding. The dividends on this preferred stock, however, are cumulative and are 20 per cent in arrears, or a matter of $9,000,000. The holder or buyer of the preferred stock may be able to figure out some hope, but by what process of mind the people who buy some of the $93,000,000 of common stock can evolve any reasonable hope or justification, at least in this generation, I am unable to divine.

Some months ago, Interboruogh-Metropolitan securities were confidently boomed on the assumption that the company could hardly fail to be the ultimate successful bidder for the extensions of the subway system to be built with city funds to the extent of the city's debt limit and aggregating a matter of $200,000,000. It developed, however, that the Interborough officials were

ALTOGETHER TOO RAVENOUS,

and as a result, the Brooklyn Rapid Transit Company not only secured all the extensions it desired, but, in addition, was allotted the portion of these subway extensions which had been intended for the Interborough Company and to which the Interborough Company was logically entitled.

The Interborough-Metropolitan securities are, therefore, now or should be quoted ex-prospect of subway extensions, although there is some doubt on this point, because Wall street believes that the Interborough management is very close to Tammany, that Tammany is in control, and by some twist or turn in the proposed new city charter will still be able to give the Interborough Company the choicest pickings of the new subways, regardless of what has transpired.

Aside from these intricate and devious possibilities of New York City politics, the advocates of the Interborough-Metropolitan Company contend that the company has three important sources of hope, that is, from the present subway, the elevated lines and the surface lines.

On the elevated lines, after paying interest on the bonds and the guaranteed 7 per cent dividends on the $60,000,000 of stock outstanding, the annual report states there was a surplus of $1,479,837 for the year. Whenever you wait on one of these elevated stations, however, and feel the structure shake, you cannot avoid the suspicion that sometime the particular section on which you are standing may

TUMBLE INTO THE STREET.

The total capitalization of the Manhattan Elevated lines is a matter of $100,000,000, and if only 2 per cent a year, or $2,000,000, was devoted to the replacement, depreciation or rehabilitation account, there would not be any-

I. M. TAYLOR & CO.

8 Congress St., Boston
115 Broadway, New York
Members of New York, Boston and Chicago Stock Exchanges

This week's Market Letter summarizes the situation and is especially devoted to

Northern Pacific
Am. Beet Sugar
Am. Can Preferred

Sent Upon Request

7% PREFERRED STOCK AT PAR
with bonus of 50% common of the
Moisant International Aviators, Inc.

Foremost aeroplane manufacturers on the North American continent. Now an established, **producing,** growing concern. From Jan. 1 to July 16, receipts from cash prizes, bonuses and percentage of gate receipts amounted to $144,333.05.

For full particulars address

GILBERT H. CARR
50 Congress St., Boston

A Speculative Investment

A 2,000 acre tract of finest Timber, Coal, Oil and Gas in West Virginia.

A splendid opportunity for anyone who knows how to handle these propositions. Address owner for further information.

JOHN F. HOGAN
130 Shelby St.,
DETROIT, - - - MICH.

NOW READY

Vol. II. Obsolete American Securities and Corporations

1,200 Pages. Containing nothing that is in Volume I.

Delivered anywhere on receipt of $5.00

R. M. SMYTHE
452 Produce Exchange, New York, U. S. A.

F. A. RUGGLES,
53 State St. Boston, Mass.

INVESTMENTS
Bonds and Stocks
WM. F. CROSBY,
Tel. 4090. 311 Main St.
WORCESTER, MASS.

JOHN P. DAVIS, President. WM. M. WELLCOME, Vice-President. BYRON H. DAVIS, Sec'y-Treas.

The Davis Wellcome Mortgage Co.
(Incorporated)
TOPEKA, KANSAS.

Gilt-edge first mortgage loans for sale at 5½% and 6% net to the investor. Security well-selected, improved farm lands, in no case to exceed 50% actual value of the farm. Every loan personally examined by one of our inspectors. No better or safer security for money anywhere.

We point with pride to a record of twenty-five years, loaned over $12,000,000, without foreclosing a mortgage or the loss of a dollar in either interest or principal.

Bank References:
BANK OF TOPEKA
CENTRAL NATIONAL BANK, TOPEKA

Correspondence Solicited

Digitized by Google

thing left of that $1,479,837 surplus income above the guaranteed 7 per cent dividend. There are possibilities of profit by third tracking the elevated, but the only proposition so far made by the city authorities along this line has been rejected by the Interborough Company on the ground that they could not afford it.

So far as the surface lines are concerned, the Interborough-Metropolitan Company has several trunks full of stock certificates of the Metropolitan, Metropolitan Securities Company and numerous other lines all in the hands of a receiver. The value of these stocks may be fairly estimated from the fact that underlying bonds in default are selling at a very considerable discount, and the ownership of the stock actually represents only the privilege of paying assessments when a reorganization plan is formulated There may be possibilities along this line, because everything which can be taken away from bondholders in a

HIGH-FINANCE REORGANIZATION

can be appropriated by stockholders. It is not, however, a propitious season for this brand of reorganization, so there does not seem to be a large amount of hope in this field.

In the present subway, or rather the company's equity in it, must be found the real hope for Interborough-Metropolitan stockholders. The report for the fiscal year ending June 30, 1911, of the Interborough or real subway company showed a net corporate income available for dividends of $5,140,037, or a decrease of $942,110 from the preceding year, notwithstanding the fact that over 15,000,000 more passengers were carried. The gross income from the subway division increased $420,701, but operating expenses increased $1,173,264. Notwithstanding this gain in the subway division alone of over $400,000 and of over $350,000 on the elevated dvision, the final result as reported was a decrease of nearly $1,000,000 in net earnings. In this connecton, it hardly need be suggested that the Interborough Company has some very efficient accountants who are probably able to make published figures correspond with instructions. Everyone who uses the subways in New York City has noticed that the stations are continually being enlarged in order to take care of the traffic with ten and twelve car trains which are now being run whenever it is profitable. That the Interborough Company has been

BURYING A LOT OF EARNINGS

in these improvements cannot be doubted from the large increase in subway operating expenses.

The present subway must, therefore, be regarded as the principal source of profit for Interborough-Metropolitan stockholders, and while these profits are and have been magnificent, I cannot help believing that they will be inadequate to very generously swing $139,000,000 of capitalization, particularly in view of the fact that all of the original $20,000,000 cash invested by Interborough stockholders has been diverted into other transportation enterprises. P. De Medici.

LEESBURG, GA.—A bank is to be established here.

We own and offer a first mortgage bond yielding over 5%, secured by real estate valued largely in excess of outstanding bonds. Earnings of Company over four times interest charge.

Listed on N. Y. Stock Exchange.

The unsecured paper of this Company is readily bought by banks throughout the country.

Write for Circular U

Knauth, Nachod & Kühne
BANKERS
15 William St., New York

BODELL & CO.
PROVIDENCE, RHODE ISLAND
Boston Office, 35 Congress St.

Bonds and Preferred Stocks of Proven Value

American Industrials Co.
Broad Exchange Building, New York.
INVESTMENT SECURITIES.
8% Twenty Year First Mortgage Gold Bonds.
7% Preferred Stocks.
8% Preferred Stocks.

Baker, Ayling & Co.
50 Congress street, Boston
INVESTMENT BONDS
Philadelphia Office, Land Title Building

Assets Realization Company
Capital $10,000,000
Purchases Estates in Liquidation at any point in the United States
NEW YORK PHILADELPHIA CHICAGO

Hodenpyl, Hardy & Co
BANKERS
7 Wall Street, New York
6% PREFERRED STOCKS A SPECIALTY

WE TRADE IN
Western Power Common
Western Pacific
United States Worsted Pref.
United States Worsted Com.
Detroit & Mackinac Com. & Pref.
Blaugas Company of America
Wells Fargo Express.
E. BUNGE & CO. 20 BROAD STREET, NEW YORK
Cable Address, "Ernestus, New York" Long Distance 'Phone 4735-4736 Rector

GEO. D. COOK & CO.
BANKERS
71 BROADWAY, NEW YORK
We make a Specialty of
Mexican Government and State Bonds

McCOY & COMPANY
Municipal and Corporation Bonds
181 LA SALLE STREET
CHICAGO

Boody, McLellan & Co.
111 BROADWAY, NEW YORK
MEMBERS OF NEW YORK STOCK EXCHANGE
Orders Executed for Investment or on Margin

We Have For Sale
Seattle Judgment and Condemnation Fund 6% Warrants.
WM. D. PERKINS & CO., Bankers
No. 211 Cherry St., Seattle, Wash.
Established 1893
Oldest Bond House In Washington.

DOMINION BOND COMPANY
LIMITED
MONTREAL TORONTO OTTAWA
LONDON, ENGLAND
Dealers in HIGH-GRADE CANADIAN BONDS
List on Application

5% BONDS
Guaranteed by
National Light Heat and Power Co.
A. H. BICKMORE & CO.,
30 PINE ST., NEW YORK

6% Timber Bonds
Carrying With Them An Exceptionally Attractive Feature.
American Finance & Securities Co.
5 Nassau Street New York

H. C. Gibbs & Co.
Gas and Electric Light Bonds
To yield 5% to 5 1-2%
60 State Street BOSTON

CIRCULAR ON MISCELLANEOUS UNLISTED MILL AND MANUFACTURING SECURITIES
SENT UPON REQUEST
HORNBLOWER & WEEKS, 60 Congress St., Boston

Digitized by Google

Suggestions for A. I. B.

Mr. James G. Cannon, President of the Fourth National Bank of New York, Gives Sound Advice and Helpful Hints at the Annual Convention in Rochester.

My interest in the welfare of the American Institute of Banking is of long standing, and the splendid development it has enjoyed has been a great satisfaction to me. The spread of its influence is plainly noticeable, and its teachings have not only materially benefited the individual, but contributed in no small measure toward setting a higher standard in the banking profession. I am a thorough believer in organizations of this type. United effort is a short-cut of modern days. In the work of the institute you are building men, you are molding character, you are supplying an atmosphere which, let us hope, will never fail to respond to the drafts made upon it.

The organization of the present body and the drafting of its constitution was finished in my office in the Fourth National Bank, in the spring of 1901, and I had the honor of being elected

ITS FIRST TREASURER

and a member of its board of trustees. On July 1, 1901, after serving only a few months of his term, Mr. Cornwall, the first president retired, and on August 12, 1901, I succeeded him.

This is a brief outline of my official connection with you, and, as an old officer, and as one of your friends, it, therefore, gives me great pleasure to be present and to address you upon this occasion.

I was delighted when informed that this convention was to be held in Rochester, for no one can visit this beautiful city in the Genesee Valley, almost within hearing distance of the waves of Ontario, without being deeply impressed by its broad avenues, handsome residences and stately business and municipal buildings. Its great water power, its busy manufacturing establishments, its numerous industries, all contribute to make it one of the most substantial, as well as one of the most attractive cities of this great Empire State. Rochester is justly celebrated for her stable and conservative financial institutions, directed by men of broad views and a spirit of progressiveness, and this has contributed much toward the city's general prosperity. This same

SPIRIT OF PROGRESSIVENESS

is plainly evident in the younger banking element, as is shown by their active campaign to secure this convention for their city.

The institute's value to bankers is not yet fully appreciated. The great need to-day is for all-around bank employes, men who can be advanced to higher offices. Banking is being highly specialized, and the growth in many banks has, to all practical purposes, brought them to "departmentize". Men are wanted who can realize the importance of each department and grasp the machinery of the whole bank, who can fit themselves into the intricate work with a knowledge of the whole. The banking world of to-day is not getting as good material as was the case several years ago, simply because many bright, active men seeking positions, feel that there is less chance of advancement in the profession than formerly. While consolidation and concentration continue, bank employes do not feel as strong and sure in their positions as formerly, and we are losing many valuable men from our ranks.

I see in the institute great possibilities for young men. Those who enter upon its work can, by proper application and attention, attain a knowledge of

BANKING AS A WHOLE

which they cannot obtain as "department" men, and also secure a surer footing which enables them to maintain and control good positions, no matter what may occur in the way of consolidation or otherwise. I believe the day is not far distant when bank officers will ask a candidate for a position to show his credentials as a member of the Institute of Banking. To that end the work of the institute must continue essentially practical in every department. What I mean by "practical" is that it must better fit men for the actual things they have to do, rather than by theorizing on things remotely related to the work. The theory of banking as written is one thing, but the actual working of a bank, from day to day, with all the problems to be solved, is quite another thing. It is proficiency that is wanted by bank officers, and the institute, through its classes and lectures, can make men more proficient and, with a higher degree of proficiency, they can earn larger salaries and increase their prospect of promotion. When the institute, through its various workings, reaches the point where by its aid it enables a man to

INCREASE HIS PAY,

you have certainly solved the problem of its success.

The volume of business is continually growing larger in this country. The buying and selling of commodities, the transaction of all kinds of business, naturally becomes greater, and there is no line of business to-day needing trained experts more than banking; men who can run departments on what is called the "new efficiency basis", who by care and study can develop each separate department to its highest service at a minimum of expense.

Financial institutions are endeavoring to give their depositors better and better service. They are enlarging their sphere of activities and doing things which twenty-five years ago were never considered as relating to the banking business. This is being done at a higher expense-ratio, and it has now become a study on the part of bank officers how to give the best service at a minimum of expense.

As time goes on and financial institutions multiply, competition will become keener. The important question of

INTEREST ON DEPOSITS

will force itself to the front, and this will bring up the question of how to offset interest payments and still handle business with maximum efficiency and minimum of expense, and every good bank officer has this constantly in his mind. This is why we are all turning to labor-saving devices, and we must now give equal attention to the efficiency of service of our employes. The machinery of a bank must move with as little lost motion as possible; that is why we insist upon punctuality, strict attention to duty, and have extra men at hand so that employes will not be overworked and the service to depositors delayed.

These, and many other questions of like character, are receiving the attention of bank officers. If the institute in its work can answer some of these problems, it will receive the support and commendation of the entire banking fraternity, and there will be a hearty response to its calls for enlarged facilities.

This demand for efficiency of service is a great boon to the progressive bank employe, because it affords the opportunity to develop his powers of observation and to study closely the requirements of modern banking. No matter in what department of a bank a man is placed, be he messenger or president, he can develop these powers and make a careful study of the institution with which he is connected, and by attending the meetings of the institute he can familiarize himself with the methods of other institutions, thus fitting himself for a better position.

I am heartily in favor of a plan which has been introduced into some banking institutions, namely, the

OFFERING OF PRIZES

for the best suggestions in reference to the interior working of the bank. In the Fourth National Bank we have posted the following:

"The Fourth National Bank offers four prizes: $50, $25, $15 and $10, payable December, 1911, for the best four original suggestions, the adoption of which will result in the improvement of the service, economy of administration, or general advancement of the business. All suggestions must be submitted in writing not later than November 1, 1911.

"This is an opportunity for everyone connected with the bank to show their individual interest in its welfare.

JAMES G. CANNON, President."

I feel that if bank officers generally would foster a spirit of helpful suggestion from their employes they would save money, and, at the same time, would handle the work in the interior of the bank, as well as their dealings with the public, with a great deal more ease and satisfaction.

This leads me to another matter which I feel should be taken up by every chapter of the Institute of Banking:

I am in favor of the appointment of a

"CONFIDENTIAL COMMITTEE,"

composed of from three to five of the best and most level-headed men in each chapter, to whom any member out of a position may make his wants known, and to whom bank officers may apply when they are in need of efficient men. I believe this is done in some chapters, but I would go one

Digitized by Google

step further and permit this committee to receive applications from members of the chapter, who, for good and sufficient reasons, desire to make a change in position. I believe such a committee would be welcomed by progressive bank officers, and I am sure it would be of great service to the members who could feel that some one had their interests at heart.

I would also like to see a committee appointed to educate men in simple hygienic methods. No man can succeed in business who neglects his physical welfare, and in this day of intense competition there is no place for dull, stupid and listless men; men whose torpid livers make them cross, cranky and crabbed, and whose late nights give them sleepy days in which they make errors, retarding the work of the whole bank; nor to the cigarette fiend whose yellow fingers and dull eyes show that his brain is not working to its highest efficiency. A committee in each chapter could do much toward pointing out a few things, not an elaborate number, to the men so they could protect themselves. To do good work, every man must recognize that he must put up certain barriers around himself. No one can do it for him, but if the institute can, by simple methods, point out what some of these barriers are, it will do much for its membership.

I would also have this committee bring before the various chapters for discussion the question of

BANKS SUPPLYING LUNCHES

for their employes, which is now being done more and more. All of these things make for efficient service.

Before closing, I want to sound a note of warning in connection with the work of the institute, and that is in reference to its politics. There seems to be a feeling on the part of a good many bank officers, and a good many young men connected with the institute, that the politics of the institute are taking up too much time and that there is more strife in that direction than in any other. From my intimate knowledge of many years standing with organizations of this character, the minute politics begin to enter into deliberations of conventions of this character, just that minute their usefulness will cease, and I want to warn you young men that if these conventions simply degenerate into strife for position and office, you will not accomplish the work for which the institute was intended, and that you will not receive the respect and consideration of the bankers of the country which you deserve.

I am just old-fashioned enough to believe that the offices of an association of this character should seek the man and not the man the office, and in the estimation of many of the bankers of this country, what might be called the parent organization of the institute, The American Bankers' Association has altogether too much politics in it, and the time of the delegates at their conventions has been taken up entirely too much in the past in fixing up political fences rather than doing real business, and I hope as the institute grows you will eliminate from it all of these extraneous matters.

In closing, I thank you for your kindly interest and attention, and hope what I have said may be of some service to the work of the institute.

THE MONATON'S PROGRESS.

Steadily Adding to Its Investment in High-Class Income Producing Inside Properties in New York City.

The additions which the Monaton Realty Investing Corporation is making to its already large and valuable holdings of improved apartment house and business properties in the city of New York ought to be a source of gratification to the holders of its securities.

During the past six months sixteen purchases have been made, all improved inside properties, thus adding materially to the assets and income of the company. The present year, in fact, has been the most successful the company has ever experienced, and its position among the larger owners of high-class realty in New York becomes each month more prominent.

Less than four years ago, the company's holdings of real estate in greater New York consisted of only two small apartment houses in Brooklyn. To-day, it owns and manages systematically and advantageously extensive holdings both in the boroughs of Manhattan and Brooklyn, and along lines of established rapid transit in localities where values are appreciating and growth in population is rapidly increasing.

NOTHING TO CONCEAL.

It can hardly, therefore, be other than a pleasure to the officials of the Monaton Realty Investing Corporation to show to its security holders, who may desire to visit its properties, all of its acquisitions of real estate, thus demonstrating beyond question how money entrusted to its care has been invested. The books of the company should also show whether the number of properties acquired, as compared with the income, exhibits economy and the careful, conservative use of investment funds, but the fact that at the close of the last fiscal year the company submitted its affairs to a firm of well-known certified public accountants, and sent to each of its certificate holders a copy of their report, would seem to show it has nothing to conceal in this or any department of its business.

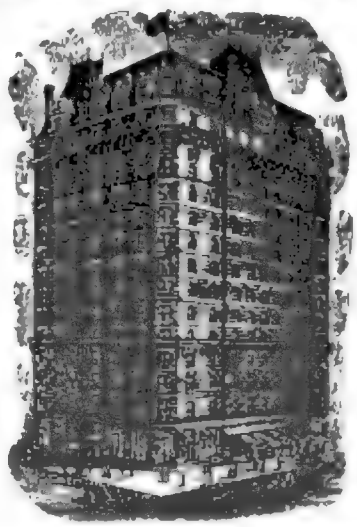
It is this frank and open way in which the company deals with its clientele that causes the Monaton plan to appeal to investors and accounts for the large sales which its certificates have had in the past and to the steady increase in sales which the company is showing each month.

Our acquaintance with the Monaton Realty Investing Corporation dates almost from its inception, and we have never been able to discover that its business has been handled otherwise than economically, wisely and profitably. So far as our observation goes, and we have endeavored to keep in close touch with the company, the character of its management is worthy of the confidence of investors. The quality of its assets is certainly improving from year to year, which means the security behind its certificates is likewise being increased.

The Monaton Company issue a monthly magazine devoted to the promotion of its interests which contains photographs of all of its most important improved properties.

JOSEPH L. BARKER.

"In the Heart of Things"
HOTEL
MARTINIQUE
Absolutely Fireproof
B'way, 32d-33d Sts., New York City
ONE BLOCK FROM NEW PENN. R. R. DEPOT
and opposite
HUDSON TERMINAL
connecting with
Erie Lackawanna Lehigh Valley Pennsylvania Railroads
from which
BAGGAGE TRANSFERRED FREE TO AND FROM HOTEL



In the midst of leading Department Stores and Theatres
600 ROOMS 400 BATHS
Rooms with use of bath, - - $1.50 up
Rooms with private bath, - - $2.50 up
CHAS. L. TAYLOR, Prop. W. S. GILSON, Vice-Pres.
WALTER CHANDLER, Jr., Mgr.
Also Proprietors of St. Denis Hotel

THE ALBANY HOTEL IN THE HEART OF DENVER'S
SOCIAL AND BUSINESS LIFE AND ACTIVITIES.

Digitized by Google

Municipal Bond Sales

MUNICIPALITY	Date of sale.	Class of issue.	Amount	Rate of Interest. Per cent.	Maturities	Sale price.	Purchaser.	Income basis.
Essex County, Mass.	Aug. 31	County	$12,[illegible]	4	**1-5	101.671	Manufacturers National Bank, Lynn.	2.861
Essex County, Mass.	Aug. 31	County	[illegible]	4	**[illegible]	101.671	Manufacturers National Bank, Lynn.	[illegible]
Essex County, Mass.	Aug. 31	County	1[illegible]	4	**[illegible]	101.671	Manufacturers National Bank, Lynn.	[illegible]
Essex County, Mass.	Aug. 31	County	[illegible]	4	**[illegible]	101.671	Manufacturers National Bank, Lynn.	661
Norwood, Mass.	Aug. 3[illegible]	Water	[illegible]	4	**2-21	101.09	[illegible] Blake Bros. & Co., Boston.	3.865
Terre Haute, Ind.	Aug. 23	Sewer	[illegible]	4	1931	101.54	Merchants Trust Co., Indianapolis	[illegible]
Westborough, Mass.	Aug. 31	Surface drain.	[illegible]	4	*4 [illegible]	101.19	Adams & Co., Boston	[illegible]
Westborough, Mass.	Aug. 31	Sewer	[illegible]	4	4* [illegible]	101.19	Adams & Co., Boston	[illegible]
Westborough, Mass.	Aug. 31	Fire Station	11,[illegible]	4	*[illegible]	101.19	Adams & Co., Boston	[illegible]
Westborough, Mass.	Aug. 31	Refunding	12,[illegible]	4	**1-12	101.19	Adams & Co., Boston	[illegible]
Ashtabula, Ohio	Aug. 30	Street imp.	21,[illegible]	[illegible]	**[illegible]	101.625	Otis & Hough, Cleveland	[illegible]
Ashtabula, Ohio	Aug. 30	Street Imp.	[illegible]	[illegible]	**1-10	101.625	Otis & Hough, Cleveland	[illegible]
Ashtabula, Ohio	Aug. 30	Street imp.	12,[illegible]	[illegible]	**1-10	101.625	Otis & Hough, Cleveland	[illegible]
Reading, Mass.	Aug. 24	City	[illegible]	4	**1-10	101.81	Minn. Loan & Tr. Co., Minneapolis.	[illegible]
Ottawa, Ill., Sch. Dist. No. 141	Aug. 25	Building	45,[illegible]	4	**1-15	101.82	F. E. Magraw, St. Paul	[illegible]
Rockford Mun. Sch. Dist.	Aug. 26	Building	[illegible]	4	**[illegible]	par	Rockford State Bank, Rushford	4
Van Wert, Ohio	Aug. 24	Street Imp.	10,[illegible]	4	**1-10	par	People's Savings Bank, Van Wert	4
Morgan County, Ind.	Sept. 1	Bridge	[illegible]	[illegible]	* [illegible]	101.467	[illegible] F. Wilde & Co., Indianapolis	4.011
Warren, Ohio	Aug. 21	Park	[illegible]	[illegible]	[illegible]	106	Provident S. B. & T. Co., Cincinnati.	4.08
Akron, Ohio	Sept. 5	Paving	70,[illegible]	[illegible]	*[illegible]	101.718	Stacy & Braun, Toledo	4.15
Milwaukee, Wis.	Sept. 6	Refunding	[illegible]	[illegible]	**[illegible]	101.889	Blodget & Co., Boston	4.157
Mt. Vernon, N. Y.	Sept. 5	Street Imp.	[illegible]	[illegible]	[illegible]	101.87	E. H. Rollins & Sons	4.16
Akron, Ohio	Sept. 5	Paving	[illegible]	[illegible]	**[illegible]16	101.646	Otis & Hough, Cleveland	4.17
Sandusky County, Ohio	Sept. 2	Bridge	[illegible]	[illegible]	*	100.12	First Nat. Savings Bank, Fremont	4.17
Putnam County, N. Y.	Aug. 30	Road Imp.	18,[illegible]	[illegible]	*[illegible]17	100.14	Putnam Co. Sav. Bank, Brewster	4.198
Dupage County, Ill., Sch. Dist. No. 9	Sept. 2	Building	[illegible]	[illegible]	*[illegible]	[illegible]	Cutler, May & Co., Chicago	4.23
Shreve, Ohio	Aug. 28	Sewer (Vil. part)	12,[illegible]	[illegible]	**1-24	102.50	[illegible] Bertram Co., Cincinnati	4.35
[illegible], Pa.	Sept. 5	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]77	Mellon Nat. Bank, Pittsburgh	[illegible]
Woodstown, N. J.	Sept. 4	Road Imp.	10,[illegible]	[illegible]	[illegible]	[illegible]	Salem Co. Tr. Co., Woodstown, N. J.	4.207
Akron, Ohio	Sept. 5	Paving Imp.	17,[illegible]	[illegible]	[illegible]	[illegible]	Breed & Harrison, Cincinnati	4.32
Akron, Ohio	Aug. 28	Special assess.	14,[illegible]	[illegible]	**1-10	[illegible]	Barto, Scott & Co., Columbus	[illegible]
Bowerstown, Ohio	Sept. 2	G., c'f'g & pav	[illegible]	[illegible]	[illegible]	[illegible]	Hayden, Miller & Co., Cleveland	4.33
Ramapo, N. Y., Sch. Dist. No. [illegible]	Sept. 1	Building	[illegible]	[illegible]	[illegible]	[illegible]	Suffern National Bank	4.347
Grand Rapids, Mich.	Aug. 28	Trunk sewer	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] Trust Co., Detroit	4.34
[illegible], Ohio	Aug. 24	Paving	[illegible]	[illegible]	[illegible]	[illegible]	A. W. [illegible], Union City	4.40
Van Wert, Ohio	Aug. 25	Street Imp.	[illegible]	[illegible]	**1-10	[illegible]	People's Sav. Bank, Van Wert	4.441
Akron, Ohio	Sept. 5	Sewer	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] National Bank, Cleveland	4.46
Akron, Ohio	Sept. 5	Sewer	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]-Bertram Co., Cincinnati	4.46
Mount Vernon, Ohio	Sept. 4	Water works	[illegible]	[illegible]	[illegible]	[illegible]	A. E. Leach & Co., New York	4.462
Albert Lea, Minn.	Sept. 4	Street Imp.	18,[illegible]	[illegible]	[illegible]	[illegible]	Minn. Loan & Tr. Co., Minneapolis	4.49
Albert Lea, Minn.	Sept. 4	Water	[illegible]	[illegible]	[illegible]	[illegible]	Minn. Loan & Tr. Co., Minneapolis	4.49
W. Holly Springs, Pa.	Aug. 31	School	[illegible]	[illegible]	[illegible]	[illegible]	Carlisle Trust Co., Carlisle, Pa.	4.50
[illegible] County, Cal.	Aug. 28	Refunding	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	4.50
Santa Cruz County, Cal., Court House Site	Aug. 29	Building	[illegible]	[illegible]	[illegible]	[illegible]	Santa Rosa Nat. Bk., Santa Rosa	4.576
Redwood City, Mexico	Aug. 8	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	N. W. Halsey & Co., San Francisco	4.655
Los Angeles County, Cal., Farmdale Sch. Dist.	Aug. 28	Building	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] Bros., Los Angeles	4.690
Tuscarawas Township, Ohio, Sch. Dist.	Aug. 17	Building	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] Chapman	4.71
Park County, Wyoming	Aug. 1	Court House	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] Tremble & Co., Chicago	4.88
Eugene, Oregon	Aug. 24	Refunding	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] Loan, Portland	4.90
Des Moines, Iowa	Sept. 1	Sewers	[illegible]	[illegible]	[illegible]	[illegible]	Clark, Mo[illegible] & Co., Chicago	4.928
Vermillion, S. D.	Aug. 28	Water works	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] Securities Co., Des Moines	4.932
Toronto, Ont.	Aug. 25	Water works	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] Bros. & Co., Toronto	4.94
Portland, Ore.	Aug. 1	Refunding	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	4.948
Eugene, Oregon	Aug. 24	Water & light	[illegible]	[illegible]	[illegible]	[illegible]	Citizens Safe Dep. & Tr. Co., Toledo	4.967
Marion, Pennsylvania	[illegible]	[illegible]	[illegible]	[illegible]	1931 [illegible]	[illegible]	[illegible] Warren	5
St. Petersburg, Fla.	Sept. 1	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] Sec. & Inv. Co., Chicago	[illegible]
Portland, Ore.	Sept. 1	Local [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	5.07
Stevens, Minn.	Sept. 1	Fire Hall	[illegible]	[illegible]	[illegible]	[illegible]	Kane & Co., Minneapolis	5.900
Brewster, Wash.	Aug. 8	Water system	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	6
Walla Walla, Walla Walla Co.	Aug. 2	Water works	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	6
Anacortes Pure Ice & Sup. Dist.	Aug. 5	Building	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Anderson, Ind.	Aug. [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	J. P. McCrary Co., Atlanta	[illegible]
Rockland, N. Y. Sch. Dist. No. 1	Sept. 2	Furniture	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] White Plains, N. Y.	[illegible]
Brown County, Minn.	Aug. 30	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] Nat. Bank, Boston	[illegible]
Imperial County, Cal., El Centro High Sch. Dist.	Sept. 2	Building	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] Hellman & Co., San Francisco	[illegible]
Tradell County, N. C.	Aug. [illegible]	Road	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] McNear & Moore, Chicago	[illegible]
[illegible]	[illegible]	Fire protection	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] & Lyman, Boston	[illegible]
[illegible]	[illegible]	School	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] & Lyman, Regina	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] & Lyman, Regina	[illegible]
Los Angeles County, Cal., Redondo Union Sch. Dist.	Sept. 1	Building	[illegible]	[illegible]	[illegible]	101.88	[illegible] & Sons, Chicago	[illegible]
Los Angeles County, Cal., Glendale Sch. Dist.	Sept. 1	Building	[illegible]	[illegible]	[illegible]	101.5	E. H. Rollins & Sons, Chicago	[illegible]
Moose Jaw, Saskatchewan	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] & Lyman, Regina	[illegible]
Medicine Hat, Alberta	Sept. 5	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] & Spencer	[illegible]
New Glasgow, N. S.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] Securities Co., Ltd., St. John	[illegible]
Patton Tp., Pa., Sch. Dist.	Sept. 5	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	J. S. & W. S. Kuhn, Pittsburg	[illegible]
Pilot Point, Tex.	Aug. 21	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Blake Bros. & Co., Boston	[illegible]
Rutherford, N. J.	Aug. 14	School	[illegible]	[illegible]	[illegible]	[illegible]	N. W. Halsey & Co., New York	[illegible]
Sherbrooke, Quebec	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Canada Investment Co., Ltd.	[illegible]
Stevens County, Minn.	Aug. 29	[illegible]	[illegible]	[illegible]	[illegible]	101.44	Tiffin National Bank	[illegible]
Strathcona, Alberta	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	H. O'Hara & Co., Toronto	[illegible]
[illegible], Minn.	Aug. 15	[illegible]	[illegible]	[illegible]	**1-10	[illegible]	First Nat. Bank, Stillwater	[illegible]
Springfield S. D. No. 1569, Man'ba	Aug. 22	Building	10,[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] & Lyman, Regina	[illegible]
[illegible], Minn.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] & Christopher, Winnipeg	[illegible]
Swift Current, Saskatchewan	Aug. 8	Debentures	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] & Co., Toronto	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] & Lyman, Regina	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] & Lyman, Regina	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] & Co., Toronto	[illegible]
Wetaskiwin, Alberta	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] & Lyman, Regina	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] Jarvis & Co., Toronto	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] & Co., Toronto	[illegible]
Weyburn, Saskatchewan	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Wheatland, Minn. Sch. Dist.	Aug. [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	7,700	[illegible]	1921	[illegible]	[illegible] & Lyman, Regina	[illegible]

* Year average. ** Year serial. † Year optional.

Digitized by Google

MUNICIPAL SHORT TERM LOANS.

LOWELL, MASS.—The commissioners of Middlesex county have awarded a temporary loan of $100,000, maturing November 7, 1911, to Curtis & Sanger, the only formal bidder at 3.50 per cent discount, plus $1.75 premium.

BRISTOL COUNTY, MASS.—The First National Bank, of Boston, has been awarded a two-months temporary loan of $100,000 at 3.50 per cent discount.

PROPOSAL FOR BONDS.

FAYETTE, ALA.—O. L. Ekwurzel, town clerk, will receive sealed bids, accompanied by check for 2 per cent, made payable to J. S. Chandler, mayor until October 2, for $22,000 30-year 5 per cent $24 water works and sewerage bonds, dated September 1, 1911. The bonds were issued under the authority of the general laws of Alabama, special session of 1909, page 188. The assessed valuation of the property in that town for the year 1910, was $287,238, but the actual estimated value now is $500,000. Fayette is the county seat of Fayette county, situated on the Southern Railway, 80 miles west of Birmingham, and 60 miles east of Columbus, Mississippi. This is the first issue of bonds by the town and there is no controversy or litigation pending or threatened.

ESSEXVILLE, MICH.—The Bank of Essexville has been organized with W. P. Kavanaugh, president, L. P. Coumane, vice-president, and L. I. Navarre, cashier.

NASHVILLE, GA.—The Berrien County Bank has been organized with L. O. Benton, president; Albert Giddens, vice-president, and J. H. Anderson, second vice-president.

Bond Certification

Modern conditions make the registration and certification of municipal and corporate obligations desirable and convenient. We have a department maintained exclusively for this purpose.

First National Bank of Boston
70 Federal Street

UNITED FRUIT COMPANY
DIVIDEND NO. 40

A quarterly dividend of two per cent on the capital stock of this company has been declared payable October 14, 1911, at the office of the Treasurer, 131 State Street, Boston, Mass., to stockholders of record at the close of business, September 23, 1911.

CHARLES A. HUBBARD, Treasurer.

NIPE BAY COMPANY
Preferred Stock Dividend.

A dividend of one per cent has been declared payable October 2nd, 1911, at the office of the Treasurer, 131 State Street, Boston, Mass., to holders of preferred stock of this Company of record at the close of business, September 23th, 1911.

CHARLES A. HUBBARD, Treasurer.

UNITED SHOE MACHINERY CORPORATION.

The Directors of this Corporation have declared a quarterly dividend of 1¾% (1¾%c per share) on the Preferred capital stock, and a dividend of 2½ (2½c per share), on the Common capital stock, both payable October 5, 1911, to stockholders of record at the close of business, September 19, 1911.

L. A. COOLIDGE, Treasurer.

Sealed bids will be received by the City of Dallas, Texas, until 12:00 o'clock noon, Monday, October 2nd, 1911, for the issue of Two Hundred and Fifty Thousand Dollars ($250,000.00) four per-cent (4%) Permanent School Improvement Bonds, bearing date of July 1st, 1911. Principal and interest payable at the Chase National Bank, in New York City. Interest payable semi-annually. Bonds mature serially one to forty years, beginning July 1st, 1912; $6,000.00 each year, with $8,000.00 each tenth year, until 1951, when $10,000.00 will mature.

Each bid for the above bonds must be accompanied by a certified check payable to W. T. Henderson, Commissioner of Finance and Revenue, for two percent (2%) of the face value of the bonds bid for. Money to be paid and bonds to be delivered at Dallas, Texas.

The bonds are in denominations of $1,000.00 each.

The City of Dallas reserves the right to reject any and all bids.

J. B. WINSLETT
City Secretary, City of Dallas, Texas.

NOTICE OF BOND SALE

Fayette, Alabama

Sealed bids will be received by town clerk until 12 o'clock noon, Oct. 2nd, 1911, for $22,000.00 water works and sewerage bonds in denomination of $500.00 each, dated Sept. 1st, 1911, maturing ten years from date, without option with interest at 5% payable semi-annually. Principal and interest payable at some bank in New York to be selected by purchaser. Check for 2% to accompany application. Right reserved to reject any or all bids.

O. L. EKWURZEL, Town Clerk.

American Woolen Company
Fiftieth Quarterly Dividend

Notice is hereby given that the regular quarterly dividend of One and Three-Quarters Per Cent (1¾%) on the Preferred Capital Stock of the American Woolen Company of record Sept. 23d, 1911, will be paid on the 16th day of October, 1911.

Transfer books for Preferred Stock will be closed at the close of business Sept. 22d, 1911, and will be reopened October 4th, 1911.

Checks will be mailed by the Guaranty Trust Co of New York.

WM. H. DWELLY, Jr., Treasurer.

Boston, Mass., Sept. 11, 1911.

Copper Range Consolidated Company

At a meeting of the Board of Directors of the COPPER RANGE CONSOLIDATED COMPANY held this day, a dividend of 25c per share being Dividend No. 31, was declared, payable on Monday, October 2nd, 1911, to Stockholders of record at the close of business on Saturday, September 9th, 1911.

FREDERIC STANWOOD, Treasurer.

Boston, September 6th, 1911.

OFFICE OF THE LANSTON MONOTYPE MACHINE COMPANY
PHILADELPHIA, PA.

The Board of Directors has this day declared a quarterly dividend of 1½ per cent. on the Capital Stock of this Company, payable on the 30th day of September, 1911, to stockholders of record at the close of business September 23, 1911.

J. SELLERS BANCROFT, Treasurer.

Philadelphia, September 5, 1911.

THE CONCHO VALLEY LOAN AND TRUST CO.
OF
SAN ANGELO, TEXAS.

Capital stock $20,000.00. Organized and operating under the Texas Banking Laws, offer to investors some high grade paper, netting from 6 to 7%. Secured by first Mortgage on improved farm and ranch lands. Our paper carries our endorsement and guarantee of payment of principal and interest. Write for information.

T. C. WYNN, Pres. C. C. KIRKPATRICK, Sec. & Treas.

NOTICE

Is hereby given that the undersigned will receive bids for the purchase of $20,000.00 of refunding and general liability bonds of School District No. 7, Josephine County, Oregon, said bonds to be paid at any time after ten years at the option of the district and payable absolutely in twenty years, and to draw five per cent interest, payable semi-annually. Each bid must be accompanied with a certified check of $2,000.00 and must be placed with the Board of Directors of said District on or before the 19th day of September, 1911, at 7:30 o'clock P. M., at Grants Pass, Oregon.

The undersigned reserves the right to reject any and all bids.

Signed: BOARD OF DIRECTORS OF SCHOOL DISTRICT NO. 7,
Of Josephine County, Oregon.
By EDWARD S. VAN DYKE, Clerk.

DENVER Bonds Stocks

Denver Union Water — Denver Gas & Electric
Denver Tramway — Citizen Service
Denver & Northwestern — Northern Colorado Power
Nevada-California Power

We buy and sell the bonds and stocks of all the above companies.

Nathan Cregg & Company
Century Bldg., Denver.

CONSIDERING SECURITY

high grade industrial bonds pay the *highest income* and offer the best chance for rising profits. Send for circular "M".

BEARDSLEY AND COMPANY
Henry Shedd Beardsley, President
Pullman Building, Madison Square New York

American Zinc, Lead & Smelting Co.

The Directors of the American Zinc, Lead and Smelting Company have declared a dividend of fifty cents (50c) per share, payable October 10th, 1911, to stockholders of record at the close of business, September 30, 1911.

S. E. FARWELL, Treasurer.

Digitized by Google

United States Investor

Published Every Saturday Morning by

FRANK P. BENNETT & CO., Inc.

SUBSCRIPTION RATES

$5.00 per annum in United States and Mexico; $6.50 per annum in Canada.

$7.00 per annum in England, the Continent, Australia and Countries in the Postal Union.

$10.00 per annum for Investor and Inactive Securities Supplement, including privilege of inserting quotations in the Supplement.

ADVERTISING RATES

Twenty-five cents per agate line. There are fourteen agate lines to the inch.

PUBLICATION OFFICE,

530 Atlantic Avenue, Boston.

NEW YORK OFFICE,

2 Rector Street, New York.

JOSEPH L. BARKER, Manager.

Washington Office, 208 Corcoran Building; Philadelphia Office, 308 Chestnut Street.

Entered at the Post Office at Boston, Mass., as second class matter.

The recent fall in the price of the new Panama bonds shows that these securities are being affected by the same conditions that influence the price of private issues. The average price realized by the government was about 102.35, but since the securities were regularly placed on the market, they have sold as low as 101¼. It would appear, however, that this quotation is about low water mark for the bonds. Since better prices began to prevail during the past few weeks, there has been a distinct upward tendency, and there is some reason to think that this will be maintained. The new bonds are available as security for postal savings deposits, and the growth of the latter will make a continuous demand for them. The 4 per cent bonds, issued by the Philippine and Porto Rican governments, and made available some time ago by the Federal government, as security behind deposits are not now available in any larger amounts. The new Panama bonds, of course, are preferred to the postal savings bonds, inasmuch as the latter yield only 2½ per cent, as against the 3 per cent of the Panamas. It is not likely, however, that the government could now get nearly as good a figure as that paid it for the Panamas.

President Taft has sent back to Washington all the papers in the case of the National City Bank, and its offshoot, the National City Company. Dispatches from Beverly say that the Executive is not satisfied with the facts and argument supplied him, and intends to hear more elaborate discussions "next winter". This hangs up the controversy for an indefinite period, and there are evidently some who believe that it will not be acted upon at all, but will be allowed to rest quietly in a White House pigeon hole. In some ways, that is possibly the most convenient disposition to be made of the matter. The President could not decide against the National City Company without causing grave confusion in the national banking system, and he could not decide in favor of the concern without probably exposing himself to severe criticism in Congress. The position is a rather trying one. All this would not justify the postponement of a highly important decision, were it not that legislation on the general banking question is impending, and cannot be very long deferred. The relation between national banks and subsidiary institutions can and should be dealt with in a final way in such legislation as may be enacted. By suspending action until it can be seen what Congress will do on general banking legislation, the decision in this case may be more wisely made. Meanwhile, it is regrettable that the subject is to be kept in suspense.

BANKS AND TRUST COMPANIES.

One topic which is to receive further consideration from the National Monetary Commission during the sessions of the coming autumn, is to be that of the relation of state banks and trust companies to the proposed "National Reserve Association" of the United States. In the original Aldrich plan, there was no provision whatever for state institutions as subscribers to the stock of the reserve association. Then, in response to suggestions from bankers and business men, it was announced that full recognition would be given the state concerns. But it should be noted that there has been no draft of the Aldrich plan in which any such recognition or provision has been made. The National Citizens' League in some of its publications has definitely stated that all banks must alike be admitted to share in the National Reserve Association stock. Now, the Monetary Commission proposes to reopen the subject apropos of its forthcoming report. The question how to treat the state institutions is plainly causing no little trouble. What should be done about it?

National banks, of course, do not wish to see their competitors permitted to share in the advantages of the National Reserve Association or any similar organization. They already feel the stress of business opposition in a very material degree, owing to the more liberal laws under which the state institutions operate. If the latter are admitted to every privilege under the proposed new system, the national banks, very naturally, ask why they should themselves consent to be bound by the more rigid regulations of the older law. There will no longer be the inducement of government deposits, since it is proposed to make the new organization the fiscal agent of the government and as such the holder of surplus funds. The present issue function of the national banks would, of course, become obsolete almost from the inauguration of the new system. Little or nothing, therefore, would remain to differentiate the national from the other banks save the presence of additional responsibilities. That the numbers of the national banks would, therefore, decline—probably rapidly—is the opinion not only of national bankers but of unbiased public officers.

State bankers, on the other hand, protest that the establishment of a strong new organization in which they were not permitted to participate would be a serious handicap and a great barrier to their successful development which the national government has no right to impose. With the rediscount function which is to be exercised by the reserve association confined to national institutions, the state banks might be gradually driven into a much less favorable position than that which they now occupy. They might continue business as at present, but they would have to reconcile themselves to conditions which would give national institutions a very material advantage in times of pressure for funds, as well as a substantial preference in the rediscount business. It is probable that the state banks would not suffer by any means as severely under such a condition as would the national, but it is equally clear that they would be at a material disadvantage. They have a strong position when they demand that the Federal government shall not adopt measures that would indirectly injure state corporations. The organization of the national system was perfected under stress of civil war, and was designed to aid the sale of bonds and to furnish a national and uniform currency. Neither of these objects would be immediately served by the new institution. The state banks might be able to attack the constitutionality of the National Reserve Association with success.

It would seem that the new legislation to be passed by Congress for the reformation of the banking system must recognize and include the state

Digitized by Google

banks. This is not only the line of least resistance, but is also the evident demand of equity. But it is equally clear that equitable dealing demands the revision of the National Bank Act in such a way as to avoid any undue burdens upon the banks which participate in it. There are many restrictions upon their operations which are not only unnecessary, but positively injurious. At the same time, it is certain that many of the states are unduly lax in their banking laws. Their banks could to advantage be compelled to submit to more rigid oversight. The new Federal legislation should include provisions which will place all participating banks upon a parity in this matter of oversight and restriction of business.

POSTAL SAVINGS DEVELOPMENT.

According to statements prepared by the Post Office Department the designation of post offices for the receipt of savings deposits is proceeding very rapidly. About 2,000 offices have been thus named, 1,800 being second-class, and 200 first-class. It will not be long before a large number of third-class offices are chosen, and ultimately the designation will be extended to the fourth class. The difficulties of this latter extension, however, will be considerable, owing to the lack of banks in many places where fourth-class post offices are situated. But it is the present intent of the officials to permit patrons of the smaller offices to deposit in the nearest third-class office when it is not practicable to receive deposits locally. These facts, and the large increase of funds in the various offices are being used to show that the system is already a success, notwithstanding the doubt previously entertained by critics on the subject. This, of course, is what might have been expected in view of the near approach of a presidential election, at which all the acts of the government will be under close scrutiny.

There is as yet no evidence whatever to indicate that the postal savings system will work well. Just how much has been received in deposits cannot be stated by officials. The amount, however, is less important than the indirect effect produced by depositing it. It is already apparent that the law requiring the distribution of the funds among local banks cannot be observed. The Michigan and Wisconsin state laws prohibit local banks from giving "preference to any depositor or creditor by pledging the assets of the bank as collateral security". This, of course, applies to the government as well as to private creditors, and will prevent the depositing of postal savings funds in state banks in the two states in question. Difficulties in dividing the deposits in those states where no such law exists have also been encountered, and will increase rather than diminish. As for the security to be held behind the deposits in the banks, the results are still more uncertain. Some $14,000,000 in bonds have thus far been accepted by the authorities, and of these fully one-half are muncipal and county issues. There has been no time so far to test these bonds in cases of bank failure, and their sufficiency is still a matter of doubt. What will be the effect of government acceptance of such issues upon their value is likewise uncertain. It may operate to raise the value and standing of doubtful issues unless the selections are made with exceptional care. All this remains to be determined, and on none of the elements of the problem can a final judgment as yet be pronounced with any degree of assurance whatever.

The real effects of the postal savings system, and consequently, the judgment that should be reached with reference to its desirability, cannot be ascertained for a good while. First of all, it will be necessary to ascertain exactly how far the system has resulted in desirable or undesirable redistribution of bank reserves. How far the banks can be relied on for prompt liquidation of the government's claims against them, and how far the deposit system proves slow or untrustworthy will be a second crucial point. The relation of the bonds which are designated as security for deposits to the government credit will be of large significance. It would be almost disastrous if even a few errors in the choice of these bonds should be made. One thing that will render the postal savings system notably harder to judge will be the adoption of new banking legislation. Such legislation must be passed before a very great while, and when passed it will be of such inclusive character as to mark most effectually such disturbances of existing financial conditions as may be produced by postal savings effects. The new banking system must ultimately make provision for the use of funds accruing from postal savings deposits, while its relationship to the banks of the country will transfer to it much of the influence exerted upon such banks by the postal savings system. If the new legislation should be deferred for two of three years, as is quite likely to be the case, it will be more nearly possible to judge of the postal plan. Meantime, it would be exceedingly unfortunate to permit the system now established to furnish food for political controversy. The opinion of the community should be made up slowly and conservatively on the basis of facts as the latter develop themselves.

RECIPROCITY STRUGGLE IN CANADA.

Within the coming week, Canada will have held her much-advertised election for Parliament and therewith the reciprocity question will, for the time, have been decided. This contest is undoubtedly furnishing one of the hottest struggles yet witnessed in Canadian politics, while the issue of it is followed with nearly as much interest on our own side of the line as across it. Upon the outcome, in fact, hangs much of the future of our own tariff policy, as well as the immediate development of Canada's Commercial policy.

It is an unfortunate feature of this contest that so many remote considerations have been allowed to become entangled with it. The annexation dread is possibly the most futile and absurd extraneous problem that has been allowed to enter in. This was raised in Congress with the evident idea of complicating matters, and it has unquestionably acted as a disturbing factor. Silly and grotesque as the notion appears, to those who view the matter calmly, it has its influence in a country sensitive because of its relative weakness and because of the patronizing condescension with which it has always been treated by the citizens and government of the United States. Hardly less unreasonable is the argument of which so much is made in Canada that the purpose of the treaty is to keep that country in an undeveloped condition, supplying raw materials to the United States, while this country furnishes manufactures for the northern market. This point, anxiously enough, is the exact converse of the arguments used in Congress, where it was contended that the purpose of the agreement was to enable Canadians to secure higher prices for their raw products, thereby providing them the means of developing their manufactures in competition with our own. The fact is that selfish interests have been extremely hard-pressed to find reasons for opposing the agreement that would not be too obviously the product of bias and prejudice. They have been able to build up an opposition line of argument only through the distortion and misrepresentation of conditions, and this method of contention has been pursued to the exclusion of sound and reasonable discussion. The fact is that more than a little testimony exists as to the activity of special interests in Canada. These are the same whose operations

Digitized by Google

were so clearly in evidence in Washington during the past spring and summer. They transferred their activities to Ottawa as soon as the contest in Washington was lost, and have been prosecuting them ever since. The controversy has felt their influence throughout the Dominion, and allowance must be made in judging of the bias and partisanship that have been displayed, for the work of hired lobbyists and agitators eager to earn their money by discrediting the reciprocity agreement.

The Canadian election will be a genuine misfortune should it turn out adversely to reciprocity. Never before has there been so clear-cut an opportunity of securing the adoption of a desirable trade agreement that would bring the two countries into really close commercial contact. If the present opportunity is allowed to pass without favorable action, another may not be offered for an indefinite period. During that period, European countries will more and more confirm their hold on the Canadian market, while Canadians will tend to drift away from the United States. From many points of view, this would be most unfortunate; from the commercial standpoint it would be disastrous. No amount of negotation for South American or European trade could produce anything comparable to the results attainable by the easy device of letting down the artificial barrier now existing between the two countries. As for the United States itself, refusal by Canada to accept the treaty we have ratified would be the severest possible blow to tariff reform. It would give extreme protectionists the argument they want, by enabling them to maintain that commercial concessions are not acceptable to foreign countries as shown by the refusal of Canada to accept our terms. That this argument is in conflict with those which have been put forward by protectionists on frequent occasions when opposing the Canadian agreement would not prevent its use. The rejection of the agreement by Canada would, however, prove the most serious possible discouragement to sincere believers in mutual tariff reduction.

According to authentic report, George W. Perkins will aid in the conduct of the trust inquiry that has been planned by the Senate Committee on Interstate Commerce. Mr. Perkins is expected to see that the committee has before it some of the leaders in the trust movement, probably including Messrs. Morgan, Gary, Carnegie, Schwab and numerous others. This gives more light upon the purpose of the investigation than has yet been available. It does not appear that the sessions are for the purpose of studying the extent to which what has already been done has violated the law, but is rather for that of getting the views of leaders regarding the drift of conditions in the industrial world today, and ascertaining their ideas as to the extent to which existing law should be changed. It is not known who will have charge of the testimony on the other side of the investigation. The understanding is that leaders of thought who believe in the maintenance of competition, and in the passage of laws to that end, will be asked to appear. These men will be expected to rebut the arguments presented by the industrial organizers brought forward under the leadership of Mr. Perkins. This should result in an interesting symposium.

FINANCIAL INQUIRIES.

Northwestern Commercial Co.—Alaska Steamship Co.

21304. (Boston, Mass.) I would appreciate any information relative to the Northwestern Commercial Company that you may be able to give me. What is the possibility of a final dividend, and what is the stock of the Alaska Steamship Company worth?

Ans.: We would say that from the best information we can obtain, the Northwestern Commercial Company has about $200,000 in the treasury besides a few sundry assets, but as we understand it, there are law suits and outstanding liabilities which may use up this entire amount. The most cheerful view in regard to the possibility of a final dividend is that when the complete liquidation has been accomplished there may be enough left in the treasury to pay a small final dividend. The directors advise us, however, that they do not intend paying any until that time. Brokers are offering one hundred shares of the Northwestern Commercial Company at 59, which includes the eighty-five shares of the Alaska Steamship Company that were given for every one hundred shares to the stockholders of the Northwestern Commercial as part of the liquidation scheme. This is ample evidence that the steamship stock has no such valuation as that paid by the company, which was $115, for, assuming that there is little value to the stock of the Northwestern Commercial Company, owing to the small possibility of a further substantial dividend, it is evident that the steamship stock is what brokers are really dealing in. This gives the eighty-five shares of steamship stock a value of $5,900, or $70 per share.

Caribean Developing Co.

21261. (Scranton, Pa.) Kindly tell us the market value of the stock of the Caribean Developing Company, Honduras, also on what city the stock is marketable. We would appreciate whatever information you can give us concerning the bonded debt, if any, the dividend rate, as well as a brief description of the property.

[illegible] minister of Fomento at [illegible] nduras, advises us that his office has no record of the above mentioned company. Possibly the concession may have been granted under another name. If you will advise us concerning this, we will look the matter up further.

AMERICAN WOOLEN CO.

The directors of the American Woolen Company have declared a regular quarterly dividend of 1¾ per cent on the preferred stock, payable October 16, 1911, to stockholders of record, September 22, 1911.

Transfer books for preferred stock close September 22, 1911, and will be reopened October 6, 1911.

This is the 50th consecutive quarterly dividend declared on the preferred stock, equivalent to $87.50 per share paid to original holders, making the aggregate of dividends $23,800,000, which sum exceeds the original issue of preferred stock by $3,800,000.

BANK ITEMS.

KERSHAW, S. C.—The Citizens Bank is now J. F. Gardner, Jr., C. Ross Blackmon, Lewis Conder, J. C. Massey and H. E. Reese are interested.

KITTITAS, WASH.—Kittitas State Bank has been incorporated to do a general banking business at Kittitas. The capital is $10,000, the incorporators being Lewis W. Hood, H. W. Hagman and A. G. Holt.

MERCEDES, TEX.—The Mercedes State Bank is chartered. W. S. Hinkley, J. L. Lambrom and B. H. Frazier are promoters.

SPOKANE, WASH.—Robert W. Bonynge, a member of the National Monetary Commission, will be entertained by the Spokane Chamber of Commerce and the Spokane Clearing House Association, on September 22 and 23. He will deliver a public address on the Aldrich reserve association plan on the evening of September 22.

Before All Else

there is found in every Union Mutual Policy the first and strongest Purpose of Life Insurance.

Protection

Clear, Faithful Reasonable Contracts. Ask for Particulars.

Union Mutual Life Insurance Co.
Portland, Maine

Fred E. Richards, President.

JANUARY 1, 1911
Insurance in force [illegible] than $140,000,000
ASSETS - $36,927,079.03
LIABILITIES 33,371,841.25
SURPLUS - $ 2,955,237.78
1910 MOST PROSPEROUS IN HISTORY OF THE COMPANY

North American Accident Insurance Co.
CHICAGO

Net Surplus & Capital..$ [illegible]
Income 1910..... 1,151,[illegible]
Will aid good men in Establishing Agencies.
Best Policies — Largest Commissions or Profit Sharing Contract.
A. E. Forrest, Vice-Pres. & Sec'y. Chicago

Digitized by Google

Copper Stocks Shrink, Prices Hold Steady

No Evidence of Widespread Selling at 12½ Cents a Pound, the Market Being Quoted ¼ Cent Higher—Producers' Report for August Shows a Further Decrease in Stocks on Hand—Increased Production More Than Counterbalanced—New Producers Add to Output, But Shutdowns in Other Directions May Offset This Increase—Another Prediction of 15-Cent Metal—The Finlay Report Still a Sore Point—Railroad Electrification and Its Effect on Prices—Lake Mines and Low Costs—Maintenance of Foreign Demand an Essential Factor.

In view of the unlooked for obstructions which have appeared in its path, in addition to those whose existence had been foreseen and largely guarded against, the copper metal market has acted surprisingly well, on the whole, since August 1. It is true that these last few weeks have brought with them no further advance in metal quotations, but the fact that the market has held its own is in itself an unmistakable evidence of basic strength. The evidences of a slackening of activity in industrial pursuits and the embarrassed position of the share market, to say nothing of features of minor importance have naturally exerted an unsettling tendency upon the metal situation. On the other hand, successive reports of reductions in stocks, coupled with predictions of higher prices by authorities, have counteracted these depressing factors in such a practical manner that prices have been held remarkably steady. To be sure, there have been occasional reports of sales of the metal at 12½ cents for electrolytic, but there is a suspicious lack of information as to the exact quarter in which these sales were made, and I am inclined to believe that this is simply an instance of the wish being father to the thought. If occasional transactions have been put through at this level, it is safe to say that the prices given represent cash sales, for by far the greater part of the business put through within the last six weeks has been on a basis of 12⅝ cents for electrolytic, deliverable in thirty days, this price being the general market quotation as it was a month ago.

ANOTHER DECREASE SHOWN.

The statement of the Copper Producers' Association, giving the figures representing production and consumption of the metal in this country during the month of August proved to be a favorable exhibit, more so in some respects than was generally expected. During the closing days of August, some authorities in the trade saw indications of an increase in production for the month, and prepared themselves for a more or less pronounced increase in stocks on hand as a result. Somewhat unexpectedly, domestic deliveries and exports for the month increased to an extent sufficient to more than offset the larger output, the net result being a decrease in stocks of 4,297,357 pounds, making the third consecutive reduction in supplies reported within the last three months, during which time the total shrinkage has amounted to 32,554,531 pounds. This brings stocks reported on hand at the close of August down to 133,141,501 pounds, the smallest total reported since the end of 1910, when there were a little more than 122,000,000 pounds on hand.

CONSUMERS STILL CAUTIOUS.

Consumers of copper are buying in a manner which suggests a fear of burned fingers, yet they are keeping a close watch on the situation, and it is evident that they have been impressed, more so in fact than they are willing to admit, with the views expressed by various authorities in the trade, as to the probabilities of 15-cent metal at no very far distant date. Of course, further evidences of unsettlement in the industrial world have not improved the attitude of these consumers toward the market. Particularly disappointing has been the announcement of President Mellen of the New York, New Haven & Hartford to the effect that the extensive plans for electrification of the system have been temporarily shelved as a result of the economical policy which has been deemed necessary. This operation, of course, would have meant the consumption of large amounts of copper products, and the metal market would have been strengthened materially by the placing of these large orders. The best that can be said of this feature of the situation is that these plans involving an expenditure of many millions of dollars have not been abandoned, but simply laid aside to be taken up when the outlook appears less clouded, and the presumption is that the copper market will receive this support which comes from extensive orders at a time when that support, it may be, is not needed as badly as it is at the present time.

FIFTEEN-CENT COPPER.

A week ago I commented upon the report of J. R. Finlay on the Lake copper mines, a report which at first reading could not be viewed as anything but a decidedly bearish argument on Michigan copper stock from almost any angle. The effect of this report is still felt, particularly in the Boston market, although that, of course, is simply one of many factors of a depressing influence, proving again that "it never rains but it pours". Yet even Expert Finlay, despite the manner in which he has startled the holders of the shares of these older companies, is not a bear on the metal situation, for he has expressed himself as being confident that consumption will keep ahead of production and that by 1915 copper will be selling at 15 cents a pound. Of course, he is not alone in that belief, and in fact, his predictions are conservative as compared with those of other authorities, not so much regarding the price named as on account of the comparative length of the period set for the attainment of that level. This expert who has caused the whole copper world to stop and think has afforded another ground for comparative optimism on the part of those copper share owners who saw nothing that was good in a first reading of his report, by stating that in his opinion the big porphyry coppers have much less advantage than is popularly supposed over the best of the Lake mines in the matter of

LOW PRODUCTION COSTS.

Certainly, 15-cent copper and lower costs would facilitate the liquidating movement which is practically certain to be undertaken by some of Mr. Finlay's auditors when the opportunity for such liquidation becomes more favorable than it is at the present time.

From this time forward, the statistical position of the market will be watched with particular interest that it may be determined just how far the entry of several low-cost mines into the list of producers will affect the monthly output. Of course, the closing down of the Granby, First National, the Imperial and other properties will have a restricting tendency on production, and it is possible that whatever increase may be shown as a result of the operation of companies just reaching the productive stage may be offset by these shutdowns. Certainly, those companies which agreed to curtail production beginning in August of 1910 have made no concerted attempt to increase their output since the "gentlemen's agreement" expired by limitation recently. It is quite possible that the domestic demand will show no very substantial increase within the next few months, in which case we shall have to depend, as we have been doing for some time past, upon the demand from foreign sources.

P. De Medici.

MINING INQUIRY.

Colorado Mining Co.

21293. (Charlottesville, Va.) Can you give us any information on the Colorado Mining Company, Jesse Knight, president, and R. E. Allen, secretary?

Ans.: The shipments of ore from the Colorado Mining Company are heavy but the grade of ore is rather low. According to the statement of one of the officers, the company has more than $100,000 in the treasury, but if they should pay the dividend this month, the current expenses, etc., the fund would be rather low. In view of this, it is likely that the company will pass the dividend this month in order to conserve the treasury fund for development. There are some who look for more ore to be developed in this property, but so far, only one great vein has been discovered and the prospects are as far away as they ever were, although there are some chances of finding ore at greater depth. The price of the stock on the Salt Lake City exchange this week at 36 cents, indicates the local opinion regarding the uncertainty.

DANVILLE, ARK.—The Citizens Bank is organized. Samuel Bond, H. A. Townes, O. L. Clements, L. M. Ladd, John Kennon and F. M. Baker are interested.

Digitized by Google

Papers By Bank Examiners

The paper presented by Silas H. L. Cooper, at a recent meeting of national bank examiners at Chicago on "Relations Between the Banker and the Examiner", offers suggestions for co-operation which are and should be of general interest.

Relations Between the Banker and the Examiner.

[By Silas H. L. Cooper, National Bank Examiner for Wisconsin.]

Presupposing that the banker and the examiner are capable and conscientious, I should say that the relations between the banker and the examiner should be cordial, close and confidential, as the end sought is the uplift of the banking business on conservative lines.

There should be two men having a correct idea in regard to the principles of banking and they should have but little if any trouble with the details. I have found it very little trouble in my experience to get on with men of every kind, when both understood that all that was desired was the right thing. In other words, if a frank understanding exists at all times between the banker and the examiner, or the banker and his customers, there is very little chance of trouble arising.

From my point of view, the banker should realize his responsibility to the customers and the shareholders, and his duty to administer the trust upon the highest and best plane, fully realizing that he has not a better friend or adviser, not excepting his own directors, than the capable examiner. The examiner, of course, must be a man of judgment and discretion, interested in his work and possessed of a desire to promote the interest of the institutions he examines. Inasmuch as he also acts in a fiduciary capacity, so to speak, is intrusted with the duty not only of seeing that the laws are carried out, touching the operation of banks, but also that the officers are devoting their time and talents to promote the interest of the depositors and the shareholders alike.

The bank officer who is anxious that the affairs of his bank shall be properly administered from every point is always anxious to acquaint the examiner with every detail of his business, giving him full information as to values, particularly as to those relating to the securities held by the bank in stocks and bonds or real estate. The examiner might be called

THE SAFETY VALVE,

and inasmuch as he could see the situation from a purely impersonal, unprejudiced and unbiased point of view, his counsel and advice should be sought, as it would be of material value.

The relation between the banker and the examiner should be similar to those of the several partners in business, there should be absolute frankness, cordiality and confidence in each other. The banker should look upon the examiner as his friend and adviser and the examiner should regard the banker as one in whom he has a personal interest, and is desirous of assisting in every legitimate way. The banker has the National Bank Act to guide him in the management of the bank, as well as the sound business principles of conservatism, etc., so closely followed by all successful bankers and business men, that they could well be termed "The Unwritten Laws", while the examiner has not only the Bank Act, but special rulings and confidential instructions from the department, by which he must be governed in the performance of his duty. But he should never allow any rulings of the department to govern his actions when it is not in conformity with the broad principles of business conditions, and the peculiar case under consideration, but is bound to follow the law as construed by the courts. You cannot make a rule or rulings that will be applicable to all cases, so the examiner is bound to act on each individual case as it presents itself, and aside from the National Bank Act, which is very broad, he must act on the broad principles of business conditions as he finds them, and if the solvency or insolvency of the bank is not involved, he should give the benefit of the doubt to the bank, as the officers and directors, if they are honest and conscientious, being on the ground and acquainted with all the details and local conditions, are better able to arrive at a correct solution of the matters or things involved than the examiner who is only acquainted with the conditions in a general way.

The banker can facilitate and make more pleasant the work of the examiner if he will constantly keep in mind the fact that the examiner has a certain well-defined duty to perform, which duty is to ascertain as nearly as possible the true condition of the bank, the character and value of its assets, and whether its affairs are being conducted as the law provides, and whether or not the officers and directors are using the funds of the bank to an unlawful extent to forward their own individual interest, or companies in which they are interested, and to point out to the officers and directors such instances as he may find where the law is not being followed and any extended credits that he may find, and to discuss freely, with the officers and directors, the conditions as they exist, and to make such recommendations and suggestions as are consistent with his official duties as to

THE BEST METHOD

to correct the matter or thing complained of, and, where it is possible, to correct the matter while in the bank, or if he is unable to correct the matter or irregular things while in the bank, to obtain from the directors a letter addressed to the comptroller of the currency stating what they propose to do to correct the matters or thing complained of.

If the banker would realize that this is what the examiner is sent out for, and that even though he may suppress a part of the facts or otherwise deceive the examiner for one or more examinations, that sooner or later the thing or things which he is trying to conceal will be found out, it would be much better for the banker and would facilitate and make more pleasant the work of the examiner. Each time a certain thing or condition is covered up and kept from the eye of the examiner, the more serious it becomes, because it will be just that much more difficult to correct in the end, and the end is usually the suspension or failure of the bank. I venture the prediction that no bank official who was ever so unfortunate as to read upon his front door the sign, "This bank is in charge of the comptroller of the currency", did not remember with regret, and wish he could recall, the first time he concealed the facts from the examiner or made misleading reports to the comptroller of the currency.

Until Mr. Murray was inducted into the office of the comptroller of the currency, it was the duty of the examiner to report to the office of the comptroller what he had been able to find out about the condition of the bank rather than point out to the banker what his mistakes were and what he should do to correct them. The instruction of the present comptroller to his examiners is to bring directly to the attention of the directors of the bank under examination all matters and all things subject to criticism or unfavorable comment and have them corrected if possible, while at the bank. The effect has been highly beneficial to the banks,—under this method of examination ninety-five per cent of the letters of criticism, technical and otherwise, hertofore found necessary, has been dispensed with.

The examiner can usually judge from the temperament and spirit of cordiality manifested by the banker to just what extent he can offer suggestions, and as a usual thing, it would be greatly to the advantage of the banker, and often save lengthy correspondence with and criticism by the department, if he would take the examiner into his confidence and act cheerfully upon his advice and counsel, but if he is not disposed to do this, and any friction is likely to arise, then it would be a better plan for the examiner to make his examination and investigation as

THOROUGH AND COMPLETE

as possible and make his report to the comptroller of the currency, embracing nothing in his report as a fact that he is not able to prove and substantiate should his report ever be brought into question. Then upon this report the comptroller could make such criticism and comment as he thought the condition of the bank and the law justified.

If, during an examination, an examiner finds that another examiner or examiners had advised the banker to do a certain thing in a certain way, or made an erroneous ruling as to the position of the office on certain matters, then he should give the banker the benefit of his opinion of the matters or thing involved, and report the facts to the comptroller of the currency for his rulings and directions. I am firmly convinced that the bankers as a class are more desirous to conduct the banks on lines laid out by the National Bank Act and the rulings of the office than the comptroller or the examiner, if they are fully advised as

Digitized by Google

to the rulings and constructions the office places on the statutes, but if they are subject to different comments and different rulings by each examiner that may come along, they do not know what the office wants in the premises.

To illustrate this point I have in mind a case told me by a bank examiner. A certain bank was in an unsatisfactory condition and the regular examiner had made a special examination of the bank outlining certain lines to be followed in order to correct the matters complained of; the bank's officers and directors were doing the very best they could to carry out these instructions. Another examiner was sent to make an examination of the bank, and

HE DIRECTED THE OFFICERS

of the bank to disregard the former examiner's instructions, and proceeded to outline his plan to correct the matters complained of, giving his construction of the law and rulings of the office. Within a very short time after the last examiner gave his instruction, an examiner-at-large was sent to the bank, and after making his examination, he directed the officers and directors to utterly disregard all former instructions and proceeded to give his instructions and understanding of the law and rulings of the department.

How that bank came out in the end I am not prepared to say, but how do we, as examiners, expect to correct these irregular matters without some definite and well-established rules to be followed by each examiner, and when we discover that our ideas are not what the former instructions have been, it is our duty to so inform the office and allow the comptroller of the currency to give final directions to the bank. In this way, the banker will know specifically the desires of the department in the premises.

I think it is a mistake on the part of the examiner to assume a superior attitude or approach the banker with an air of superiority. He should realize that he is making examinations of banks officered and conducted by men of mature years and experience, at whose feet he could sit and learn volumes. He should at all times be courteous and pleasant in his bearing, temperate and moral in his habits, discriminating in the choice of his associates, neat in the matter of his work, dress and personal appearance; never doing a piece of work that he is not proud of and willing to stand by, and he will always enjoy a reputation of being an efficient official and a gentleman worthy of the respect of everybody.

Problems Which We Meet.

[By W. W. Churchill, a Minnesota State Examiner.]

My subject "Problems Which We Meet", may suggest to some of you the story of the small boy who was required to write a composition of three hundred words on a topic of his own selection. He chose "The World and What It Contains", explaining that he took this topic in order that he might not run out of material. I do not intend, however, to exhaust the possibilities of my subject, but to present some views on problems which we meet in the supervision of banks in the state of Minnesota, with perhaps some suggestions for their solution.

There are in Minnesota 712 state banks, 10 saving banks and 4 trust companies subject to supervision by the department fo banking These institutions embrace all manner of banks from the city bank with deposits of over twelve million dollars, to small country banks, with deposits of less than twenty thousand dollars, and cash on hand of a few hundred dollars, and their total resources are one hundred thirty million dollars. They are patronized by millionaire lumbermen, mine owners and manufacturers: by the merchant and farmer; by the humble but thrifty person with savings of a few dollars, and by the wards of the government, the Indian, whose check is fixed by the impression of his well-inked thumb. Since the organizing of the department of banking on its present basis, August 1, 1909, there have been no instances of failure or suspension in the state of Minnesota; with two earlier exceptions now in process of liquidation, there have been

NO FAILURES SINCE 1900.

The Department of Banking consists of the superintendent of banks, a deputy superintendent, eight examiners, four assistant examiners, and an efficient office force. The law requires that every institution under the department shall be examined at least twice each year; gives the superintendent, personally, or through the examiners, constant supervision over the books and affairs of banks, trust companies, building and loan associations and financial corporations of the state, with authority to subpœna witnesses and examine them under oath. In its feature of examination, this is similar to the methods of other states represented at this meeting.

The more rigid supervision of banks in recent years has done much to eliminate practices which at an earlier date frequently resulted in failures and scandal. Perhaps the most important achievement is the fixing of responsibility on the boards of directors of the banks. The day of one-man-banking, in which some one officer has entire management of the bank, is past, and we no longer find failures or suspensions due to the dishonesty or poor judgment of an individual. Almost without exception, the management of banks is in the hands of the directors who are required to be present at examinations, verify statements as to the bank's condition, and by their combined judgment and counsel assist in the success of the enterprise. Another direction in which there has been

MARKED IMPROVEMENT

is in the matter of excessive loans to the officers of the bank or members of their families. I may say generally that such loans have been eliminated. The importance of placing responsibility on directors and avoiding loans to officers appeals to nearly all bankers, and wins their co-operation.

There are, however, two phases of bad banking which persist, and for which an adequate remedy seems to be lacking. I refer to overdrafts and past due paper. Few bank officers realize the importance of these features of the business; it is hard to enlist their interest in the subject, or to arouse them to active measures for the elimination of these items. Many regard the reports of examiners and admonitions of the superintendent along this line as pernicious activity. If the directors of the bank are satisfied, what business is it of the department? If they see fit to favor some regular customer by honoring a check in excess of his deposit, or by forbearance in the collection of his obligation as it falls due, who but the bank should complain? Others justify their shortcomings by the statement that national banks are allowed to practise them, and that state banks must be equally lenient with customers or lose business. I am especially pleased that both national and state examiners are represented in this gathering. I am glad to call this matter to the attention of my friends, the national bank examiners. I do not doubt but that they meet with the same excuse in their work, and I trust that as some means is devised for dealing with this situation, it will be made applicable to

BANKS OF BOTH CLASSES.

Persistent overdrafts and past-due paper are assets of doubtful character, if in fact they can be regarded as assets at all. The occasional overdraft of small amount on the account of a frequent depositor can, of course, be disregarded, and the delay of a few days in the payment of a note is not vital. But where the overdraft continues for several months, and for a large sum, it amounts to a loan without interest, for which the bank has no security, and only unsatisfactory evidence. The fact that an account remains overdrawn gives rise to the presumption that the customer is not entitled to the credit. Similarly, with past-due paper, the fact that his obligations pass maturity unpaid will in ordinary circumstances indicate that the customer is unable to pay, and for some reason neglects to renew—perhaps because he wishes to avoid interrogation as to his financial condition. As a matter of fact, habitual overdrafts and past-due paper cannot be justified upon any principle of law or business. In the case of Culver versus Marks, reported in volume 17 American State Reports on page 377, the Supreme Court of Indiana says, "A bank has no legal right to permit the drawer to overdraw and pay his checks out of the funds of other depositors, or the money of the stockholders." John L. Blakely, state auditor of Iowa, in his capacity as superintendent of banks, has collected certain authorities on this subject in a circular letter addressed to the banks of that state, and I quote from one authority cited by him. "An overdraft is a loan of a very dangerous and irregular description, wherein the bank has no security whatever beyond the right of action against the drawer. If a cashier not authorized, as cashiers seldom are, to loan the funds of the bank, or if the paying teller, who probably never has such authority, should pay the overdraft of a customer without specific power from the government of

Digitized by Google

the bank, but simply of his own individual motion, his act is in the eyes of the law a breach of his trust. He has used the funds of the bank in a manner which the law does not authorize, and in which he has not even a color of right to use them. He has imperilled the safety of corporate money by loaning it, and the fact that it is to a customer whom they believe to be rich and honest does not prevent the transaction from being a transgression beyond the limits of their powers and duties. However common the practices might be, it is yet a usage intrinsically bad and illegal, and which no court of justice will recognize." Morse: Law of Banks and Banking.

In Wisconsin, it is provided by statute that "In no case shall an overdraft of more than 90 days standing be allowed as an asset of the bank. (Section 2024-36).

Upon the suggestion that

USAGE AND CUSTOM

justify such practices, the highest judicial authority in the land expressed its opinion in the early case of Minor versus Mechanics Bank of Alexandria, 26 United States Supreme Courts Reports 47. This was a suit brought by the bank upon the bond of an ex-cashier to recover funds, of which he had given no account. One defense was that this money had been dissipated in overdrafts under a usage and practice of the bank, and with the knowledge and approval of directors. The court says in part apropos of this defense, "It supposes that the usage and practice of the cashier under the sanction of the board would justify a known misapplication of the funds of the bank. What is that usage and practice as put in the case? It is a usage to allow customers to overdraw, and to have checks and notes charged up without present funds in the bank; stripped of all technical disguise the usage and practice thus attempted to be sanctioned, is a usage and practice to misapply the funds of the bank, and to connive at the withdrawal of the same, without any security, in favor of certain privileged persons. Such a usage and practice is surely a manifest departure from the duties both of the directors and the cashier, as cannot receive countenance in the court of justice. It could not be supported by any vote of the directors however formal; and, therefore, whenever done by the cashier is at his own peril, and upon the responsibility of himself and his sureties. "It is anything but well and truly executing his duty as cashier."

On business principles, overdrafts and past-due paper are equally

INCAPABLE OF DEFENSE.

The time of sudden emergency when a bank must draw upon all its resources is the very time when it will be most difficult to correct these faults. Should necessity arise, a bank can usually call upon its associates and secure assistance upon furnishing satisfactory security. But it can raise no money on overdrafts; neither can it hypothetically on past-due paper, and at the very time relief is most necessary the bank will find such assets useless.

Now let us see how such matters are at present handled. Here are a couple of instances. A bank in a city of 6,000 population with a capital of $50,000, was examined December 10, 1910, and found to have overdrafts of $12,045.52, of which nearly half was of six months standing; past due paper $38,762.30, of which more than half was over six months past due. This condition was pointed out to the officers and directors of the bank, and they were requested by the superintendent to rectify it. The same bank was examined May 22, 1911, and found to have overdrafts of $9,696.40, and past-due paper of $15,153.45.

Another bank in a Minnesota town of 1,700 population with a capital of $20,000 was examined August, 1910, at which time overdrafts amounted to $7,843.85, and past-due paper $38,176.86, $20,000 of which was over six months past due. The attention of officers and directors was called to this condition, and it was pointed out to them

THE IMPORTANCE

of correcting the same.

March, 1911, I again examined the same bank, and found overdrafts of $5,599.67, more than one-third of which was of thirty days standing, and over 20 per cent of which was six months standing. It also had $22,337.44 in past-due paper, more than one-half of which was over six months past due. In each of these banks there had been some improvement during the six months period between examinations, yet they utterly failed to comply with the order of the superintendent.

Verily, what profiteth it to have examinations of banks where the recommendations of the department are so lightly regarded? I do not mean, of course, that the department is entirely without remedy. The superintendent can, if necessary, procure the appointment of a receiver to take charge of the affairs of the bank, and if necessary, wind up its affairs. This, however, is a cumbersome and expensive remedy. It has, too, the greater fault of punishing a multitude of innocent persons. Should a case arise in any town or small city where this action was found necessary, it would be almost certain to create a run on the bank involved, and in all probability bring about a suspension of payment. Then, too, the distrust and excitement caused by such conditions must invariably spread to other banks, and result in embarrassment, if not suspension, upon their part. Thus, we would have a condition where depositors, borrowers and other banks are all drawn into a situation which must bring embarrassment and financial loss to all in order to correct an abuse persisted in by a few men. The remedy now available is in fact so drastic that it is invoked with reluctance, and this fact is well known to any bankers who see fit to take advantage of the situation.

FOR THIS REASON,

a few of them regard but lightly the recommendations of the banking department with reference to overdrafts and past-due paper.

To meet this situation, it occurs to me that it would be well to have enacted by the legislature a law, authorizing the superintendent or head of the department of banking to impose a fine upon banks which persist in allowing overdrafts, and in holding past-due notes. I think there should be a maximum amount of overdrafts and past-due paper allowed, and anything remaining over this amount after a certain period of time, say, 30 days, should subject the bank to a fine of a certain percentage of the amount of the overdraft or past-due notes.

This remedy would act directly upon the bank itself without affecting the innocent bystander, directors and officers of the bank could not fail to feel its force and stockholders would not fail to insist that dividend accounts be protected from such charges. A fine of this character would be elastic, dependent upon the extent of the violation, and would be practically automatic. It would afford the superintendent of banks and the examiners with an effective means of dealing with the fault at the same time making it impossible for the delinquent parties to feel any resentment toward the state officials who merely enforce

A STATUTORY REGULATION.

While I have dealt at some length with some of the shortcomings of the institutions which I have come in contact with, I would not leave the impression that I have described the prevailing conditions of affairs. In closing, let me say that the bankers of to-day, as a whole, appreciate the efforts of the banking department to strengthen the banks of the state, to upbuild their standing and credit in the community and in the great majority of instances manifest a willingness to carry out all reasonable suggestions of the banking department. This is one of the delightful features of the work of a bank examiner, and it is in fact, the one feature which can and will more than any other, improve any bad conditions in our banking system; for while I believe in the enactment of proper statutory regulations, I believe that the cheerful co-operation of the bankers themselves is the chief means by which the banking department can perform its functions.

BANK ITEMS.

ARKADELPHIA, ARK.—The Citizens Bank & Trust Company, with a capital of $50,000, has been converted into the Citizens National Bank of Arkadelphia.

COLUMBUS, OHIO.—The German Savings & Trust Company is organizing with $50,000 capital.

GANADO, TEX.—The First National Bank of Ganado has been chartered with a capital of $25,000. J. E. Harmon is president; E. H. Koch, vice-president; J. B. Stallworth, cashier and J. D. Steakley, assistant cashier.

JANE LEW, W. VA.—The Peoples Bank is just organized with the following officers: S. G. Hall, president; G. W. Neely, first vice-president; F. E. Shetter, second vice-president, and G. B. Wagoner, cashier.

TRIBBEY, OKLA.—The Security State Bank has been organized with a $10,000 capital. J. R. Stogner is interested.

Digitized by Google

The Best Purchases on the Railroad List

As Indicated by the Two Standards of Comparison: of Present Investment Yield on Basis of Current Dividends and Prevailing Market Price, and on Basis of Present Earnings on Prevailing Market Values.

The average net yield of the 50 railroad stocks quoted in the following table was 5.41 per cent on September 13, as compared with 5.34 per cent on September 6, 5.34 per cent on January 4, and with 4.71 per cent on January 2, 1910.

Railroad reports for the 1910-1911 fiscal year continue to appear, bringing further evidence of the disastrous effects upon earnings available for dividends of the rising tide of wage and other expenses. Two reports submitted this week are of particular interest, because, in one instance, it has already been found necessary to bring about a reduction in the common dividend rate, while in the other case, such a policy has been discussed for some time past as a possibility. The first of these is Boston & Maine, which reports for its fiscal year to the end of June, gross earnings of $44,815,084, which represents an increase for the year of over $1,400,000. Net earnings, however, were nearly $2,500,000 less than in the 1910 fiscal year, amounting to $9,666,381, as compared with $12,020,851 in 1910. Other income amounted to $929,739, increasing total income to $10,240,132. Charges, taxes, etc., amounted to $10,240,132, leaving a balance available for dividends of $355,988, as compared with $2,651,780 in 1910. This is equal to 0.43 per cent on $38,912,540 common stock, after allowing for preferred dividends, as compared with 8.54 per cent earned on $28,841,690 common stock in the previous year. The year's dividend payments aggregated $1,958,971, leaving a deficit for the year of $1,602,983. President Mellen calls attention to the fact that the director found it necessary to reduce the last quarterly dividend on the common stock to 4 per cent per annum, hoping that earnings may within a few years justify that rate and maintain same in the meantime by the distribution of surplus earnings of previous years. This reduction, it is stated, became necessary because of concessions in wages and by the further fact that the road has been operated several years with such strict economy that there remained little margin for further savings. Net corporate income decreased $2,494,633, whereas had the company been able to maintain the same wages, there would have been an increase of about the same amount.

The St. Paul shows total operating revenue of $64,975,995, an increase of $129,101, as compared with the preceding year. Operating expenses were $47,053,718, and increase of $2,262,721, and net earnings were $17,922,276, a decrease of $2,133,620. After the addition of net revenue from outside operations of $195,668 and the deduction of accrued taxes of $2,662,700, total operating income was $15,455,244, a decrease of $2,278,599, while gross corporate income was $27,335,031, and net corporate income $16,358,314. Dividends paid during the year amounted to $16,231,453, leaving a surplus of $126,861, against $2,450,330 in the preceding fiscal period. In this instance, too, the large decrease in net operating revenue is officially attributed to increased labor costs as well as to the inability to obtain more liberal rates to offset this increase.

STOCKS SHOWING BEST INVESTMENT YIELD

Present rank.	Stock.	Present dividend.	Price.	Yield on present price.
1	Toledo, St. L. & W., pref....	4%	41	9.76
2	Detroit United	5%	67	7.46
3	Chesapeake & Ohio, com.....	5%	71	7.04
4	B. R. T.	5%	73	6.85
5	Lehigh Valley	10%	153	6.53
6	St. L. & San F., 1st pref....	4%	63	6.35
7	St. Paul, com.....	7%	112	6.25
8	Baltimore & Ohio, com.....	6%	96	6.25
9	M., K. & T., pref.....	4%	65	6.15
10	Northern Pacific	7%	114	6.14
11	Union Pacific	10%	163	6.14
12	K. C. Southern, pref.....	4%	66	6.06
13	N. Y., N. H. & H.	8%	132	6.06
14	N. Y., C. & St. L., com.....	3%	50	6.00
15	Atchison, com.	6%	103	5.82
16	St. Louis S. W., pref.....	4%	69	5.80
17	Great Northern, pref.....	7%	122	5.74
18	Twin City R. T., com.....	6%	106	5.66
19	Colo. & Southern, 2d pref...	4%	71	5.63
20	Delaware & Hudson	9%	161	5.59
21	Southern Pacific, com.....	6%	108	5.55
22	P., C., C. & St. L., com.....	5%	93	5.38
23	M., St. P. & S. S. M., com...	7%	130	5.38
24	K. C., F. S. & M., pref.....	4%	75	5.33
25	C., C., C. & St. L., pref....	5%	94	5.32
26	C. St. P., M. & O., com.....	7%	132	5.30
27	Illinois Central	7%	135	5.18
28	N. Y., O. & W.....	2%	39	5.13
29	Colo. & Southern, 1st pref...	4%	80	5.00
30	Chicago & N. W., com.....	7%	140	5.00
31	Pennsylvania	6%	120	5.00
32	Atlantic Coast Line	6%	120	5.00
33	Louisville & Nashville	7%	141	4.96
34	Norfolk & Western, com.....	5%	102	4.90
35	Atchison, pref.....	5%	102	4.90
36	St. Paul, pref.....	7%	143	4.90
37	N. Y. Central	5%	103	4.85
38	M., St. P. & S. S. M., pref...	7%	146	4.80
39	Western Maryland, pref.....	4%	85	4.71
40	Baltimore & Ohio, pref.....	4%	86	4.65
41	Buffalo, R. & P., com.....	5%	108	4.62
42	Central of N. J.	12%	260	4.61
43	Canadian Pacific	10%	223	4.49
44	Norfolk & Western, pref.....	4%	90	4.44
45	Union Pacific, pref.....	4%	90	4.44
46	Colo. & Southern, com.....	2%	45	4.44
47	Reading, com	6%	140	4.29
48	Boston & Maine	4%	101	3.96
49	D., L. & W.	20%	520	3.84
50	Southern Railway, pref.....	2%	66	3.03

STOCKS SHOWING BEST EARNINGS

[illegible] Present rank.	Stock.	Price.	Earning on present price.
1	St. L. & San. F., 2d pref.....	40	25.35
2	Erie, 1st pref.....	49	23.40
3	M., K. & T., pref.....	65	20.95
4	Detroit United	67	18.40
5	Southern Railway, pref.....	66	15.40
6	Hocking Valley, com.....	128	15.00
7	K. C. Southern, pref.....	66	14.30
8	Buffalo, R. & P., com.....	108	13.25
9	K. C. Southern, com.....	80	12.65
10	P., C., C. & St. L., com.....	93	11.15
11	C., St. P., M. & O., com.....	132	10.90
12	Atlantic Coast Line	120	10.20
13	Union Pacific com.....	163	10.20
14	D. & R. G., pref.....	47	10.10
15	Twin City R. T., com.....	106	10.00
16	Colo. & Southern, com.....	45	9.50
17	Louisville & Nashville	141	9.20
18	Norfolk & Western, com.....	102	9.00
19	Erie, com.	29	8.90
20	St. Louis S. W., pref.....	69	8.85
21	Central of N. J.	260	8.80
22	Southern Pacific, com.....	108	8.75
23	C., C., C. & St. L., com.....	51	8.20
24	Baltimore & Ohio, com.....	96	8.10
25	B. R. T.	73	7.95
26	Canadian Pacific	223	7.75
27	Delaware & Hudson	161	7.25
28	Chesapeake & Ohio, com.....	71	7.20
29	Illinois Central	135	6.95
30	Lehigh Valley	153	6.95
31	Northern Pacific	114	6.90
32	D., L. & W.	520	6.80
33	M., K. & T., com.....	29	6.80
34	N. Y., N. H. & H.	132	6.60
35	Chicago & Alton, pref.....	40	6.40
36	Great Northern, pref	122	6.30
37	M., St. P. & S. S. M., com.....	130	6.30
38	St. Paul, com.....	112	6.00
39	Chicago & N. W., com.....	140	5.90
40	Atchison, com.	103	5.80
41	Pennsylvania	120	5.60
42	Toledo, St. L. & W., pref.....	41	5.55
43	Reading, com.	140	5.30
44	N. Y. Central	103	5.10
45	N. Y., O. & W.	39	5.05
46	Chicago Gt. Western, pref.....	37	5.05
47	Rock Island, pref.	47	5.00
48	Western Maryland pref	85	3.90
49	Missouri Pacific, pref.....	36	0.95
50	Boston & Maine	101	0.40

Digitized by Google

The Best Purchases on the Industrial List

As Indicated by the Two Standards of Comparison: of Present Investment Yield on Basis of Current Dividends and Prevailing Market Price, and on Basis of Present Earnings on Prevailing Market Values

The average net yield of the 50 industrial stocks quoted in the following table was 6.34 per cent on September 12, as compared with 6.25 per cent on September 5, 6.30 per cent on January 3, and 5.76 per cent on January 2, 1910.

Despite the gloom which pervades the stock market at the present time, the latter is not lacking in bright spots by any means, although the general attitude just now is such that much greater emphasis is laid upon bad news than upon good. The comparative improvement in the steel trade within the past two months, and signs of a fair improvement in copper trade conditions are hardly receiving the attention which they merit, because of the fact that pessimism is the most dominant note in the situation.

There are two important industrial companies which are showing earnings more than sufficient to warrant common stock dividends, although in both cases the junior issues are not at present dividend payers. The first of these is American Beet Sugar, which, according to the opinion of many friends of the company, will begin dividends this fall at the rate of 4 per cent per annum. It is by no means certain, however, that this step will be taken, despite the fact that it is undoubtedly warranted by present earnings. In the twelve months to March 31, last, the company earned but a trifle less than 11 per cent on its common stock, as compared with 7.31 per cent in 1910; 6.98 per cent in 1909, and 4.26 per cent in 1908. It is likely that the earnings for the current fiscal year will be in excess of those of the last fiscal period. Despite this fact, however, certain authorities believe that it would not altogether be wise to begin the payment of common stock dividends at this time, in view of pending tariff agitation.

It is quite probable that within the next few weeks the directors of the American Agricultural Chemical Company will authorize the payment of a dividend on the common shares. If this step is taken, it is likely that the initial distribution will be one of 2 per cent, with a further probability that semi-annual payments of a like amount will be made, thereby establishing the issue on a 4 per cent annual basis. Some time ago, the directors appointed a committee to consider this question, and if it is finally decided to begin dividend payments, there will be no reason to look upon this action as one that has not been carefully considered from practically every point of view. The probabilities are that eventually the common stock will be paying dividends at the same rate as the preferred, namely 6 per cent per annum. In the year ended June 30, last, the company earned 9.05 per cent on its common stock, as against 10.42 per cent in 1910; 7.51 per cent in 1909, and 6.12 per cent in 1908. The last annual statement disclosed the first decrease in net profits the company has ever shown. As a matter of fact, this decrease resulted not from any falling off in actual manufacturing operations, earnings from which were larger than in 1910, but from adjustments resulting from the potash situation, the final settlement of which is likely to result in further record-breaking performances in the line of earnings.

Stocks.	Present dividend.	Price.	Yield on present price.	Present rank.	Stocks.	Price.	Earnings on present price.	Year ended.
Am. Cotton Oil, com.....	5%	52	9.62	1	Inter. Merc. Marine, pref....	14	66.95	Dec. 31, 1910
U. S. Rubber, 2d pref ..	6%	72	8.33	2	Bethlehem Steel, pref.....	60	22.40	Dec. 31, 1910
United Dry Goods, com..	8%	101	7.92	3	American Locomotive, com...	34	21.35	June 30, 1911
Republic I. & S., pref....	7%	90	7.77	4	Westinghouse, com.....	6[illegible]	20.40	Mar. 31, 1911
American Woolen, pref..	7%	90	7.77	5	Am. Beet Sugar, com.....	54	20.30	Mar. 31, 1911
U. S. Realty & Imp.....	5%	67	7.46	6	Ry. Steel Spring, com.....	30	20.00	Dec. 31, 1910
Central Leather, pref....	7%	94	7.45	7	Pressed Steel Car, com.....	30	18.50	Dec. 31, 1910
U. S. Steel, com.....	5%	68	7.35	8	Allis-Chalmers, pref.....	18	17.15	June 30, 1910
Nat. Enam. & Stpg., pref.	7%	96	7.29	9	Am. Ag. Chem., com.....	54	16.80	June 30, 1910
Am. Writing Paper, pref.	2%	28	7.14	10	Am. Linseed Oil, pref.....	28	15.35	July 31, 1910
Pressed Steel Car, pref...	7%	98	7.14	11	Am. Woolen, com.....	27	15.00	Dec. 31, 1911
Ry. Steel Spring, pref...	7%	101	6.93	12	Am. Car & Fdy., com.....	48	14.60	April 30, 1911
Union Bag & Paper, pref.	4%	58	6.90	13	United Fruit	184	14.55	Sept. 30, 1910
Int. steam Pump., pref..	6%	87	6.89	14	Inter. Harvester, com.....	105	14.15	Dec. 31, 1910
Va.-Carolina Chem., pref.	8%	117	6.84	15	Sears, Roebuck, com.....	138	14.10	Dec. 31, 1910
People's Gas	7%	104	6.73	16	Colo. Fuel & Iron, com.....	28	14.05	June 30, 1910
Laclede Gas	7%	104	6.73	17	Am. Ice Sec. Co.....	18	14.00	Oct. 31, 1910
Am. Smelt. & Refg., pref.	7%	104	6.73	18	U. S. Realty & Imp.....	67	13.95	April 30, 1911
Crex Carpet	5%	75	6.66	19	Am. Cotton Oil, com.....	52	13.05	Aug. 31, 1910
Am. Locomotive, pref....	7%	105	6.66	20	Inter. Paper, pref.....	45	11.80	June 30, 1911
Distillers Sec. Corp.....	2%	30	6.66	21	General Electric.....	150	11.10	Dec. 31, 1910
National Lead, pref.....	7%	108	6.48	22	Nat. Enam. & Stpg., com....	16	10.55	June 30, 1911
Am. Tobacco, pref.....	6%	94	6.37	23	Republic I. & S., com.....	24	10.30	June 30, 1911
Westinghouse, 1st pref...	7%	111	6.30	24	Union Bag & Paper, pref....	58	9.55	Jan. 31, 1911
Corn Prod. Refg., pref...	5%	80	6.25	25	Am. Smelt. & Rfg., com.....	68	9.35	April 30, 1911
Am. Beet Sugar, pref....	6%	97	6.19	26	United Dry Goods, com.....	101	8.85	July 15, 1911 (6 mos.)
National Lead, com.....	3%	49	6.12	27	Corn Products Rfg., pref.....	80	8.80	Feb. 28, 1911
Am. Car & Fdy., pref....	7%	115	6.09	28	National Lead, com.....	49	8.80	Dec. 31, 1910
Am. Sugar, com.....	7%	115	6.09	29	People's Gas	104	8.65	Dec. 31, 1910
U. S. Steel, pref.....	7%	115	6.09	30	U. S. Steel, com.....	68	8.45	June 30, 1911 (3 mos.)
Am. Sugar, pref.....	7%	116	6.03	31	U. S. Cast Iron Pipe, pref...	46	8.45	May 31, 1911
Am. Tel. & Tel.....	8%	134	5.97	32	Am. Can, pref.....	85	8.05	Dec. 31, 1910
Mackay Companies, com..	6%	84	5.95	33	Distillers Sec. Corp.....	30	8.00	June 30, 1910
Am Can, pref.....	5%	85	5.88	34	Utah Copper.....	42	7.80	June 30, 1911 (6 mos.)
Pacific Coast, com.....	6%	102	5.88	35	National Biscuit, com.....	126	7.80	Jan. 31, 1911
Am. Ag. Chem., pref.....	6%	102	5.88	36	Am. Tel. & Tel.....	134	7.70	June 30, 1911 (6 mos.)
Inter. Harvester, pref....	7%	119	5.88	37	N. Y. Air Brake.....	64	7.00	Dec. 31, 1910
Am. Smelt & Rfg., com..	4%	68	5.88	38	Amalgamated Copper	56	7.00	April 30, 1910
Va.-Carolina Chem., com.	3%	52	5.77	39	Am. Malt Corp., pref.....	40	6.95	Aug. 31, 1910
National Biscuit, com....	7%	126	5.55	40	Tennessee Copper	33	6.75	Dec. 31, 1910
General Electric	8%	150	5.33	41	Western Union	75	6.70	June 30, 1911
Sears, Roebuck, com.....	7%	138	5.07	42	Am. Sugar, com.....	115	6.25	Dec. 31, 1910
Am. Malt Corp., pref....	2%	40	5.00	43	Mackay Companies, com....	84	6.10	Jan. 31, 1911
Inter. Harvester, com....	5%	105	4.76	44	U. S. Rubber, com.....	37	5.95	Mar. 31, 1911
Consolidated Gas	6%	132	4.54	45	Va.-Carolina Chem., com....	62	5.85	May 31, 1911
Underwood Typewriter ..	4%	89	4.49	46	Consolidated Gas	132	5.65	Dec. 31, 1910
Inter. Paper, pref.....	2%	45	4.44	47	Sloss-Sheffield, com.....	57	5.50	Nov. 30, 1910
Am. Car & Fdy., com....	2%	48	4.17	48	Am. Steel Foundries	28	5.20	Mar. 31, 1911 (9 mos.)
Western Union	3%	75	4.00	49	Central Leather, pref.....	94	4.80	Dec. 31, 1910
Amalgamated Copper ..	2%	56	3.57	50	Int. Steam Pump., com.....	31	2.40	June 30, 1911

Digitized by Google

This Week and Next

Six Weeks of Liquidation, and the Result—Bank's Investment Holdings Show a Marked Increase For the Year—Giving the Lie to Tales of Wholesale Selling—A Sane Policy Which Has Served As an Example to Individuals—A Concrete Instance of Intelligent Investment Operations—The Outlook For Higher Prices—The Week's Railroad Reports a Depressing Factor—Puget Sound Dividends Save St. Paul's Face—Boston & Maine Report Gives Little Promise of a Return to a 6 Per Cent Dividend Rate—The Daring Mellen Policy on Trial—Reassuring Words For Baltimore & Ohio Shareholders—No Early Dividend Cut Contemplated.

The market this week has borne a closer resemblance to that which prevailed at the time of the financial panic of 1907 than any similar movement which has taken place in the meantime, with the possible exception of July, 1910. It is almost impossible to create a sustained speculative interest on the long side, after a decline which has continued through the greater part of a period extending over the last six weeks. Investors are still taking stocks out of the market, but this absorption of dividend-paying issues is far from being sufficient to offset the effect of heavy liquidation from overburdened pools, which in the space of a few weeks, have been driven to cover by the victory-flushed bears, and are now fighting for their very existence in place of dominating the market as they were in the early part of the summer. Conservative houses are advising the purchase of standard investment stocks at present levels, but this advice is not of the variety which appeals to the man whose one aim is to make a quick turn, with comparative disregard of the risk which such an objective point involves.

BANK HOLDINGS.

There has been an attempt on the part of those whose business it is to foster a feeling of distrust, to create the impression that banks have been responsible for a very large proportion of the selling seen since August 1. The figures submitted by the New York national institutions in response to the recent call of the comptroller show that there is little ground for this assertion, many of the banks, in fact, showing a material increase in their holdings of bonds and other securities since June 7 last, when the last previous call for reports of condition was made. Since September, 1910, this investment account presents a gain of $55,836,800, exclusive of United States bonds on hand and United States bonds to secure circulation and government deposits. The September 1 reports show a substantial reduction in loans, as compared with the exhibit under the call of June 7, and a slight increase as compared with a year ago, while cash holdings show a falling off of $15,749,000 from June and an increase of $12,849,300 over the figures of September 1, 1910. With the outlook favoring a continuance of a condition of comparative ease in money rates, there really has been no reason to believe that institutions of this class have been heavy sellers. On the contrary, it is likely that the next report of condition, to come later in the fall, after the usual period of hardening rates following the appearance of crop-moving demands, will reflect still further acquisitions as a means of

EMPLOYMENT OF IDLE FUNDS

to unusually good advantage.

The saner methods of banking interests contrast most favorably with the nervousness, real or simulated, of the speculative groups, and no doubt have served as a guide-post to individual investors, whose ability to peer through the present gloom to the brighter fields beyond is largely attributable to this wholesome example by interests of known conservative tendencies.

Each day brings to my notice further evidences of the growth of the powers of discrimination of these investors, and my observations lead me to believe that surprisingly few mistakes of judgment are being made. I note a growing tendency to split commitments. As the opportunity has presented itself, these odd-lot buyers have been picking up a few railroad shares here, a few industrials there, at the same time including both preferred and common shares in their orders. The result has been an unusual combination of substantial investment value, with exceptional possibilities of speculative profits.

The word "possibilities", indeed, might be supplanted by the word "certainties", for there is no doubt that standard dividend payers will sell materially higher in due course of time, no matter what may chance to happen in the meantime. One investor has submitted for consideration a list of thirteen issues, including four railroad stocks, eight industrials and one copper issue. Six of the issues on the list are preferred, and there is not one of the thirteen which is of doubtful value, the lone copper stock being one of the best on the list, Nevada Consolidated. Being purchased primarily as an investment proposition, every one is a dividend-payer, the average net return being 6.35 per cent. Such an investor as this can well afford to view with equanimity a period of depression and of adjustment, for he may rest assured that in the end the audacity which he has displayed in flying in the face of an overwhelming

BEAR SENTIMENT

will bring its reward. It would be presumptuous to venture the assertion that liquidation has run its course, but I find many astute market observers looking for an early rally of fairly substantial proportions. Whether it will be sustained for any length of time or not, is a horse of another color, for the twin spectres of political agitation and labor union pugnacity are still stalking abroad and wielding a mighty influence in the security markets, while the growls of the European war dogs add to the already overweighted scale of public sentiment towards a depression which is as much overdue as were the forced operations of the bulls three months ago.

The figures submitted by several of the country's important railroads covering the results of the last fiscal year were not, on the whole, calculated to dispel the general gloom. The St. Paul report furnished new grounds for an attack on the stock, for while, to be sure, it showed that the common dividend was earned with something to spare, the margin was slim, much too slim, in fact, for safety, the percentage earned on the outstanding stock amounting to 7.09 per cent, which compares with 9.11 per cent earned on the same stock in the previous year. One of the most remarkable features of the report is to be found in the growth of the "other income" account from $1,318,473 in 1909 to $9,453,550 in 1910 and to $11,879,786 in 1911. The "other income" items for 1911 consist of dividends on stocks owned, $5,065,115; interest on funded debt owned, $4,730,978; interest on other securities, loans and accounts, $1,628,426; miscellaneous, $455,258. "Other income" item for 1910 consisted of dividends on stocks owned, $804,880; interest on bonds owned, $6,059,496; interest on other securities, etc., $2,589,175. It is very easy to see that the St. Paul would have made a very sorry showing from a shareholder's point of view had it not been for the

TIMELY ASSISTANCE

received in the form of dividends on Chicago, Milwaukee & Puget Sound shares. The report just submitted is one which is calculated to give the critics some little trouble, so closely are the accounts of the parent corporation interwoven with those of its subsidiaries, including the Tacoma & Eastern, which is owned by the Puget Sound. What the St. Paul needs now, if the uncertainty regarding the 7 per cent common dividend is to be dispelled, is an increase in gross earnings. There are plenty of other roads in the same plight.

Boston & Maine's statement for the fiscal year was not expected to be a good one, but it was not expected that there would be shown such a slim margin over interest requirements and preferred dividends, the amount earned on the common shares being less than one-half of 1 per cent. In the light of this showing there is hardly likely to be further doubt as to the necessity for the recent reduction in the common dividend rate from 6 to 4 per cent per annum. Indeed, if one were to judge from the substantial deficit shown, there would be reason to doubt the wisdom of paying anything at all. The best that President Mellen can say to the shareholders is that he hopes that within a few years earnings may justify the 4 per cent rate, and the inroads which must be made on the accumulated surplus of other years in the meantime.

TOO MUCH ECONOMY.

President Mellen further explains that the road has for years been operated with such strict economy that

Digitized by Google

there remains little margin for further savings. The substantial increase shown in the amounts charged off for maintenance and betterments in the last year show that since the New Haven acquired a controlling interest the policy has been undergoing a very rapid change. The Mellen improvement has been a bold one in practically every instance, much too bold, in fact, to satisfy wondering shareholders who are not averse to provision for the future, but who believe that the present should be considered as well.

It is a similar policy, carried to much greater extremes, which has brought about the present uncertainty regarding the maintenance of the 8 per cent dividend on New Haven shares, and the evident desire in some quarters to see the Mellen policy and the Mellen sense of humor transferred to other fields. As this is written, Wall street does not know whether Mr. Mellen is going to stay or not, and furthermore, is not exactly sure whether it would like to see some one else in charge of New Haven's destinies or not. One Connecticut director of the road was recently reported as saying to an inquiring shareholder that if the latter would be content to receive his 8 per cent per annum and pay no attention to the fluctuations in the shares while the company is going through the process of rejuvenation and unification, he would be well rewarded for his patience. However, in spite of Mellen's indignant repudiation of any suggestion that it will be found necessary to make New Haven a 6 per cent issue, there has been a growing suspicion that there is a lack of complete harmony among the members of the board. Of course, if Wall street and the shareholders were assured that he still enjoyed the complete confidence of his main sponsor, J. P. Morgan, they would be willing to take it for granted that opposition from other sources would be futile.

BALTIMORE & OHIO.

President Willard succeeded in setting at rest for the time being, at least, the worst of the fears which have been entertained of late regarding the maintenance of the 6 per cent dividend, and as a result, the stock has shown greater strength within the last few days than has fallen to the lot of the majority of the listed railroad stocks. Nevertheless, there are a great many critics who are not yet ready to take Mr. Willard's view that Baltimore & Ohio is a conservative 6 per cent issue, and there is still a lurking suspicion that it will be necessary to reduce the rate to 5 per cent, or even 4 per cent next year, unless conditions take a decided change for the better in the meantime. Of course, it is far easier to look upon the darker side these days. President Willard, by the way, is just back from Europe, where it is to be presumed that he took occasion to reassure German shareholders, of whom there is a considerable number. The best point in the outlook is the July increase in net earnings in the face of a gross decrease.

THE FORECASTER.

SHEBOYGAN, WIS.—An application has been received at the office of the comptroller to organize the National City Bank with a capital of $[illegible],000.

BOSTON STOCKS AND BONDS

For the Week Ending Thursday Evening, September 14, 1911.

Names.	RANGE FOR WEEK		Last Sale	Sales for Week	RANGE FOR YEAR OF 1911.						RANGE FROM JAN., 1879, TO JAN., 1911.			
					Lowest			Highest			Lowest		Highest	
Railroads.	Low	High												
Boston & Albany	220	221	220	68	219	Sept		226	Feb	15	129	1879	*230	1890
Boston Elevated	127	127½	127	134	126½	Aug	16	130½	Aug	2	52⅝	1885	190	1901
Boston & Maine	90	103½	95	655	90	Sept	14	122⅝	Feb	15	108⅝	1879	230	1837
do. pref.	...	...	148	...	148	Sept	5	154	June	5	134⅜	1891	190	1902
Cent. Verm't 4s	89	90	90	17,000	87½	Jan	3	92	Mar	22	75	1904	96½	1899
C. B. & Q. Jt. 4s	96	96½	96	10,000	95½	Jan	5	98¾	June	2	82½	1896	102	1904
Chic. June. R...	...	...	164	.....	156	Apr	29	165	Aug	23	50	1890	182	1904
do. 5s	...	...	102	.....	101½	Aug	14	102	Aug	21	89⅜	1891	116	1899
Fitchburg pref..	126⅜	127	126⅜	67	125	July	22	130	Jan	9	63½	1889	148	1905
K.C., Ft S. & M. 6s	116½	116½	116½	5,000	115	Mar	22	116⅜	Jan	6	76	1896	126	1902
K.C.M. & B. new 5s	...	...	92	.....	91¼	Jan	19	93½	Jan	3	125⅝	1894	1102	1905
do. inc. 5s....	...	...	89	.....	88	Apr	6	90	Mar	14	8	1896	104	1900
N.Y., N.H. & H.	128½	134	128½	1,883	128¼	Sept	14	151¾	Feb	22	127	1907	279	1899
Old Colony.....	187	187½	187	7	183	Mar	15	189	June	14	96	1879	221	1902
Rutland pref....	35	35	35	100	32	Jan	26	45	Aug	4	6¼	1879	125¼	1902
West End.....	98	98½	96	300	86	Sept	11	96	Feb	6	43	1894	102	1905
do. pref.	100	100½	100	32	100	Sept	6	108	June	22	78	1883	118¾	1901
Miscellane'us.														
Am. Agri. Chem.	51	54	53	965	46⅛	Jan	5	60½	May	18	9	1903	60¾	1899
do. pref.	102	103¾	102¾	158	99	Jan	6	106¾	Mar	1	65½	1903	105	1910
Am. Pneu. Ser..	2⅝	4	3⅝	1,400	3½	Aug	29	6½	Jan	31	3	1903	29	1906
do. pref.	13	14½	14½	1,845	12¾	Sept	1	19¾	Jan	31	9½	1908	46	1906
Am. Tel. & Tel.	133⅜	135⅜	134⅜	4,712	131⅜	Aug	30	153¾	Jan	6	68	1907	186	1901
do. 4s	90	90⅝	90	25,000	89½	Mar	22	92	May	23	71	1907	101⅛	1901
do. cons. 4s...	106	106	106	1,000	104	Aug	25	111⅝	June	19	80⅜	1908	107⅝	1909
Am. Woolen.....	...	...	...	.....	28⅛	Aug	22	36⅛	Mar	20	7⅛	1903	48	1906
do. pref.	88½	90	89	634	88	Aug	30	96⅛	June	15	65	1903	110⅝	1906
B. & Wor. Elec.	...	...	12	.....	6	Feb	15	13	July	13	8	1910	39½	1902
do. pref.	...	...	51	.....	38½	Jan	27	58	July	1	35	1910	90	1906
Cumberl'd Tele..	...	...	154½	.....	146	Jan	19	158	June	2	93¾	1907	152½	1910
Dom. St'l Corp.	...	...	58⅜	.....										
Dom. Coal 6s....	...	...	95¾	.....	90	Jan	4	96⅜	Mar	21	90	1908	101½	1905
E. Boston Land.	...	...	10	.....	7¼	Jan	1	12	May	1	2¾	1858	18⅞	1899
Edis. Elec. Ill..	275	280	280	44	275	Sept	9	292½	Feb	3	10	1893	310	1900
Gen'l Elec. Co..	148	152	148	492	145½	Mar	3	167⅜	May	29	20½	1898	258½	1901
Mass. Elec.....	17	18½	17½	1,427	16	Apr	24	24	June	3	6½	1907	45⅞	1908
Mass. pref.....	80	80¾	87½	428	82⅜	Jan	9	86	July	11	57	1907	90	1902
Mass. Gas.....	90⅝	93	91¼	1,705	87⅜	Jan	3	96⅜	Aug	4	30	1903	91¼	1910
do. pref.	96	97½	96	229	91¾	Apr	13	98	Aug	24	74½	1902	97	1910
Mergenthaler ...	225	227	226	29	211	Jan	3	250	July	21	118⅝	1897	228	1910
N. E. Cot. Y'n.	110	110	110	54	109	Aug	17	119	Mar	14	40	1908	125	1900
do. pref.	107	108½	108½	132	106	Jan	3	116½	Mar	15	84⅜	1903	118	1900
do. 4s	99⅝	99⅞	99½	7,000	99⅜	Sept	9	103	June	20	93	1898	105⅜	1901
N. E. Telephone	145	148	146	84	127	Jan	17	150⅛	June	10	78⅜	1879	270	1906
Pullman Car....	153	156½	156	98	156	Sept	6	163	Jan	30	58	1901	234	1895
Reece But. H...	13	13½	13	35	12	Jan	5	16⅝	May	22	7½	1884	163	1901
Torr'g'n Co. CL A	28½	30	29½	20	29½	Sept	13	36	Jan	7	18	1908	37	1910
do. pref.	25½	28½	25½	12	27	Sept	6	30	July	26	20	1907	35	1909
U'ted Fruit Co..	187	189	187	649	180	Aug	28	197	June	12	72	1901	200	1910
U'ted Fruit 4½s.	96½	96¾	96¼	1,000	95⅞	Apr	17	97½	Jan	6	95	1910	97½	1910
Un. Shoe Mach'y.	40⅜	43	41⅜	6,435	40⅜	Aug	28	58⅜	Feb	18	*28	1900	96½	1905
do. pref.	27¼	28	28	350	27½	Aug	22	29½	Mar	7	22	1900	39½	1906
West. Tel. & T..	16	17	17	100	16	Sept	9	23⅛	Feb	6	4	1903	33¾	1902
do. pref.	96½	96½	96½	132	89	Jan	23	100	July	28	60	1907	106½	1902
do. 5s	98	98⅛	98¼	20,500	96⅜	Jan	3	100	July	25	74	1907	106⅛	1902
Mining.														
Adventure	4½	4½	4½	85	4	Aug	25	7⅛	May	18	† 62½	1907	33	1901
Allouez	25	25	25	30	21	Aug	26	29	Jan	6	90	1899	74⅛	1907
Amalgamated ..	54⅛	55⅜	55⅛	9,351	54⅞	Sept	11	71½	June	26	33⅜	1903	152⅜	1899
Am. Zinc.....	21⅞	23	22	1,137	21	Aug	25	30⅝	June	14	5	1891	67	1890
Arizona Com....	12	13	13	4,535	11⅜	Sept	7	18⅝	June	11	7⅜	1907	51⅜	1909
Bos. & Corbin...	4½	4½	4½	400	3⅝	Aug	24	15⅛	June	6	6	1907	25	1908
Butte Bal'kl'n...	4⅜	4⅜	4½	345	3¾	Aug	29	6⅜	Jan	4	4½	1910	18⅛	1910
Butte Coalition..	14½	15⅛	14¼	1,160	14	Aug	25	20½	May	24	10	1907	42	1906
Calumet & Ariz.	67⅜	70	69	2,211	46	Aug	17	83	June	14	44⅜	1910	198	1907
Calum. & Hecla.	410	415	410	42	400	Aug	16	545	Jan	4	134	1884	1000	1907
Centennial	8½	9	8½	300	8	Aug	30	16	Jan	3	10c	1896	61	1899
Copper Range..	50⅜	52½	51	634	50	Aug	26	69⅜	Feb	2	27	1903	105	1907
Daly-West	5⅜	5⅝	5½	225	3	Feb	15	6½	June	21	3½	1910	56	1908
East Butte.....	10	10⅜	10	2,105	8⅞	Aug	26	14⅜	June	26	3½	1909	14½	1907
Elm River.....	...	...	10	...	10	July	24	20	Jan	6	.05	1910	7	.907
Franklin	6½	7⅛	7	2,449	5⅝	Aug	24	14	June	14	4	1879	30	1899
Giroux	4	4 1-16	4 1-16	2,140	4	Sept	12	8⅛	Feb	6	2⅜	1907	13⅜	1901
Granby	25½	26	26	212	25	Aug	25	43½	June	21	20	1910	151	1907
Greene Cananea.	6	6⅛	6	1,125	$ 5-16	Feb	9	8	June	26	5	1907	18	1907
Hancock, Con...	18	19	18½	485	17⅜	Aug	26	30¼	June	19	1⅜	1907	36	1910
Helvetia	.90	.90	.90	100	.90	Sept	1	2	Mar	4	1⅜	1910	24	1909
Isl'd C'k Coal**	22½	24	23	597	22¼	May	9	40⅜	June	3	20⅜	1910	325⅜	1910
do. pref.** ...	84	85	84½	615	84½	Sept	14	91	June	13	84½	1910	90⅜	1910
Isle Royale.....	12	14	12	546	11½	Aug	24	19½	June	17	8⅜	1903	75	1899
Kerr Lake.....	3⅜	4	3⅜	405	3⅜	Sept	11	7⅜	Jan	23	6	1910	35	1907
Keweenaw	2	2⅛	2⅛	110	1⅝	May	10	3⅜	June	11	2½	1909	7⅜	1909
La Salle	2⅛	2⅜	2⅜	135	2	Aug	18	6	Jan	3	3	1908	22⅜	1906
Lake Copper....	20	23	21⅜	1,601	21⅜	Aug	26	40	June	13	4	1907	94½	1910
Mass. Cons.....	4	5	5	225	4½	Aug	26	10	June	19	2½	1908	37⅜	1901
Miami	15½	16⅜	17½	410	15½	Sept	12	22⅜	June	21	4⅜	1908	29	1911
Michigan	2	2	2	200	1⅜	Apr	25	4⅜	May	6	2	1910	24⅜	1907
Mohawk	58	60	58	18	56	Apr	24	83	June	15	11½	1909	*97	1907
Nev. Cons.....	16⅜	17½	16⅜	850	16⅜	Sept	13	21⅜	June	15	6⅜	1907	30	1909
New Arcadian...	2	2	2	10	2	Aug	24	4⅜	May	17	1	1905	166½	1899
Nipissing	7⅝	8	7⅝	1,105	7½	Aug	28	11½	Feb	17	5	1906	39⅜	1904
North Butte.....	23	24	23½	4,005	21⅜	Aug	28	36	June	13	13½	1910	129	1907
North Lake.....	4	5	4	75	4	Aug	2	9⅜	June	2	4½	1909	11⅜	1909
Old Dominion...	25	25	25	240	25	Aug	24	49	June	19	9½	1904	66⅝	1906
Osceola	57	58	57	45	57	Sept	11	124	Jan	4	7½	1899	181	1907
Parrot	30⅛	31	30⅜	1,100	30⅛	Aug	26	43⅜	May	22	8⅜	1907	72¼	1899
Quincy	64	65	64	94	62	Aug	21	74	July	24	10	1899	190	1899
Rav Consol'ted..	13⅜	14	13⅜	275	13⅛	Sept	6	18⅜	Jan	3	7⅛	1908	37⅛	1900
Santa Fe.....	70	80	75	175	75	Apr	26	75	June	13	1	1903	22	1900
Shannon	10⅜	11	10⅜	1,110	10⅜	Aug	28	12⅜	Feb	6	2½	1904	24⅜	1907
Superior Copper.	21	22	21	200	21	Aug	17	31⅜	June	14	7	1907	63½	1910
Sup. & Boston..	4⅜	4⅝	4⅜	1,100	4⅜	Sept	11	8½	June	15	1⅝	1908	1⅝	1908
Tamarack	24	24	24	61	24	Sept	8	52	Jan	3	45½	1909	363	1901
Tennessee	...	...	34⅜	...	34⅜	Aug	9	47½	June	13	9⅜	1903	55½	1907
Trinity	7	8	7	100	7	Sept	13	15	June	20	3⅝	1904	42½	1907
U. S. Smelting..	32	33	33	300	31	Aug	26	40⅜	June	14	24⅜	1907	70	1907
do. pref.	46	46⅞	46⅞	100	45½	Aug	26	49½	June	26	27⅜	1907	54½	1906
Utah Cons.....	9	10	12	700	9½	Jan	26	20	June	26	12⅜	1910	*79	1907
Utah Apex	2⅛	2⅜	2	300	2	Aug	28	3⅞	June	15	1⅜	1907	16⅛	1905
Victoria	1	1	1	100	1	Aug	30	2⅜	Feb	7	1	1910	12	1901
Winona	1	1	1	500	1	Aug	24	2½	Feb	6	1	1910	22	1899
Wolverine	90	100	96	200	90	Sept	14	122	Feb	10	75c	1893	200	1907

* Ex-dividend. † Assessment paid. ‡ Rights off. ‖ Auction. § Old securities. • Old stock.
** Temporary certificates.

Digitized by Google

Textile Manufacturing Shares

While practically speaking the mill share market shows no change, theoretically, there has been an improvement during the past week or two, and while manufacturers are probably loathe to admit it, there is no reason to believe but that they are looking toward the future in a much better frame of mind. Transactions in mill shares have taken place on about the same basis as heretofore, although at the auctions in Boston, two advances of especial significance are noted.

Twenty-five shares of the Amoskeag Manufacturing Company, certificates of deposit, changed hands at 394¼, a figure which is 69¼ points above the last public transaction in this stock, while two shares of the Pacific Mills were transferred at 3,600, an advance of 50 points above the last previous transaction. The advance in the latter, of course, is a mere trading difference considering the high price at which the stock is selling. The Pacific Mills, however, have a great big surplus and their growth during the past four or five years has been rather remarkable. The management have constructed a big new mill at Lawrence, and in addition, have also put up a large print works plant, all without a cent of new money from the stockholders; these are assets which are going to mean a good deal to the latter when the plants are in full operation and business is booming. The increase in the Amoskeag, of course, is due to the reorganization or new form of organization, which we fully discussed in our issue of last week.

OFFERINGS LARGE.

It is very noticeable at this time that most of the offerings which are advertised to be sold on Wednesday, are of textile manufacturing stocks and a comparison of these offerings with the very few transactions which take place, gives a very significant example of the present condition of the whole textile share market. That is to say, holders of stock having confidence in the ultimate recovery of the industry and feeling that prices have already touched pretty close to bottom continue to hold on to their shares and will not let them go in most cases below present quotations. On the other hand, those who are in the market had rather wait until more definite indications of improvement can be perceived. This condition, of course, gives almost a standstill market.

NEW YORK KNITTING MILLS.

The Frisbie & Stansfield Knitting Company, of Utica, is capitalized for $2,500,000, $1,000,000 being 7 per cent cumulative preferred stock, all of which is issued, and $1,500,000 common stock, $1,000,000 of which has been issued. The preferred stock is retirable in whole on any interest date within three years from the first of January, 1910, at 110 and accrued dividends, and after that three years at 115 and accrued dividends. The public interest in the common stock is slight as none of this is on the market. This company manufactures underwear, doing a business of about $1,000,000 a year. A considerable portion of the company's product comprises a complete line of standard goods, although through the ownership of the Niermeyer patents, the company is manufacturing a specialty, that being seamless underwear for women.

The properties owned by the

FRISBIE & STANSFIELD COMPANY

are the Richelieu Knitting Company, the Kendall Knitting Company of Utica, the Camden Knitting Company, of Camden, N. Y., and the Standard Spinning Company, of Oswego. These plants have been controlled and managed by the Frisbie & Stansfield interests for a number of years before the combination of those interests in the Frisbie & Stansfield Company. The efficiency of these plants has always been maintained and much of the machinery is new. A new mill has recently been completed on Broad street, Utica, adjoining the Richelieu, and the machinery and equipment for this plant is now in operation. Another mill has been erected on South street, Utica, and the machinery now employed in the leased Kendall mill is being transferred to the new plant.

At the Standard Spinning Plant in Oswego, the company has practically a perpetual lease of the water power at that point, furnishing nearly sufficient power for the operation of the spinning plant of nearly 18,000 spindles producing about 4,000,000 pounds of yarn annually, of which about half is combed yarn. This spinning mill furnishes yarn to both the Kendall and the Camden plants. The Richelieu mill uses almost entirely bleached yarn, which, in the past, has been purchased, but as a bleaching plant is now completed and in operation, the knitting mills will consume the entire output of the spinning and bleaching plant.

THE DIRECTORS.

The directors of the company include W. J. Frisbie, president, who is also manager of the knitting mill at Kendall. W. J. Frisbie is the father of Geo. A. Frisbie, the treasurer of the company, and is very successfully connected with other New York state corporations doing a national business, all of which are suc-

PHILADELPHIA STOCKS

For the Week Ending Wednesday Evening, September 13, 1911.

Names.	RANGE FOR WEEK Low	High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911. Lowest		Highest		RANGE FROM JAN., 1879, TO JAN., 1911. Lowest		Highest	
Amer. Cement..	...	...	13	.....	12	July 25	17½	Jan 4	5½	1900	46	1900
Amer. Railways.	44	44	44	145	43	Jan 10	45¾	Aug 5	21½	1900	56¾	1902
Bell Telephone..	...	...	116½	.....	.....		.....		45	1907	124¾	1909
Cambria Steel...	43¾	44¾	43¾	1,554	42¾	Jan 4	48⅞	Feb 18	13½	1908	49¾	1909
do. Iron	44	44⅛	44	16	43⅛	Aug 10	46	Mar 27	42	1907	133	1881
Elec. Co. of Am.	11⅜	11¾	11¾	139	11⅜	Jan 4	12¾	Jan 14	5¾	1902	25	1899
Elec. Storage....	51⅝	53	51⅝	492	45½	Jan 3	56⅝	June 15	15	1894	194	1899
Gen'l Asphalt...	31	32½	31½	780	28¼	Aug 25	34⅜	Jan 10	8	1907	34⅜	1910
do. pref.	71	72½	71¾	754	68	Aug 25	83¾	Jan 30	11	1905	84¾	1910
Hunt. & B. T...	...	...	8	.....	5	June 13	8	June 19	7	1910	42	1898
do pref.	14	14	14	25	14	Sept 13	27	Feb 1	7⅝	1895	59¾	1902
Lake Sup. Corp.	22	23⅞	22	670	22	Sept 13	31⅜	Feb 4	3⅜	1908	33¾	1909
Lehigh Valley...	76	79½	76½	2,021	76	Sept 12	86½	Feb 3	17½	1897	121¾	1910
Lehigh Navig'n.	*84½	87½	85½	219	*84½	Sept 12	93½	July 29	25	1858	131½	1904
Maraden	...	...	1⅝	.....	.....		.....		⅝	1907	28¾	1899
Penn. Steel.....	...	...	60	.....	.....		.....		6	1894	300	1887
do pref.	...	...	106	.....	104½	May 4	108¾	Apr 13	10	1897	117½	1900
Phila. Co.....	50½	51	50½	679	50¾	Jan 4	59¾	June 5	23⅜	1907	55¾	1905
do. pref.	42¾	42¾	42¾	396	42	Feb 20	45	Feb 8	34	1909	52	1908
Phil. Elec.....	16¾	17	16¾	6,112	16	Mar 9	18	July 17	2	1900	16¾	1910
Phil Rap. Trans	23¾	23	23¾	600	16¾	Apr 12	24¾	Aug 4	12	1907	37⅞	1909
Phil. Traction...	85⅜	85½	85⅜	50	82¾	May 1	87½	July 14	5	1885	102½	1905
Tonopah Min'g..	6⅜	6⅝	6⅜	2,017	5 3-16	Aug 23	8⅝	Jan 17	3 3-16	1907	21⅜	1906
United Gas Imp.	55	56	55	3,678	55	Sept 13	69⅜	Jan 9	50	1893	175	1899
Union Traction..	49¾	51	50⅜	3,169	43	Jan 4	52⅜	July 14	8⅜	1897	65¼	1906
Warwick Steel..	...	...	10	.....	9¾	Jan 10	11¼	Feb 28	2½	1900	18	1899
W'stm'el'd Co'l	...	...	79	.....	79	Aug 31	91½	Mar 20	45¼	1879	114	1905

* Ex-dividend. † Trust certificates. ** Temporary certificates.

CHICAGO STOCKS

For the Week Ending Wednesday Evening, September 13, 1911.

Names.	RANGE FOR WEEK Low	High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911. Lowest		Highest		RANGE FROM JAN., 1879, TO JAN., 1911. Lowest		Highest	
Am. Can.....	6⅝	10⅝	10⅛	825	8⅜	Jan 27	12¾	May 23	2⅜	1903	31½	1901
do. pref.	52⅞	56¼	54	595	76¼	Jan 7	85⅜	May 23	25¼	1902	86	1909
Am. Radiator...	...	...	265	.....	265	Jan 9	265	Feb 18	30	1900	260½	1910
do. pref.	130	130	130	41	128½	Mar 9	131	Aug 29	98	1899	146	1909
Am. Shipbldg...	55	55	55	50	54½	Aug 22	79	Feb 6	19	1904	84½	1910
do. pref.	...	...	106½	.....	110¼	Jan 16	113	May 15	82	1904	112	1910
Chic. City Ry...	...	...	196	.....	185	Mar 23	190	Apr 28	140	1906	176	1892
Chic. Pneu. T'l.	45	46¼	46	985	41	Jan 17	55½	Feb 22	18	1904	107½	1902
Chic. Subway...	2¾	2¾	2¾	525	2¾	Aug 28	6	Mar 1	2¾	1910	87½	1905
Chic. Telephone.	127	127	127	48	115	Jan 25	124¼	May 17	95	1907	296	1901
Com'nw'th Edis.	128½	130½	128½	1,425	113	Jan 24	137¾	July 15	77	1907	196	1910
Diamond Match.	164½	164¾	164	672	90	Jan 16	165½	July 11	62½	1910	163	1892
Kan. City Light.	...	...	16	.....	16	Aug 10	25	May 23	20	1910	65½	1906
do. pref.	40¾	41	40¾	305	40	Aug 2	72½	Feb 25	48	1908	97½	1906
Met. El.....	...	...	25	.....	19¼	Feb 1	26½	June 28	12	1900	41	1902
do. pref.	...	...	75	.....	64	Mar 16	75	July 17	32	1900	80¾	1901
Nat. Carbon.....	160	160	160	185	160	Sept 13	180	June 3	15	1899	145	1910
do. pref.	117	117	117	55	116¾	Aug 22	120	Apr 15	72	1900	124	1909
No. West. El...	...	...	20½	.....	20½	Apr 27	29¼	June 30	13¾	1908	55	1901
do. pref.	...	...	65¾	.....	69	Mar 1	67	Mar 30	44	1904	97	1901
Quaker Oats....	...	...	180	.....	165	Mar 17	193	June 29	75½	1904	196	1910
do. pref.	104½	107	107	20	103½	Feb 8	107½	July 24	71	1907	109½	1905
So. Side El.....	...	...	80	.....	68	Feb 16	80	June 30	40½	1897	199	1901
Streets' Car.....	85	87¾	85	90	8	May 31	13¾	Feb 24	10½	1910	54½	1909
do. pref.	...	...	50	.....	40	June 2	50	Aug 11	40	1910	111¾	1906
Swift & Co.....	104½	105¾	105¾	951	103¾	Mar 13	104	June 8	75½	1907	177½	1902
Un. Box Board..	2½	2	2¾	325	1½	Sept 12	7	Jan 5	⅝	1903	17½	1902
do. pref.	...	...	7⅜	.....	.....		.....		1¾	1903	71	1902
Western Stone..	...	...	19½	.....	18½	July 25	24¾	Jan 24	14	1908	50	1908

* Ex-dividend. † New. *** Receipts. ‡ Assessment paid.

Digitized by Google

cessful. Geo. A. Frisbie has grown up in the knit goods business and is a keen manufacturer, as well as strong in the selling end of the business. The manager of the Kendall Knitting Company, C. A. Byington, is also a director in the company, as well as Wm. J. McQuade, who is the manager of the Richelieu Knitting Company. The standard goods of the Frisbie & Stansfield Knitting Company are sold through Clift & Goodrich, of New York city, E. I. Goodrich being a director in the Frisbie & Stansfield Knitting Company, and a large owner of the stock. Mr. Goodrich, for years before he joined the firm of Clift & Goodrich, was the selling agent of these mills before they combined, and much of the success of the individual mills in past years was due to his selling. Clift & Goodrich is one of the largest corporation knit goods houses in New York city, and Mr. Goodrich, himself, is looked upon as one of the best if not

THE BEST UNDERWEAR SELLER

in the business.

The specialties of the company, including the seamless underwear, are sold direct to the retailers through the direct selling agency of the Frisbie & Stansfield Knitting Company. There is no doubt that this selling direct policy, as well as the manufacture of such specialties as seamless underwear, is progressive management, because manufacturing and selling in this way takes the line away from the competition of staple goods, builds up for the company a direct trade with the retailers, and thereby with the ultimate consumers and prevents the adverse effect of panic years or of unsatisfactory seasons which affect radically mills manufacturing staple lines sold wholly through the jobbing trade.

The net profits for the last six years have averaged $162,648 per annum, which is equal to over two and a quarter times the preferred dividend requirements and takes into account the period of depression following the panic. The earnings for 1910 were $153,830. The earnings for 1909, the best year of the past six years, were $198,051, over two and three-quarter times the preferred dividend requirements, and 1906 was nearly as good a year, the earnings being $193,087. Following the panic, the worst year was 1908, when the earnings were $114,421, but even in that year they were more than twice the preferred dividend requirements of $70,000. The balance sheet of January 3, 1911, follows:

ASSETS.

Real estate	$363,599.59
Machinery and fixtures	623,972.73
Improvements to leases	3,598.13
Inventories	418,060.67
Accounts and bills receivable	405,224.50
Creditors debit balances	38.62
Cash on hand and in banks	97,941.82
Invested Oswego Hotel Corporation	500.00
Deferred charges to operations	29,393.81
Patents—Niermeyer	*200,000.00
Other patents, trade-marks, etc	251,020.00
	$2,603,369.86

*This item represents the cost to this company of the exclusive rights for the manufacture and sale of the new garment above referred to.

LIABILITIES.

Capital stock—preferred	$1,000,000.00
Capital stock—common	1,000,000.00
Bills payable	453,000.00
Surplus	150,369.86
	$2,603,369.86

The items under assets, of real estate,

NEW YORK STOCKS AND BONDS

For the Week Ending Thursday Evening, September 14, 1911.

Names.	RANGE FOR WEEK Low	High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911 Lowest		Highest		RANGE FROM JAN., 1879, TO JAN., 1879, TO Lowest	Highest
Atch. & T. R R.	100⅝	103⅜	102	57,500	100⅝	Jan 3	116⅝	June 5	3 1-16	1894 152½ 1896
Atch. & Top. pf.	101½	103	103	1,400	100⅝	Jan 3	105½	June 12	14	1896 107½ 1901
Atch. & Top. 4s.	98⅞	99	98⅞	59,000	93	Mar 23	99⅝	Jan 4	61	1894 105¾ 1902
do. adj. 4s	91¼	91½	91½	4,000	90⅜	Mar 29	92½	Jan 26	26	1896 93½ 1906
Atlantic C'st Line	118	122	118	1,200	117	Jan 3	132½	July 22	58	1907 170 1905
B. & O. Gold 4s	98½	98⅝	98½	12,000	96	Aug 22	99¾	Feb 21	63	1907 103⅜ 1905
B. & O. S. W. 3½s	90½	90½	90½	500	90¾	Sept 8	93	Mar 11	80	1907 96 1899
Balti. & Ohio	94⅜	96⅝	96	5,200	94½	Sept 8	109⅜	July 22	9	1897 125⅛ 1906
do. pref.	86	86	86	4,500	85½	Aug 30	91	Jan 4	67⅛	1889 100 1905
Brooklyn R. T.	72	74⅞	73⅛	17,200	72	Sept 12	85⅜	July 20	18	1896 137 1899
B.R.T.conv't 4s	82	87⅜	84	227,000	82¾	Apr 18	98⅜	Jan 26	56	1907 102¼ 1906
Canadian Pac.	218	229½	223½	116,420	195⅝	Jan 3	247	July 21	33	1896 202⅝ 1910
Canada South.			64		62	Mar 3	68	May 12	30	1898 97 1902
Cen. of Ga. Con. 5s	105⅞	108⅞	108⅜	1,000	107¼	Jan 13	110	July 24	85	1907 130⅝ 1901
do. 1st inc.			113¼		96	July 25	114½	Apr 18	30	1899 102 1918
do. 2d inc.			96		86	Mar 1	106¾	Apr 5	9	1899 101 1910
do. 3d inc.			98		86	Feb 24	102	Apr 4	4	1899 100 1910
Central N. J.	260	260	260	100	260	Sept 13	285	June 3	21	1885 312 1910
Cent'l Pac. 3½s			91		91¼	July 10	92	Mar 8	75	1907 91 1910
Ches. O. gen. 4½s	100⅜	101½	100⅞	22,600	100¼	Apr 12	102	May 18	61	1893 111 1905
Chesapeake & O.	68⅜	71⅜	69⅜	35,460	68⅞	Sept 14	88⅜	Feb 10	1	1885 123¾ 1681
Chic. & Alton.			15⅝		15	Aug 28	31⅜	May 22	8⅛	1907 74⅜ 1909
do. pref.			40		40	Aug 30	53	Jan 27	47	1908 85⅛ 1908
Chic. Gt'l West.	17⅜	18⅛	17½	3,916	17⅜	Sept 14	25¼	June 6	3⅝	1897 27⅜ 1909
do. pref. A.	36	36½	36	1,115	36	Sept 13	49⅛	Feb 6	15½	1898 90½ 1901
Chic. M. & St. P.	110⅛	112⅝	112	69,596	110⅛	Sept 14	125¼	Feb 7	34⅜	1879 199⅝ 1908
do. pref.	141	146	141½	1,000	141	Sept 14	155½	June 15	74⅜	1879 218 1908
Chic. & N. W.	139	140	139	2,400	138½	Sept 1	150½	June 12	49⅞	1879 227½ 1902
do. pref.			197		197	Aug 30	203½	Aug 9	128	1891 224½ 1902
Chi., St. P. & Om.			144		139½	Apr 20	144	June 12	19½	1883 227 1905
do. pref.			150		152	Feb 18	152	Feb 18	66	1885 220 1905
Chi. Ter. Trans.									1⅜	1906 31 1901
do. pref.									8⅜	1906 57½ 1901
Chic. Un. Trac.			2		2	Aug 23	5	June 2	⅝	1908 23 1902
do. pref.			5		5	Aug 22	7¾	Feb 6	3	1898 60 1902
C., C., C. & St. L.			51		51	Aug 25	66	Jan 15	19½	1886 111 1905
do. pref.			94½		94½	Aug 27	96	Feb 1	63	1897 124½ 1902
Colo. & South'n.	41	46½	44	600	44	Sept 14	60	Jan 15	4⅝	1885 65¾ 1909
Col. & So. 1st pf.	73⅝	75	73⅝	10,000	73⅝	Sept 13	84⅝	July 10	35	1899 86 1909
do. 3d pref.	71	71	71	100	71	Sept 9	75	Aug 8	12½	1899 84¼ 1909
Del. & Hudson.	160	160⅜	160	400	160	Sept 13	175⅜	June 8	23	1879 206⅜ 1905
Del., L'ck & W.	530	531	530	400	510	Feb 17	560	June 6	48	1879 280 1909
Den & Rio G'de	21½	22½	21½	2,125	21½	Sept 14	35	Feb 21	4⅝	1887 186½ 1840
do. pref.	44	48	44	3,320	44	Sept 14	74	Feb 21	24	1894 103¾ 1901
Dul., So. Sh. & Atl	9⅝	9⅝	9⅝	100	9½	Sept 5	15¼	May 1	2½	1895 24 1902
do. pref.			21		20	Aug 28	28⅝	Apr 4	5	1898 46⅜ 1905
Erie 1st gen. 4s.	73½	76¼	73½	19,000	72½	Jan 3	79⅜	July 19	55	1908 95 1905
Erie	29¼	31½	30⅛	27,300	27¼	Jan 11	38⅛	June 3	24⅝	1894 52⅝ 1881
Erie 1st pref.	48	50⅜	50⅜	6,750	45⅝	Jan 12	61⅛	July 1	15	1895 95 1881
Erie 2d pref.	40	40½	40½	1,400	35	Jan 13	49½	July 3	13	1895 78⅜ 1906
Ev's'le & T. H.			42½		40	Feb 1	83	July 24	20	1887 152 1892
do. pref.			90		85	June 6	90	July 24	72	1904 104⅜ 1902
Gr'neB&W&sbR.	11½	11½	11½	6,000	11	Aug 28	15⅛	Jan 28	5½	1898 27⅛ 1903
Gt. Northern pf.	119⅞	120⅜	122	27,950	119⅞	Sept 11	140	June 8	44½	1880 348 1906
Huck'g Valley			128¼		128	May 24	134	Apr 29	22	1888 140 1910
do. pref.			128						62½	1888 101⅝ 1910
Illinois Central.	135	136⅝	135½	1,200	132	Jan 3	147	July 20	79⅞	1879 154½ 1906
Inter-Met (w.i.)	14	15	14⅛	3,900	12½	Aug 28	20⅜	Feb 15	4⅞	1907 55¾ 1906
do. pf. (w. i.)	40⅜	43⅜	41⅜	6,900	40⅜	Sept 14	55⅜	Feb 10	14	1907 87⅜ 1906
Iowa Central.	18	22	18	2,250	15	May 12	22	Sept 8	2	1883 51⅜ 1902
do. pref.	36	39	38	5,400	28	Apr 27	39	Sept 8	12	1886 90⅜ 1902
Kan. City & So.	26	28⅜	26⅜	1,700	26	Sept 14	38¼	June 15	7	1900 50¼ 1909
do. pref.	65	65½	65	200	64½	Jan 3	70	May 24	27½	1900 75⅝ 1909
K. C., Ft. S. & M. pf.			75		75	Aug 7	78	May 3	53	1908 88 1902
L'ke E. & West.			12½		12½	Aug 19	19¾	Feb 1	1⅜	1885 78½ 1901
do. pref.			27		26	Sept 5	46	Jan 12	24	1908 128 1902
Louis. & Nashv.	136½	142	138	41,900	136½	Sept 14	154½	July 19	23	1845 162½ 1909
Manh'ttan Elev.	134⅝	135	134⅝	361	134	Mar 28	143½	July 19	64⅛	1884 175 1905
Metrop. St. Ry.									15	1910 182 1900
Mex. Central.									4	1886 33 1892
do. 1st 4s.									22	1896 98¼ 1910
do. 1st inc.									8	1893 46 1886
do. 2d inc.									4	1893 25⅝ 1909
Minn. & St. L.			42		21½	Apr 26	34½	Aug 23	3½	1889 115 1902
do. pref.	64	64	64	160	35	Mar 13	81	Sept 13	7⅜	1889 127⅜ 1902
M. S. P. & S. S. M.	129½	131	129	1,300	128½	Sept 11	152⅜	Mar 20	6	1897 164 1908
do. pref.			145⅜		145⅜	Aug 26	186½	July 21	10	1897 193⅝ 1906
M., K. & T. 1st 4s.	87⅛	107⅜	97⅛	24,000	87⅛	Sept 8	98	Jan 21	50	1893 104⅜ 1905
do. 2d 4s.			85		83⅝	Jan 5	88½	Feb 17	27	1893 92⅜ 1904
M. K. & T. 1st 5s			100⅜		100⅜	Aug 30	105⅜	July 10	72	1902 114¼ 1909
Mo., K. & Tex.	28⅛	29⅜	28⅜	6,200	28⅛	Sept 14	35⅛	June 14	6⅜	1879 54 1881
do. pref.	64	64½	64	200	63½	Jan 16	69	June 12	13⅜	1880 78¼ 1909
Missouri Pacific.	33⅛	38⅜	35	52,120	33⅛	Sept 13	68	Feb 15	10	1897 125⅛ 1892
N. Y. Central.	100⅜	102⅛	101⅜	31,270	100⅜	Sept 14	115½	Feb 3	31⅜	1885 174½ 1901
N. Y., C. & St. L.	48	52	48	500	48	Sept 14	65	Jan 20	9	1896 73½ 1905
do. 1st pref.			101⅜		100	Aug 15	101⅜	Mar 30	4	1905 104½ 1902
do. 2d pref.			82½		82¼	Aug 25	90	Jan 20	18	1892 100 1902
N. Y., Ont. & W.	38½	39⅞	39	2,500	38½	Sept 13	46⅞	July 12	6⅜	1885 64 1905
No. & W. Con. 4s.	97⅜	98	97⅜	3,000	97½	Aug 29	99½	Feb 3	74	1908 105 1938
Norfolk & West.	100	102	101	3,735	100	Sept 9	110¾	June 26	⅜	1896 109⅝ 1910
do. pref.			90½		86¾	Apr 28	91	May 22	4⅛	1896 98 1902
N. Pac. prior 4s.	98	99¼	99	64,000	96⅜	Aug 30	108¾	Feb 6	90⅛	1898 109 1899
do. gen. 3s.	69⅜	70⅛	70	25,000	69⅜	Sept 11	77⅛	Aug 4	57	1898 79 1905
North'n Pacific.	112	116⅜	113½	75,425	112	Sept 11	137⅜	June 8	11	1899 1000 1901
Pacific Coast.			102		100	Jan 11	102	Jan 10	24	1898 142 1906
do. 1st pref.			120						65	1907 105 1910
do. 2d pref.			101		101	Jan 11	101	Jan 11	50⅝	1907 125 1906
Penn. R. R.	119½	121	119⅜	67,096	118½	Sept 14	130¼	Feb 1	97½	1880 170 1902
Peoria & East'n.			20						2	1896 50 1901
P., C., C. & St. L.	91⅛	93	91⅛	500	91⅛	Sept 11	100	Jan 17	10½	1894 105½ 1902
do. pref.	110½	110½	110½	200	108	Aug 11	112	Feb 17	40	1893 128 1902
Reading gen. 4s.	95⅜	97⅜	95⅜	89,000	96⅜	Mar 16	98½	Aug 7	77	1858 104½ 1905
Reading	126	141	138	607,501	126	Sept 14	161⅜	June 3	17⅜	1888 117½ 1909
do 1st pref.	89	89½	89	1,100	88	Mar 1	92	July 14	11⅜	1907 91 1909
do. 2d pref.	91	95	91½	1,400	91	Sept 11	101	May 2	26½	1907 94⅜ 1909
R'k Island, new	22½	24⅞	24	15,500	22½	Sept 14	34⅜	June 11	6⅛	1907 98½ 1901
do. pref.	40⅜	44⅜	42	7,700	40⅜	Sept 11	65⅜	June 11	9⅜	1879 120 1907
St. L. & S. F. rfg 4s	76½	78⅜	76½	5,000	76½	Sept 12	83	May 4	4⅛	1879 84¾ 1927
St. L. & S. F. 1st pf	50⅞	50	50⅛	200	50⅛	Sept 14	69	July 25	50	1893 110¼ 1908
St. L. & S. F. 2d pf.	38	40	38	1,100	36	Apr 21	49½	July 24	12	1893 80⅜ 1902
St. L. & SW 1st g4s	90	92¾	92	6,000	89¾	Jan 24	92¾	Aug 22	4⅜	1898 173⅜ 1989
do. 2d gen. 4s.			81		78	Jan 9	89¼	June 29	28	1898 97 1906

Digitized by Google

NEW YORK STOCKS AND BONDS

For the Week Ending Thursday Evening, September 14, 1911.

Names.	RANGE FOR WEEK Low	High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911 Lowest			Highest			RANGE FROM JAN., 1878, TO JAN., 1911. Lowest		Highest	
St. L. Southw...	29½	29½	29½	100	24	Jan	12	34	Feb	4	1	1897	39½	1901
do. pref.	68½	69	68½	400	59⅜	Jan	3	72	June	27	21⅜	1900	90	1902
St'b'd A.L.adj.5s.	75	76	76	3,000	75	Sept	11	83	July	19	69⅝	1910	77⅜	1910
San.Ant.&A.P.4s	86	87	86½	6,000	86	Sept	11	88	May	16	45	1896	92½	1909
So. Pac. rfd. 4s..	94½	94⅝	94⅝	93,000	94	Sept	5	96	May	8	94½	1908	98½	1905
South'n Pacific..	105⅜	106⅜	107	67,24.	105⅜	Sept	14	126⅜	June	26	13	1898	129⅜	1909
do. pref.	...	...	71⅝	.....							84⅜	1909	127	1909
Southern	25¾	27	26⅝	16,700	25¼	Sept	11	33⅜	July	22	42	1894	1263	1892
do. pref.	62	67⅝	64½	4,300	61¾	Jan	11	75¼	July	20	$12	1894	102	1906
Texas & Pacific.	23⅜	24	23¾	1,600	22⅝	Aug	28	30½	June	9	4⅜	1896	78⅜	1881
Third Avenue...	8	8¼	8	400	7⅝	Aug	28	28	Mar	3	8½	1910	243	1899
Tol Rys.& Light	...	...	7	.....	6½	Aug	16	8¼	Jan	17	5¼	1910	38	1902
Tol., St. L. & W	17	18⅝	18⅝	1,510	17	Sept	11	24⅝	Feb	8	10⅜	1901	54⅞	1909
do. pref.	39⅞	42⅜	42⅜	4,120	38	Sept	1	53⅞	Feb	8	22⅜	1903	74½	1909
Twin City R. T.	103⅞	108	105⅞	200	103½	Aug	14	111	Feb	8	9⅜	1897	129	1902
U.Rcvt. 4s, 1927.	101⅛	102½	101⅝	42,000	101⅛	Sept	14	109⅜	June	27	78½	1907	124½	1909
Union Pacific....	155⅛	157⅞	156⅜	792,017	157⅜	Sept	14	192⅜	July	22	3	1898	204⅝	1910
do pref.	89	92	90	1,400	89	Sept	13	96	July	24	47	1898	115⅛	1909
Wabash 1st 5s...	107⅜	107⅝	107⅝	4,000	99¼	Aug	26	110	Mar	20	98	1899	121	1902
do deb. B's...	...	...	101	.....							19	1893	101	1909
Wabash	12⅝	12½	13	2,300	12⅞	Sept	14	18⅜	Feb	21	2	1895	60	1881
do. pref.	25⅛	25⅝	26	2,400	25⅜	Sept	14	40⅜	Feb	23	9	1884	96¾	1881
Wheel. & L. E..	2⅝	2⅝	2⅝	300	2⅝	Sept	13	6¼	Feb	3	½	1897	63⅝	1887
do. 1st pref..	...	...	7¾	.....	7½	July	22	17⅜	Feb	3	2⅜	1897	80¾	1892
do. 2d pref....	...	...	3	.....	3	Sept	5	8	Feb	22	4	1910	42⅜	1902
Wis. Central....	49⅞	51½	50¾	3,701	49⅞	Sept	14	72⅛	May	1	4c	1899	64	1910
do. pref.	...	...	88½	.....							50c	1899	91¾	1909
do 1st 4s.....	93	93⅛	93	2,000	92	Aug	28	93⅝	July	5	$27	1896	99½	1899
Miscel. St'ks.														
Adams Express.	...	...	100	.....	235	Jan	20	243	June	13	97¼	1898	315	1907
Allis Chalmers.	6⅜	6¾	6⅜	300	6¼	Aug	4	9⅜	May	31	4	1907	27⅜	1906
do. pref.	17⅜	17⅝	17⅝	100	17	Aug	21	34	Feb	3	14	1908	87½	1903
Amal. Cop.....	54⅛	57⅜	55⅜	119,2.0	54⅛	Sept	14	71⅝	June	19	33⅝	1908	130	1901
Am. Beet Sugar.	52⅞	54⅜	54	31,450										
Am. Car & F'd.	45⅛	48⅜	46⅛	4,600	47	Sept	13	58⅛	July	19	12⅝	1898	76⅛	1909
do. pref.	116½	116½	116½	100	114¼	Mar	13	120	May	23	51	1899	124⅜	1909
Amer. Cot. Oil..	50⅜	52	50½	3,400	49¼	May	22	62⅜	Feb	28	8	1895	79⅛	1909
do. pref.	...	...	100	.....	100	Sept	7	108⅛	Mar	21	87⅛	1899	107⅜	1909
Amer. Express..	...	...	217	.....	215	Aug	17	245	Mar	27	100	1893	301	1910
Am. H. & L....	3⅜	3⅞	2⅞	100	3⅜	Jan	28	5	July	21	2⅜	1903	37⅜	1899
do. pref.	20	21	20	400	20	Sept	14	28⅝	June	14	10	1897	83½	1899
Am. Ice Sec.....	17	18	17¼	900	16½	Aug	28	25⅜	July	12	8½	1897	96	1897
Am. Linseed Co.	8½	10	8½	1,100	8	Aug	11	12⅜	Feb	15	5	1903	80¾	1901
do. pref.	27½	28⅝	27½	1,300	27½	Aug	14	34	Feb	14	16½	1907	66	1901
Am. Loco.....	34	35	34	1,900	34	Sept	11	43¾	May	22	11½	1903	78½	1906
do. pref.	106¾	106½	106½	300	104	Aug	10	110⅝	Mar	1	67½	1903	122½	1906
Amer. Malt Co..	4	4	4	100	3⅝	Feb	17	5⅜	July	11	2½	1907	90⅜	1906
do. pref.	39⅜	40	39⅜	400	31⅛	Mar	8	43⅜	July	22	14½	1903	50	1909
Am. Smtl. & Ref	66⅞	69½	67½	38,935	66⅝	Sept	14	83⅞	June	15	30	1899	174	1906
do. pref.	102⅜	105⅛	102⅜	1,300	102⅜	Sept	14	108⅛	June	15	77⅛	1899	127	1905
Am. St'l F'dry..	26	30	26	1,200	27	Sept	13	52⅜	Feb	9	3⅛	1904	66⅜	1909
Am. Sugar Ref.	114	116	114	2,700	113	Aug	12	121⅞	June	14	85	1899	182	1899
do. pref.	145⅛	146	146	400	111	Jan	5	119½	Feb	14	68⅛	1899	143	1905
Am. Tob. pref..	92	95	93⅛	3,200	87	Aug	24	102	May	23	60	1907	151½	1902
Anaconda|||	34⅛	34⅛	33⅞	3,300	33⅜	Sept	11	41¼	June	20	1135	1907	302⅜	1907
Br'k Un'n Gas..	130	132	130	1,300	130	Sept	14	145½	June	8	99	1907	253	1902
Central Leather.	21⅛	23⅝	21⅜	2,100	21⅛	Sept	14	33⅜	Feb	3	11⅜	1907	81⅜	1909
do. pref.	92	96½	92	600	92	Sept	14	105	Feb	10	60	1907	111	1909
Chino Copper....	18	19	18½	5,700										
Colo. Ind. 5s....	74	74	74	15,000	73	Aug	12	79½	Feb	23	25	1907	88¼	1906
Colo. F'l & Ir'n.	27	28½	27	1,200	27	Sept	14	36⅝	Feb	6	14	1907	126½	1901
do. pref.	...	...	110	.....	110	Aug	5	110½	Jan	9	30	1907	142½	1901
C.&H.V.Co'l&Ir.	...	...	14½	.....	4	Feb	9	4	Feb	9	¾	1896	92½	1910
Consolid't'd Gas.	130¼	133⅝	132	8,000	130¼	Sept	14	145⅝	June	6	67	1907	241⅞	1897
Con. Tobacco 4s.	86⅛	86⅞	86¼	24,000	81¼	Jan	11	89¾	July	10	81¼	1908	85⅝	1904
Corn Prod'ts R.	12⅛	13	12⅛	2,800	12⅜	Sept	13	16⅝	May	17	8	1907	28	1906
do. pref.	77⅛	80	77⅛	715	74½	Jan	10	85	May	29	46	1907	98½	1909
Dist. Secur.....	30	31⅛	30⅝	2,350	30	Sept	9	38⅛	June	6	19½	1904	78	1907
Fed. M. & Smlt.	...	...	28½	.....	17⅜	Jan	25	38	Feb	16	48½	1904	199	1905
do. pref.	47⅜	50	47⅛	500	47⅛	Sept	11	68½	May	19	47	1907	112⅜	1901
Goldfield Con....	5⅜	5⅞	5⅜	13,100	5⅜	Aug	26	7⅜	Jan	3	3⅜	1907	10	1910
Internat. Paper.	9	10	9¼	1,000	9	Sept	9	13⅜	Feb	3	7½	1907	68½	1899
do. pref.	45¾	45⅝	45⅝	300	44¾	May	15	66⅝	Jan	21	47	1906	95	1899
Inter. Stm. P'mp	30	32½	30	1,600	29	Sept	14	44	Feb	10	7⅜	1907	60	1906
do pref.	83½	83½	83½	110	83½	Sept	14	90½	June	12	50	1907	95	1902
Nation'l Biscuit.	127⅞	129½	129½	1,100	117¾	Jan	16	141	Apr	4	33	1900	120	1910
do. pref.	128	129	128	200	124	Jan	20	130	Feb	4	78½	1900	130	1909
Nat. En. & St'p.	16	16	16	100	16	Sept	8	23	July	24	4½	1907	38	1903
do. pref.	...	...	96	.....	85	Jan	6	100⅜	July	22	70	1908	98¼	1909
Nat. Lead.....	48	50¾	48½	3,700	48	Sept	11	85⅝	Mar	15	$104½	1903	86¾	1905
do. pref.	108	108	108	200	106¼	Mar	24	109¾	Aug	15	48	1893	115	1899
N.Y. Air Brake.	54	56	54	400	54	Sept	14	76	June	13	14	1898	168⅜	1905
North Amer. Co.	65⅜	69	65⅜	2,100	64	Jan	10	76⅛	May	22	3¼	1892	134	1902
Pacific Mail....	28	31	31⅛	6,800	23⅛	Apr	24	31	Sept	13	8½	1893	70	1895
P'ple's G.L.& C.	102⅜	104	103	1,660	101¼	Aug	25	109	Jan	19	39	1883	129½	1899
Pressed St'l Car	26⅜	30	28⅜	1,400	26⅜	Sept	14	37⅝	July	27	16⅝	1907	65⅜	1903
do. pref.	...	...	98	.....	92⅜	Jan	3	102⅜	June	16	52½	1907	111⅜	1899
Ry. Stl. Spring.	26½	30	26⅜	1,710	24⅜	Aug	25	39	June	14	15⅜	1894	83¼	1902
do. pref.	...	...	100⅞	.....	68⅜	Aug	30	102¼	May	24	67	1907	109	1902
Rep'b Ir. & St'l.	22	25¼	23¼	4,900	22	Sept	14	35¼	Feb	6	5	1904	49½	1906
do. pref.	85⅝	90	88⅜	1,400	85⅝	Sept	14	99⅝	Mar	14	35⅜	1903	111¾	1909
Sloss-Sh. S. & I.	32½	35	32½	900	32½	Sept	14	56¼	Feb	6	17½	1900	118½	1907
do. pref.	...	...	112	.....	113	Feb	15	113	Feb	15	59¼	1909	130	1905
T. Pac. Ld. Tr..	84	84	84	100	84	Sept	11	98	Jan	24	5	1898	95	1910
Un. Bag & Pap.	...	...	6	.....	5¾	Aug	16	9	Feb	10	3¾	1904	45	1895
do. pref.	...	...	58	.....	54	Aug	19	59¼	Jan	30	30	1900	89	1899
U.S.Cast IP & F	12⅜	13¼	13	1,650	13	Sept	8	19	Feb	21	6	1900	53	1908
do. pref.	45½	46	45½	650	46	Sept	8	59⅝	Feb	24	32	1903	97⅜	1906
U. S. Express...	90	90	90	100	90	Sept	11	104	Feb	1	25	1898	160	1902
U.S.R'lty & Imp	66⅛	67	66⅝	200	65¼	Jan	25	79⅝	May	29	30	1907	98½	1905
U. S. Rubber....	36⅜	37½	37	2,400	35⅜	Aug	12	47⅞	Mar	1	7	1903	69¾	1890
U. S. Rubber pf.	109	109½	109½	900	108½	Aug	29	116⅝	July	7	80¼	1908	123½	1909
U. S. Steel.....	65⅜	69⅝	66⅝	893,91.	65⅜	Sept	13	82¼	Feb	6	8⅜	1904	91	1910
do. pref.	113⅜	115⅜	114½	9,211	114	Aug	25	120⅞	Feb	4	69⅜	1909	125⅜	1910
do. 5s	103⅜	104⅜	103⅜	202,000	103½	Sept	11	106⅛	May	25	65	1903	105⅜	1910
Utah Copper....	41½	43	42⅛	25,725	41½	Sept	11	52	June	14	13	1907	67¼	1909
Virg Car Chem.	50½	52	50⅜	9,600	51¼	Aug	28	70⅜	Feb	24	12⅜	1907	72	1901
do. pref.	115	117⅜	115½	1,200	117	Sept	8	128½	Mar	15	75	1907	128⅜	1902
West. Un'n Tel.	74	74⅜	75	2,200	71⅜	Mar	20	84⅛	May	24	41	1900	137¾	1881
West. Mfg. Co..	60	65¼	60	9,200	61½	Sept	13	79	May	29	20½	1898	154	1907
do. pref.	111⅛	111⅛	111⅛	200	110½	Aug	16	122	Jan	5	48¼	1895	160	1907

* Ex-dividend. ** New. † Assessment paid. ‡ Ex-rights. § Price bid. ‖ Price asked. ¶ Old securities. ¶ Certificates. x Ex-interest. ||| Par value basis. *** Receipts.

machinery, fixtures, etc., are from the appraisal made by the American Appraisal Company and the value of the water power is included, the valuation being taken from the appraisal of an engineer. Of course, in the statements of the old, conservative New England textile corporations, the items of real estate, machinery, etc., would probably be scaled down a considerable amount, and the water power item might or might not be included at a very small valuation. The item, "invested in Oswego Hotel Corporation," is very small, being only $590, but it should be wiped out. The item "patent Niermeyer" set at $200,000, represents the cost of the exclusive right to the manufacture and sale of the new seamless underwear. There is no doubt of the value of that exclusive patent and sales right, but conservatism would suggest that item under assets being smaller, particularly as "other patents, trademarks, etc.," are set down at $251,000. But back of every share of preferred stock is over $62 of net quick assets, so these items listed under assets, while not conservative, are not over high, considering the net quick assets, and also considering the fact that at the present price of the Frisb'e & Stansfield preferred stock, namely 103, the net yield is 6.8 per cent. Undoubtedly in the future the item of real estate, machinery, patents, etc., will be decreased. There is no doubt of the manufacturing and selling ability of the Frisble & Stansfield people.

BERRYTON, KAN.—The Berryton State Bank has been established with a $10,000 capital by J. B Deever and son, R. H. Deever. The former will be president and the latter cashier.

WANTED

Milwaukee Chicago Breweries stock
Peoria Water Works 4s
Alfred Light & Power 5s
Hutchinson Water, Light & Gas 5s
York Haven Water & Power 5s
Ouray County, Colo. 4s

H. C. SPILLER & CO.

Specialists in Inactive Bonds

27 STATE STREET BOSTON

OFFICE OF
THE UNITED GAS IMPROVEMENT COMPANY.
N. W. CORNER BROAD AND ARCH STREETS,
Philadelphia, September 13, 1911.

The Directors have this day declared a quarterly dividend of two per cent ($1.00 per share), payable October 14, 1911, to stockholders of record at the close of business, September 30, 1911.

Checks will be mailed.

LEWIS LILLIE, Treasurer.

RIO PLATA MINING COMPANY.

175 Fifth Avenue, New York, September 13, 1911.

The Directors have this day declared the regular two per cent quarterly dividend, payable to stockholders of record on September 18th, 1911. The transfer books will be closed at 3 P. M., Monday, September 18th, and reopened on September 30th.

JAMES H. LEE, Treasurer.

REPUBLIC IRON & STEEL COMPANY.

The Annual meeting of the stockholders of Republic Iron & Steel Company will be held at the office of the Company, 15 Exchange Place, Jersey City, N. J., on Wednesday, October 18th, 1911, at 11 o'clock A. M. For the purpose of this meeting Transfer Books of the Company, both Common and Preferred, will be closed at 3 o'clock P. M., September 27th, 1911, and reopened at 10 o'clock A. M. on October 19th, 1911.

RICHARD JONES, JR., Secretary.

THE AEOLIAN WEBER PIANO AND PIANOLA COMPANY.

At a meeting of the Board of Directors held this day, the regular quarterly dividend of ONE AND THREE-QUARTERS per cent (1¾%) was declared upon the Preferred Stock of the Company, payable the 30th inst. to stockholders of record September 25th

WILLIAM E. WHEELOCK, Treasurer.
September 13th, 1911.

Digitized by Google

Financial Summary of the Week

American Agricultural Chemical Co.—If directors of American Agricultural Chemical accept the report of the so-called audit committee, a dividend on the $17,000,000 common stock will probably be declared within the next month. The probable initial declaration will be 2 per cent, with the understanding that this dividend may be construed as a semi-annual declaration, placing the issue on a 4 per cent basis.

American Beet Sugar Co.—There is considerable difference of opinion evident regarding the probability of an early dividend payment on the common stock. In some quarters, it is positively asserted that dividends will be begun this fall at a 4 per cent rate, yet those of more pronounced conservative tendencies, while admitting that earnings justify such action, believe that tariff agitation will influence the directors to postpone action. It is likely that the earnings for the current fiscal year will amount to 14 or 15 per cent on the common, establishing another record.

American Can Co.—President Graham states that the business has been good and everything considered, the earnings have made an entirely satisfactory showing during the year thus far. "The company's plants are in excellent physical condition," said Mr. Graham, "and we are going ahead and pushing things wherever effort will bring business in. The present is not a good time to consider any sort of a financial plan."

American Hide & Leather Co.—So far as net profits were concerned, the fiscal year ended June 30, 1911, was the best for the American Hide and Leather Company since 1909. They were $818,974, compared with $81,501 in 1910 and $2,069,000 the year before. There was a surplus of $104,255, equal to 0.8 per cent on the $13,000,000 preferred. In 1910 there was a deficit of $696,000. The gross output was $15,448,241, as against $18,271,118 in 1910. Manufacturing profits were $1,330,696, or more than double those of the preceding year. The company is carrying $7,299,815 worth of hide and leather on hand. Last year, the figures were $8,626,370. General and selling expenses were cut about $37,000 to $483,320.

American Woolen Co.—The American Woolen Company has declared the regular quarterly dividend of 1¾ per cent on the preferred stock, payable October 16. Books close September 22 and reopen October 6. This is the 50th consecutive quarterly dividend declared on the preferred stock and is equivalent to $7 50 a share, paid to original holders, making the aggregate dividends $23,800,000, which sum exceeds the original issue of preferred stock by $3,800,000.

Canadian Pacific Ry. Co.—The Canadian Pacific's report states that shareholders will be asked some time in the near future to authorize the leasing of the Alberta Railway & Irrigation Company's railway lines, coal mines, lands and other assets, the Canadian Pacific in return guaranteeing the interest on the Irrigation Company's $3,250,000 of debenture stock together with an annual dividend of 6 per cent on the company's share capital. The Canadian Pacific now owns all of the 32,500 shares of the Irrigation company's capital stock with the exception of 2,000 shares. Improvements on the Canadian Pacific in the fiscal year ended June 30, last, consumed $18,000,000. The company also spent $5,449,078 for construction on acquired and branch lines. On June 30, last, the road had total assets of $561,887,215, of which $34,371,551 was in cash. On that date, the company had a total surplus of $56,374,493.

Chicago, Milwaukee & St. Paul Ry. Co.—The St. Paul's gross revenues in July were nearly $6,500,000, and net a trifle less than $2,000,000. After meeting one month's proportion of interest charges on outstanding bonds, and one-twelfth of the annual taxes, there was left a balance of surplus of $917,007. Dividends on the St Paul proper's total outstanding stock call for the disbursement of something like $1,350,000 per month, so that the system during the first month of its current fiscal period sustained a deficit of between $400,000 and $500,000. If "other income" were to be included in the balance available for dividends, however, the deficit would be somewhat smaller.

Copper Market.—Copper stocks on hand September 1 in the United States decreased 4,297,357 pounds from the surplus on August 1, this being the third consecutive decrease in supplies as reported by the Copper Producers' Association. In the past three months the shrinkage in stocks has been 32,554,431 pounds, reducing the excess of production over consumption since the year opened to 11,411,306 pounds, which is less than three day's output at the average rate maintained in 1911 to date. Stocks are now at the smallest point since the figures reported as the surplus on January 1, last, when 122,030,195 pounds was announced. Domestic copper prices are still on the basis of a trifle better than 12½ cents a pound, electrolytic, thirty days, though there may be a few second hand lots on the market for less.

Cuba Railroad Co.—The annual report of the Cuba Railroad Company for the fiscal year ended June 30, last, has been issued. The income account shows gross earnings of $3,959,650, an increase of $500,315 over the figures for the preceding year; expenses, $1,685,579, an increase of $233,543; and net earnings, $1,374,071. Deducting charges, amounting to $576,755, the surplus for the year was $797,316, equal to 7.97 per cent on the $10,000,000 outstanding preferred stock, and $125,227 larger than the surplus for the year ended June 30, 1910. Dividends aggregating $400,000 were paid, and the surplus after dividends was $397,316, the total profit and loss surplus being $2,422,699.

Florida East Coast Railway Co.—This company has declared interest at the rate of 4 per cent for the fiscal year ended June 3, last, and payable November 1 next, on its $20,000,000 general mortgage income 5 per cent, 50-year, gold bonds. This is an advance of one-half of one per cent over last year's rate, which was 3½ per cent.

Interborough Rapid Transit Co.—The directors of the Interborough Rapid Transit Company have increased the quarterly dividend on the stock from 2¼ to 2½ per cent, thus placing the stock on a 10 per cent yearly basis, and also declared an extra dividend of 1 per cent out of the earnings for the last year. The increase in the dividend was made, it was said, to enable the Interborough-Metropolitan Company to create a sinking fund against the $67,825,000 Interborough-Metropolitan 4½ per cent collateral trust bonds, under which the Interborough Rapid Transit stock is mortgaged.

Minneapolis, St. Paul & Sault Ste. Marie Ry. Co.—The annual report of the Minneapolis, St. Paul & Sault Ste. Marie, which will be issued shortly, will show a shrinkage of 14 per cent in freight revenues and of 10 per cent for all revenues. Gross earnings for the year were about $21,658,640, compared with $23,922,068, for last year. Increased cost of labor and material is blamed for the higher operating expenses, while the short grain crop resulted in the loss in revenue.

Norfolk & Western Ry.—Norfolk & Western's pamphlet report for the fiscal year ended June 30, gives total operating revenues as $35,357,522, an increase of $493,652. Operating expenses were $22,958,280, an increase of $1,911,520. The ratio of operating expenses to operating revenues was 64.57 per cent, compared with 60.02 per cent in the previous year. Net operating revenues for the twelve months were $12,599,242, a shrinkage of $1,417,868. After making all deductions, there was a balance left of $5,143,270, a decrease of $326,296. From this balance, there was deducted the company's regular dividends on the common and preferred stocks, together with the payments to the Pocahontas Coal and Coke Company on account of deficiency of sinking fund and interest on Norfolk & Western-Pocahontas joint bonds, so that only $576,464 was carried to surplus account. On June 30, 1911, the company had a total surplus of $6,154,197. The funded debt at the end of the fiscal year was $105,468,500, a decrease of $7,388,000, which was due to the conversion of $5,388,000 of convertible bonds into common stock and the payment of $2,000,000 of equipment trust obligations.

Northern Pacific Ry. Co.—Rumors that Northern Pacific's statement for July would make a very bad showing were confirmed when the company's report to the Interstate Commerce Commission, was made public. It showed a shrinkage in gross of $1,014,185. Operating expenses were $435,167 smaller, but operating income was $586,976 smaller than in the same month last year. This is one of the worst, if not the worst, statement for July issued by any of the large railroad systems.

Seaboard Air Line Ry.—Gross earnings of the Seaboard Air Line in July were $132,920 more than those in July, last year. Operating expenses were $72,243 larger, so that net showed a gain of $61,677.

Texas Co.—The Texas Company has declared a quarterly dividend of 1¾ per cent, a reduction of 1¾ per cent from the last quarterly declaration of 2½ per cent. The dividend is payable September 30, to stock of record September 21. It is stated by an official of the company that this declaration of 1¾ per cent does not necessarily mean that the stock is to be put upon a 5 per cent basis permanently. The general trend of business in the near future will answer the question of whether or not the rate will remain upon the present low comparative basis. It is said that with the current earnings of the company in an unsatisfactory condition, it is thought best at the present to conserve resources as much as possible. The Texas Company has been paying dividends at the rate of 10 per cent for a year. Dividends paid on the stock have been as follows, for the respective years: 1902-03, 10%; 1903-04, 6%; 1904-05, 12%; 1905-06, 12%; 1906-07, 15%; 1907-08, 12%; 1908-09, 17%, including 5% extra; 1909-10, 12%, and 1910-11, 10%.

United Fruit Co.—While the recent advance in United Fruit stock is predicated upon the general belief that a "melon" will again be cut, an official of the company professes ignorance of any such programme. Whether this will be done at the annual meeting in October or at some other time, he said, he could not say. The earnings of the company for the fiscal year should amply justify this. The present high price of sugar will not affect the company's earnings for the current fiscal year, as the sugar season in Cuba is over. The prospects for a good sugar crop next year are excellent.

U. S. Steel Corporation.—Further improvement in the steel industry is shown in the monthly statement of the United States Steel Corporation, giving the amount of unfilled orders on the books on August 31. The unfilled tonnage as of that date was 3,695,985, an increase of 111,900 tons over the figures for July 31. The total now reported is the largest for any month-end since July 31, 1910, when it was 3,970,931 tons. The smallest figure in the intervening period was 2,674,757 tons, on December 31, last.

Western Union Telegraph Co.—Current earnings of the Western Union Telegraph company are stated to be very satisfactory, showing steady increases over the corresponding quarter of last year. It is approximately estimated that gross earnings during August will show an increase of 15 per cent over August, 1910, while July's gross also showed a good increase. This increase is due in part to the popularity of the new services established by the company, particularly the "Day Letter" and "Night Letter" service, both of which reflect a constant increase of traffic, and to the many improvements made in the organization and plant during the past two years. As has been announced from time to time, the policy of the present management has been to put a large part of surplus earnings back in the upbuilding of the system and it is probable that this policy will be continued throughout the present year at least.

Wheeling & Lake Erie R. R. Co.—The Wheeling & Lake Erie in the official year ended June 30, last, earned net operating revenue of $2,056,440, a decrease of $117,943. After subtracting taxes, interest and rentals, there was a surplus left of $647,961, an increase of $110,510. With regard to the future rehabilitation of the property the company's report for the year says: "While the expenditures, which have been made from proceeds of receiver's certificates and from income toward the rehabilitation of the railroad and its equipment were deemed to be all that was imperative to preserve the safety of the operation and enable the road to handle business during the receivership, it was anticipated that the company's affairs would be reorganized before certain other expenditures became necessary. The time has arrived, however, when these additional requirements will have to be provided for, and as much of the work should be started with as little delay as possible, the more important items being renewal of light and worn out rail, reconstruction of bridges and the replacement of antiquated and worn-out car and locomotive equipment."

Digitized by Google

THE COMMONWEALTH REALTY CO.

The present high cost of living is forcing the prudent investor to seek some investment which will yield larger returns than those of the seasoned railway and industrial bonds, and yet be reasonably safe. For those looking for such a security, we call attention to the preferred stock of the Commonwealth Realty Company. While this company is only in its second year, it has already made a very prosperous showing, paying an initial dividend of 8 per cent on the preferred stock, although but 6 per cent was guaranteed.

The business of this company is the ownership of greater Boston real estate for investment, based on the growth of the city in the most carefully selected lines of its advancing population, and its field for further investment and development is practically unlimited. The company buys and builds high-class modern

CITY REAL ESTATE,

such as can be handled by capitalists only. It makes a specialty of high-grade brick and stone apartment houses, which earn a larger income from rentals than can be secured from any other absolutely sound investment.

The writer made a tour of the various properties in greater Boston, starting from the office of the company, 53 State street, and was much impressed by the handsome appearance and extremely good situation of not only one, but all of the properties. They are all in a very fashionable locality, and the largest property, the Chesterfield and Raleigh apartments on Commonwealth avenue, is probably the best located property on the avenue, which is Boston's most fashionable thoroughfare. The several properties show

SHREWD BUYING

on the part of the management, and evidently each property was picked out with an eye for the future. There is not one of the number of buildings which can depreciate in value, for without exception, they are situated in localities where real estate values are constantly increasing. The majority of them are within a minute of either the Fenway or Reservoir Park, and they are all within easy access by cars to all the theatres, public buildings and colleges of greater Boston.

The wise administration of the property is shown by the financial statement of the company for the year ending June 30, 1911, giving a surplus of $69,802 on assets of $402,645.

The personnel of the management is very high. The officers of the company are: Capt. Charles E. Jeffrey, president; Hiram E. Miller, first vice-president; Arthur H. Andrews, second vice-president; Theodore A. Manchester, secretary; Hon. Thos. F. Porter, chairman of the investment board. Capt. Jeffrey is eminently well fitted for his position, having had about 20 years' experience in the real estate and insurance business, and in the scientific management of real estate properties. He commanded a company of Maine volunteers in the Spanish war, retiring with the rank of Captain. At the close of the war he was appointed an officer of the regular army by President McKinley, but declined. Mr. Miller was for years principal of the academy at Brattleboro, Vermont, but a number of years ago took up his residence in Lynn, Mass., where he is a member of the leading law firm of Atwill, Miller & Cram, Mr. Atwill, of that firm, being the district attorney for the county. Mr. Andrews is proprietor and manager of the Andrews Electric Company, of Brockton, and is president of the Brockton Board of Trade. Mr. Manchester is well known in Lynn and Boston business circles, having held many positions of public trust druing the past thirty years. Mr. Porter is ex-mayor of Lynn, and is an ex-senator, and has been in the real estate business for the past thirty years or more. As a result of his shrewd business judgment, Mr. Porter has built up a very comfortable fortune. Hon. John E. Beck, one of the directors, is an ex-mayor of Chelsea, and is also an ex-senator. He is editor and proprietor of the Chelsea Gazette, and has held every position of honor within the gift of his city.

The preferred stock of the company is selling at par, which is $100. These shares bear an accumulative preferred dividend of 6 per cent per annum, payable semi-annually, and in addition, participate in the increased valuation and

SURPLUS EARNINGS

of the company by an extra dividend on the first of January of each year. They are redeemable at par and accumulative dividends ten years from date, are secured by the entire net assets of the company, and are non-taxable in Massachusetts. The common stock is closely held, and none is for sale.

The company also offers 6 per cent coupon gold bonds in denominations of $500 and $1,000, payable in 10 years. These bonds are a prior lien on all the properties and profits of the company.

Both the preferred stock and the bonds are well worthy of the consideration of our readers.

JOSEPH S. HENRY.

Ernest Uehlinger has associated himself with William P. Bonbright & Company, 24 Broad street, New York, as manager of their bond department. For the past 12 years Mr. Uehlinger has been connected with Rudolph Kleybolte Company, Inc., of which he was vice-president and also Manager of the company's New York office.

LAHOMA, OKLA.—The Farmers State Bank has been incorporated with a $10,000 capital. A. J. Peters Pocasset, Michael Goodnature, Lahoma, and T. M. Crump, of Enid, are interested.

20%

Dividends on stock of the SMITH VALLEY LAND & LIVE STOCK COMPANY will be very conservative with positively no chance of losing the amount of your investment. If you are interested in dividends and absolute security back of your investments you will want some of this stock. It is a sure winner; a sure dividend payer, and a very high class investment. Write for particulars.

Glass & Meyer

56-58 Vandergrift Bldg. Pittsburg, Pa.

FOR

Oil and Gas Land Leases

WRITE

C. W. DEMING & D. C. ACOSTA, Inc.

Tulsa, Okla.

FOR HIGH GRADE OIL STOCKS

WRITE

EQUITY BOND & SECURITY CO.

37 WALL STREET, NEW YORK CITY

Oil and Gas leases on five hundred acres

in Kansas-Oklahoma Oil Field for sale. Partly developed, all well located. Company already organized. A snap for some one for quick action. Don't answer unless you mean business.

"Oil"

Care United States Investor.

Almoloya Mining Co.

60 Wall St., NEW YORK

EMNAHA GOLD MINING COMPANY

Incorporated under the laws of the State of Idaho. Capitalization, $500,000, divided into 500,000 shares. Par value $1.00 per share. Of which 200,000 shares have been placed in the Treasury, for the development of the property.

This Company owns and controls nine claims on Battle Creek, Imnaha, Willowa Co., Ore., on which there are three well defined parallel veins, carrying very rich gold quarts. A limited amount of the shares of the stock have been sold.

For full particulars, address

JOHN SENNETT, Treasurer

79 Milk Street, Room 602 Boston, Mass.

Digitized by Google

UPON PRESENTATION

at the Office of

THE MIDDLESEX BANKING COMPANY

OF MIDDLETOWN, CONN.

DEBENTURES of Series E13, maturing October first, and Series E14, maturing November first, WILL BE PAID at par with interest to the date of payment.

OUR NEW INVESTMENT PROPOSITION

is as

Sound and secure as a good bank and pays large dividends.

First class representatives wanted; must be men of good standing in their community

SECURED INVESTMENT TRUST

92 STATE STREET, BOSTON

6% NEW YORK CENTRAL REALTY BONDS

A Good Investment

To investigate is the six per cent Realty Bond of the New York Central Realty Company issued in denominations of $1,000. $500. and $100.

It offers a high grade of security, a liberal cash availability and an interest earning of 6%.

WRITE for booklet illustrating the methods of the Company, describing its bonds, their redemptive privileges and advantages over other Realty securities. Everybody knows us.

New York Central Realty Co.

Suite 1190, 1328 Broadway, Cor. 34th St., New York City

CAPITAL AND SURPLUS, $1,464,588.34

Corporation Organizers

Delaware charters are inexpensive and perpetual, and permit stockholders and directors to hold meetings anywhere. The law is more stable, and grants greater powers than other states. $1,142,434,400 of capital organized in Delaware during 1910—double that of New Jersey or elsewhere. In selecting an agent to organize and represent your company, get the best—it will be cheaper and safer in the end and will add prestige to your enterprise. Lawyers' and Brokers' business a specialty. Corporation Law and forms sent on request.

MERRICK SECURITY & TRUST CO.

Wilmington, Del.

6 PER CENT INTEREST PAID

By Coupon on Bonds Secured by Well Selected New York Real Estate.

"We Deal in No Other Securities"

THE DEBENTURE CORPORATION OF NEW YORK

334 Fifth Avenue New York City

SIX NUMBERS FREE

Financial Converse (published every two months) answers more questions on mines than any periodical published. S. F. Campbell, of Chicago, says: "This paper is worth more than any other mining publication in the United States." Cut this out and send for six copies free covering the next year.

FINANCIAL CONVERSE

339 Monadnock Block, Chicago, Ill.

First Mortgage Bonds

For Small Investors

WEEKLY OR MONTHLY PAYMENTS

Government, State and Municipal Issues, also Standard Railroad, Public Service and Industrial Bonds sold in any amount for Cash or on Weekly or Monthly Payments. Best, Easiest and Safest way to provide for your future.

Circulars 104 on request; Correspondence invited

Resident Representatives Wanted

FUNDING COMPANY OF AMERICA

40 EXCHANGE PLACE, NEW YORK

YOUR MONEY

Is worth much more than double the rate you are now getting for it. Its safety will be beyond question—the best security in the world—

New York City Real Estate

Send for full particulars of our

PROFIT SHARING COUPON GOLD BONDS

which, with interest payments and PROFIT SHARING additions, have averaged over 17 per cent per annum for the past nine years. These Bonds are issued in denominations of from $5 to $1,000 and upwards, complete with interest coupons.

INTER BOROUGH REALTY COMPANY

(ASSETS OVER $1,105,000.00)

10 WALL STREET, NEW YORK CITY

MONATON REALTY INVESTING CORPORATION

Pays

6% COMPOUND INTEREST

On Money Invested in

Its Accumulative Certificates

Running terms of 10, 15 or 20 yr

Payments may be made annually, semi-annually, quarterly or monthly

SECURITY

OWNERSHIP OF NEW YORK INCOME PROPERTY

Affording

Immediate returns on investments and Opportunity for increase of values.

For Illustrated Booklet, Inquire:

Publicity Department

Times Building

Broadway & 42nd Street, New York City

MIAMI LA ROSE

Our weekly market letter mentions the above, also Live Oak, Tuolumne, Osceola, Bradin, Nipissing, Kerr Lake and "Coppers" and "Curb" stocks in general. Mailed free upon request.

"Coppers" and Curb Stocks bought and sold for Cash or Carried on Margin

H. A. BROWN & CO.

Members Boston Curb Exchange

60 State St. Boston — 74 Broadway New York

BENNETT'S

INFORMATION AGENCY

INVESTMENT DEPARTMENT

The wisest men in the United States are those who never make a new investment which they consider good, and never get rid of an old investment which they consider bad, until they have made an investigation of the merits of the investment through BENNETT'S INFORMATION AGENCY.

CONGRESSIONAL INFORMATION

We attend to business at the Treasury Department as well as before Congress, the Courts, and all departments of the United States government, through our Washington office, 248 Corcoran Building, and through our staff of Washington correspondents. If you desire any information from Washington, or any business transacted at the National Capital, we shall be pleased to perform the desired service for our subscribers.

PROBATE DEPARTMENT

Information respecting probate matters, in any town or city of the United States, is furnished to our subscribers gratuitously if the inquiry is answered through the columns of the INVESTOR, or for $2.00 if the reply is by private letter.

LEGAL DEPARTMENT

Questions answered by prominent attorneys upon any desired subject for $2.00 each.

MERCANTILE DEPARTMENT

A report regarding the standing and reliability of any firm or individual in the United States furnished for $2.00. Our information goes into the character and individuality of members of a firm and the methods of doing business.

MISCELLANEOUS QUESTIONS

Inquiries of any sort answered for $1.00 each. Send for descriptive pamphlet of the agency.

REAL ESTATE DEPARTMENT

A report upon any piece of property in the United States furnished for $2.00

Conducted by

Frank P. Bennett & Co., Inc.

530 Atlantic Ave., BOSTON.

308 Chestnut St., PHILADELPHIA.

2 Rector St., NEW YORK.

Digitized by Google

GENERAL LIBRARY,
UNIV. OF MICH.
SEP 25 1911

THIS ISSUE CONTAINS THE BANK EARNING TABLES.

United States Investor

Copyright 1911, by Frank P. Bennett & Co., Inc.

Volume XXII. BOSTON, NEW YORK AND WASHINGTON, SEPTEMBER 23, 1911 Number 38

THE FOURTH NATIONAL BANK

OF THE CITY OF NEW YORK

Officers

JAMES G. CANNON
President

SAMUEL S. CAMPBELL
Vice-President

CHARLES H. PATTERSON
Vice-President

DANIEL J. ROGERS
Cashier

ERNEST W. DAVENPORT
Assistant Cashier

CHARLES E. MEEK
Assistant Cashier

The Fourth National Bank of the City of New York, with a capital and surplus of over $10,000,000, is qualified and prepared to render valuable service to banks, bankers, mercantile firms, corporations and individuals. Organized in 1864, the bank has transacted a continuously successful business since its foundation, nearly a half century ago.

It is the aim and purpose of The Fourth National Bank of the City of New York to cooperate with its customers in all matters which tend to their advantage and interest, and it desires to assure its patrons of prompt and efficient service in the performance of every duty.

Digitized by Google

Phila. Bank Has Visitor

A few weeks ago there wandered into one of the big national banks of Philadelphia a smug individual, evidently a stranger to the city, who introduced himself to the officers of the institution as cashier of a country bank somewhat distant. The name of the bank was immediately recognized as that of one of the customers for whom the Philadelphia bank in question acts both as reserve and collection agent. He had come as so many bankers do from places the country over to fraternize with his fellow craftsmen of Philadelphia. The visit was naturally enough a pleasant one for both parties. Cordiality is a quality on which Philadelphia people are always long, and it is the determined purpose of all Philadelphia bankers to elevate their relations with their customers as much as possible above the plane of cold business to that pleasanter oasis of personal friendship. The success they have achieved in this endeavor is fairly well known. There are some reserve centres in this country toward which the bankers of other parts cherish feelings which are bound eventually to crystalize into positive acts of retaliation. In no part of the country, however, are such sentiments harbored toward Philadelphia and its banks. They are conceded on every hand to know how to treat a deposit and how to deal with a customer. If any charge of error ever is laid at their door it is rather that of being too considerate and too liberal in their dealings than otherwise, which doesn't mean that Philadelphia has become Utopia by a good deal, but that it has learned and may even have carried to an extreme in practice that important tenet of banking at which bankers in some centres have not yet become adept, that the good will of its depositors is as fairly to be listed among the assets of the bank as its real estate or its cash or its loans or discounts.

Nine Per Cent From Exchange!

Into such an atmosphere the country cashier came, smug and self-satisfied, to gossip, to learn, to talk business, and in this case, to say something which opened wide the eyes of the cashier at whose desk he sat. He had become confidential as he talked, telling the cashier intimate details about his bank, about his policies in regard to loans, about his customers, and their financial worth, just as two bankers always do tell each other intimate details in the utmost confidence whenever they get their heads together. Finally, he turnnd to that topic which is so prolific a subject of conversation, and sometimes of keen dispute, between bankers, that of collections and remittances, and the whole look on his face seemed to change. The smile of mere friendship and good will altered to one which appeared to show cupidity and cunning in every line. To his observant host even the posture of his body was different. He no longer reclined in an attitude of careless, restful ease, but lay back in an attitude that pictured complete content with himself. He confided to the Philadelphian that his bank last year earned on exchange alone no less than nine per cent upon its capital! His stockholders did not have to depend for their income merely upon discounts which use of their capital could earn. They had had their dividends materially enhanced by their cashier's sagacity.

Earnings From Piracy

Just what comment his auditor made at this juncture is not recorded. It is fair to infer that his remark was reasonably discreet. Probably he did not express in quite so vigorous language as he might have chosen all of the thoughts which leaped instantly to his mind. There was no particular reason why he should do so, for even the most lofty conception of his duty toward the banking industry and the dearest regard for its code of ethics would hardly obligate him to read a good customer a lesson on fair play toward the luckless bankers of the country from whom he had been collecting this exorbitant toll. The only effect which such sermonizing on his part could have had upon the complacent visitor must have been to ruffle his feelings and to diminish his cordiality toward his Philadelphia correspondent. The lesson would have been utterly without effect upon the visitor's future conduct. But that the Philadelphian did have thoughts then and there which were long and deep and not exactly cheerful is a safe guess to hazard. For no one could appreciate more keenly than he just what this profit of the country banker really meant, how inordinate it was, how unfair its collection. As other bankers have been quick to declare, when he has told them of the incident, this nine per cent is no profit of banking, nor even of commendable business ability. It was a profit that accrued from sharp dealings, from the art of check-shaving rather than the art of banking. The charges from which this profit resulted had only been possible because this cashier had been willing to take an undue advantage of others when he found them quite at his mercy. Because no competing bank had been in existence to force him into making reasonable charges for remittances, he had exacted charges that were warranted neither by the value of the services which he rendered to others nor by the cost of these services to himself.

Effects of Such Practices

The Philadelphian could see clearly enough what the effect of these charges must certainly be. They would not fall upon those who ought to bear the burden. The depositors who patronize this country buccaneer, and they alone, ought to pay this toll. Their checks, drawn to pay their honest debts, were the sole source of this huge profit from exchange. The service which this bank has done some one by its remittances has been entirely a service for them. What it has been doing has been to make their checks good in other places where they have creditors as well as good in their own home town. It has charged them nothing, however, for the service, but has imposed the levy instead upon an innocent third party, a bank in some other part of the country. Very frequently, that other bank has been a Philadelphia institution, sometimes the very one with whom the country banker now was talking. Whichever the victim, it has invariably been an innocent one. And the Philadelphia banker might have concluded his moralizing, had he chosen to upbraid his visitor, by declaring fairly and squarely that such practices as his have done more to drive the banks of Philadelphia and eventually those of other cities to the adoption of rules deferring interest upon deposited checks on out-of-town points than any other factor. For such is indeed the truth.

Philadelphia's New Rule

The pith of the matter is that of late years there has been a steadily increasing disposition among all except the most liberal minded bankers to see if they cannot make more money out of collections sent them by other banks. The soundness of their position is plainly open to question, as has already been indicated above. They would be doing more for the best interests of banking, as a whole, if they turned their inventive faculties instead towards devising some scheme of making their own customers pay the freight on remittances. The difficulties and the possibilities of troublesome and heated arguments with customers impels them, however, to avoid this more commendable course. They have instead adopted the easier way, that of taking advantage of those who cannot so effectively talk back or retaliate as customers can who live in the bank's

Digitized by Google

own town. They have taken to levying upon the banks of reserve centres more or less distant a charge for remitting that is difficult to justify. Where one bank leads the way, other banks are disposed to follow suit, or to go one better. The news that the banks of any community have solemnly covenanted with each other to remit no longer at less than a certain agreed and rather substantial rate is generally a signal for the banks in all the other towns thereabouts to do likewise. Philadelphia banks are consequently frequently in receipt of notices from the banks to whom they have sent items that henceforth a higher scale of charges for remittances must prevail. The other banks of their respective towns have united with them in a meeting at which each has agreed under penalty to charge more than the rate which has heretofore ruled. When daily remittance at one-twentieth of one per cent has been the normal charge, one-tenth is the rate which must now be collected. Any Philadelphia bank, or any other bank, is powerless under the circumstances to resist the new order of things. The originators of the plan have been clever enough to draw into the agreement every bank which could possibly make trouble. No bank in the town is outside the fold. What weapon, for instance, has a Philadelphia bank with which to resist the agreement upon a rate of one-tenth of one per cent which the banks of Charlotte have recently entered into with each other. Items upon Charlotte which are received must be converted into cash somehow. They cannot be sent to any bank outside of Charlotte, and there is no bank within Charlotte which does not purpose to obey the new rule to the letter.

The effect, however, of this new order of things all over the country the Philadelphia banks could not obscure from their own eyes, if they would. Their common sense would teach them, even though their analyses departments were not constantly pushing the unwelcome fact before their eyes, that this increasing cost of collections has been reducing the profit from the deposits of out-of-town banks at Philadelphia to a minimum. In not a few instances this minimum has actually disappeared, the vanishing point has been crossed and a distinct loss been sustained. Clearly something had to be done. A cure must be effected for, however altruistic a banker may like to be, he has stockholders to whom he must make return for the use of their capital. It was easier, however, to determine that something needed to be done than to decide just what that something should be. The conclusion eventually chosen was not jumped at. Long and careful thought was given to the subject, for, although the accusation sometimes raised against Philadelphia people that they are too deliberate is a pure figment of the imagination, any sane Philadelphian would be the last to deny that bankers and business men alike of his city have generally found good reason for any decision they make and have turned it several times over in their minds before that decision has become unalterable with them. On this occasion, too, there was every incentive to careful consideration before the rule should finally be adopted at the clearing house. Each bank president realized that the plan adopted would have to be defended, and they saw quite clearly that those bankers of other parts in whose eyes it must be justified would frequently misunderstand the whole situation, and sometimes would come to a consideration of the matter with no small degree of prejudice in their minds.

Thoroughly Considered Beforehand

The rule eventually chosen and put into effect on the first of the present month contains no novel provisions. Other centres have long been considering it. In some places outside of Philadelphia its adoption was accomplished

Not a Novel Idea

Western National Bank
PHILADELPHIA
Capital - - - - - - $600,000.00
Surplus and undivided profits - 234,136.92
GEORGE E. SHAW, President
EDWARD J. DURBAN, Vice-President
SIDNEY LABE, Vice-President
E. E. LINDEMUTH, Vice-President
CHARLES F. WIGNALL, Cashier
JOHN BAUMGARTNER, Asst. Cashier
A conservatively managed bank invites your correspondence.

THE
German National Bank
PITTSBURGH, PA.
Capital and Surplus, - $1,200,000
Can offer you the personal service of officers who regard no account as unworthy their utmost skill.

The National Park Bank
OF NEW YORK
Organized 1856.
Capital .....$ 5,000,000.00
Surplus and profits 12,947,463.12
Deposits, Sept. 1, 1911.....105,550,902.43

Portland National Bank
PORTLAND, MAINE
Union Mutual Life Insurance Co. Bldg.
Accounts received on the most liberal terms consistent with sound banking.
Collections receive prompt attention.
WM. W. MASON .....President
EDWARD W. COX .....Vice-President
CHAS. G. ALLEN .....Cashier
EDWARD L. PIPER .....Asst. Cashier
Directors:
Fred E. Richards, Charles G. Allen,
Henry B. Cleaves, George F. West,
William W. Mason, George Westcott Beyer
Lyman M. Cousens, Roswell C. Bradford,
Edward W. Cox.

Franklin National Bank
PHILADELPHIA
Capital $1,000,000.00
Surplus and Undivided Profits. 2,730,181.17
INCORPORATED 1900.
OFFICERS:
J. R. McALLISTER, President.
J. A. HARRIS, JR., Vice-President.
E. P. PASSMORE, Cashier. L. H. SHRIGLEY, Assistant Cashier.
J. W. HARDT, Assistant Cashier.
Foreign Exchange Department.
WILLIAM WRIGHT, Manager.

Chartered 1836
GIRARD TRUST CO.
PHILADELPHIA
Capital and Surplus, $10,000,000
OFFICERS
E. B. MORRIS :: :: :: President
W. N. ELY :: :: :: Vice-President
A. A. JACKSON :: :: Vice-President
C. J. RHOADS :: :: Vice-Pres. & Treas.
E. S. PAGE :: :: :: Secretary
G. H. STUART, 3d. :: :: Asst. Treas.
S. W. MORRIS :: :: Asst. Secretary

CAPITAL, SURPLUS AND PROFITS
$8,300,000
THE NATIONAL BANK
of the
REPUBLIC
OF CHICAGO
offers to conservative bankers its facilities developed and perfected by twenty years of close personal relations with correspondents in all parts of the country.
JOHN A. LYNCH, President,
W. T. FENTON, Vice-President,
R. M. McKINNEY, Cashier,
O. H. SWAN, Assistant Cashier,
JAMES M. HURST, Assistant Cashier,
WM. B. LAVINIA, Assistant Cashier,
W. H. HURLEY, Assistant Cashier.

THE
SEABOARD
National Bank
of the City of New York
Capital - - - $1,000,000
Surplus and Profits (Earned) $2,075,000
Accounts Solicited
S. G. BAYNE.....President
S. G. NELSON.....Vice-President
C. C. THOMPSON.....Cashier
W. K. CLEVERLEY.....Assistant Cashier
L. N. DEVAUSNEY.....Assistant Cashier
J. C. EMORY.....Assistant Cashier
O. M. JEFFERDS.....Assistant Cashier

MELLON NATIONAL BANK, PITTSBURGH, PA.

Offers perfect service on attractive terms to other banks and bankers

CAPITAL $6,000,000 **SURPLUS $1,300,000**

some time since. Philadelphia banks have for some time known, for instance, that on a portion of the items they send their Chicago correspondents interest at the rate of two per cent will not begin immediately upon the arrival of the item in Chicago, and they find no one Chicago bank acting entirely on its own initiative in this new policy. But if novelty cannot be claimed for the rule, the claim can be made for it that it is very far from being drastic. It is intended to be, and actually is, in hearty accord with the policy which Philadelphia banks have always intended to follow, namely, that of trying to see at all times the point of view of the customer, the out-of-town bank, as well as the plight in which they, the Philadelphia banks, find themselves. To our mind there can be no disputing the assertion that the rule is considerate of customers, a light burden upon anyone, and easy of defense by whomever assailed. The best evidence of its defensibility is the slight extent to which one finds it attacked. The representatives of this paper, whose business it is to visit and keep in touch with the bankers all over the country, have found thus far, everywhere they go, a very general approval of the new Philadelphia rule. What is more significant, they are learning of numerous other eastern reserve centres which purpose to follow the example of Philadelphia and to adopt much the same rule at their own clearing houses.

Considerate of Customers

We have said that the new rule is considerate of customers. This cannot be successfully disputed. Whenever a customer's account is proving too expensive, a bank always has three alternatives for procedure. It can suggest that it pay less interest on the customer's balance; it can begin to charge exchange on some of the items which the customer deposits; or, it can ask for more of a balance. It is along the first of the three possible courses that the Philadelphia banks have elected to proceed. Clearly that is the course which must strike any customer at once as pleasantest for him, all things considered. Especially is this true when the customer is a busy country bank. To ask more balance of it would be the most drastic possible of the three alternatives, and the one with which the country bank would find it hardest to comply. Every dollar which it can keep at home for the use of home industries it ought always to keep. Although its customers may never learn how to analyze the public statements which this bank makes with sufficient intelligence to find out if it has more money due it from other banks than it needs to have, all of them have the right to expect that the maximum portion of its assets shall always be available for the needs of the town where the bank is located. If, instead of asking for more balance, the policy is followed of charging the customer exchange, a course is followed which is less onerous, to be sure, than that of demanding the larger balance, but even this course is less palatable to the customer than is a plan which merely reduces the interest upon his deposit. For one thing, the amount of interest which will be lopped off will ordinarily amount to less than the sum of the exchange charges which would be imposed upon him, and there is after all some difference between actually obliging a country bank to make a real outlay and merely deferring the date upon which interest shall begin on some factors of its reserve deposit.

A Light Burden

We have further said that the burden imposed by the new rule is light. To those to whom this assertion needs any amplifying, some interesting mathematical demonstrations can be made. Let us take an instance of the effects of the rule. A country bank sends to its Philadelphia correspondent a huge mass of items on all sorts of places. A portion of these items fall under the three days' classification, a portion under the five days, and a portion under the seven days. Let it be frankly admitted that in the mass are some items on which the Philadelphia banks could afford to defer interest for a less period than that which the rule requires. Many items on New England, for example, might fairly be collected on a two-days' basis instead of three. Each Philadelphia bank has some correspondents in New England who permit it to send them items drawn on themselves, or on banks in their own cities, and to charge the aggregate of such items out of their respective balances on the some day that they are started. That is, bank A in Philadelphia sends bank B in Springfield, Mass., to-day $10,000 of items drawn on Springfield banks and to-day charges $10,000 off the balance which bank B is carrying with A. Sometimes the New England bank will be allowed a modest exchange, very frequently it is allowed

Utah National Bank SALT LAKE CITY UTAH

CAPITAL AND SURPLUS $240,000.00

W. S. McCORNICK, President. T. R. CUTLER, Vice-President.
R. T. BADGER, Cashier. C. H. WELLS, Asst. Cashier.

UNUSUAL FACILITIES FOR COLLECTING ITEMS IN THIS TERRITORY.

Atlantic National Bank, Providence, R.I.

Direct connections with every Town in R. I.

SEND US YOUR COLLECTIONS. *MINIMUM RATES.*

FIRST NATIONAL BANK
EUCLID AVENUE
CLEVELAND

CAPITAL $2,500,000 Surplus and Profits $1,250,000

ACCOUNTS OF BANKS AND BANKERS, MERCHANTS AND CORPORATIONS, SOLICITED

SPECIAL ATTENTION TO COLLECTIONS

DEPOSITS = = = = = $25,000,000

Planters National Bank RICHMOND VA.

ORGANIZED 1865.

Capital $300,000 Surplus and Profits (earned) $1,160,000

Deposits $5,500,000

SUPERIOR FACILITIES FOR COLLECTING VIRGINIA ITEMS.

UNION EXCHANGE NATIONAL BANK, NEW YORK
CLEARING HOUSE No. 100
CAPITAL AND SURPLUS $2,000,000 Organized 1903 DEPOSITS $10,000,000
SITUATED IN THE NEW COMMERCIAL AND MANUFACTURING DISTRICT, 5th AVE. AND 21st STREET
Banks that can handle to advantage the items payable in their locality are invited to correspond with us

no exchange. Then, too, any Philadelphia bank can make a good arrangement with some Boston bank to collect its New England items on a most reasonable basis which will not quite equal a basis of three days' deferred interest. Nevertheless, it is literally true that few parts of the country have banks which are quite so reasonable in their treatment of the banks of Philadelphia or of any other reserve centre as are the banks of New England. In almost every other part of the country any little advantage which the Philadelphia banks may gain from any excess of the three or five or seven days over the actual amount of time required for the transit of the items is more than made up by the exchange charges which the Philadelphia banks must pay.

The Arithmetic of It

Two or three weeks ago we showed that the effect of the new rule was to impose upon no bank, which patronizes a Philadelphia institution, a charge in excess of one-tenth of 1 per cent on any occasion. We said that the longest period for which interest is deferred under the new rule is seven days, and every one knows that a transit man ordinarily figures that for him to lose the use of the proceeds of an item for seven days is equivalent to his paying one-tenth of 1 per cent for its collection. So, we said that under the new rule Philadelphia banks had imposed a charge that at its maximum was equivalent to one-tenth, and at its minimum (three days) to one-twentieth of 1 per cent. There is nothing unsound in that figuring. But as a practical fact, the charge which this deferred payment of interest really exacts of any bank depositing with a Philadelphia bank is much less than one-twentieth or one-tenth. You see, that other bank doesn't really lose the use of the money at all, although the Philadelphia bank does. While the check which the other bank has deposited with the Philadelphia institution is on its way to collection, the Philadelphia bank is not paying interest until the three or five or seven days has elapsed, but the item has nevertheless been credited to the account of the country bank, and stands it in as reserve. So, instead of losing the use of the money, it merely loses interest upon it at the rate of 2 per cent for three or five or seven days. This equals more nearly one-third of one-tenth, or one-thirtieth for the seven days' items than any other figure. Viewed in this entirely accurate light, isn't the burden of the rule discovered to be almost negligible?

Other Cities Ready

It used to be a favorite practice among the bankers of Boston a few years ago to predict with much vehemence that the day would come when Philadelphia banks would rue the bargain they had made with so many New England banks to collect items at par. One thing is certain, and that is that no Boston banker can view the adoption of the new rule at Philadelphia, as in any way evidence that what he prophesied has come to pass. It isn't an instance of the burned child dreading the fire, as some one might like to put it, for the child hasn't been burned. For years after the Philadelphia banks took on such a numerous volume of out-of-town collection accounts they operated them at a profit to themselves, and to the advantage of those whom they served. There isn't any if, and, or but about it. The Philadelphia banks know that they made money in this business, and they can prove it by that best of methods, the analysis department. They adopt the new rule now for the reason that we have named, that these accounts have been rendered more expensive by developments of recent years. Evidence that this is so is at every hand. Not the least convincing element in this evidence is the fact that at least three other cities are likely soon to do exactly what Philadelphia has done, except that their classifications are to be three, five and ten days, instead of three, five and seven. At one city, the clearing house already has voted in favor of the rule, and the new rule will go into effect as soon as certain other cities agree to follow suit.

MUTUAL NAT'L BANK OF BOSTON.

The Mutual National Bank, of Boston, which has been in business only a year and nine months, has been forced by its steadily increasing business to secure larger quarters. Its directors have accordingly taken a 12-year lease of the premises at 40 State street, now occupied by the State Street Trust Company. The Mutual National Bank has had an exceptional business development since its establishment, and in its brief career has built up deposits exceeding $1,700,000. Its success has been due largely to a strict adherence to the conservative policy which it adopted at the start, and at the same time meeting all reasonable requirements of its patrons.

BANKERS' TRUST COMPANY.

At a meeting of the board of directors of the Bankers' Trust Company, of New York City, held September 18, a dividend of 6 per cent on the increased capital stock of the company was declared payable October 2. This corresponds with a quarterly dividend of 4 per cent heretofore.

Samuel S. Campbell, vice-president of the Fourth National Bank of New York, has just returned from a six-weeks' trip in Europe. While Mr. Campbell's trip was really for pleasure, he found time to put the finishing touches on the plans of the Fourth National Bank for the opening of a foreign department.

A CLASS "A" INDUSTRIAL.

If such provisions existed in the charters of some of our great industrial corporations as are found in the charter of the Brunswick-Balke-Collender Co., we would not have witnessed the recent decline which has been suffered the past week, incident to rumors of dissolution to comply with the Sherman anti-trust law.

The charter of the Brunswick-Balke-Collender Company, with reference to preferred stocks says, "this stock shall be preferred, both as to principal and dividend, and, in case of the dissolution of the corporation, whether voluntary or involuntary, the holders of the preferred stock shall be paid on the basis of $120 per share, and all unpaid accrued or accruing dividends thereon before any amount shall be paid to the holders of the common stock."

The preferred stock of the Brunswick-Balke-Collender Company may well be included in the list of "Class 'A' Industrials." It is dealt in by Geo. H. Burr & Company, 35 Wall street, New York, dealers in high-class industrial preferred stocks of a seasoned character.

PROPOSAL FOR BONDS.

SCHENECTADY, N. Y.—C. H. Benedict, city comptroller, will receive sealed bids until September 29, accompanied by certified check for two per cent of par value, for $100,000 4½ per cent sewer bonds and $200,000 4½ per cent school bonds, denomination, $1,000 each, maturing one to twenty years without option. No bids will be received for less than par and accrued interest. The legality of the bonds has been approved by Caldwell, Masslich & Reed, of New York, whose opinion will be delivered to the purchaser.

NEWPORT NEWS, VA.—The corporate existance of the First National Bank of Newport News has been extended until September 14, 1931.

SHIRO, TEXAS.—The Farmer's State Bank has increased its capital from $15,000 to $20,000.

Digitized by Google

Guggenheims Own Only 15 Per Cent Of Guggenheim Exploration Co. Stock

List of Stockholders Makes Surprising Exhibit That Guggenheim Family Are Record Owners of Only $3,103,300 Out of the $20,793,300 of Stock Outstanding—William C. Whitney Estate and His Children Own $4,737,500, or Well Up Towards 25 Per Cent of the Stock.

Wall street for many years, or in fact, for all time, since the incorporation of the enterprise, has believed that the Guggenheim Exploration Company has been almost an exclusive family affair, and that a very great majority of all the stock outstanding has been held by the Guggenheims.

The fact is, however, that all of the Guggenheims own less than 15 per cent of $20,793,300 of Guggenheim Exploration stock outstanding. The late E. H. Harriman, as well as other dominating corporation magnates, have frequently gone on record with the statement that the ownership of 20 per cent of the stock of any large corporation was sufficient to assure control under all ordinary conditions. The Guggenheims, it would appear, have discovered that even 15 per cent constitutes a sufficient ownership to control a property.

I make these statements from a literal interpretation of a recent list of the stockholders of the Guggenheim Exploration Company, which I had the privilege of examining the other day. In all probability, the Guggenheims actually own much more of the Exploration Company stock than this list indicates, because the fact hardly need be referred to that large holders of stock can carry their holdings in any name which may suit their purpose best, and there is further no possibility of determining who really owns the stock from the names and figures contained in any stock ledger.

The most significant and

SURPRISING REVELATION

of the list is that while the entire Guggenheim family is credited with only 31,033 shares, the Whitney Estate, which means the Whitney children, appear as the record owners of no less than 47,375 shares. It can hardly be regarded as otherwise than strange that the Whitneys should own well up towards 25 per cent of the Guggenheim Exploration stock, while the Guggenheims themselves, nominally, at least, own less than 15 per cent. It might be possible that the Guggenheims are carrying some of their holdings in Whitney names, or that they had bought some portion of the Whitney holdings, and had not recorded the transfer, but this is hardly probable enough to be worthy of much consideration.

As the Whitneys and Guggenheims are the two largest interests in the company, the following lists showing the detailed holdings of each will be of interest:

THE GUGGENHEIM HOLDINGS

are as follows:

Name and address.	Shares.
Daniel Guggenheim, 165 Broadway, New York	2,800
Isaac Guggenheim, 165 Broadway, New York	1,500
Morris Guggenheim, 165 Broadway, New York	6,100
Murry Guggenheim, 165 Broadway, New York	611
M. Guggenheim's Sons, for account of Olga H. Guggenheim, 165 Broadway, New York	2,325
Hon. Simon Guggenheim, United States Senate, Washington, D. C.	8,600
S. R. Guggenheim, 165 Broadway, New York	8,067
William Guggenheim, 500 Fifth ave., New York	1,107
Total	31,033

The Whitney holdings are as follows:

Name and address.	Shares.
Dorothy Whitney, 165 Broadway, New York	500
Gertrude V. Whitney, care of H. P. Whitney, 165 Broadway	6,500
H. P. Whitney, 165 Broadway, New York	8,375
H. P. Whitney, executor of estate of Wm. C. Whitney, deceased, 165 Broadway, New York	11,500
H. P. Whitney, general guardian of Dorothy P. Whitney, 165 Broadway, New York	500
Estate of Wm. C. Whitney, 165 Broadway, New York	20,000
Total	47,375

That the Whitney holdings are very substantial, is, of course, evidenced by the fact that Harry Payne Whitney is the only director of the Exploration Company outside of the Guggenheims and their employed officials, or very close associates.

As to how much additional stock is owned by the Guggenheims, and carried in other names, in all probability the best way of making a guess is to present the figures representing maximum possibilities, and then every reader can make his own deductions. It is, of course, well known that the Guggenheims, like other large capitalists, are accustomed to

CARRY STOCK HOLDINGS

in the names of brokerage houses, as well as employes. The schedule of the Exploration stock, which can be so classified, is therefore of interest.

Stock standing in the names of brokerage houses is as follows:

Name and address.	Shares
J. S. Bache & Co., 42 Broadway, New York	820
Hallo & Stieglitz, 30 Broad, New York	885
Hemsfeld & Stern, 40 Exchange Place, New York	865
Josephthal, Lauchheim & Co., 56 Broadway, New York	919
Wm. P. Lonet & Co., 26 Broadway, New York	2,847
McGraw, Elsgden & Draper, 111 Broadway, New York	900
Eugene Meyer, Jr. & Co., New York city	365
Moore & Schley, 80 Broadway, New York	2,515
L. F. Rothschild & Co., 32 Broadway, New York	507
Grant B. Schley, 80 Broadway, New York	1,500
J. & W. Seligman & Co., 21 Broad street, New York	1,075
Sutro Bros. & Co., 11 Pine street, New York	1,485
Total	14,613

The above list of brokers' holdings is not very large in any event, amounting to only $1,461,300 in par value and it is quite likely that a considerable proportion of this stock is carried by these firms on margin for customers, aside from the Guggenheims. It will be noted that the largest holdings of any brokerage firm is in the case of Moore & Schley, who have 2,515 shares in the firm name, and 1,500 in the name of Mr. Schley. The next largest holdings of a brokerage house is that of William E. Lauer & Company, who are record owners of 2,847 shares. Lauer & Company are regarded in the Street as having frequently acted as Guggenheim brokers, while Moore & Schley have never been thought to have any close Guggenheim relations. The conclusion would, therefore, seem to follow that a relatively small amount of the stock in brokers' names can be credited to Guggenheim ownership.

The record list of holders of the stock whose address is given as 165 Broadway, where the office of the company is located, suggests that considerable of the Guggenheim holdings may be carried in these names In any event, there are a number of individuals at this address who

ARE APPARENTLY THE OWNERS

of Guggenheim Exploration stock, in amounts ranging in market value from around $100,000 up to $1,250,000, so that this exhibit is of particular interest in endeavoring to solve the problem of how much Guggenheim Exploration stock is actually owned by the Guggenheims.

The list of stockholders, whose address is given as 165 Broadway, the offices of the company, and are presumably either officers or employes of the company, is as follows:

Name	Shares.
T. F. Allen	7,259
Francis C. Boggs	1,500
F. C. Dreding	2,400
S. W. Eccles	500
H. B. Ellis, Jr.	2,500
L. M. Gerrits	1,000
George I. Mason	2,600
E. P. Mercereau	1,538
Frank F. Moore	3,525
C. L. Myers	1,900
F. B. Porter	1,000
Earle Stone	900
W. F. W. Veysey, for account of Rose Frank, care of Mr. Daniel Guggenheim	1,195
Total	28,318

In the above list it will be noted that the largest holder is T. F. Allen, who is credited with $725,900 in par value of the stock. While Mr. Allen's address on the stock book is given as 165 Broadway, in the telephone book there appears only the name of Timothy F. Allen, broker, at 100 Broadway, who is probably a different Allen. In analysis of the above names it is worthy of note that the smallest holder, S. W. Eccles, who has 500 shares, is vice-president of the American Smelting Company and a well-known Guggenheim executive, and about the only one who might fairly be credited with the actual ownership of the amount of stock which is listed in his name. The rest of the holders whose address is given at the company's street number on Broadway, in any event, are not well enough known in the financial district to justify the presumption that they personally own the amount of the Exploration stock which is credited to them on the stock books.

If, however, the $3,103,300 of stock held by the Guggenheim family is in-

Protection To Depositors.

Capital - - - - - - - - - -	$5,000,000
Surplus - - - - - - - - -	7,500,000
Stock-holders' Liability - -	5,000,000
Total Protection to Depositors	$17,500,000

DEPOSITORS demand security above all else. Convenience of location and personal acquaintance are factors in choosing a bank, but safety should outweigh all other considerations.

The increase in our capital stock from $2,500,000 to $5,000,000 increases the protection to our $90,000,000 deposits—our two offices provide most convenient facilities for our 30,000 customers.

OLD COLONY TRUST CO.

Court Street and Temple Place

creased by the $2,834,800 included in all the holdings of persons whose address is 165 Broadway, the total is only $5,938,130 in par value out of the issued capitalization of $20,795,300. Adding, however, the Whitney holdings of $4,737,500 there results a total of $10,675,630 or

AN ACTUAL MAJORITY

of all of the stock outstanding.

It, in consequence, seems safe to assume that the Guggenheims can only dictate the affairs of the company to which they have given their name, with the consent of Harry Payne Whitney, who represents and acts for all of the Whitney holdings.

This conclusion, which seems to be inevitable, may disillusion some of those who have included the total market value of Guggenheim Exploration Company stock in calculating the fabulous fortune which had its beginning when the original Guggenheim started to carry a pack on his back. And it seems quite probable that the Guggenheims may not have such uncountable bundles of wealth as they have been credited with, and further, that they have been following very strictly the formula developed by Harriman in his far-reaching programme of acquisition, which was that it was not necessary to actually own more than 20 per cent of the stock of any large corporation in order to completely dominate it and secure from it all the big profits of manipulation.

Aside from the holdings of the Guggenheims, brokerage houses and those individuals whose address is given as 165 Broadway, there still remains a very substantial list of holders who cannot be classified under any one of the foregoing headings, but must be regarded in a class by themselves as the other unattached

LARGE SHAREHOLDERS.

This list accounts for $4,792,100 or almost 25 per cent of the outstanding capitalization, and in it will be found some names of interest as well as significance.

This list comprising all other holders of 500 shares or more is as follows:

Name and address.	Shares.
J. P. Adams, care of Kuhn, Loeb & Co., 52 William street, New York...	8,638
J. E. Monberger, 52 Broadway, New York	1,000
W. Alfred Bernheim, 65 Avenue, Victor Hugo, Paris, France	525
Max E. Bernheimer, 128th street and Amsterdam avenue, care of Pilsner Brewing Co., New York	1,500
Ernest Cassell, care of Kuhn, Loeb & Co., 52 William street, New York...	5,750
William Crawford, 10 W. 30th street, New York	1,000
Samuel Dalsimer, care of Guaranty Trust Co., 30 Nassau street, New York	900
Watson B. Dickerman, care of Hanover National Bank, 5 Nassau street, New York	1,500
Fannie Ellinger, care of Ellinger Bros. & Co., 27 William street, New York	900
Geo. S. Field, 452 Delaware avenue, Buffalo, N. Y.	2,000
Nathan Fleischer, 114 Liberty street, New York	500
John Hays Hammond, 71 Broadway, New York	2,150
Sophie Herman, care of Corn Exchange Bank, 72d street and Columbus avenue, New York	700
Edward Hirsh, 53 East 60th street, New York	530
Kenneth R. Howard, 1057 Sterling Place, Brooklyn, N. Y.	2,000
David Leventritt, care of Emil Goldmark, 111 Broadway, New York	1,000
Louis Marshall, 37 Wall street, New York	1,000
Willy Meyer, corner 89th street and Central Park, West, New York	550
Ira N. Morris, 1400 Lake Shore Drive, Chicago, Ill.	1,050
Stephen S. Parmer, 52 Wall street, New York	3,000
Josephine Rothschild, care of V. Henry Rothschild, 43 Leonard street, New York	618
Thomas F. Ryan, 38 Nassau street, New York	2,500
Ben. Schawe, care of Albert Loeb & Co., 52 Broadway, New York	660
Isaac Untermeyer, 111 Broadway, New York	1,500

Digitized by Google

Samuel Untermyer, 37 Wall street, New York	3,150
Cornelius Vanderbilt, 30 Pine street, New York	1,500
Moses Wieman, 37 Wall street New York	500
Rose G. Goldsmith, 74 Broadway, New York, care of S. M. Goldsmith.	1,000
Total	47,921

The two largest holders in this list, it will be noted, are two individuals whose dividend checks are sent to them in care of Kuhn, Loeb & Company, the well-known banking firm. One of these individuals, J. P. Adams, has 8,028 shares and another, Ernest Cassell, has 5,750 shares. According to the directory of directors, one James P. Adams is secretary of the Nostrand Trading Company at 108 Wall street, but this name does not appear in the telephone directory, and James P. may be and probably is an entirely different individual than the J. P. Adams who collects his dividends on $800,000 worth of Guggenheim Exploration stock through Kuhn, Loeb & Company. The natural inference is that a man who collects $80,000 a year in dividends from his stock holdings in a single company is big enough to be known in the financial district if he is really of that calibre.

I am, therefore, inclined to think that this

MUST BE A DUMMY NAME;

and that the stock is really owned by the banking house or some of its clients. The other large holder whose address is care of Kuhn, Loeb & Company, Ernest Cassell, is a well-known London financier, who was very close to the late King Edward. His holdings of $575,000 in par value of the stock cannot be questioned, because his resources enable him to personally make an investment of this size.

The next largest shareholder in this list is Samuel Untermyer, the well-known New York corporation lawyer, who is credited with $315,000 in par value, or around $500,000 in present market value. Mr. Untermyer's brother, Isaac, also has $150,000 of the stock, but there can be no suspicion attached to these entries on the stock book.

Stephen S. Palmer, the next largest holder on the list, is a well-known New York City capitalist, and Thomas F. Ryan, the street railroad magnate, is admittedly able to hold the 2,500 shares he is credited with.

Generally speaking, therefore, the list of large unattached shareholders as above given does not give much opportunity for accounting for concealed

GUGGENHEIM HOLDINGS,

and I am, therefore, inclined to believe that the Guggenheims have actually made a much larger actual distribution of the stock of their Exploration Company than Wall street has heretofore had any idea of.

In this connection, the following summary is of interest showing how the stock is now divided among the 600 stockholders of record. In the 67 names of holders of 500 shares or more there are the following holdings:

Guggenheims	$7,295,700
Whitneys	4,725,500
Individuals at 165 Broadway	2,824,500
Brokers	1,461,200
Balance of holders of more than 500 shares	4,672,100
Total	$16,929,000

It, therefore, appears that the above group, consisting of 67 shareholders, held $16,929,000 of the total of $20,793,300 of issued capitalization, leaving a balance of only $3,864,300 to be divided among the remaining 533 small shareholders, making an average holding for them of about 72 shares each.

The Exploration Company was incorporated on June 5, 1899, and paid dividends regularly since that date at the rate of 7 per cent until January, 1907, when the rate was increased to 10 per cent, which has been maintained up to the present time. The company's annual reports have always been very meagre in their information. In the last report it was stated that the assets consisted of $13,860,000 in American Smelters Company preferred "A" stock, $11,249,000 of the Securities Company common stock carried at a nominal valuation of $1, $19,128,596 of other properties and investments at cost value, and other assets including cash and accounts receivable amounting to about $3,000,000. According to the balance sheet, there was a

SURPLUS OF $15,124,588,

making the book value of the stock around 150.

The company's other properties and investments included, according to the last statement, $202,331 invested in Esperanza Ltd., $9,022,986 Utah Copper, $9,786,409 Yukon Gold and miscellaneous investments of $17,224.

According to the last annual report, signed by President Daniel Guggenheim, the net earnings of the company for the fiscal year ending December 31, 1910, amounted to 16.1 per cent on the amount of stock outstanding, and the president stated that "these figures indicate that the company has had a highly satisfactory and prosperous year".

A matter which now becomes of considerable interest in view of this revelation of the wide distribution of the stock is in reference to the recent sale by the Exploration Company of its large holdings of American Smelters Securities Company common stock which had been carried at a nominal valuation. This block of stock, aggregating in par value $11,249,000, it is generally understood was sold by the Exploration Company to the Smelters Company, another Guggenheim institution, at $60 per share, which should have added to the treasury resources of the Exploration Company a matter of $6,749,400. On the amount of the Exploration Company stock outstanding this heretofore undervalued asset

AMOUNTED TO OVER 30 POINTS,

and yet the strange and inexplicable fact about the transaction was that the stock of the company in the market, instead of reflecting this favorable transaction, has actually declined about as much as it might have been expected it would advance.

Before there was any intimation that the Exploration Company would be able to swap an asset carried at $1 for the substantial sum of nearly $7,000,000 in cash, the Exploration Company stock was selling around $200 per share. Since the announcement was made, the stock has declined, and is now quoted at about 170 bid.

The Guggenheims have always been strenuously opposed to publicity in every form, and it is only of comparatively recent date that they have even begun any reformation along this line. I know several of the stockholders of the Exploration Company, for example, who have asked officials of the company how much Yukon Gold stock and how much Utah Copper stock the company actually owned. Every such request for information has been politely but firmly refused, and they simply say that the annual report gives all the information which the directors of the company choose to give out, which is the bare statement that the company holds an indefinite amount of Utah Copper stock which cost originally $9,022,985, and a similar

UNSATISFACTORY STATEMENT

with reference to the $9,786,409 investment in Yukon Gold Company stock.

It is generally believed that the Exploration Company secured its $11,249,000 of American Smelters Securities Company common stock recently sold for $6,749,400 at a very nominal cost. The story goes that the Exploration Company, as well as the Smelters Company and the Guggenheims, had some miscellaneous properties which they were willing to have the investment public furnish the capital to exploit. The Exploration Company took its pay in Series "A" preferred 6 per cent stock of the Securities Company, as well as common stock and the Smelters Company to furnish the cash working capital guaranteed and sold to investors the Series "B" preferred 5 per cent stock of the Securities Company. The venture turned out successfully, so that the management felt justified in selling first mortgage 6 per cent bonds in order to put all of the common stock of the Securities Company in the treasury of the American Smelting & Refining Company. That the original issue of common stock of the Securities Company was generally regarded as entirely of speculative and problematical value is well indicated by the fact that up until a few months ago the $30,000,000 of it outstanding was carried on the books of both corporations involved at a nominal valuation of $1.

Now all of this common stock is carried at a valuation of $60 per share in the assets of the American Smelting & Refining Company, and Wall street

IS STILL WONDERING

why the Exploration Company, which after realizing on its $11,000,000 of bonus common stock, should not have advanced 30 points in market value, instead of declining 30 points.

Whether the heretofore unknown and wide distribution of the Exploration Company stock, as indicated in the above tables, in connection with other facts which may not be known, is the real explanation of this circumstance is one of those interesting problems which high finance in Wall street always gives the financial student an opportunity to ponder over.

P. DE MEDICI.

SHALLOTTE, N. C.—The Bank of Shallotte has been organized by Thos. E. Cooper, J. W. Brooks, R. W. Davis and E. H. Cromer.

TEXARKANA, TEX.—The Guaranty State Bank & Trust Company, capitalized at $50,000, has been organized with Dr. E. L. Beck as president and Alfred Marshall cashier.

Digitized by Google

Reports to the Comptroller

The Essential Figures of the Reports of the National Banks of the Leading Reserve Cities Under Date of June 7, 1911, and Sept. 1, 1911.

CENTRAL RESERVE CITIES

NEW YORK, N. Y.

Names	Capital.	Surplus & Profits		Due Banks & B'kers		Total Deposits		Loans & Discounts	
		June 7	Sept. 1	June 7	Sept. 1	June 7	Sept. 1	June 7	Sept. 1
Astor	$300,000	$[illegible]	$[illegible]	$[illegible]	$[illegible]	$[illegible]	$2,927,873	$2,144,709	$2,250,960
American Exchange	5,000,000	4,416,300	4,624,250	20,975,459	21,750,064	62,980,217	61,774,219	35,511,850	30,626,728
Bank of N. Y. N. B. A.	2,000,000	3,680,154	3,855,949	12,486,049	9,871,771	39,275,158	35,518,744	15,687,300	15,192,382
Bowery	250,000	1,[illegible],[illegible]	182,010	31,[illegible]	31,497	[illegible]	1,888,158	1,102,562	1,241,348
Bronx	200,000	230,[illegible]	239,200	102,[illegible]	81,321	[illegible]	825,179	691,[illegible]	669,049
Chase	5,000,000	5,[illegible],[illegible]	5,444,122	14,[illegible],[illegible]	16,[illegible],[illegible]	104,[illegible],[illegible]	113,024,408	56,[illegible],[illegible]	62,371,345
Chatham & Phenix	2,250,000	1,[illegible],[illegible]	1,[illegible],[illegible]	5,[illegible],[illegible]	6,[illegible],[illegible]	28,[illegible],[illegible]	30,[illegible],[illegible]	15,[illegible],[illegible]	14,[illegible],[illegible]
Chemical	3,000,000	6,641,[illegible]	6,[illegible],[illegible]	6,[illegible],[illegible]	6,[illegible],[illegible]	32,[illegible],[illegible]	32,[illegible],[illegible]	27,[illegible],[illegible]	27,[illegible],[illegible]
Citizens' Central	2,550,000	1,[illegible],[illegible]	1,[illegible],[illegible]	7,[illegible],[illegible]	7,[illegible],[illegible]	29,[illegible],[illegible]	29,[illegible],[illegible]	20,[illegible],[illegible]	19,[illegible],[illegible]
Coal & Iron	1,000,000	[illegible],[illegible]	[illegible],[illegible]	2,[illegible],[illegible]	1,[illegible],[illegible]	7,[illegible],[illegible]	7,[illegible],[illegible]	4,[illegible],[illegible]	4,[illegible],[illegible]
Colonial	200,000	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]
Columbia	250,000	[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]
Commerce	10,000,000	[illegible],[illegible]	21,[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]
Corn Exch.	2,000,000	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]
Coal	1,000,000	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]
Continental	1,000,000	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]
Corn Exch.	1,000,000	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]
Cortlandt	1,000,000	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]
Currency	1,000,000	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]
Fifth	1,000,000	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]
First	10,000,000	[illegible],[illegible]	21,[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]
Fourth	3,000,000	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]
Garfield	1,000,000	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]
Gallatin	1,000,000	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]
German	1,000,000	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]
Hanover	3,000,000	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]
Harriman	200,000	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]
Importers & Traders	1,500,000	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]
Irving National Exchange	2,000,000	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]
Liberty	1,000,000	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]
Lincoln	1,000,000	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]
Market & Fulton	1,000,000	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]
Mechanics & Metals	6,000,000	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]
Mercantile	3,000,000	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]
Merchants'	2,000,000	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]
Mercantile Exchange	600,000	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]
National Bank of Commerce	25,000,000	17,[illegible],[illegible]	18,[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]
National Bank of Republic	2,000,000	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]
National City	25,000,000	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]
National Bank of Commerce	500,000	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]
National Park	5,000,000	12,[illegible],[illegible]	13,947,466	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	105,381,209	[illegible],[illegible]	[illegible],[illegible]
National Bronx	1,200,000	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]
N. Y. Co.	[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]
Ninth	1,000,000	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]
Second	1,000,000	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]
Seventh	500,000	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]
Security	1,000,000	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]	[illegible],[illegible]

CHICAGO, ILL.

Name	Capital.	Surplus & Profits		Due Banks & B'kers		Total Deposits		Loans & Discounts	
		June 7	Sept. 1	June 7	Sept. 1	June 7	Sept. 1	June 7	Sept. 1.
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	$[illegible]	[illegible]	$[illegible]	$[illegible]	$[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[

OLDEST BANK IN AMERICA
Chartered by Congress, 1781.

The
Bank of North America
(NATIONAL BANK)
PHILADELPHIA, PA.

Capital .....$ 1,000,000.00
Surplus 2,250,000.00
Undivided Profits..... 371,000.00
Deposits 15,075,000.00

HARRY G. MICHENER.....President
SAMUEL D. JORDAN.....Cashier
WILLIAM J. MURPHY.....Asst. Cashier
RICHARD S. McKINLEY.....Asst. Cashier
Accounts Solicited
Correspondence Invited

THE
Chatham and Phenix
National Bank
NEW YORK

Capital and Surplus
$3,000,000

All business under direct supervision of the officers.

LOUIS G. KAUFMAN, President.

GEO. M. HARD, Chairman of the Board
F. J. HEANEY, Vice-President.
W. H. STRAWN, Vice-President.
A. M. BULL, Vice-President.
BERT L. HASKINS, Cashier.
H. L. CADMUS, Assistant Cashier.
N. P. GATLING, Assistant Cashier.
W. B. BOICE, Assistant Cashier.
H. C. HOOLEY, Assistant Cashier.

Your Account Solicited.

CAPITAL $1,200,000.00 SURPLUS $2,000,000.00

Second National Bank
OF
PITTSBURGH, PENN'A.

HENRY C. BUGHMAN, President
WILLIAM McCONWAY, Vice President
THOMAS W. WELSH, JR., Vice President
JAMES M. YOUNG, Cashier
BROWN A. PATTERSON, Ass't Cashier

First National Bank
San Francisco, California

Capital - - - $3,000,000.00
Surplus and Profits - 1,865,492.48

OFFICERS
RUDOLPH SPRECKELS, President
JAMES K. LYNCH, Vice President
J. K. MOFFITT, Cashier
J. H. SKINNER, Asst. Cashier
C. H. McCORMICK, Asst. Cashier
GEO. A. KENNEDY, Asst. Cashier

Invites your business and places at your disposal facilities developed and perfected during forty years of successful banking.

CENTRAL RESERVE BANK EARNINGS.

The first column in the following tables shows what the national bank named earned net between corresponding calls of the Comptroller of 1910 and 1911. The period from Sept. 1, 1910, to Sept. 1, 1911, (about a year), is covered this time. The second and third columns give the net funds of the bank on these two dates. The fourth column shows the ratio which the earnings given in the first column bear to the average of the net funds the bank has had at its disposal. The fifth column shows the ratio of these earnings to the capital stock.

NEW YORK.

From Sept. 1, 1910, to Sept. 1, 1911.

Name.	Total earned since Sept. 1, 1910.	Net funds, Sept. 1, 1910.	Net funds, Sept 1, 1911.	Percentage earned on net funds.	On capital surplus and profits.	On capital.	Annual dividend rate.
Ætna	$19,517	$3,226,843	$3,544,098	0.58	3.18	6.50	8
American Exchange	684,442	54,170,356	63,413,715	1.17	7.11	13.66	10
Bank of N. Y., N. B. A.	417,290	31,979,375	31,216,119	1.32	7.38	20.86	14
Battery Park	.....	2,001,428	2,223,198	.....	.....	.....	6
Bronx	15,579	1,238,687	1,284,604	1.24	3.77	7.79	6
Chase	1,787,694	109,507,052	126,918,572	1.51	13.21	35.76	20
Chatham & Phenix	.....	.....	22,672,292	.....	.....	.....	..
Chemical	755,217	60,905,261	42,333,478	1.81	7.70	25.17	15
Citizens' Central	289,019	31,226,171	30,644,759	0.94	6.75	11.33	6
Coal & Iron	114,437	8,321,742	8,872,751	1.33	7.91	11.44	6
East River	4,662	2,345,109	2,289,004	0.20	1.24	1.86	6
Fifth	47,482	1,769,529	4,932,441	0.98	6.19	18.99	12
First	3,799,451	144,027,995	154,332,983	2.55	12.18	37.99	28
Fourth	568,435	43,158,594	55,325,780	1.01	5.18	11.17	8
Gallatin	145,633	15,222,342	15,709,037	0.94	4.11	14.56	14
Garfield	157,271	11,434,474	12,129,726	1.34	7.04	15.72	12
Gotham	17,107	1,122,125	1,882,476	1.14	5.38	8.56	..
Hanover	1,314,025	120,259,587	117,880,725	1.10	8.35	43.80	16
Harriman	.....	.....	6,942,068	.....	.....	.....	..
Importers' & Traders'	394,469	34,880,982	35,213,043	1.12	4.34	26.30	24
Irving National Exchange	408,967	30,440,089	32,910,737	1.29	10.47	20.45	8
Liberty	188,200	29,976,743	26,704,872	0.67	5.08	18.83	25
Lincoln	225,089	22,778,626	24,456,154	0.96	5.44	22.51	10
Market & Fulton	216,050	17,221,842	13,282,350	1.63	7.67	21.61	12
Mechanics & Metals	1,049,729	78,702,267	90,803,716	1.24	7.33	17.50	12
Mercantile	225,621	18,888,785	19,630,433	1.17	3.91	7.52	6
Merchants'	238,308	29,961,066	32,371,464	0.76	6.13	11.91	7
Merchants' Exchange	28,604	9,491,558	9,227,696	0.30	2.44	4.76	6
National Bank of Commerce	1,034,740	211,547,574	194,666,390	0.51	3.66	4.14	8
National Butchers & Drovers	16,690	3,104,923	3,222,386	0.49	3.66	5.56	6
National City	8,455,493	287,564,498	307,923,097	2.84	16.11	33.82	50
National Nassau	.....	.....	14,468,966	.....	.....	.....	8
National Park	1,223,390	119,572,962	123,498,365	1.01	5.63	24.46	16
National Reserve	.....	7,134,941	4,836,248	.....	.....	.....	8
New York County	226,698	10,972,005	11,471,759	2.02	10.38	45.35	40
Seaboard	241,962	29,142,964	33,658,559	0.77	7.85	24.19	12
Second	329,246	17,312,708	17,864,151	1.87	10.00	32.92	12
Sherman	508	1,624,131	1,799,321	0.03	0.20	0.25	..
Union Exchange	80,463	11,158,808	11,983,620	0.70	4.12	8.04	8

CHICAGO, ILL.

Calumet	58,674	$1,011,422	$1,083,182	.82	6.02	8.67	..
Continental & Commercial	*	189,627,523	204,135,348	.....	.....	.....	10
Corn Exchange	796,577	67,028,200	70,688,214	1.15	9.44	26.55	16
Drovers Deposit	196,140	8,160,989	9,305,775	1.20	10.62	17.69	10
First	2,245,787	131,776,046	137,503,009	1.68	10.78	22.46	16
Fort Dearborn	*	17,940,243	27,104,201	.....	.....	.....	8
Live Stock Exchange	196,114	11,676,265	13,759,921	1.47	10.08	14.89	10
Monroe	11,706	1,748,131	2,231,376	.29	3.21	3.90	4
National City	*	24,179,289	28,579,332	.....	.....	.....	8
National Bank of Republic	246,582	24,971,980	25,960,032	.97	7.68	12.35	8
First (Englewood)	16,627	3,573,089	3,624,701	.47	4.98	11.08	10
Produce	21,940	2,206,000	2,237,923	.98	6.59	8.78	6
La Salle Street	15,168	3,529,286	3,939,262	.43	1.21	1.52	..

* Capital increased during year.

ST. LOUIS, MO.

Broadway	$1,120	$667,477	$771,937	0.42	2.15	2.21	..
Central	20,766	2,788,...	10,227,500	0.54	4.06	5.07	6
National Bank of Commerce	1,141,547	75,...	78,...	1.50	6.24	11.41	12
Merchants Exchange	237,450	17,...	18,...	1.36	6....	14.20	12
State	241,...	13,...	17,...	1.95	8.64	12.07	8
Third	264,...	27,...	40,...	0.67	6.01	12....	16
Mechanics-American	181,...	20,...	38,...	0....	3....	9.71	12
Mercantile	71,...	7,...	8,...	0....	3.48	4.75	6

THE GIRARD NATIONAL BANK

PHILADELPHIA

Statement of Sept. 1, 1911.

RESOURCES		LIABILITIES	
Loans and Investments	$31,817,225.74	Capital	$2,000,000.00
Due from Banks	5,122,716.97	Surplus and Net Profits	4,584,205.23
Exchange for Clearing House	2,136,650.93	Circulation	1,084,000.00
Cash and Reserve	8,671,775.63	Deposits	40,080,164.04
	$47,748,369.27		$47,748,369.27

FRANCIS B. REEVES, President

Richard L. Austin, Vice-Pres. — Joseph Wayne, Jr., Cashier

T. E. Wiedersheim, 2d Vice-Pres. — C. M. Ashton, Asst. Cashier

WE WANT YOUR PHILADELPHIA BUSINESS

RESERVE CITIES

ALBANY, N. Y.

Names.	Capital.	Surplus & Profits.		Due Banks & B'kers.		Total Deposits.		Loans & Discounts.	
		June 7.	Sept. 1.	June 7.	Sept. 1.	June 7.	Sept. 1.	June 7.	Sept. 1.
First	$600,000	$266,000	$265,511	$6 [illegible] 362	$6,498,091	$8 736,798	$9,169,000	$4,188,729	$4,539,221
Nat. Commercial	1,000,000	1,707,087	1,726,745	14,897,754	14,513,205	21 861,600	21,527,064	9,213,690	8,967,506
New York State	500,000	688,397	711,960	13,750,249	12,796,117	19,778,625	18,636,607	6,638,815	5,573,940

BALTIMORE, MD.

Names.	Capital.	Surplus & Profits.		Due Banks & B'kers.		Total Deposits.		Loans & Discounts.	
		June 7.	Sept. 1.	June 7.	Sept. 1.	June 7.	Sept. 1.	June 7.	Sept. 1.
National Bank of Baltimore	$1,210,700	$456,740	$371,965	$1,925,932	$1,887,006	$8,488,041	$8,231,780	$6,103,539	$6,393,188
Citizens	1,000,000	2,007,967	1,966,754	4,449,872	4,657,773	10 471,939	10,462,910	8,648,273	9,061,547
National Bank of Commerce	500,000	577,450	560,530	928,529	912,537	3,023,731	2,901,056	2,459,944	2,261,133
Drovers & Mechanics	600,000	516,789	503,614	3,704,660	3,732,852	6,519,006	7,181,409	4,573,247	4,856,813
National Exchange	1,000,000	766,854	795,547	1,684,947	1,564,877	4,540,922	4,661,559	3,934,947	4,078,547
Farmer's & Merchants	650,000	289,823	286,941	868,067	264,350	3,220,927	3,202,974	2,232,302	2,413,982
First	1,000,000	580,692	550,872	2,680,960	3,177,879	5,800,489	6,407,018	4,186,037	4,572,762
Howard	200,000	125,838	126,241	56,233	67,111	1,311,473	1,269,360	842,687	935,997
Marine	400,000	210,175	230,744	340,986	230,983	1,806,914	2,466,841	2,122,538	2,021,992
Maryland	500,000	523,952	114,968	999,782	.....	2,425,542	2,472,000	2,367,739	.....
National Mechanics	1,000,000	1,120,000	1,087,570	2,445,221	2,553,645	6,449,458	6,721,247	4,752,900	4,616,914
Merchants	1,500,000	1,106,707	1,019,988	6,872,789	6,338,159	11,925,948	12,656,016	9,853,109	10,078,917
Old Town	200,000	102,214	97,655	54,429	38,864	1,613,533	1,526,859	1,414,246	1,381,539
National City	500,000	140,357	136,062	87,382	92,253	1,235,170	1,206,968	1,393,216	1,513,575
Second	500,000	940,120	811,758	159,979	50,699	1,367,430	1,370,852	2,065,907	1,652,460
Union	1,000,000	624,442	643,500	1,087,680	.....	2,516,962	2,458,590	2,830,527	.....
Western	500,000	581,259	585,454	685,404	783,849	2,761,845	2,790,144	2,104,981	2,307,447

Digitized by Google

BOSTON, MASS.

Names.	Capital.	Surplus & Profits.		Due Banks & B'kers.		Total Deposits.		Loans & Discounts.	
		June 7.	Sept. 1.	June 7.	Sept. 1.	June 7.	Sept. 1.	June 7.	Sept. 1
Atlantic	$750,000	$6,85[illegible]	$[illegible]	$1,6[illegible]	$1,[illegible]	$5,[illegible]	$5,432,857	$4,[illegible]	$4,718,629
Boylston	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
National Bank of Commerce	1,[illegible]	[illegible]	[illegible]	6,417,[illegible]	6,668,[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Commercial	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Eliot	1,[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
First National	5,[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
First Ward	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Fourth	1,[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
National Market	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Merchants	3,[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Old Boston	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Peoples	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
National Rockland	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Second	2,[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
National Security	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
National Shawmut	3,[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
South End	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
State	2,[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Union	1,[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Webster & Atlas	1,[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Winthrop	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Mutual National	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
New England	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

BROOKLYN, N. Y.

Names.	Capital.	Surplus & Profits.		Due Banks & B'kers.		Total Deposits.		Loans & Discounts.	
		June 7.	Sept. 1.	June 7.	Sept. 1.	June 7.	Sept. 1.	June 7.	Sept. 1.
First	$300,000	$641,167	$659,012	$586,200	$185,800	$3,589,959	$3,600,545	$2,431,238	$2,474,739
Manufacturers	252,000	856,728	867,347	1,476,800	973,100	6,974,717	6,350,930	5,774,172	5,727,551
Nassau	1,000,000	1,061,201	1,093,176	3,572,200	2,917,941	9,451,180	8,287,178	7,999,571	5,880,437
National City	300,000	597,985	592,965	1,550,941	1,242,360	5,748,410	6,280,609	3,061,888	2,883,625
People's	200,000	139,778	134,980	154,975	70,336	1,397,803	1,303,239	962,282	940,379
Ridgewood	100,000	32,738	32,131	.....	.....	468,837	497,549	370,975	296,320

BUFFALO, N. Y.
(NOT A RESERVE CITY.)

Names.	Capital.	Surplus & Profits.		Due Banks & B'kers.		Total Deposits.		Loans & Discounts.	
		June 7.	Sept. 1.	June 7.	Sept. 1.	June 7.	Sept. 1.	June 7.	Sept. 1
Third	$500,000	$112,529	$108,231	$625,718	$528,036	$3,635,112	$3,815,894	$2,339,260	$2,445,464
Merine	2,000,000	1,226,700	1,325,906	5,[illegible]	5,665,771	27,618,384	27,784,945	19,267,250	19,662,473
Manufacturers & Traders	1,[illegible]	1,466,[illegible]	1,516,700	2,[illegible]	2,360,557	18,344,627	18,990,694	11,972,940	13,116,386
Central	200,000	132,417	146,630	580,238	516,721	1,728,259	2,028,861	1,066,995	1,103,563
Columbia	2,000,000	1,063,698	1,055,892	2,515,082	2,474,012	11,467,200	11,962,845	9,463,553	9,364,191

CINCINNATI, O.

Names.	Capital.	Surplus & Profits.		Due Banks & B'kers.		Total Deposits.		Loans & Discounts.	
		June 7.	Sept. 1.	June 7.	Sept. 1.	June 7.	Sept. 1.	June 7.	Sept. 1.
First	$6,000,000	$4,248,194	$4,[illegible],581	$12,000,[illegible]	$11,[illegible],[illegible]	$26,163,[illegible]	$25,921,585	$22,276,582	$22,701,180
Second	1,000,000	1,[illegible],[illegible]	1,[illegible],[illegible]	4,[illegible],[illegible]	[illegible]	[illegible]	[illegible]	6,614,741	6,662,902
Fourth	500,000	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	2,574,830	3,001,972
Fifth-Third	3,000,000	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	14,939,240	15,184,686
Atlas	400,000	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	1,658,681	1,755,973
Citizens	2,000,000	2,499,481	2,122,427	2,139,302	2,061,860	6,688,267	6,729,710	6,414,624	7,242,884
German	500,000	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	3,879,734	4,193,908
Market	500,000	495,873	511,047	[illegible]	[illegible]	[illegible]	[illegible]	3,190,714	3,484,832

CLEVELAND, O.

Names.	Capital.	Surplus & Profits.		Due Banks & B'kers.		Total Deposits.		Loans & Discounts.	
		June 7.	Sept. 1.	June 7.	Sept. 1.	June 7.	Sept. 1.	June 7.	Sept. 1.
Bank of Commerce, N. A.	$[illegible]	$[illegible]	$[illegible]	[illegible]	[illegible]	[illegible]	$14,114,139	$9,[illegible]	$9,965,674
Central	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	7,350,370	7,535,613
Cleveland	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	1,[illegible]	2,[illegible]
First	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	19,867,104	20,213,954
National City	[illegible]	[illegible]	[illegible]	550,941	606,144	[illegible]	[illegible]	1,416,650	1,387,603
National Commercial	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	5,302,495	4,892,579
Union	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	9,749,354	10,021,566

Fourth Street National Bank

PHILADELPHIA

CAPITAL, $3,000,000 SURPLUS and PROFITS, $6,500,000

ACCOUNTS SOLICITED UNSURPASSED SERVICE

SIDNEY F. TYLER, Chairman of the Board.
E. F. SHANBACKER, President, F. G. ROGERS, Vice-President,
JAMES HAY, Vice-President, R. J. CLARK, Cashier,
B. M. FAIRES, Vice-President, W. A. BULKLEY, Assistant Cashier,
W. K. HARDT, Assistant Cashier.

COLUMBUS, O.

Names.	Capital.	Surplus & Profits.		Due Banks & B'kers.		Total Deposits.		Loans & Discounts.	
		June 7.	Sept. 1.	June 7.	Sept. 1.	June 7.	Sept. 1.	June 7.	Sept. 1.
City	$300,000	$91,995	$93,944	$119,548	$164,521	$1,616,511	$1,704,318	$1,231,698	$1,337,747
Commercial	3 0,000	279,719	282,322	485,137	722,891	3,296,108	3,065,174	2,653,001	2,484,148
Hayden-Clinton	700,000	397,038	415,767	288,207	411,283	3,901,127	3,781,682	2,443,762	2,626,068
Huntington	400,000	106,491	111,183	488,252	906,509	1,646,941	1,659,069	1,513,960	1,462,980
National Bank of Commerce	200,000	63,126	66,285	93,371	103,639	1,351,340	1,306,880	1,074,252	1,013,228
New First	500,000	326,779	330,331	1,492,887	1,710,780	4,442,284	5,018,514	1,932,335	1,814,069
Ohio	400,000	374,160	405,717	697,152	886,607	4,953,596	5,317,826	2,624,169	2,824,558
Union	750,000	107,000	109,366	616,261	338,729	2,445,926	2,374,489	2,172,143	2,177,791
Central	200,000	27,938	27,725	143,332	186,756	1,134,170	1,099,023	878,313	890,918

DETROIT, MICH.

Names.	Capital.	Surplus & Profits.		Due Banks & B'kers		Total Deposits.		Loans & Discounts.	
		June 7.	Sept. 1.	June 7.	Sept. 1.	June 7.	Sept. 1.	June 7.	Sept. 1.
American Exchange *	$400 000								
First	2,000,000	$1,321,427	$1,364,642		$8,028 536	$21,815,103	$21,301,502	$13,471,647	$14,156,702
Old Detroit	2,500 000	955,326	976,491	6,277,619	6,964,816	12,766,880	19,115,054	12,928,411	11,722,422
National Bank of Commerce	750 000	334,802	343,902	1,833,037	1,742,504	6,208,377	8,258,598	4,896,946	5,728,390

* Absorbed by Old Detroit National Bank

INDIANAPOLIS, IND.

Names.	Capital.	Surplus & Profits.		Due Banks & B'kers.		Total Deposits.		Loans & Discounts.	
		June 7.	Sept. 1.	June 7.	Sept. 1.	June 7.	Sept. 1.	June 7.	Sept. 1.
Capital	$1,000,000	$477,191	$475,213	$2,462,591	$3,051,068	$6,745,211	$7,069,731	$4,391,654	$4,992,357
Columbia	500 000	31,859	29,822	599,239	625,277	1,859,256	2,062,240	1,511,773	1,530,566
Indiana	1,000,000	1,295,291	1,337,171	2,724,479	3,125,311	7,815,695	8,019,345	5,648,239	6,842,036
Merchants	1,000,000	908,197	924,215	2,014,166	2,429,870	5,724,000	5,520,085	3,259,821	3,643,666
Continental	400 000	125,854	140,456	431,713	682,192	1,761,125	1,846,928	1,481,799	1,483,356
Union	400,000	61,128	61,324	520,710	574,974	1,681,185	1,649,554	1,437,658	1,536,258
Fletcher-American	2,000,000	1,300,564	1,124,654	7,337,989	8,076,845	14,567,983	15,089,405	8,593,737	9,268,912

KANSAS CITY, MO.

Names.	Capital.	Surplus & Profits.		Due Banks & B'kers.		Total Deposits.		Loans & Discounts.	
		June 7.	Sept. 1.	June 7.	Sept. 1.	June 7.	Sept. 1.	June 7.	Sept. 1.
National Bank of Commerce	$2,000,000	$6,134,[illegible]	$[illegible]	$12,697,412	$14,416,179	$30,703,578	$30,308,095	$11,958,228	$12,629,531
Commercial	200 000	[illegible]	[illegible]	3,243,731	3,436,144	5,048,771	5,870,583	3,239,112	4,100,941
First	1,000,000	1,[illegible]	[illegible]	11,170,817	13,492,511	25,[illegible]	25,456,819	13,980,129	15,742,961
Interstate	500 000	1,[illegible]	[illegible]	6,280,524	6,619,484	7,[illegible]	[illegible]	5,869,126	5,961,662
Traders	200 000	[illegible]	[illegible]	1,170,429	1,355,100	2,[illegible]	[illegible]	1,084,294	1,160,330
New England	500 000	[illegible]	[illegible]	6,706,811	6,711,477	12,[illegible]	12,271,84[illegible]	9,237,877	9,068,246
National Bank of Republic	500 000	[illegible]	[illegible]	1,740,580	1,557,715	4,[illegible]	4,111,[illegible]	2,[illegible]	2,106,048
Gate City	200 000	[illegible]	[illegible]	405,062	509,386	1,[illegible]	1,170,071	[illegible]	250,364
Southwest	1,000,000	[illegible]	[illegible]	6,272,910	5,915,793	10,[illegible]	[illegible]	7,[illegible]	7,146,[illegible]
Overland	200 000	[illegible]	[illegible]	875,705	811,654	1,[illegible]	1,[illegible]	1,[illegible]	1,128,[illegible]
Security	200 000	[illegible]	[illegible]	593,924	571,925	1,[illegible]	1,058,454	[illegible]	847,[illegible]
Peoples	200 000	[illegible]	[illegible]	380,914	382,405	717,[illegible]	[illegible]	[illegible]	512,[illegible]
National Reserve	1,200,000	[illegible]	[illegible]	3,483,826	4,000,000	[illegible]	6,266,[illegible]	3,[illegible]	[illegible]

Fidelity Title and Trust Company

PITTSBURGH, PENNA.

DEPOSITS, $11,500,000.00 TRUST FUNDS, $65,000,000.00

Pays Interest on all Deposits Acts in all Trust Capacities

Rents Safe Deposit Boxes

DIRECTORS

JAMES J. DONNELL, Chairman.

J. STUART BROWN, ALBERT H. CHILDS, EDWARD T. DRAVO, CYRUS S. GRAY, NATHANIEL HOLMES, EDWARD J. HOUSE, T. CLIFTON JENKINS, REUBEN MILLER, JOHN R. McGINLEY, DAVID B. OLIVER, JAMES H. REED, H. S. A. STEWART, WILSON A. SHAW, D. LEET WILSON.

LOUISVILLE, KY.

Names.	Capital.	Surplus & Profits.		Due Banks & B'kers.		Total Deposits.		Loans & Discounts.	
		June 7.	Sept. 1.	June 7.	Sept. 1.	June 7.	Sept. 1.	June 7.	Sept. 1.
American	$800,000	$244,760	$250,000	$2,257,963	$2,027,240	$3,970,475	$4,005,980	$2,637,200	$2,566,835
Citizens	500,000	630,018	642,081	1,606,449	1,364,413	3,694,928	3,129,376	2,756,510	2,823,221
First	600,000	226,013	119,986	842,337	631,260	3,007,936	2,291,618	1,403,997	1,245,536
Louisville Nat. Banking Co.	250,000	111,525	105,681	754,986	783,585	2,348,159	2,270,840	1,494,431	1,597,582
National Bank of Kentucky	1,645,000	1,419,730	1,374,523	2,817,493	3,276,202	6,507,962	6,161,422	6,846,660	5,900,870
Southern	500,000	101,523	50,746	1,196,664	932,667	4,000,042	3,806,306	2,899,277	2,493,047
Union	500,000	528,594	535,059	2,191,299	1,756,538	4,678,119	4,112,947	3,318,006	3,336,870
National Bank of Commerce	800,000	292,175	277,770	1,119,771	1,155,453	4,143,845	4,153,424	2,836,674	3,137,745

MILWAUKEE, WIS.

Names.	Capital.	Surplus & Profits.		Due Banks & B'kers.		Total Deposits.		Loans & Discounts.	
		June 7.	Sept. 1.	June 7.	Sept. 1.	June 7.	Sept. 1.	June 7.	Sept. 1.
First	$2,500,000	$780,955	$771,519	$4,526,750	$4,889,074	$18,547,234	$19,553,326	$14,757,504	$15,871,352
Germania	300,000	134,796	123,057	343,870	341,350	4,255,573	4,372,607	2,485,368	2,578,473
Marine	500,000	615,552	626,483	1,323,353	1,496,602	5,410,444	5,446,317	3,852,317	4,085,790
Milwaukee	450,000	139,242	133,664	694,026	752,421	2,878,496	2,999,661	2,360,603	2,401,274
National Exchange	500,000	562,788	567,284	997,547	1,233,564	4,618,932	5,206,629	3,312,856	3,592,591
Wisconsin	2,000,000	1,297,613	1,279,768	4,422,107	5,424,119	17,119,711	18,577,867	11,664,648	11,724,988

MINNEAPOLIS, MINN.

Names.	Capital.	Surplus & Profits.		Due Banks & B'kers.		Total Deposits.		Loans & Discounts.	
		June 7.	Sept. 1.	June 7.	Sept. 1.	June 7.	Sept. 1.	June 7.	Sept. 1.
First	$2,000,000	$2,393,294	$2,416,263	$7,480,139	$7,235,429	$18,086,971	$19,867,136	$13,913,433	$13,663,867
Metropolitan	*300,000	59,324	86,878	48,546	.....	1,399,096	1,263,333	1,228,373	1,167,118
Northwestern	3,000,000	2,331,560	2,359,719	9,399,739	9,115,906	23,008,850	22,770,367	17,394,777	17,393,646
Scandinavian-American	500,000	80,562	88,418	815,854	902,317	2,385,080	2,061,129	2,122,636	2,110,201
Security	1,000,000	1,888,718	1,990,212	5,078,115	5,971,401	17,107,930	17,069,842	12,926,361	13,601,843

*Increase in capital.

NEW ORLEANS, LA.

Names.	Capital.	Surplus & Profits.		Due Banks & B'kers.		Total Deposits.		Loans & Discounts.	
		June 7.	Sept. 1.	June 7.	Sept. 1.	June 7.	Sept. 1.	June 7.	Sept. 1.
Commercial	$300,000	$453,206	$430,131	$1,561,397	$1,376,126	$3,376,629	$3,424,834	$2,331,147	$2,371,661
German-American	1,000,000	709,502	697,944	2,111,628	1,656,358	5,484,900	4,934,222	4,999,704	4,606,722
New Hibernia	400,000	81,016	82,777	1,080,801	.....	1,157,949	889,766	253,000	247,500
New Orleans	1,000,000	645,079	608,430	590,660	513,651	4,678,986	4,793,887	3,158,142	3,099,980
Whitney Central	2,500,000	1,808,778	1,640,722	4,248,268	3,628,042	15,998,655	16,501,757	9,963,704	10,843,293

PHILADELPHIA, PA.

Names.	Capital.	Surplus & Profits.		Due Banks & B'kers.		Total Deposits.		Loans & Discounts.	
		June 7.	Sept. 1.	June 7.	Sept. 1.	June 7.	Sept. 1.	June 7.	Sept. 1.
Bank of North America	$1,000,000	$2,674,337	$2,621,883	$6,975,130	$6,424,662	$15,269,673	$15,074,115	$9,456,899	$10,390,480
Commercial	300,000	381,363	377,501	128,544	107,968	3,614,613	3,661,224	1,968,533	1,966,879
Central	1,000,000	1,362,000	1,324,586	4,614,219	4,838,718	17,901,163	18,424,989	12,806,269	14,572,607
Corn Exchange	1,000,000	1,000,000	1,000,000	16,443,536	15,769,535	22,793,550	21,933,000	14,522,223	14,666,270
Girard	375,000	992,501	966,654	62,847	66,556	3,178,000	3,161,000	2,950,539	2,871,818
Farmers & Mechanics	2,000,000	1,472,306	1,460,230	6,864,771	6,840,941	15,265,915	14,834,023	7,934,140	8,090,570
First	1,000,000	1,606,416	1,607,324	13,032,350	12,647,935	25,140,562	24,174,272	15,064,057	15,089,468
Second Street	400,000	6,453,972	6,498,164	20,710,931	28,300,741	46,115,442	47,508,408	29,912,980	30,166,666
Franklin	1,000,000	2,940,761	2,836,805	30,196,720	31,084,777	38,945,587	34,342,842	14,964,861	12,711,519
Girard	2,000,000	1,427,326	4,554,356	34,702,570	35,744,070	40,412,999	40,000,000	26,586,852	26,105,768
Kensington	250,000	255,825	231,446	34,852	52,328	1,957,761	1,892,742	1,459,113	1,396,497
Manufacturers	300,000	408,903	361,224	1,561,436	82,301	2,963,963	1,991,468	1,709,681	1,625,377
Manufacturers	500,000	429,736	416,473	434,477	389,761	1,108,516	1,801,263	1,781,272	1,821,134
Market Street	2,000,000	1,154,434	1,172,986	4,182,364	4,144,903	8,369,302	10,210,512	5,805,017	5,972,941
National Bank Germantown	300,000	508,720	505,615	396,580	311,466	2,851,482	2,617,531	1,781,536	1,730,301
National Bank Liberties	500,000	495,256	502,851	921,612	745,408	3,479,268	3,299,152	2,171,970	2,568,609
National Security	250,000	250,000	266,128	191,389	115,851	3,121,632	3,284,028	3,504,071	3,136,812
Ninth	200,000	200,000	199,989	186,989	287,154	3,401,744	3,304,814	2,965,151	3,236,650
Northern	300,000	317,961	330,627	309,692	245,942	2,422,326	2,464,499	1,658,021	1,737,053
Northwestern	250,000	631,254	661,377	33,869	21,170	2,802,884	2,947,430	1,872,116	1,999,357
Penn	500,000	1,384,994	1,412,984	660,045	683,509	6,311,176	6,311,405	4,717,265	4,686,475
Philadelphia	1,500,000	3,899,617	4,017,217	25,325,191	26,650,119	32,146,226	31,900,000	26,594,649	29,060,271
Quaker City	500,000	447,000	449,191	291,057	481,066	2,017,710	2,076,340	1,527,243	1,583,924
Second	250,000	299,057	303,471	54,032	82,856	2,219,502	2,191,464	1,922,268	1,933,358
Sixth	150,000	277,267	280,887	3,321	...	1,845,241	1,879,362	1,156,417	1,137,502
Southwark	250,000	187,342	192,702	488,732	447,001	2,042,967	1,836,192	1,431,868	1,599,977
Southwestern	200,000	162,781	166,181	357	130	1,019,000	954,203	797,968	790,608
Tenth	200,000	161,546	165,264	82,003	76,712	1,178,805	1,139,665	882,625	863,238
Textile	200,000	94,115	99,287	286,762	261,718	1,109,112	1,018,763	851,895	849,338
Third	600,000	980,511	975,138	1,185,777	901,699	4,009,751	5,476,089	3,811,614	3,502,396
Tradesmens	500,000	815,891	832,121	3,114,502	3,079,226	6,061,899	6,122,449	3,871,379	4,250,500
Union	500,000	725,306	730,377	1,473,044	1,481,950	5,843,658	7,393,705	6,211,106	5,772,900
Western	200,000	245,723	260,541	1,740,480	1,647,580	4,776,357	4,617,274	2,902,130	3,030,196

PITTSBURGH, PA.

Names.	Capital.	Surplus & Profits.		Due Banks & B'kers.		Total Deposits.		Loans & Discounts.	
		June 7.	Sept. 1.	June 7.	Sept. 1.	June 7.	Sept. 1.	June 7.	Sept. 1.
Bank of Pittsburgh, N. A.	$2,400,000	$3,187,812	$3,188,661	$10,512,961	$10,137,892	$19,224,686	$18,996,739	$12,550,100	$13,301,176
Columbia	600,000	888,770	890,096	3,919,716	...	9,928,949	11,118,291	5,396,706	5,752,246
Commercial	300,000	262,345	261,129	711,746	646,891	2,425,564	2,168,741	1,630,486	1,638,357
Diamond	600,000	1,620,330	1,614,651	2,465,168	2,335,734	5,479,903	5,265,623	4,199,526	4,408,060
Duquesne	500,000	960,722	967,975	...	712,695	6,681,944	5,360,222	4,664,776	4,654,490
Exchange	1,200,000	883,262	861,970	1,796,712	2,037,580	5,432,574	5,819,483	4,269,130	4,641,378
Farmers Deposit	6,000,000	2,328,934	2,335,499	9,363,804	8,709,347	25,535,078	21,351,782	12,189,756	11,701,083
Federal	1,000,000	1,438,674	1,433,963	1,674,904	1,773,453	4,022,306	4,258,583	4,083,620	4,097,961
First	1,000,000	2,228,000	1,000,551	7,208,583	7,812,774	18,887,036	19,740,381	9,882,979	10,109,767
German	500,000	748,946	776,222	1,630,124	1,564,296	5,221,871	5,664,006	3,903,542	3,869,202
Keystone	500,000	868,311	882,172	704,129	719,138	3,997,055	4,187,391	2,594,896	2,471,409
Liberty	200,000	146,862	145,154	131,635	88,624	1,103,467	1,063,358	664,382	685,178
Marine	300,000	144,102	125,948	140,798	162,243	1,156,845	1,003,267	991,651	965,939
Metropolitan	400,000	3,423,000	1,347,506	19,160,827	13,010,164	[illegible]	[illegible]	[illegible]	[illegible]
Mellon	6,000,000	250,000	[illegible]	[illegible]	[illegible]	37,132,475	38,490,769	21,450,099	25,468,619
Monongahela	1,000,000	1,851,442	1,855,300	2,116,268	2,171,386	9,230,213	8,160,060	5,421,374	6,511,547
National Bank of W. Penn.	1,000,000	498,762	500,166	1,447,252	1,244,306	4,435,192	4,177,432	3,638,617	3,648,655
Pennsylvania	300,000	181,708	177,973	31,062	[illegible]	978,256	792,993	721,151	840,144
Peoples	1,000,000	1,892,870	1,875,171	6,581,794	6,966,370	12,815,525	12,841,340	2,264,584	9,166,442
Second	1,500,000	2,208,027	2,151,925	7,590,501	7,873,044	15,249,161	16,302,469	8,757,644	8,538,866
Third	500,000	216,969	215,196	267,541	254,472	1,136,841	1,072,994	1,111,150	1,072,782
Union	600,000	3,171,196	3,148,792	1,818,842	1,801,247	11,248,455	11,240,514	8,506,961	9,465,198
United States	500,000	174,852	172,307	[illegible]	[illegible]	744,827	706,458	1,279,854	1,249,205
Lincoln	600,000	886,147	859,924	534,429	784,702	5,103,790	5,177,884	4,927,045	4,557,154
First of Birmingham	100,000	71,574	67,477	[illegible]	791,119	791,858	783,286	875,296	851,616
First of Allegheny	250,000	168,778	[illegible]	5,007	[illegible]	1,852,359	[illegible]	1,922,361	[illegible]
Second of Allegheny	300,000	470,259	482,959	[illegible]	114,646	1,157,067	1,144,868	1,796,117	1,795,111
German of Allegheny	200,000	241,262	238,335	20,636	25,706	2,809,084	2,648,722	2,818,946	2,384,724

OMAHA, NEB.

Names.	Capital.	Surplus & Profits.		Due Banks & B'kers.		Total Deposits.		Loans & Discounts.	
		June 7.	Sept. 1.	June 7.	Sept. 1.	June 7.	Sept. 1.	June 7.	Sept. 1.
Omaha	$1,000,000	$961,959	$598,013	$5,840,279	$6,661,142	$11,789,780	$12,592,976	$7,434,437	$7,868,043
First National	500,000	887,608	967,999	4,965,445	5,479,628	11,215,647	12,062,219	6,952,397	1,858,998
United States	600,000	749,546	809,351	4,282,302	5,064,655	10,969,961	11,399,390	6,830,281	7,664,520
Merchants	500,000	565,699	597,797	2,087,338	2,429,305	6,514,678	6,886,663	4,549,914	5,074,635
Nebraska	200,000	.....	105,530	.....	418,140	.....	2,015,492	.....	966,852
City	500,000	67,267	62,934	264,717	346,283	2,839,989	2,388,193	1,436,916	1,566,748
Corn Exchange	300,000	20,871	24,894	48,935	118,194	1,195,148	1,309,854	1,030,492	989,326

Digitized by Google

Fidelity Title and Trust Company

PITTSBURGH, PENNA.

DEPOSITS, $11,500,000.00 ***TRUST FUNDS, $65,000,000.00***

Pays Interest on all Deposits **Acts in all Trust Capacities**

Rents Safe Deposit Boxes

DIRECTORS

JAMES J. DONNELL, Chairman.

J. STUART BROWN, ALBERT H. CHILDS, EDWARD T. DRAVO, CYRUS S. GRAY, NATHANIEL HOLMES, EDWARD J. HOUSE, T. CLIFTON JENKINS, REUBEN MILLER, JOHN R. McGINLEY, DAVID B. OLIVER, JAMES H. REED, H. S. A. STEWART, WILSON A. SHAW, D. LEET WILSON.

LOUISVILLE, KY.

Names.	Capital.	Surplus & Profits.		Due Banks & B'kers.		Total Deposits.		Loans & Discounts.	
		June 7.	Sept. 1.	June 7.	Sept. 1.	June 7.	Sept. 1.	June 7.	Sept. 1.
American	$800,000	$244,760	$250,000	$2,257,963	$2,027,340	$3,970,475	$4,005,680	$2,637,200	$2,566,825
Citizens	500,000	630 018	642,081	1,606,449	1,364,413	3,694,928	3,129,376	2,756,510	2,823,221
First	500,000	226,013	119,996	842,337	631,260	3,007,926	2,291,618	1,403,997	1,246,536
Louisville Nat. Banking Co.	250,000	111,525	105,681	754,986	783,855	2,348,159	2,270,840	1,494,431	1,597,582
National Bank of Kentucky	1,645,000	1,410,734	1,374,523	2,817,893	3,276,252	6,507,962	6,161,422	5,846,680	5,900,870
Southern	500,000	101,523	50,746	1,196,564	932,667	4,500,042	3,806,306	2,899,277	2,493,047
Union	600,000	528,594	535,099	2,191,299	1,756,538	4,678,119	4,112,947	3,218,008	3,396,870
National Bank of Commerce	800,000	392,176	377,770	1,119,771	1,155,453	4,143,845	4,153,424	2,836,674	3,137,745

MILWAUKEE, WIS.

Names.	Capital.	Surplus & Profits.		Due Banks & B'kers.		Total Deposits.		Loans & Discounts.	
		June 7.	Sept. 1.	June 7.	Sept. 1.	June 7.	Sept. 1.	June 7.	Sept. 1.
First	$2,500,000	$780,955	$771,519	$4,526,750	$4,889,074	$18,547,234	$19,553,325	$14,757,504	$15,371,352
Germania	300,000	134,796	123,067	343,870	341,350	4,255,573	4,372,607	2,483,368	2,578,473
Marine	500,000	615,552	626,483	1,323,353	1,496,002	5,410,444	5,446,317	3,852,317	4,085,790
Milwaukee	450,000	139,242	133,664	694,028	752,821	2,878,498	2,999,661	2,380,603	2,401,274
National Exchange	500,000	562,788	567,284	997,547	1,233,564	4,648,932	5,306,629	3,312,856	3,592,591
Wisconsin	2,000,000	1,207,613	1,279,788	4,422,107	5,434,119	17,119,711	18,677,867	11,664,648	11,724,988

MINNEAPOLIS, MINN.

Names.	Capital.	Surplus & Profits.		Due Banks & B'kers.		Total Deposits.		Loans & Discounts.	
		June 7.	Sept. 1.	June 7.	Sept. 1.	June 7.	Sept. 1.	June 7.	Sept. 1.
First	$2,000,000	$2,393,294	$2,416,263	$7,480,139	$7,235,429	$18,086,971	$19,867,136	$13,913,433	$13,653,867
Metropolitan	*200,000	59,424	86,878	48,546	.....	1,395,096	1,263,333	1,228,373	1,167,118
Northwestern	3,000,000	2,331,540	2,350,719	9,399,720	9,115,905	23,098,850	22,770,367	17,394,777	17,383,646
Scandinavian-American	500,000	80,762	88 418	815,854	902,317	2,385,080	2,061,129	2,122,636	2,110,201
Security	1,000,000	1,888,718	1,960,212	5,078,115	5,971,401	17,107,930	17,089,842	12,926,361	13,601,848

*Increase in capital.

NEW ORLEANS, LA.

Names.	Capital.	Surplus & Profits.		Due Banks & B'kers.		Total Deposits.		Loans & Discounts.	
		June 7.	Sept. 1.	June 7.	Sept. 1.	June 7.	Sept. 1.	June 7.	Sept. 1.
Commercial	$300,000	$451,266	$490,131	$1,561,397	$1,376,136	$3,376,629	$3,424,834	$2,331,147	$2,371,681
German-American	1,000,000	709,592	697,844	2,111,678	1,656,558	5,464,900	4,934,222	4,909,704	4,666,722
New Hibernia	400,000	84,666	83,737	1,080,801	.....	1,157,549	889,766	252,300	247,200
New Orleans	1,000,000	681,[illegible]	692,459	590,660	512,053	4,626,363	4,363,887	2,158,142	3,099,890
Whitney Central	2,500,000	[illegible]	[illegible]	4,248,268	3,628,042	15,060,655	16,501,757	9,963,704	10,843,293

PHILADELPHIA, PA.

Names.	Capital.	Surplus & Profits.		Due Banks & B'kers.		Total Deposits.		Loans & Discounts.	
		June 7.	Sept. 1.	June 7.	Sept. 1.	June 7.	Sept. 1.	June 7.	Sept. 1.
Bank of North America	$1,000,000	$2,674,357	$2,621,882	$6,076,130	$6,424,663	$15,269,673	$15,674,115	$9,486,899	$10,390,480
Centennial	300,000	257,501	125,544	207,968	3,614,513	3,561,233	1,968,533	1,956,879	
Central	1,000,000	3,224,386	4,614,219	4,805,713	17,901,163	18,424,389	12,806,269	13,012,497	
Corn Exchange	1,000,000	1,629,859	16,443,406	15,769,425	22,792,359	21,893,600	14,422,223	14,000,240	
Eighth	250,000	306,614	69,947	66,566	3,178,000	3,162,000	2,980,839	2,861,518	
Farmers & Mechanics	2,000,000	1,461,566	6,864,771	6,463,941	13,830,917	14,854,033	7,934,140	8,089,370	
First	1,000,000	1,607,379	13,672,566	13,672,566	25,140,562	24,474,212	15,064,067	15,089,458	
Fourth Street	1,000,000	6,400,264	29,740,961	28,190,741	48,111,445	47,105,408	25,511,288	30,162,025	
Franklin	1,000,000	2,806,945	20,196,739	21,084,777	35,466,587	34,110,842	19,266,861	19,713,349	
Girard	2,000,000	4,584,965	24,732,570	25,744,070	40,431,000	40,000,000	25,588,582	26,169,769	
Kensington	250,000	337,445	54,982	54,982	1,625,742	1,462,742	1,459,314	1,459,496	
Manayunk	300,000	405,806	161,496	82,301	2,093,662	1,991,469	1,748,681	1,628,277	
Manufacturers	500,000	417,437	434,437	359,281	1,169,416	1,307,962	1,787,272	1,821,134	
Market Street	1,000,000	1,154,414	4,182,264	4,144,940	8,566,487	10,214,102	5,803,017	5,991,041	
National Bank Germantown	200,000	311,455	2,817,684	1,782,116	1,788,591				
National Bank Liberties	500,000	921,612	745,908	3,411,256	3,799,139	2,472,970	2,558,699		
National Security	250,000	989,772	992,139	191,989	144,861	3,421,652	3,284,529	3,201,471	3,146,812
North	300,000	625,645	198,989	197,154	3,401,784	3,284,524	2,365,451	3,256,669	
Northern	300,000	253,867	259,067	241,992	2,402,478	2,453,499	1,688,021	1,747,663	
Northwestern	250,000	641,214	661,577	35,868	2,977,779	2,902,884	2,941,439	1,873,116	1,980,257
Penn	500,000	1,053,966	1,412,284	649,945	6,000,000	6,113,179	6,381,195	4,717,386	4,686,475
Philadelphia	1,500,000	3,062,617	4,041,445	28,328,144	26,639,419	52,446,258	51,276,000	26,604,646	29,969,271
Quaker City	500,000	475,000	457,401	261,497	484,625	2,627,300	2,476,540	1,582,243	1,581,924
Second	250,000	500,000	775,421	[illegible]	851,359	2,219,862	2,197,354	1,920,788	[illegible]
Sixth	150,000	277,307	290,887	[illegible]	[illegible]	1,554,247	1,479,324	1,136,417	1,131,602
Southwark	250,000	133,443	141,992	489,733	447,601	2,042,985	1,899,192	1,431,868	1,502,977
South Western	300,000	162,781	168,181	857	130	1,019,000	964,290	797,968	790,608
Tenth	200,000	133,446	155,264	63,054	76,712	1,158,862	1,139,965	862,625	893,236
Textile	300,000	76,251	290,353	264,178	1,169,419	1,319,705	851,836	840,336	
Third	600,000	881,111	911,228	1,067,775	5,901,620	6,009,764	5,419,440	3,833,614	3,902,395
Tradesmens	500,000	851,851	870,271	3,114,592	3,079,226	6,087,899	6,112,149	3,861,479	4,250,500
Union	500,000	726,226	748,371	1,653,004	1,434,960	5,462,658	7,162,905	6,211,106	5,772,930
Western	600,000	245,923	240,541	1,740,000	1,647,560	4,476,357	4,617,274	2,802,130	3,030,195

PITTSBURGH, PA.

Names.	Capital.	Surplus & Profits.		Due Banks & B'kers.		Total Deposits.		Loans & Discounts.	
		June 7.	Sept. 1.	June 7.	Sept. 1.	June 7.	Sept. 1.	June 7.	Sept. 1.
Bank of Pittsburgh, N. A.	$2,400,000	$3,199,942	$3,188,641	$10,512,091	$10,137,992	$19,224,686	$18,996,759	$12,550,100	$13,301,176
Columbia	600,000	887,770	920,084	3,819,712	[illegible]	9,208,410	11,118,291	5,395,705	5,752,248
Commercial	300,000	252,257	261,129	711,046	647,891	2,435,564	2,168,741	1,630,485	1,628,357
Diamond	600,000	1,630,120	1,614,651	2,465,168	2,338,734	5,479,903	5,236,251	4,199,826	4,408,060
Duquesne	500,000	582,772	567,572	[illegible]	712,496	5,031,944	5,280,225	4,004,776	4,631,490
Exchange	1,200,000	857,365	861,870	1,792,712	2,054,540	5,432,574	5,579,083	4,580,130	4,541,378
Farmers Deposit	6,000,000	2,329,934	2,337,470	9,337,804	8,744,847	25,855,073	24,374,182	15,060,286	14,300,069
Federal	1,000,000	1,338,649	1,392,665	1,674,834	1,774,453	4,022,476	4,248,883	4,082,630	4,097,961
First	1,000,000	2,208,000	1,000,371	7,706,983	7,852,173	18,804,019	19,746,281	9,882,939	10,100,767
German	500,000	718,046	736,142	1,520,124	1,564,200	5,251,571	5,651,606	3,905,542	3,869,203
Keystone	500,000	849,711	852,172	704,129	713,148	3,199,088	4,187,291	2,504,865	2,421,409
Liberty	250,000	146,861	145,154	131,635	88,024	1,169,467	1,070,258	664,852	688,178
Marine	300,000	144,201	135,949	140,798	162,243	1,156,825	1,078,247	991,651	965,939
Metropolitan	400,000	3,402,000	1,547,306	19,103,627	19,010,164	780,000	[illegible]	[illegible]	[illegible]
Mellon	6,000,000	750,000	[illegible]	[illegible]	[illegible]	37,177,072	38,499,769	21,453,099	25,488,519
Monongahela	1,000,000	1,881,435	1,855,300	2,116,268	2,171,386	6,250,217	6,250,440	5,421,374	5,511,547
National Bank of W. Penn.	1,000,000	496,462	504,166	1,437,252	1,344,306	4,377,142	4,177,432	3,638,817	3,648,605
Pennsylvania	200,000	181,408	177,973	31,622	[illegible]	806,766	762,993	711,151	840,144
Peoples	1,000,000	1,892,870	1,873,171	6,581,564	6,998,370	12,841,825	13,841,340	2,264,484	9,166,442
Second	1,800,000	2,229,027	2,177,257	7,596,561	7,855,044	15,580,161	16,302,469	8,757,644	8,536,806
Third	500,000	210,000	214,000	267,841	254,472	1,136,541	1,073,924	1,111,150	1,072,783
Union	600,000	3,171,166	3,171,166	1,818,542	1,900,347	11,728,755	11,742,764	9,522,961	9,465,198
United States	500,000	174,822	177,967	[illegible]	[illegible]	747,567	736,458	1,229,964	1,240,575
Lincoln	600,000	880,147	870,000	834,429	784,702	5,169,760	5,157,854	4,667,045	4,557,154
First of Birmingham	100,000	212,774	201,445	[illegible]	791,116	791,858	787,886	875,815	
First of Allegheny	300,000	166,574	[illegible]	5,007	[illegible]	1,527,329	[illegible]	1,161,981	[illegible]
Second of Allegheny	300,000	85,000	85,000	[illegible]	114,976	1,255,000	1,144,868	1,796,117	1,796,111
German of Allegheny	200,000	945,892	960,111	20,639	25,506	3,869,084	4,546,219	1,878,946	2,384,724

OMAHA, NEB.

Names.	Capital.	Surplus & Profits.		Due Banks & B'kers		Total Deposits.		Loans & Discounts.	
		June 7.	Sept. 1	June 7.	Sept. 1.	June 7.	Sept. 1.	June 7.	Sept. 1.
Omaha	$1,000,000	$641,000	$586,000	$5,840,279	$6,661,142	$11,780,780	$12,592,976	$7,434,437	$7,866,043
First National	500,000	885,000	900,000	4,885,445	5,179,626	11,215,047	12,018,229	6,285,387	1,889,998
United States	600,000	749,746	800,000	4,282,302	5,004,655	10,890,951	11,360,240	6,820,281	7,064,520
Merchants	500,000	565,000	597,797	2,067,339	2,429,305	6,644,078	6,850,000	4,540,314	5,074,035
Nebraska	200,000	[illegible]	100,000	[illegible]	419,140	[illegible]	[illegible]	[illegible]	995,982
City	500,000	60,000	62,000	364,737	366,284	2,359,000	2,388,197	1,436,816	1,799,708
Corn Exchange	300,000	20,571	24,894	48,935	118,194	1,186,148	1,360,874	1,000,000	989,326

Digitized by Google

The New Inheritance Tax Law Of New York State

Non-residents may *now* carry bank balances or deposit their securities in New York City, either temporarily or permanently, with the assurance that they will not be subject to the Inheritance Tax.

The new law, *now* in force, provides that *intangible property*, defined by the law as "incorporeal property, including money, deposits in bank, shares of stock, bonds, notes, credits, evidences of an interest in property, and evidences of debt," held in New York by bona fide non-resident decedents, is not taxable in that state.

This Company has complete facilities for handling active and reserve accounts and for the safe keeping of securities, and cordially invites such business.

We have prepared a booklet containing the text of the new Inheritance Tax Law, together with explanatory notes, which we will be pleased to furnish upon request.

Ask for our Booklet-N340

Guaranty Trust Company
of New York
28 Nassau Street

Capital and Surplus, - $23,000,000
Deposits - - - - 163,000,000

THE
National Commercial Bank
of ALBANY, N. Y.

Capital - - $1,000,000
Surplus and Profits 1,726,745
Deposits - - 21,276,797

OFFICERS

ROBERT C PRUYN, President
JOHN E. WALKER, Vice-Pres. EDWARD J. HUSSEY, Cashier.
JAMES H. PERKINS, Vice-Pres. WALTER W. BATCHELDER, Asst. Cash.
JACOB H. HERZOG, Asst. Cash.

Let us collect your New York and New England items

SEATTLE, WASH.

Names.	Capital.	Surplus & Profits.		Due Banks & B'kers.		Total Deposits.		Loans & Discounts.	
		June 7.	Sept. 1.	June 7.	Sept. 1.	June 7.	Sept. 1.	June 7.	Sept. 1.
First	$300,000	$71,645	$72,501	$438,287	$518,130	$3,529,658	$3,384,208	$2,455,408	$2,318,362
Citizens	200,000	27,716	29,028	476	.....	433,014	449,560	441,240	421,212
National Bank of Commerce	1,000,000	1,155,446	1,144,568	2,008,965	2,297,382	11,501,697	11,900,561	8,511,723	7,766,716
Seattle	1,000,000	254,354	246,171	2,851,746	2,941,325	11,562,339	11,582,747	8,020,182	7,845,148
Dexter-Horton	1,200,000	294,034	277,149	2,629,318	2,852,561	10,277,027	10,010,784	5,498,141	5,659,191
National City	500,000	100,105	105,218	.....	141,765	745,701	1,020,648	528,19	775,712

TOLEDO, OHIO.

Names.	Capital.	Surplus & Profits.		Due Banks & B'kers.		Total Deposits.		Loans & Discounts.	
		June 7.	Sept. 1.	June 7.	Sept. 1.	June 7.	Sept. 1.	June 7.	Sept. 1.
First	$500,000	$917,925	$951,788	$385,458	$517,617	$5,681,937	$4,132,489	$2,842,766	$3,078,230
National Bank of Commerce	1,000,000	215,20	271,580	1,577,318	2,121,202	7,049,567	7,529,254	5,816,958	6,045,001
[illegible]	1,000,000	277,887	298,071	1,329,249	1,388,621	3,277,708	3,142,923	3,422,115	3,670,361
Second	1,000,000	1,230,446	1,258,013	1,161,554	1,213,161	6,115,740	7,096,021	5,434,689	6,246,188

WASHINGTON, D. C.

Names.	Capital.	Surplus & Profits.		Due Banks & B'kers.		Total Deposits.		Loans & Discounts.	
		June 7.	Sept. 1.	June 7.	Sept. 1.	June 7.	Sept. 1.	June 7.	Sept. 1.
[illegible]	$600,000	$[illegible]	$[illegible]	$[illegible]	$[illegible]	$[illegible]	$[illegible]	$[illegible]	$[illegible]
[illegible]	1,000,000	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Commercial	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Farmers and Mechanics	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Lincoln	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
National Capital	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
National Metropolitan	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
National Bank of Washington	1,000,000	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Second	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	1,444,611	[illegible]	[illegible]	[illegible]

Digitized by Google

5 Year Voting Trust For Int. Nickel—Why?

Company Is Earning More Money and Paying Larger Dividends Than at Any Time Since It Was Organized Nearly 10 Years Ago—Common Dividend Increased This Week From 12 Per Cent to 16 Per Cent, and the Stock Is Still Selling at About Record High Prices—Prediction Has Been Made That 30 Per Cent Will Be Earned on the Common This Year, and Dividend Further Increased to 20 Per Cent—Only Possible Theory to Explain Voting Trust Which Perpetuates Control Without Ownership of Stock Is That Some of the Insiders May Be Getting Afraid of Each Other—A Recent Disastrous Speculation in Cotton Is Suggested Along This Line.

I have been faithfully pondering on the question, why and in particular detail, the substantial and successful $30,000,000 International Nickel Company should at this time deem it necessary to resort to the voting trust method of control, and I must confess that I have not been able to satisfactorily solve the problem.

The officers and directors of the company will not talk about the subject, or rather will not give any particular reasons for their procedure. They restrict themselves carefully to the general statement that the company has been very successful, that the voting trust programme is only for the purpose of perpetuating the present management, and hence, that every shareholder should be inclined to co-operate. They go further and say that more than a majority of the stock has already accepted and acted on this suggestion, so it is

NOW AN ASSURED FACT

that for the next five years the affairs of the company will be dominated by a voting trust consisting of the present executive committee of the company, which comprises Robert M. Thompson, Ambrose Monell, E. F. Wood, J. R. De Lamar and Edmund C. Converse.

The most obvious reason for any voting trust is that a group of individuals who for some reason want to control a corporation and feel that they should control it without owning or representing an actual majority of the stock outstanding adopt this method of assuring their control for a definite length of time. This is frequently and properly done in the case of reorganizations where a banking house which secures from its clients the new capital necessary to rehabilitate the bankrupt concern and makes one of the conditions of reorganization that voting power on the stock be vested in a committee named by the banking house for such a period of time as is estimated to be necessary for the property to get on its feet and take care of itself. In a number of cases, J. P. Morgan & Company have made this one of the requirements in reorganizing bankrupt railroad properties. It is a very fair proceeding, because bankers want to do everything in their power to assure the safety of the new capital needed, and as a necessary feature of this idea, they want the full programme they may have outlined for the development of the company carried out. It has frequently happened that at the expiration of one of these voting trusts the results have been so satisfactory to shareholders that they have of their own accord requested and secured an extension of the time during which all of the stock of the company is to be voted by a committee instead of by its actual owners.

In the case of the International Nickel Company, however, no such

(Continued on page 1606.)

Charles Head & Co.
BOSTON
NEW YORK
Beg to announce that they have associated with them as consulting engineer
MR. J. R. FINLAY
OF NEW YORK

Assets Realization Company
Capital $10,000,000
Purchases Estates in Liquidation at any point in the United States
NEW YORK PHILADELPHIA CHICAGO

Hodenpyl, Hardy & Co.
BANKERS
7 Wall Street, New York
6% PREFERRED STOCKS A SPECIALTY

WE TRADE IN
Western Power Common
Western Pacific
United States Worsted Pref.
United States Worsted Com.
Detroit & Mackinac Com. & Pref.
Bisuga Company of America
Wells Fargo Express.
E. BUNGE & CO. 29 BROAD STREET, NEW YORK
Cable Address, "Ernestus, New York" Long Distance 'Phone 4735-4736 Rector

Geo. D. Cook & Co
BANKERS
71 BROADWAY, NEW YORK
We make a Specialty of
Mexican Government and State Bonds

McCoy & Company
Municipal and Corporation Bonds
181 LA SALLE STREET
CHICAGO

Boody, McLellan & Co.
111 BROADWAY, NEW YORK
MEMBERS OF NEW YORK STOCK EXCHANGE
Orders Executed for Investment or on Margin

6% SEATTLE INVESTMENTS 7%
For particulars and further information write us.
WM. D. PERKINS & CO., Bankers
No. 211 Cherry St., Seattle, Wash.
Established 1893
Oldest Bond House in Washington.

DOMINION BOND COMPANY
LIMITED
MONTREAL TORONTO OTTAWA
LONDON, ENGLAND
Dealers in HIGH-GRADE CANADIAN BONDS
List on Application

5% BONDS
Guaranteed by
National Light Heat and Power Co.
A. H. BICKMORE & CO.,
30 PINE ST., NEW YORK

6% Timber Bonds
Carrying With Them An Exceptionally Attractive Feature.
American Finance & Securities Co.
5 Nassau Street New York

H. C. Gibbs & Co.
Gas and Electric Light Bonds
To yield 5% to 5 1-2%
60 State Street BOSTON

CIRCULAR ON MISCELLANEOUS UNLISTED MILL AND MANUFACTURING SECURITIES
SENT UPON REQUEST
HORNBLOWER & WEEKS, 60 Congress St., Boston

Municipal Bond Sales

MUNICIPALITY.	Date of sale.	Classification of bonds.	Amount	Rate of Interest. Per cent.	Maturity.	Sales price.	Purchaser.	Income basis.
Worcester, Mass.	Sept. 8	City	$276 00	4	1912	100 61	[illegible]	3 65
Worcester, Mass.	Sept. 8	City	100 00	4	1916	101 84	[illegible]	3 595
Medford, Mass.	Sept. 12	School	78 000	4	*1931	104 169	R. L. Day & Co. Boston	3 862
Dayton, Ohio	Sept. 6	Water works	20,000	4	*1913	100 05	Dayton Savings & Trust Co	3 99
Dayton, Ohio	Sept. 6	Street imp	28,300	4	*1918	100 05	Dayton Savings & Trust Co	3 998
Dayton, Ohio	Sept. 6	Street imp	27,000	4	*1921	100 05	Dayton Savings & Trust Co	3 990
Ogdensburg, N. Y.	Sept. 8	Water	150 00	5	*1951	par	National Bank Ogdensburg Bank, S. Lawrence Co. Bank Ogdens-	5
Woburn, Mass.	Sept. 12	Notes	11,000	4	[illegible]	par	P. S. Moseley & Co. Boston	4
Dayton, Ohio	Sept. 6	Street imp	6,700	4½	[illegible]	100 16	[illegible]	4 433
Cleveland, Ohio Sch. Dist.	Sep. 11	Building	500,000	4½	1951	104 14	Hayden, Miller & Co., Cleveland; [illegible]	4 05
Lucas County, Ohio	Sept. 6	Road	22 326	4½	1931	107 01	[illegible]	4 05
Highland Park, Mich.	Aug. 21	School	25,000	4½	1951	103 672	[illegible]	4 30
Greenfield, Ohio	Sept. 2	Refunding	10,000	4½	*11	100 00	Cleveland Trust Co., Greenfield	4 50
Canton, Ohio	Sept. 11	Sanitary Dist. No. 1	5,500	4½	*1931	101 84	[illegible]	4 358
Dayton, Ohio	Sept. 6	Park	3,284	4½	1951	102 21	[illegible]	4 44
Lorain, Ohio	Aug. 21	River imp	17,000	4½	1951	102 38	[illegible]	4 111
Canton, Ohio	Sept. 11	Street imp	2,000	4½	[illegible]	101 086	[illegible]	4 14
Canton, Ohio	Sept. 11	St. imp. (4 p.c.)	50	4½	1912	101 086	[illegible]	1 50
Canton, Ohio	Sept. 11	Sewer	1,100	4½	*1931	101 086	[illegible]	4 168
Canton, Ohio	Sept. 11	St. imp. (4 p.c.)	700	4½	1912	101 086	[illegible]	4 167
Canton, Ohio	Sept. 11	Street imp	4,000	4½	*	101 086	[illegible]	4 172
Youngstown, Ohio	Sept. 11	Street imp	13,000	5	*	102 34	[illegible]	4 167
Youngstown, Ohio	Sept. 11	Street imp	36,277		*	102 34	Seasongood & Mayer (Cincinnati)	4 207
Youngstown, Ohio	Sept. 11	Street imp	8,827		*	102 34	Seasongood & Mayer (Cincinnati)	4 20
Youngstown, Ohio	Sept. 11	Paving	22,000	5	*	102 34	[illegible]	4 21
Middletown, N. Y.	Aug. 30	Street imp	20,000	4½	*1931	101 50	Middletown Sav. Bank, Middletown	4 21
Youngstown, Ohio	Sept. 11	Street imp	25,000	5	*	102 34	Seasongood & Mayer (Cincinnati)	4 215
Rockville, N. Y.	Sept. 7	Water	12,000	4	1941	100 05	J. F. Hurst, Albany	4 24
Rockville, N. Y.	Sept. 7	Water	8,000	4½	1941	par	Rockville Savings Bank	4 24
Gardiner, N. Y.	Aug. 31	Paving	4,000	4½	*1931	100 85	A. N. Cuder & Co. New York	4 25
Barberton, Ohio	Sept. 11	Street assess.	9,000		*5	103 34	Well, Roth & Irving (Cincinnati)	4 26
Barberton, Ohio	Sept. 11	Street assess.	13,000		*1	100 34	Well, Roth & Irving (Cincinnati)	4 26
Barberton, Ohio	Sept. 11	Street imp.	1,000		*5	103 34	Well, Roth & Irving (Cincinnati)	4 26
Worcester, Ohio	Sept. 2	Paving	11,000	5	*	100 006	Seasongood & Mayer (Cincinnati)	4 27
Worcester, Ohio	Sept. 2	Sewer	2,000	5	*	100 006	Seasongood & Mayer (Cincinnati)	4 27
Youngstown, Ohio	Sept. 11	Street imp.	7,000	5	*	102 34	Seasongood & Mayer (Cincinnati)	4 27
Perth up Mem'l, N. Y.	Aug. 21	Sewer	bonds	4	**1951	par	M. T. Demarest, Voorheesville	4 27
Youngstown, Ohio	Sept. 11	Street imp	705	5	*	102 34	Provident Savings Bank	4 27
Portland, Oregon	Sept. 11	Bridge	600 000	4	1951	97 660	R. L. Day & Co. Bridge & Co., [illegible] & Co. Boston	4 301
Portland, Oregon	Sept. 11	Park & Boulevard	500,000	4½	1951	98 760	R. L. Day & Co. Bridge & Co., [illegible] & Co. Boston	4 301
Frankfort, N. Y.	Sept. 12	Sewer	50,000	4	*1951	par	Frankfort Savings Bank	4 30
Canton, Ohio	Sept. 7	Paving	18,000	5	1911	100 556	[illegible]	4 40
Youngstown, Ohio	Sept. 11	Street imp.	400		*	par	[illegible]	4 40
Youngstown, Ohio	Sept. 11	Street imp	3,000		*1	102 34	[illegible]	4 42
Youngstown, Ohio	Sept. 11	Street imp	2,000		*1	102 30	[illegible]	4 42
Duluth, Minn.	Sept. 1	Park	50,000	4½	1951	100 302	N. Lindsley & Co. Louisville	4 42
Spokane, Wash.	Sept. 11	Light & water	500,000	4½	1951	100 07	Harris & Co. San Francisco Bid	4 47
Spokane, Wash.	Sept. 11	Bldg. Sewer &	500,000	4½	1951	100 07	Harris & Co. San Francisco Bid	4 47
Fredericks, W. Va.	Aug. 26	Municipal	37,000	5	11-16	100 611	Interstate Trust Co. Parkersburg	4 48
Lawton, Okla.	Aug. 1	School	5,000	4½	1951	par	[illegible]	4 50
Wooster, Ohio	Sept. 1	Paving	2,000	4½	*	par	[illegible]	5 50
Wooster, Ohio	Sept. 1	Road	1,000	4½	*	par	[illegible]	4 50
Wooster, Ohio	Sept. 1	Paving	4,200	4½	*	par	[illegible]	4 50
Guthrie, Okl.	Aug. 9	Court House	75,000	5	*1931	101 62	M. Campbell & Sons, Dallas, Texas	4 656
Rockford, Illinois	Sept. 5	Court House	125,000	5	1931	par	[illegible]	4 656
San Francisco, Cal.	Sept. 11	Hall of Justice	100,000		**1931	100 78	[illegible]	4 486
San Francisco, Cal.	Sept. 11	Hospital	250,000	4½	**1951	100 78	S. W. Hulsey & Co., E. H. Rollins & Sons	4 486
San Francisco, Cal.	Sept. 11	School	50,000		**1951	100 78	S. W. Hulsey & Co., E. H. Rollins & Sons	4 486
Orange Co., Cal., Electric S. D.	Sept. 6	[illegible]	1,000	5	*1911	par	[illegible]	5
Mineral County, Colo.	Aug. 25	School imp.	5,500	5	*	par	[illegible]	5
Saskatoon S. D., Saskatchewan, Can.	Sept.	Debentures	50,000	5	1951	101 50	[illegible]	4 915
Chino Co. Water S. D. No. 1, Ariz.	Sept.	[illegible]	100			par	[illegible]	6
King Co., Wash. S. D. No. 54	Sept.	[illegible]	1,000			par	[illegible]	6
Lawton, Okla.	Aug.	[illegible]	1,000		1951	par	[illegible]	5
Lawton, Okla.	Aug. 28	School imp.	5,000		*	par	[illegible]	5
Port Angeles, Wash.	Aug. 28	Intersecting	50,000		*	par	[illegible]	5
Wetaskiwin, Alberta	Sept. 1	Electric light	8,000		1951	95 62	[illegible]	5 11
Wetaskiwin, Alberta	Sept. 1	Local Impt.	5,000		1951	par	[illegible]	5 11
Hoosick Falls, N. Y.	Aug. 19	Water works	50,000		1951	par	[illegible]	5 00
Hoosick Falls, N. Y.	Aug. 19	Sewer	11,000	5	1951	par	[illegible]	5 00
Erie Beach Co., Ont.	Aug. 26	Local	1,000			par	[illegible]	
Perth, Ont.		Local	7,500				R. C. Matthews	
Boston, Mass.	Sept. 11	Loan	500,000		1912		[illegible]	
Boston, Mass.	Sept. 11	Loan	500,000				[illegible]	
Bristol, Pa.	Sept.	Sanitary pl't	40,000				[illegible]	
Chatham, Ont.	Sept. 2	School	10,000				[illegible]	
Gatineau, Que.	Sept.	School	5,000				[illegible]	
Isanti Co., Minn.	Aug. 1	Court House	100,000				State	
Edmonds, Wash.	Aug. 26	[illegible]	1,000		1951		[illegible]	
La Roy, N. Y.	Aug. 30	[illegible]	2,000				W. D. V. Robison, Evans Mills	
Delaware, N. Y.	Aug. 30	[illegible]	1,000				[illegible]	
Medicine Hat, Alberta	Sept. 1	[illegible]	15,000			95 125	[illegible]	
Middlewich, Eng.	Sept.	[illegible]	5,000				[illegible]	
Mont Laurier, Quebec		[illegible]	1,000				[illegible]	
Mt. Clemens, Mich.	Aug. 28	[illegible]	1,000			101 00	[illegible]	
Mt. Gilead, Ohio	Aug. 28	[illegible]	1,000			par	[illegible]	
Napanee, Ont.		[illegible]	1,000				[illegible]	
Pangman, Saskatchewan		[illegible]	1,000				[illegible]	
Taber, Alberta		[illegible]	1,000				[illegible]	
Troy, N. Y.	Sept.	[illegible]	1,000				[illegible]	
Walkerville, Ont.		[illegible]	1,000				[illegible]	
Walkerville, Ont.		[illegible]	1,000				[illegible]	

* Year average. ** Year serial. † Ye or optional.

Digitized by Google

Boston Elevated Railway Company

In accordance with the provisions of the lease of the West End Street Railway Company to the Boston Elevated Railway Co., dated December 9th, 1897, a dividend rental of one and 75 100 dollars per share will be paid to holders of record of the Common Stock of the West End Street Railway Co. on October 1, 1911.

By vote of the directors of the West End Street Railway Company the transfer books of the common stock will be closed from the close of business September 23, 1911, to the opening of business October 2, 1911

H. L. WILSON, Treasurer.

THE SAN FRANCISCO AND SAN JOAQUIN VALLEY RAILWAY CO.

Coupons No. 2, due October 1, 1911, from THE SAN FRANCISCO AND SAN JOAQUIN VALLEY RAILWAY COMPANY First Mortgage Five Per Cent. Bonds will be paid on and after October 2, 1911, upon presentation at the office of its financial agency, The Atchison, Topeka and Santa Fe Railway Company, No. 5 Nassau Street, New York City, or at the office of its financial agency the Union Trust Company, San Francisco, California.

C. K. COOPER, Assistant Treasurer.

American Telephone & Telegraph Co.

A dividend of Two Dollars per share will be paid on Monday, October 16, 1911, to stockholders of record at the close of business on Saturday, September 30,, 1911.

WM. R. DRIVER, Treasurer

Walpole Rubber Co.

The quarterly dividend of 1¾% on the Preferred stock and 1% on the Common stock has been declared payable Oct 16, 1911, to stockholders of record Oct 2, 1911 Books close Oct 2, 1911, and reopen Oct. 16 1911.

A. T. BALDWIN, Treasurer.

Walpole, Mass., September 20, 1911.

THE UNITED STATES FINISHING CO.

320 Broadway, N. Y., September 21 1911

PREFERRED STOCK DIVIDEND NO. 111.

The Board of Directors have this day declared the regular quarterly dividend of One and Three-Quarters Per Cent (1¾%) upon the Preferred Stock of this Company, payable October 2, 1911, to stockholders of record at the close of business September 21, 1911

COMMON STOCK DIVIDEND NO. 11.

The Board of Directors have this day declared a dividend of One Per Cent (1%) upon the Common Stock of this Company, payable October 2, 1911, to stockholders of record at the close of business September 21, 1911.

F. S. JEROME, Treasurer.

NIPISSING MINES COMPANY

165 Broadway, New York, September 19th, 1911

The Board of Directors has to day declared a regular quarterly dividend of FIVE PER CENT, and an extra dividend of TWO AND ONE-HALF PER CENT, payable October 20, 1911, to shareholders of record as of September 30, 1911. Transfer books will close September 20, 1911, and reopen October 18, 1911

P. C. PFEIFFER, Treasurer

NEW ENGLAND TELEPHONE AND TELEGRAPH COMPANY

A dividend of one and three-quarters dollars ($1.75) per share will be paid on Saturday, September 30th, 1911, to stockholders of record at the close of business on Tuesday, September 19th, 1911.

WILLIAM R. DRIVER, Treasurer

September 19th, 1911.

AMERICAN CAR AND FOUNDRY COMPANY

New York, Aug 31, 1911.

PREFERRED CAPITAL STOCK
Dividend No. 50

A dividend of one and three-quarters per cent (1¾%) on the Preferred Stock of this Company has this day been declared, payable Oct 2, 1911 to stockholders of record at the close of business, Monday, Sept. 11, 1911

Checks will be mailed by the Guaranty Trust Company of New York

WM M HAGER, Secretary

S. S. DELANO, Treasurer

AMERICAN CAR AND FOUNDRY COMPANY

New York, Aug 31, 1911

COMMON CAPITAL STOCK
Dividend No. 36

A dividend of one-half per cent (½%) on the Common Stock of this Company has this day been declared, payable Oct 2, 1911 to stockholders of record at the close of business, Monday, Sept. 11, 1911

Checks will be mailed by the Guaranty Trust Company of New York

WM. M HAGER, Secretary.

S. S. DELANO, Treasurer.

Bond Certification

Modern conditions make the registration and certification of municipal and corporate obligations desirable and convenient. We have a department maintained exclusively for this purpose.

First National Bank of Boston
70 Federal Street

NOTICE OF BOND SALE

Fayette, Alabama

Sealed bids will be received by town clerk until 12 o'clock noon, Oct. 2nd, 1911, for $22,000.00 water works and sewerage bonds in denomination of $500.00 each, dated Sept. 1st, 1911, maturing ten years from date, without option with interest at 5% payable semi-annually. Principal and interest payable at some bank in New York to be selected by purchaser. Check for 2% to accompany application. Right reserved to reject any or all bids.

O. L. EKWURZEL, Town Clerk.

DENVER Bonds Stocks

Denver Union Water — Denver Gas & Electric
Denver Tramway — Cities Service
Denver & Northwestern — Northern Colorado Power
Nevada-California Power

We buy and sell the bonds and stocks of all the above companies.

Nathan Cregg & Company
Century Bldg., Denver.

Copper Range Consolidated Company

At a meeting of the Board of Directors of the COPPER RANGE CONSOLIDATED COMPANY held this day, a dividend of 75c. per share, being Dividend No. 31, was declared, payable on Monday, October 2nd, 1911, to Stockholders of record at the close of business on Saturday, September 9th, 1911.

FREDERIC STANWOOD, Treasurer.

Boston, September 6th, 1911.

American Zinc, Lead & Smelting Co.

The Directors of the American Zinc, Lead and Smelting Company have declared a dividend of fifty cents (50c) per share, payable, October 10th, 1911, to stockholders of record at the close of business, September 30, 1911

S. E. FARWELL, Treasurer.

UNITED SHOE MACHINERY CORPORATION.

The Directors of this Corporation have declared a quarterly dividend of 1¾% (3½% per share) on the Preferred capital stock, and a dividend of 2% (4% per share), on the Common capital stock, both payable October 2, 1911, to stockholders of record at the close of business, September 19, 1911

L. A. COOLIDGE, Treasurer.

OFFICE OF THE
NEW YORK DOCK COMPANY.

New York, September 20 1911

The Board of Directors has declared a dividend of One Per Cent on the Preferred Stock of this Company, payable October 16, to stockholders of record at the close of business October 2d, 1911

GEORGE E. SPENCER, Treasurer.

FIRST MORTGAGE BONDS

How to Test Them:
FREE OF CHARGE

For more than 29 years the **HOUSE OF STRAUS** has been gathering the investment experience which is now offered to you without cost or obligation.

If you have $100 or more now lying idle or drawing only the usual 2 to 3 per cent interest, you are entitled to a more substantial earning on your money.

And there are a number of opportunities to enjoy the maximum 6% interest rate with security and protection equal to or better than that any modern savings bank could possibly offer.

This data is now

Placed at Your Disposal Absolutely Without Cost

During 29 years of business in the sale of first mortgage bonds on improved, income-producing, selected Chicago real estate, with a margin of security in no case less than 100 per cent, no investor has ever lost a dollar of principal or interest on securities purchased of us

If you are interested in a type of investment so secure as this, quickly convertible and subject to our repurchase proposition at any time, we will gladly send you without expense the Investor's Magazine—a dependable and highly valuable investment guide, which every conservative investor should write for Address Dept. 166.

S. W. STRAUS & CO.
Mortgage and Bond Bankers
Established 1882
STRAUS BUILDING CHICAGO

THE CONCHO VALLEY LOAN AND TRUST CO.

OF

SAN ANGELO, TEXAS.

Capital stock $200,000.00. Organized and operating under the Texas Banking Laws, offer to investors some high grade paper, netting from 6 to 7%. Secured by first Mortgage on improved farm and ranch lands. Our paper carries our endorsement and guarantee of payment of principal and interest. Write for information.

T. C. WYNN, Pres. C. C. KIRKPATRICK, Sec. & Treas.

The United States & Mexican Trust Co.

September 11th, 1911.

The Board of Directors have this day declared a quarterly Dividend of Two Per Cent (2%) payable on October 1st, 1911, to stockholders of Record, September 20th, 1911. Checks will be mailed.

A. E. STILWELL, Pres't.

CUMBERLAND TELEPHONE & TELEGRAPH COMPANY

DIVIDEND NO. 112

2% QUARTERLY
Payable October 2nd, 1911
To Stockholders of Record, Sept. 20th, 1911
Checks Mailed.

T. D. WEBB, Treasurer,
Nashville, Tenn.

UNITED FRUIT COMPANY

DIVIDEND NO. 49

A quarterly dividend of two per cent on the capital stock of this company has been declared payable October 14, 1911, at the office of the Treasurer, 131 State Street, Boston, Mass., to stockholders of record at the close of business, September 23, 1911.

CHARLES A. HUBBARD, Treasurer.

THE McCRUM-HOWELL COMPANY

New York—Chicago.

The quarterly dividend of three-fourths of one per cent has been declared on the Common Stock of the Company, payable October 1, to Common Stockholders of record at the close of business September 22nd, 1911. Books close at 3 P. M., Friday, September 22nd, and reopen Monday, October 2nd, 1911.

A. E. PFAHLER, Treasurer.

Digitized by Google

United States Investor

Published Every Saturday Morning by

FRANK P. BENNETT & CO., Inc.

SUBSCRIPTION RATES

$5.00 per annum in United States and Mexico; $6.50 per annum in Canada.

$7.00 per annum in England, the Continent, Australia and Countries in the Postal Union.

$10.00 per annum for Investor and Inactive Securities Supplement, including privilege of inserting quotations in the Supplement.

ADVERTISING RATES

Twenty-five cents per agate line. There are fourteen agate lines to the inch.

PUBLICATION OFFICE,
530 Atlantic Avenue, Boston.

NEW YORK OFFICE,
2 Rector Street, New York.
JOSEPH L. BARKER, Manager.

Washington Office, 200 Corcoran Building; Philadelphia Office, 308 Chestnut Street.

Entered at the Post Office at Boston, Mass., as second class matter.

An interesting development of the reciprocity contest in Canada is seen in the visit of Canadian agents to Chicago and New York for the purpose of disposing of securities, largely the municipal bonds of western places. According to report, they have been cordially received, but have been told that the time was still "a little early" and that bankers preferred to await the outcome of the reciprocity struggle. Entirely independent of the reciprocity question, it is an evident fact that a large market for Canadian bonds will undoubtedly develop in the United States as soon as the great possibilities of western Canada become more generally known. Most of the bonds bear good rates of interest, and if their legal position shall be found to be satisfactory, they will be extremely attractive investments. Canadian securities of the better grades are very acceptable in the English markets

Strong dissatisfaction appears to be felt in financial centres generally because of the failure of President Taft to settle the National City Bank case before departing on his western trip. The postponement, as has been noted in the past, seems to mean that nothing can be done before late in November, since the President and his cabinet will not be back in Washington much before that time. There have been rumors of expressions on the part of the President both favorable and adverse to the National City Company, but investigation does not seem to warrant a belief that these rumors have any definite or positive basis. One report that the President will not decide in favor of the National City Company, merely because he does not care to "turn down" Attorney-General Wickersham is shown to be absurd by the decision in the Wiley case during the past few days in which the President very definitely "turned down" the views of his chief law officer.

President Taft's Detroit speech on the trust question does little more than reassert his past positions, but it gathers them together into a form that is much clearer and more consistent than anything he has thus far said. It is notable, too, that besides stating his views on the Sherman Act along precisely the same lines as in the past, he reasserts his belief in a Federal incorporation measure. Meantime, the speech is definite in its statement that all "suspicious" combinations have been ordered investigated, and that those which seem to have laid themselves liable to the law will be prosecuted. With this warning there can be no "uncertainty" in the minds of business organizers as to the attitude of the Federal administration.

MACVEAGH ON PROSPERITY.

Secretary of the Treasury MacVeagh, whose function seems to be largely that of reassuring the business community, has issued an interview in which he offers some soothing reflections and calming advice with regard to the present outlook. Past experience has shown that Secretary MacVeagh's interviews are usually given out at moments when he believes something is wrong, and a MacVeagh interview tends, therefore, to carry some elements of worry to certain minds. But an analysis of his latest outgiving seems to indicate that it is consolatory rather than intended to veil alarming conditions.

The secretary says that the present is a time for national "stock taking" by which he seems to imply that the depression in business is temporary merely, and will be followed by recovery, the interim being wisely spent in a review of conditions and an ascertainment of what has been, and what can be, accomplished. This is quite admissible, but would be more agreeable if the secretary were willing to convey some distinct notion of the means to be employed in recovery. His language appears to imply that such recovery will be spontaneous and even automatic, although he does not expressly say so. If Mr. MacVeagh means to convey the idea that there is no trouble with business and that nothing needs to be done to restore normal conditions, it will be hard to convince the public of any such view. The trouble which now affects general conditions is complex, due in part to lack of good banking facilities, and in part to fear of governmental policies at Washington. If assurance could be given that Congress will adopt desirable legislation on banking within the coming year or 18 months, and that there would be some definite settlement of the trust question, the prospect would be far more encouraging, and the public would agree with the secretary that it could well afford to endure a temporary lull in view of the assurance of speedy resumption of activity. The trouble is that conditions at Washington do not appear to warrant confidence in that sort of recovery. A very great clarification of the political outlook and a very great change in sentiment the country over with regard to business and business methods must occur before complete soundness can be restored. There is no reason to doubt that both of these results will be accomplished, but the accomplishment will require time and will not occur spontaneously, as some, including the Secretary of the Treasury, have been disposed to think might be the case.

Secretary MacVeagh, of course, is sound in his analysis of specific business conditions. The presence of abundant funds in the banks, the fact that the credit situation is clearly sound, and that there is no apparent overextension anywhere, are all facts of reassuring character. They have their unfortunate side, however, since analysis seems to show that there is reason to think the abundant reserves are due to lack of demand for loans rather than to the use of conservative judgment and sound discrimination in selecting paper. As for the National Treasury, which Mr. MacVeagh says is "on easy street", there may be some difference of view given. The secretary knows his own department intimately, and is authority when he says there will be no need for further issues of bonds this year. But the condition of the Treasury cannot be considered a stable thing under present circumstances. There is a distinct probability of tariff changes at the coming session of Congress which will naturally alter the revenue situation, and consequently, the revenue and loan policy of the Treasury. Such changes will not be immediate, but they will be sure. Here again is the same element of uncertainty which underlies what the secretary has said of general business conditions. These facts should be faced, for it is more hopeful to know the real seat of difficulty and begin an effort to correct the trouble than to adopt an over-confident

Digitized by Google

view and wait for conditions to correct themselves.

THE QUESTION OF RE-DISCOUNTS.

One phase of the present banking situation which is meriting and receiving a great deal of attention is the question of re-discounts. The Aldrich plan for banking reform was framed by men who were fully aware of the seriousness of the re-discount situation. In fact, the Aldrich plan itself may be described as a plan for dealing with the re-discount problem, and of providing better means for meeting its requirements. As everyone recognizes, the difficulty of our banking system to-day in times of stress is found in the inability of many producers to get the accommodation to which they are genuinely entitled, while, when such periods become acute in the difficulty they present, they are characterized by favoritism toward given producers, unfairness in selection of paper and other objectionable practices, due to the fact that the banks cannot care for the interests of all, and deem themselves compelled to pick and choose between their customers.

Against such conditions, the Aldrich plan is intended to offer a safeguard. Its remedy is meant to be that of permitting the re-discounting of paper through the intermediation of local associations of banks created with the express purpose of examining and judging local paper offered for rediscount. There have been various contemplated changes and modifications of the plan. By one of these, it would appear that banks are to be permitted to deal with the central organization or reserve association under certain conditions direct, if they desire, without going through the local associations. This feature does not appear to be either certain or fully worked out. But granting that it is to be completely developed and incorporated as an ultimate and fundamental part of the plan, it still leaves open a serious difficulty. This is that much of the re-discount business, especially in times of stress and stringency, must be done through the local associations of banks. That is to say, the local associations are to play the same part heretofore performed by our clearing houses in the past, passing upon one another's paper, and determining how and when it shall be re-discounted.

In this, the Aldrich plan, and all other plans of like character, presents a fundamental element of weakness which can hardly be cured. In times of crisis, bankers have always hesitated about the introduction of the clearing-house certificate plan, which has proved a mainstay of solvency until the last moment. They did so because they naturally hesitated to enter upon a plan which necessarily involved mutual knowledge and self-revelation. When driven to the wall, they have adopted the clearing house certificate method of relief. But this has come only when all else had failed, and when no other remedy was possible. There would be the same hesitation in resorting to the use of the re-discount system provided under the Aldrich plan and its modifications. In other words, the work of the local associations of banks would be restricted by precisely the same considerations that have made the clearing house certificate system slow, costly and unreliable.

The reason why the Aldrich plan has retained this fundamental weakness is not difficult to understand. It has grown out of the belief, nearly universal among practical men, that the adoption of branch banking and the establishment of any system which would permit the banks to deal direct with a central institution, was politically impossible. That may unfortunately be the case, but the public ought to know that there is no royal road to banking reform, and that the essential weakness of the present method of discounting cannot be eliminated without the use of means developed by experience elsewhere, however repugnant to popular prejudice these may be.

FINANCIAL CONDITION OF CANADA.

One range of facts that is of much interest to Americans, developed in the course of the reciprocity struggle in Canada, relates to the financial situation of that country. Americans are disposed to pay relatively little attention to Canadian doings, political, financial or industrial, but the conditions prominently brought to light in the course of the current discussion are of a type that cannot be neglected. It can hardly be doubted that with attention thus focussed upon the outlook in Canada, Americans will begin to study the experience of that country with a view to learning such lessons as it may have to offer.

The striking feature of Canadian business life at the present moment is its unmistakably and actively prosperous condition. There are more places than there are men to fill them, and more business opportunities than there are investors. Land in the West is advancing very rapidly in value, owing in part to the large and steady influx of settlers and the consequent demand, both for land and goods, but owing even more to the fact that the immigrants have brought with them money which they are prepared to spend without much hesitation. Manufacturers are more prosperous than ever before, for the demand for their output is strong and increasing, while they have thus far suffered but little from competition. In consequence, prices are high and rising, for it has not yet been possible to develop the productive equipment of the country to a point that will place it on a parity with its consuming power. These were the conditions under which the United States first developed its own business system, and emerged into the era of rapid expansion which followed the exploitation of the West There is nothing unusual, therefore, about the economic condition of Canada. Progress there is following well known lines. The world needs the great natural resources of the Dominion, and they are being thrown open. Those who are on the spot and in position to take advantage of their chances, are able to profit in a corresponding measure.

But a closer analysis of Canadian methods shows that Canada, while duplicating American experience externally, is far from repeating it internally. Canada now finds herself well able to take advantage of every opportunity within her borders, and to make the most of her resources at the minimum cost. She can do so because of her well-organized, well adopted banking system, which carries the business world successfully over periods of stress where our own ill-contrived, disjointed system with its total lack of note-elasticity hopelessly breaks down. And this banking power has another effect. When American banks are pinched for funds, and are turning to Europe for shipments of gold with which to build up their depleted reserves, Canada has no trouble in getting all the accommodation she desires at English and other banks. In fact, her system is such that needs for more credit are foreseen and are provided for before they occur. The attitude of foreign bankers is far more enthusiastic, more cordial, more helpful toward Canada, with her smaller population and infinitely smaller wealth than it is toward the United States. This, more than any other circumstance, accounts for the steady unflagging prosperity of Canada, free as it is of reaction, of setbacks, and of sudden disturbances to credit and progress. There is no reason why a similar condition should not speedily be produced in the United States. Canada's experience not only points the way to steady success in the management of the credit system, but it also offers important lessons in the theory of banking that have apparently been overlooked by the currency tinkers who are now at work.

Digitized by Google

FIVE-YEAR VOTING TRUST.

(Continued from page 1601.)

conditions exist, because the company instead of being bankrupt is on the top wave of prosperity. The dividend rate of 10 per cent per annum on the common stock has been increased during the past few days by the declaration of a quarterly dividend of 4 per cent to a 16 per cent rate, the company's common stock is selling at very close to the highest point in its history, regardless of general market conditions and the earnings of the company which made a new high record for the fiscal year ending March 31, 1911, are expected to make another new high record this year. August earnings surpassed any previous August in the history of the company.

It is generally believed that a voting trust presupposes a condition in which those who want to control the company for a period of years do not want to be under the obligation of owning enough of the stock to assure their control. Why any one of the insiders who have necessarily made so much money out of International Nickel should not want to continue to hold his stock cannot be divined, and further, it is a matter of current rumor in Wall street that, although the common dividend has just been increased to 16 per cent, the dividend earnings applicable to the payment of dividends on the common stock this year are likely to be around 30 per cent, and that

A FURTHER INCREASE

in the common dividend to 20 per cent is anticipated.

I do not know of any other corporation as large or larger than this where the controlling owners at this time have nothing to contemplate but record high earnings, dividends and market price and even better prospects for the current year, so just why any of them should want to sell or make it possible to sell I cannot figure out.

Of course, it might be that some vital facts with reference to the status of the company may have been withheld or that a temporary slump for some reason may be anticipated, and in order to protect themselves against either contingency the controlling interests want to put themselves in position where they can unload their stock if they want to and still keep possession of the management for the next five years. The character and reputation of the five men who constitute the executive committee, however, does not make such an unflattering inference very reasonable.

One of the significant facts is that although the plan has been officially announced and made effective through a deposit of a majority of the stock, none of the details have been given to the public or sent to the shareholders. Officials of the company state that although the printed form of voting trust agreement as well as the explanatory circular is ready to send out, it has not been mailed, because the new voting trust certificates which are to be exchanged for the outstanding stock certificates have not been received from the printer, and in consequence, as they anticipate a very general acceptance of the plan if the announcements were sent out at this time temporary certificates would have to be given stockholders until such time as the new certificates were ready for delivery. This would, of course, needlessly increase the expense and work of carrying out the programme. It is a fact, however, that the voting trust plan

WAS MADE EFFECTIVE

some time ago through the actual exchange of stock certificates for voting trust certificates by enough of the large holders to assure control, and in this case, temporary certificates were, of course, delivered. The swapping of certificates with the small stockholders is not such an important matter, and there is no necessity in their case for such haste as to require the issuance of temporary certificates.

The company was organized in 1902 and paid its first dividend of 1 per cent on the common stock seven years later, or on September 1, 1909. In its early years the common stock sold at very low prices, and only three years ago sold around 90, as compared with its present price of 240. Of the authorized $12,000,000 of common stock, there is outstanding $11,582,626, so it is very apparent that in the past few years the controlling interests who hold the bulk of the common have a very substantial amount of paper profits.

Comparatively few experienced Wall street men can contemplate an advance of 150 points in three years on any stock they hold without being inclined to realize some of these profits in actual cash, and it would be strange indeed if some of the insiders who had the common stock which cost them little or nothing should not be inclined to dispose of some of it at prices up towards 250.

The increase in the common dividend rate this week from 12 to 16 per cent would naturally

HELP SUCH A PROGRAMME,

and if a considerable amount of the stock were disposed of, the new voting trust scheme will keep the present management in control for five years, during which they should have ample opportunity to replace their holdings if they desire to. It is quite easy, therefore, to theorize on this possibility of the voting trust programme.

There is not any indicated or announced probability of any material

THE PACIFIC COAST COMPANY.

The annual meeting of the stockholders of The Pacific Coast Co. will be held at the office of the Company, 83 Montgomery St., Jersey City, New Jersey, on Wednesday, the 11th day of October, 1911, at 12 o'clock noon, for the election of three Directors for a term of three years, and for the transaction of such other business as may properly come before the meeting. Stock transfer books will be closed at 3 P. M. on Wednesday, the 20th day of September, 1911, and reopened at 10 o'clock A. M., on October 12th, 1911.

CLIFFORD C. FAY, Secretary.

September 1st, 1911.

Stability of Earnings

The operation of several Public Utility corporations by a single management reduces the operating cost because of the numerous economies that can be effected. This means larger and more stable net earnings than could be secured were the same properties operated separately. It also insures better service to the communities in which they operate.

With stability of earnings assured and ample property back of the bonds of such corporations, the only other element desired is a satisfactory return on the investment, and this is supplied in the high-grade bonds of Public Utility corporations that we control and operate and the bonds of which we offer to conservative investors.

Write for Circular

Meikleham & Dinsmore
ENGINEERS & BANKERS
25 BROAD STREET, New York City — 60 State Street, Boston

HIGH GRADE INVESTMENT SECURITIES

GILBERT H. CARR
50 Congress St., Boston.

BODELL & CO.
PROVIDENCE, RHODE ISLAND
Boston Office, 35 Congress St.
Bonds and Preferred Stocks of Proven Value

American Industrials Co.
Broad Exchange Building, New York.
INVESTMENT SECURITIES.
6% Twenty Year First Mortgage Gold Bonds.
7% Preferred Stocks.
8% Preferred Stocks.

Baker, Ayling & Co.
50 Congress street, Boston
INVESTMENT BONDS
Philadelphia Office, Land Title Building

INVESTMENTS
Bonds and Stocks
WM. F. CROSBY,
Tel. 4090. 311 Main St.
WORCESTER, MASS.

Digitized by Google

decline in the company's earnings, while, on the other hand, there is every probability that they will continue to increase. The company has an immense supply of nickel ore estimated at over 20,000,000 tons, as well as copper and other mines, smelting plants, water powers and in fact, every facility to produce and market the output of its rich holdings of mineral property. The fact that the company's earnings at the present time are the best in its history is significant, and it has further been stated by one of the officials that even if there should be a severe decline in the steel business for a long time, the company would not be likely to suffer because of the fact that its operations are so extensively diversified and specialized.

After all the possible theories with reference to the voting trust departure are carefully weighed and most of them found wanting, the conclusion suggests itself that some of the insiders in the company may be getting

SCARED OF EACH OTHER

and may be afraid that one of them might get into a position where he would be compelled to sell his large holdings and thus make possible a change in the existing control. That the insiders and controlling interests in the company at the present time constitute a happy and contented family is generally believed, but assuming that one of these individuals who might be one of the largest holders should hypothecate his holdings for the purpose of outside speculation and thereby lose his stock, a John W Gates might appear, grab the stock, and pick up enough additional holdings of smaller stockholders to constitute control. To obviate any such possibility as this, if the present controlling owners, while they still have possession, exchange their stock certificates for voting trust certificates, the control in the hands of the present efficient management is assured for five years, regardless of what may happen to any individual who may have contributed to that control. In other words, any of them could hypothecate or sell the voting trust certificates without disturbing the management of the company.

That there may be some virtue in this theory is indicated by the fact that one of the very large holders of International Nickel stock, and who has presumably already exchanged his stock for voting trust certificates is known to have had a very disastrous experience recently in

PLAYING THE COTTON MARKET.

Voting trust certificates are not issued very often, but in every case where they have been issued there has been a very clear and obvious reason for the procedure. For example, in the much-inflated Interborough Metropolitan Company, with the stock widely scattered and showing almost every holder a substantial loss, there was no difficulty in renewing the voting trust some months ago, whereby control was placed in the hands of some leading financiers on the theory that something heroic and gigantic would have to be done at some time to pull the shareholders out of the hole, and it would require men of their calibre to do it. In this case, it was not conceivable that any interest wanted to buy enough Interborough Metropolitan stock to constitute anything like actual control, so it really was a matter of kindly consideration and possibly recognition of variously incurred obligations, which induced these men to act as voting trustees for the $133,000,000 of aqueous stock outstanding.

Generally speaking, a voting trust is a desirable thing for the shareholders, although in the case of the Virginia Iron, Coal & Coke Company, it was recently proved that there are times when this is very disadvantageous. The stock of the Virginia Iron, Coal & Coke Company is listed on the New York stock exchange, but after it was listed, a substantial majority was exchanged for voting trust certificates. The voting trust certificates were never listed. A week or so ago, during one of the slump spasms, a large holder of the stock tried to make a private sale of 1,000 shares of his holdings. At that time, the last sale of the stock itself on the stock exchange was at 75, and a bid was secured at 70 for the stock, but for the voting certificates, the best bid obtainable

FOR A 1,000-SHARE LOT.

was 60. This was doubtless on account of the fact that the stock of the company was listed, while the voting certificates were not.

This feature would not be involved in the case of the International Nickel Company, as none of its stock is listed on any exchange, and officials of the company state that there is no immediate prospect of its being listed. In addition, one of the officials told me that in the event that application was ever made to have the stock listed, it would be the voting trust certificates which would be placed on the regular list.

The net earnings of the International Nickel Company during the past three years, has shown rapid progress. For the fiscal year, ending March 31, 1909, the net income was $2,162,694; in 1910, it was $3,339,457, and in 1911 it was $3,775,600. Out of last year's net earnings of $3,775,600, $534,748 was disbursed in preferred stock dividends; $808,778 in common stock dividends, and the balance of $2,432,073 carried to the surplus account. At the same time, nearly $800,000 was set aside for depreciation and sinking funds, so that the company actually earned and set aside for improvement of the property more than double the amount disbursed in dividends.

The preferred stock of the company pays 6 per cent, and is selling at around par, while the present quotation on the common stock is about 240 bid, offered at 245. At present prices, therefore, the common stock yields nearly 7 per cent, but I think there are other securities which can now be bought on as favorable a basis of income yield, which would be more attractive to the investor in any event. It, of course, might be that the new voting trust programme is a bull point in International Nickel common, but if it is, I have not been able to figure it out.

P. De Medici.

Howard Elliott, president of the Northern Pacific Railway Company, who was in Spokane September 13 to 15, said in an interview that he believes the people are beginning to realize that they must give the railroads and manufacturers some time to build up business, instead of defending it all the time. He declared that the construction industry is dull, as a result of constant agitation and excessive legislation, adding that it is time to call a halt. The million men holding railroad securities in the United States, he said, are entitled to returns from their investments, just as a laborer deserves a fair wage for his work. The crusade has been so strenuous in the past that the railroads cannot give the investors the returns they received in other investments, and the result has been the stopping of new work. Mr. Elliott expressed confidence in Spokane, and the tributary country, saying: "The future of Spokane is not a mere speculation, it is faring better at present than many other cities. To say that the Inland Empire will be the home of 25,000,000 people within two centuries is not a guess."

SHEBOYGAN, WIS.—Application has been made at the office of the comptroller of the currency to organize the National City Bank with $100,000 capital stock. C. R. Cronk, R. Kein, C. J. Nehrling, W. Kaufman and A. Hahn are interested.

Before All Else

there is found in every Union Mutual Policy the first and strongest Purpose of Life Insurance.

Protection

Clear, Faithful Reasonable Contracts. Ask for Particulars.

Union Mutual Life Insurance Co.
Portland, Maine

Fred E. Richards, President.

JANUARY 1, 1911
Insurance in force more than $140,000,000
ASSETS - $36,327,679.03
LIABILITIES 33,371,941.25
SURPLUS - $ 2,955,737.78
1910 MOST PROSPEROUS IN HISTORY OF THE COMPANY

HARTFORD LIFE INSURANCE CO.

Chartered 1866 Hartford, Conn.
OFFERS SPLENDID OPPORTUNITIES UNDER DIRECT CONTRACTS.
All Forms of Policies.

THE BOSTON MUTUAL LIFE INSURANCE COMPANY
141 MILK STREET, BOSTON, MASS.

HERBERT O. EDGERTON, Pres. FRANK H. VIELE, Sec'y and Treas.
A corporation operating under the stringent Insurance Law of Massachusetts.
All desirable forms of up-to-date policy contracts issued.
All weekly premium policies in full immediate benefit.
CORRESPONDENCE SOLICITED.

Digitized by Google

The Best Purchases on the Industrial List

As Indicated by the Two Standards of Comparison: of Present Investment Yield on Basis of Current Dividends and Prevailing Market Price, and on Basis of Present Earnings on Prevailing Market Values

The average net yield of the 50 industrial stocks quoted in the following table was 6.70 per cent on September 19, as compared with 6.31 per cent on September 12, 6.30 per cent on January 3, and 5.76 per cent on January 2, 1910. The annual report of the American Linseed Company, covering the year ended July 31, 1911, shows net profit of $484,611, equal to 2.6 per cent earned on the $16,750,000 preferred stock, as compared with 4.3 per cent on the same stock the previous year. In the opinion of the management, when unfavorable conditions under which the company operated are taken into consideration, the gross result is very gratifying. This net revenue has been added to the surplus existing as of July 31, 1910, of $811,568, making a total surplus as of July 31, 1911, of $1,246,179.

The company is in a strong cash position, the excess of current ledger accounts, notes receivable and cash and cash items over current liabilities being upwards of $1,240,000, which is a marked improvement in this regard over the recent annual condition at this season of the year. The company has pursued its usual practice of maintaining the physical condition of its plants in good working order, and charging the expenditures therefore noted to operating account. These expenditures include during the past year a special amount, covering important changes in one of the plants. In the last annual report reference was made to the year then closing as having been without precedent in the history of the company as to the price of flaxseed and linseed oil. The conditions which justified the statement have been present in an even more marked degree during the year just closed. Drouths in the Northwest in the summer and fall of 1910 affected the growth of flax as of all other grains most disastrously, with the result that this country afforded a crop of only about 9,000,000 bushels, as against a normal crop of about 25,000,000 bushels. Furthermore, Argentina, which normally produces a crop somewhat larger than this country, was affected by similar conditions with the result that it yielded a crop of about 16,000,000 bushels, as against a normal crop of about 30,000,000 bushels. Moreover, the conditions of the two previous years has brought about an entirely cleaned-up market, in both seed and oil throughout the world, so that the consumptive capacity of the world in linseed oil attempted to supply itself out of totally inadequate crop yields and almost exhausted oil supplies.

Optimistic predictions are being made by insiders in the Virginia-Carolina Chemical Company concerning the results of the current year, although it is obviously too early to predict the final results with any degree of certainty, inasmuch as the last fiscal period ended as recently as May 31 last, while the greater part of gross sales are made after January 1 of each year. This possibility carries with it hints of an ultimate increase in the common dividend rate, which was reduced from 5 per cent to 3 per cent per annum 2 months ago. However, it is considered hardly probable that the present year will see a return to the 5 per cent rate, no matter how favorable a showing may be made in the matter of earnings, as advantage will be taken of the reduction of the rate to strengthen the company's position.

Stocks	Present dividend	Price	Yield on present price	Present rank	Stocks	Price	Earnings on present price	Year ended	
Am. Cotton Oil, com	5%	51	9.80	1	Geo. Moore Machine, pref	15	6.45	Dec. 31, 1910	
U. S. Rubber, 2d pref	8%	72	8.33	2	Bethlehem Steel, pref	60	7.46	Dec. 31, 1910	
United Dry Goods, com.	8%	101	7.92	3	R. Steel & Tube, com	28	21.45	Dec. 31, 1910	
Republic I. & S., pref...	7%	89	7.87	4	West inghouse, com	42	21.43	Mar. 31, 1911	
Am. Woolen, pref	7%	90	7.77	5	Am. Locomotive, com	31	7.43	June 30, 1911	
Central Leather, pref	7%	92	7.61	6	Am. Beet Sugar, com.	33	20.30	Mar. 31, 1911	
U. S. Realty & Impr.	5%	66	7.58	7	Pressed Steel Car, com.	28	19.93	Dec. 31, 1910	
Pressed Steel Car, pref..	7%	94	7.45	8	Allis-Chalmers, pref	15	17.15	June 30, 1910	
Am. Writing Paper, pref	7%	97	7.41	9	Am. Ag. Chem., com	54	1.89	June 30, 1910	
U. S. Steel, com	50	68	7.35	10	Sugar Refining, com	132	1.50	Dec. 31, 1910	
Nat. Enam. & Stmp. pref	7%	96	7.29	11	Am. Car & Fdy., com	47	13.50	Apr. 30, 1911	
Ry. Steel Spring, pref	7%	98	7.14	12	Am. Ice Sec. Co.	17	14.09	Dec. 31, 1910	
Int. Steam Pump, pref	5%	80	7.08	13	Inter. Harvester, com....	120	1.25	Dec. 31, 1910	
Union Bag & Paper, pref.	4%	58	6.90	14	Am. Woolen, com.....	28	14.47	Dec. 31, 1910	
Va.-Carolina Chem., pref	8%	116	6.90	15	United Fruit	182	14.75	Sept. 30, 1910	
People's Gas	7%	107	6.89	16	U. S. Realty & Impr.	60	13.30	Apr. 30, 1911	
Lacede Gas	7%	103	6.80	17	Am. Cotton Oil, com	51	1.96	Aug. 1 1910	
Am. Smelt. & Ref., pref	7%	103	6.80	18	Colo. Fuel & Iron, com	37	11.85	June 30, 1911	
Crex Carpet	5%	73	6.85	19	Inter. Paper, pref	18	11.80	June 30, 1911	
Am. Locomotive, pref	7%	106	6.60	20	General Electric	157	11.65	Dec. 31, 1910	
National Lead, pref	7%	108	6.48	21	Nat. Enam. & Stmp., com	16	11.55	June 30, 1911	
Pittsburg Steel, Corp.	5%	31	6.45	22	People's G. & C., com	91	11.54	June 30, 1911	
Corn Prod. Refg., pref...	5%	78	6.41	23	Am. Linseed, pref.....	32	7.80	July 31, 1911	
Am. Tobacco, pref.....	6%	94	6.37	24	Union Bag & Paper, pref	58	9.65	Jan. 31, 1911	
Westinghouse, 1st pref.	7%	111	6.30	25	Western Union	87	6.90	Sept. 30, 1911	
National Lead, com.....	7%	49	6.13	26	Corn Products Refg., pref	78	9.05	Feb. 28, 1911	
Mackay Companies, com	5%	82	6.11	27	United Dry Goods, com	50	8.8	July 15, 1911	(6 mos.)
U. S. Steel, pref.....	7%	115	6.1	28	National Lead, pref	108	6.84	Dec. 31, 1910	
Am. Beet Sugar, pref	6%	97	6.19	29	People's Gas	107	6.54	Dec. 31, 1910	
Am. Car & Fdy, pref....	7%	110	6.36	30	U. S. Steel, com	68	8.45	June 30, 1911	(3 mos.)
Am. Sugar, com	7%	116	6.03	31	U. S. Cast Iron Pipe, pref	16	5.47	May 31, 1911	
Am. Sugar, pref	7%	116	6.03	32	Am. Smelt. & Refg., com	89	8.29	Apr. 30, 1911	
Am. Cot. Oil, pref	7%	84	8.33	33	Am. Cot. Oil, pref	84	5.17	Dec. 31, 1910	
Am. Tel. & Tel.	8%	125	6.41	34	N. Y. Air Brake.....	90	5.60	Dec. 31, 1910	
Pacific Coast, com.....	6%	111	5.85	35	Utah Copper	47	7.50	June 30, 1911	(6 mos.)
Am. Ag. Chem., pref...	8%	112	5.68	36	Int. Harvester, com	120	7.25	June 30, 1911	
Inter. Harvester, pref	7%	119	5.88	37	National Biscuit, com	120	7.05	Jan. 31, 1911	
Va.-Carolina Chem., com	8%	54	5.55	38	Am. Tob. & Tel.	96	7.30	June 30, 1911	(6 mos.)
Am. Smelt. & Refg., com	8%	89	5.6	39	American Copper	50	7.00	Apr. 30, 1910	
National Biscuit, com	8%	131	6.1	40	Am. Malt Corp., pref.....	18	6.77	Aug. 31, 1910	
General Electric	8%	151	6.6	41	Distillers Sec. Corp.	30	6.75	Dec. 31, 1910	
Nat. Biscuit, com	8%	132	6.1	42	Mackay Companies, pref	80	6.1	Jan. 1911	
Am. Malt Corp., pref	8%	18	5.56	43	Am. Sugar, com	116	6.20	Dec. 31, 1910	
Inter. Harvester, com	8%	120	6.6	44	Va.-Carolina Chem., com	54	6.66	May 31, 1911	
Consolidated Gas	6%	137	4.51	45	Cal. & Hecla, com	700	6.00	Mar. 31, 1911	
Consolidated Cigar, com	4%	85	4.48	46	Colo. Fuel & Iron, com	37	6.00	Dec. 1, 1910	
Inter. Paper, pref	8%	45	6.6	47	Sloss-Sheffield, com.....	50	6.00	Nov. 30, 1910	
Am. Sugar, com	8%	117	6.6	48	Am. Steel Foundries	30	5.75	Mar. 31, 1911	(8 mos.)
Western Union	8%	87	6.6	49	General Electric, com	151	5.60	Dec. 31, 1910	
Am. Linseed, com	8%	65	6.6	50	U. S. Rubber, com	81	5.60	June 30, 1911	(3 mos.)

Digitized by Google

Papers By Bank Examiners

The following paper by H. N. Morris at the recent San Francisco meeting of bank examiners brings out some very interesting suggestions of the relation of bankers and examiners as given by the examiner.

The Examiner and the Banker.

[By H. N. Morris, National Bank Examiner for San Francisco.]

There is no subject of greater significance to the service than the relation which should exist between the examiner and the bank he examines. It is a subject so hackneyed that it would be impossible to outline any startlingly original theories. If I can set one commonplace over against another in such a way as to suggest to the examiner or the banker any method by which each can better serve their common purpose I shall be satisfied. And, at the outset, is not the fact that the purpose is a common one often disregarded? If examinations are to be of a substantial value, is not the benefit to be shared by the department and by the bank? This brings up at once the first division into which the subject is naturally divided—the personal element in the contact between the examiner and the bank. I shall not presume to suggest to any man how he should conduct himself while at work. We all will agree that there are two extremes to be avoided and a firm middle ground on which to stand.

The arrogant, openly suspicious examiner is sure to meet an equally arrogant banker, one who will resent the slightest criticism either by the department itself or its representative, who will prove an unwilling witness and thus compel the examiner to seek out for himself the information which he must have in order to pass intelligently upon the bank's paper.

A BARRIER

is erected between the two which renders impossible united action looking to a single result. The other extreme is that assumed by the man who seeks personal popularity and is willing to sacrifice duty and belittle his proper authority to gain that object. Inevitably he meets a banker who regards the examination as a joke and will quietly render ineffective any effort to determine the real condition of the bank. Of course, the man who stands on the solid ground between these two pitfalls, who is personally agreeable, but criticises the management severely, if necessary renders the real service to the department and to the bank, while gaining for himself the respect of those whose good opinion is worth having.

In discussing the second division of this subject, that is the proper business relations between the examiner and the bank, the first question which naturally suggests itself is this: What is the primary object of the examination? Are we working for the department or for the bank? Of course, there is only one answer to this question. The whole system of governmental supervision of banks, whether national or state, rests upon the theory that the functions of a bank are of such quasi public character that it becomes the duty of the nation or the state to protect the interests of depositors by imposing reasonable and proper restrictions and fixing certain limitations upon the powers of the managers of banks, and it follows that

THE OBJECT

of the examination is to secure the enforcement of such laws.

The Fourth National Bank
OF THE CITY OF NEW YORK

OFFICERS
JAMES G. CANNON, President
SAMUEL S. CAMPBELL, V. Pres.
CHARLES H. PATTERSON, V. Pres
DANIEL J. ROGERS, Cashier.
E. W. DAVENPORT, Asst. Cashier.
CHARLES E. MEEK, Asst. Cashier.

DIRECTORS:

James G. Cannon	L. F. Loree
Cornelius N. Bliss	Eugene Delano
Robert W. Stuart	M. Orme Wilson
William S. Opdyke	Elbridge G. Snow
T. Frank Manville	Welding Ring
Thos. H. McKittrick	Morton F. Plant
Mortimer L. Schiff	Samuel S. Campbell

CAPITAL AND SURPLUS - $10,000,000

CONDENSED STATEMENT AS OF SEPT. 1, 1911

RESOURCES

Loans and Investments	$3,668,253.62
U. S. Bonds	1,053,710.14
Banking House	300,000.00
Cash	1,461,388.17
	$6,483,351.93

LIABILITIES

Capital Stock	$1,000,000.00
Surplus and Profits	504,166.01
Circulation	800,000.00
Deposits	4,179,185.92
	$6,483,351.93

CHARLES McKNIGHT, President
G. S. MACRUM, Vice-President
J. S. M. PHILLIPS, Cashier
H. C. BURCHINAL, Asst. Cashier

National Bank of Western Penn'a
PITTSBURGH, PA.

MARINE NATIONAL BANK BUFFALO
Capital and Surplus Earnings, - - - $3,500,000.00
Resources, - - - - - - - - - - $33,000,000.00
Accounts of Banks, Corporations and Individuals invited
Collections Given careful and prompt attention.

New York State National Bank
ALBANY, N. Y.
Capital, $500,000 Deposits, $13,000,000 Surplus, $500,000
LEDYARD COGSWELL, President
LEDYARD COGSWELL, JR., 2nd Vice President LAURENCE H. HENDRICKS, Cashier
GEORGE A. WHITE, Asst. Cashier.
OVER 800 BANK DEPOSITORS IN THE UNITED STATES.

NATIONAL METROPOLITAN BANK
OF WASHINGTON, D. C.
Oldest National Bank in the District of Columbia
GEO. W. WHITE - - - President
CUNO H. RUDOLPH - - Vice-President GEORGE O. WALSON - - - Cashier
O H. P. JOHNSON - - - Vice-President I. CALES MOORE - - - - Auditor

The Merchants National Bank Indianapolis Indiana
ESTABLISHED 1865
CAPITAL = = $1,000,000 SURPLUS FUND AND PROFITS, $900,000
Superior facilities for handling items on Indianapolis and State of Indiana.

FIRSTNATIONAL BANK, Denver
Capital and Surplus .....$2,000,000.00 Resources $26,125,124.89
OLDEST BANK IN COLORADO.
A. V. HUNTER, President
THOMAS KEELY, Vice President J. C. HOUSTON, Asst. Cashier
F. G. MOFFAT, Vice President F. J. DENISON, Asst. Cashier
GERALD HUGHES, Vice President D. R. PLATT, Asst. Cashier
C. S. HAUGHWOUT, Cashier G. M. HAUK, Auditor

Digitized by Google

RESERVE BANK EARNINGS.

ALBANY, N. Y.

From Sept. 1, 1910, to Sept. 1, 1911.

Name.	Total earned since Sept. 1, 1910.	Net funds, Sept. 1, 1910.	Net funds, Sept. 1, 1911.	Percentage earned on net funds.	On capital surplus and profits.	On capital.	Annual dividend rate.
Commercial	$176,628	$22,245,513	$24,253,809	.75	6.52	17.66	16
First	60,251	8,118,971	10,034,511	.55	5.90	8.76	6
New York State	77,172	18,296,779	19,747,567	.40	6.45	15.43	12

BALTIMORE, MD.

National Bank of Baltimore	*	$3,964,724	$9,814,345	....	....	....	8
Citizens	**$263,131	11,996,905	13,429,664	2.07	8.65	15.11	20
National Bank of Commerce	55,102	3,658,568	4,301,376	1.38	6.22	11.02	10
Drovers & Mechanics	76,250	7,951,139	8,285,083	0.93	7.01	12.71	10
National Exchange	104,430	6,352,977	6,399,965	1.63	6.10	10.44	8
Farmers & Merchants	56,013	3,877,347	4,139,775	1.39	6.09	8.62	6
First	82,084	7,443,131	7,977,940	1.03	5.28	8.21	7
Howard	25,250	1,782,504	1,636,710	1.47	7.45	10.98	6
Marine	33,211	3,027,933	3,394,868	1.03	5.29	8.30	7
Maryland	44,094	2,853,133	2,947,986	1.54	7.26	8.82	6
National Mechanics	138,130	8,611,204	8,819,968	1.58	6.58	13.81	14
Merchants	140,098	13,863,616	14,462,723	0.96	6.58	9.34	8
Old Town	25,142	1,703,189	1,939,516	1.35	8.82	12.57	6
Second	35,240	2,438,300	2,540,400	1.41	2.76	7.05	5
Union	101,170	4,171,065	4,102,060	2.44	6.26	10.12	7½
Western	58,569	3,368,924	3,788,200	1.64	5.44	11.71	8
National City	17,879	1,282,187	1,846,029	1.14	2.83	3.58	4
Canton	7,436	709,366	783,014	0.99	7.06	7.43	4

* Decrease in surplus. ** Earnings since June 30, 1910.

BOSTON, MASS.

Atlantic	$96,351	$6,461,704	$6,858,650	1.43	7.04	12.72	8
Boylston	48,455	4,279,237	4,149,942	1.15	5.00	6.92	5
Commerce	194,439	16,519,091	20,485,586	1.05	6.50	12.97	6
Commercial	6,756	2,610,848	2,415,637	0.28	1.30	2.70	3
Eliot	120,000	12,855,000	12,895,000	0.93	3.21	12.00	8
First National	854,897	61,332,628	74,261,582	1.19	9.67	28.50	12
First Ward	19,947	1,651,738	1,658,227	1.20	5.14	9.97	8
Fourth	99,969	9,727,641	10,068,238	1.00	5.36	9.99	7
Market	33,018	1,180,700	1,291,461	2.67	7.32	13.21	6
Merchants	230,009	17,968,845	18,915,351	1.73	4.82	10.67	10
Mutual	3,789	1,444,481	1,858,335	2.22	1.84	1.88	..
Old Boston	49,305	3,352,172	3,717,077	1.39	3.90	5.48	5
Peoples	33,270	2,057,880	2,313,780	1.51	6.67	11.09	6
National Rockland	56,393	4,132,319	4,477,353	1.31	6.88	18.80	10
Second	281,176	27,601,256	28,257,174	1.00	5.51	14.06	8
Security	64,000	3,017,000	2,938,000	2.15	5.87	25.60	12
Shawmut	896,401	82,798,254	84,938,867	1.06	10.17	25.67	12
South End	4,940	1,297,000	1,251,277	0.39	1.83	2.47	5
State National	186,417	14,128,765	13,757,655	1.35	5.04	9.41	7
Union	85,336	12,599,925	13,562,252	0.65	3.48	8.53	8
Webster & Atlas	100,000	7,049,997	7,122,000	1.41	4.59	10.00	7
Winthrop	35,248	4,239,359	4,138,505	0.84	4.04	11.75	12
New England	30,657	1,178,405	1,642,461	2.16	9.73	11.26	6

BROOKLYN, N. Y.

First	$78,042	$4,112,000	$4,565,524	1.79	8.14	26.01	10
Manufacturers'	85,847	7,165,206	7,470,258	1.17	7.67	34.06	20
Nassau	150,297	10,897,536	10,930,354	1.41	7.25	15.02	12
National City	52,127	6,445,500	6,263,859	0.82	6.71	17.37	14
People's	14,360	1,499,800	1,646,431	0.91	4.28	7.17	4
Ridgewood	8,831	477,600	630,716	1.59	6.68	8.83	4

BUFFALO, N. Y.

Third	$40,994	$4,220,841	$4,499,604	.91	6.50	8.20	5½
Marine	473,541	25,620,000	31,552,356	1.75	14.34	23.18	12
Manufacturers & Traders	138,500	18,512,777	21,377,442	.64	5.10	13.87	12
Central	41,847	2,078,655	2,251,496	1.85	13.77	20.92	8
Columbia	356,783	10,816,581	15,028,575	2.77	12.02	17.80	12

CLEVELAND, O.

Bank of Commerce N. A.	$215,000	$17,335,398	$18,096,000	.77	5.96	10.75	10
Central	81,760	9,899,120	10,502,216	.80	3.69	4.14	8
Cleveland	*32,502	3,217,251	3,189,365	1.02	5.42	6.58	6
First	212,827	32,003,634	34,960,640	.93	8.20	12.51	8
National City	*50,511	2,300,634	2,302,190	.87	3.42	8.09	8
National Commercial	164,411	8,706,474	7,941,565	1.90	6.80	10.96	8
Union	141,929	14,377,054	15,497,790	.81	5.51	8.87	8

* Earnings since June 30, 1910.

But while no conscientious examiner would forget his obligations to the department, if that should seem to conflict with the demands of the banker, it will not be questioned that at many points there is, or need be, no conflict, and that the examiner is in duty bound to render such service as he can to the bank itself. I have in mind, to serve for purpose of illustration, a certain bank. Its management is beyond criticism, its money loaned by the officers, under the constant and critical supervision of an able discount committee, with such extraordinary success that it has lost but a few hundred dollars in the past three years, and its note case does not contain a piece of paper which the officers believe to be, or the examiner could discover to be, in any way doubtful. The bank adheres strictly to the policy of observing the requirements of the National Bank Act in every detail. At the last examination, its overdrafts were trifling in amount, it had but one real estate loan and that legitimate, there were no excess loans. The examiner was compelled to report that any criticism of this bank would be merely captious. It is almost inconceivable that anything could take place in such a bank which might endanger the safety of deposits.

Doubtless, there are many banks scattered through these two states which are relatively as strong. Now the last charge which anyone of us would be willing to admit as true is that his examination even of such a bank may become perfunctory, and, therefore, valueless to the department. Yet it must be admitted by all that governmental supervision of such an association involves little more than a recurring investigation to determine whether or not the conditions above outlined continue. But the bank pays the examiner a fee running well up into the hundreds, and the examiner should feel, I think, that he

IS UNDER OBLIGATIONS

to render such service as he can in return.

We are very fond of saying with great emphasis that examiners are not auditors. Personally, on one or two occasions, I have found this statement a very convenient and, let us hope, convincing way of avoiding the confession that I was unable to audit certain unusual systems of accounting without more study than time permitted. The statement is a true one. It is not our duty, as I view it, to make that minute investigation which is necessary to discover irregularities or thefts by employes which often escape the attention of auditors who are constantly employed for that very purpose. A few months ago one of the San Francisco morning papers in commenting upon a recent bank defalcation said editorially: "As usual after a big shortage in a national bank, the news follows that the bank examiner has arrived and will begin an investigation. If the examiners would ever get in the habit of arriving and investigating before the thief absconds the stockholders would feel like giving them a box in the theatre". The effect of such comment is two-fold. First, it creates a total misconception in the public mind of what the duty of an examiner is, and second, it tends to encourage that public distrust

Digitized by Google

of banks which is one of the most unfortunate results of the hysterical attacks now so prevalent on all quasi public institutions. But, surely, we are not relieved of the obligation to the association as well as to the department of checking as many departments of the bank's internal management as is at all practicable. The mere sending out of a lot of reconcilements and comparing same when returned may, perhaps, fill the strict requirements of the report blank, but it does not go to the full length of one's duty to the bank. An eastern man once told me that upon being instructed to take up the work of an examiner who had died, he had inquired of his predecessor's son whether there were any supplies on hand, and had received the answer that there were several barrels of letters addressed to the late official down in the cellar which had not been opened. None of us would fail to verify the bank's statement that certain of its bonds were deposited with the state or county treasurer or its eastern correspondents. It is to be assumed that we do not make any

MENTAL RESERVATIONS

when we answer yes to the questions on the back of our reports, and when we have done that we have complied with the letter of the law. But he is a very dense, unobserving or negligent examiner who does not get from one bank ideas which will be of value to another and who does not earnestly study those methods in each bank which his judgment approves, for the distinct purpose of suggesting improvement in the methods of all banks in his district. I will illustrate by riding my own hobby. Some time since I suggested to every bank in my district that the best way in which the active and intelligent participation of directors in the making of loans can be secured is to have the discount committee keep its minutes and each member sign his name to the record. In no single instance has the suggestion been disregarded as to its essentials, and the result is that no money, unless in very small amounts, goes out of these banks without the written consent of at least five directors. We all examine banks which do not use in every instance a special form of note when the same is secured by collateral. Not only is this the source of annoyance to the examiner, but to the directors, especially the examining committee, as well. One note teller for his own convenience devised the simple plan of stamping on every such note the letter "C" with a ring around it, and his idea has appealed to the management of nearly every bank in the region. The large city banks which employ their own auditors

WELCOME AN EXAMINER,

because they feel that when he is through they have had a check upon their own check.

I shall not go into the details further, because we have upon our programme papers bringing out methods of accomplishing results along these lines, but which we are not required to investigate by the strict letter of our instructions. The fact is that we can serve two masters the department and the bank, by consistently recommending to every bank management those methods which have proven advan-

CINCINNATI, O.

From Sept. 1, 1910, to Sept. 1, 1911.

Name.	Total earned since Sept. 1, 1910.	Net funds, Sept. 1, 1910.	Net funds, Sept. 1, 1911.	Percentage earned on net funds. On capital surplus and profits.	On capital.	Annual dividend rate.
First	$690,790	$34,052,455	$34,376,809	2.01	8.39	11.61	10
Second	*	9,352,822	10,169,257	*	*	*	12
Fourth	46,945	4,545,352	5,267,842	.96	3.59	9.38	8
Fifth-Third	272,817	20,467,973	21,465,318	1.30	6.04	9.09	10
Atlas	60,000	5,594,100	5,296,000	1.00	5.58	13.50	10
Citizens	221,287	11,179,405	10,852,137	2.00	5.40	11.06	10
German	56,232	6,792,000	7,242,703	.80	4.35	11.25	10
Market	92,522	5,710,603	6,575,159	1.50	9.55	18.50	10

* Decrease in surplus.

COLUMBUS, O.

City	$21,471	$2,017,953	$2,099,443	1.04	5.52	7.16	6
Commercial	54,172	3,273,190	3,647,496	1.59	9.61	18.06	12
Hayden-Clinton	79,017	5,088,306	4,947,449	1.59	7.23	11.29	8
Huntington	43,454	2,198,967	2,170,282	1.99	8.69	10.86	8
National Bank of Commerce	20,646	1,395,553	1,473,175	1.44	8.00	10.32	6
New First	46,044	5,756,426	5,988,845	.79	6.11	9.21	10
Ohio	44,067	5,368,553	6,125,567	.78	5.48	11.02	10
Union	49,547	3,767,257	3,933,308	1.41	5.79	6.61	6
Central	14,827	1,305,336	1,327,651	1.11	6.62	7.41	5

DALLAS, TEX.

American Exchange	$315,543	$9,781,611	$10,079,402	3.17	15.37	21.55	16
City	272,083	7,551,683	8,405,996	3.41	13.11	27.21	20
Commerce	24,750	1,415,928	1,552,558	1.67	9.34	16.50	5
Commonwealth	23,093	3,629,063	3,488,206	0.65	2.77	4.62	..

DENVER, COLO.

Capitol	$55,574	$3,522,123	$3,644,308	1.55	9.50	18.52	6
Colorado	82,983	16,480,385	16,603,046	0.50	5.82	16.60	..
United States	81,527	5,399,150	4,903,333	1.58	12.86	23.29	10
Central	*	2,347,027	2,206,130	....	....	....	8
Denver	201,076	11,334,745	11,806,266	1.73	11.72	26.81	0
First	57,739	21,549,583	20,098,674	2.79	2.02	5.77	0

* Capital changed during year.

DETROIT, MICH.

First	$292,875	$21,563,120	$24,568,934	1.22	8.73	14.14	8
Old Detroit	123,071	17,347,011	21,123,145	.63	6.26	12.31	*3
National Bank of Commerce	116,069	7,101,426	9,365,352	1.40	11.18	15.48	8
American Exchange	**	4,544,526	.....	....	....	....	..

* Plus 3 extra. ** Absorbed by Old Detroit National Bank.

FORT WORTH, TEX.

American	*$38,536	$1,233,934	$1,245,423	3.11	13.11	25.69	10
Forth Worth	143,086	4,431,823	4,524,909	3.19	12.17	28.62	10
State	26,658	1,727,230	1,632,115	2.12	6.02	17.53	14
Stockyards	26,700	1,214,700	1,457,400	2.75	14.29	18.35	8
Traders	24,746	710,054	863,700	3.00	9.29	19.80	12

* Earnings since June 30, 1910.

GALVESTON, TEX.

City	$40,958	$1,777,006	$4,249,007	1.35	15.11	30.48	0
First	.....	1,558,368	.....	....	....	....	6

HOUSTON, TEX.

Houston National Exchange	$49,000	$3,065,198	$3,944,000	1.96	16.44	24.50	0
South Texas	136,498	4,842,575	6,089,036	2.49	16.27	27.30	10
Commercial	.....	4,958,175	.....	....	....	....	12
First	.....	7,758,548	.....	....	....	....	10
Lumbermans	27,000	4,435,196	3,728,920	0.66	4.45	6.75	8
Union	139,334	9,379,934	9,586,620	1.43	10.67	13.93	10

INDIANAPOLIS, IND.

Capital	$101,685	$7,669,838	$8,574,943	1.25	7.09	10.17	6
Columbia	30,745	2,585,804	2,532,112	1.20	5.87	6.15	5
Fletcher-American	321,651	21,317,127	18,289,247	1.65	10.82	16 23	10
Indiana	188,530	9,847,894	10,356,729	1.86	8.53	18.45	6
Union	23,883	2,297,416	2,152,177	1.07	5.21	5 97	5
Merchants	98,372	8,642,558	8,714,197	1.13	5.18	9.84	7
Continental	10,118	1,553,394	2,290,952	0.34	2.33	2.52	0

Digitized by Google

KANSAS CITY, MO.

From Sept. 1, 1910, to Sept. 1, 1911.

Name.	Total earned since Sept. 1, 1910.	Net funds, Sept. 1, 1910.	Net funds, Sept 1, 1911.	Percentage earned on net funds.	On capital surplus and profits.	On capital.	Annual dividend rate.
Drovers	$39,912	$851,440	$1,689,871	3.16	6.65	13.30	0
Peoples	**	850,000	850,932	....	....	....	..
Interstate	160,897	8,678,589	9,277,887	1.79	10.68	32.18	30
First	*	27,121,954	28,028,227	....	....	....	20
New England	138,920	12,717,096	14,339,272	1.01	11.15	27.78	12
National Bank of Republic	59,291	4,318,071	4,742,628	1.46	10.53	12.88	6
Security	9,162	1,182,116	1,240,000	0.74	3.41	4.58	6
National Bank of Commerce	88,503	21,851,817	22,856,424	0.39	3.46	4.43	0
Southwest	113,000	9,661,132	10,854,000	1.10	9.03	11.30	0
National Reserve	109,424	6,561,727	7,701,127	1.53	7.82	9.11	6
Traders	21,108	3,334,300	2,983,400	0.66	9.02	10.55	7
Commercial	55,701	5,289,882	6,457,888	0.93	9.96	18.37	12
Gate City	2,659	1,203,030	1,376,424	0.30	1.12	1.33	4

* Capital increased during year. ** Decrease in surplus.

LINCOLN, NEB.

First	$75,367	$4,092,380	$4,666,747	1.72	10.69	18.84	12
City	48,146	1,765,183	1,999,732	2.56	15.11	19.37	16

LOS ANGELES, CAL.

Central	$38,712	2,590,662	$2,902,158	1.42	7.13	12.90	12
Farmers & Merchants	.....	14,556,767	.....	....	....	....	..
First	*	17,240,574	20,077,802	....	....	....	20
National Bank of Commerce	12,674	960,752	1,068,072	1.25	5.64	6.34	6
United States	20,530	1,321,876	1,422,719	1.49	7.33	10.27	6

* Capital increased during year.

LOUISVILLE, KY.

American	$88,181	$5,083,663	$5,055,660	1.73	8.73	11.42	6
Citizens	80,714	4,566,279	4,286,867	1.86	7.33	16.14	8
First	*	2,479,318	2,911,585	....	....	....	8
Louisville National Bank'g Co.	12,860	2,240,038	2,625,000	0.53	3.60	5.14	6
National Bank of Commerce	92,128	4,750,625	5,331,191	1.83	8.02	11.52	8
National Bank of Kentucky	196,991	8,401,466	9,175,302	2.32	6.31	11.37	8
Southern	15,746	4,254,682	4,277,051	0.36	2.74	3.15	8
Union	53,442	4,750,702	5,136,448	1.08	5.18	10.69	10

* Decrease in surplus.

MILWAUKEE, WIS.

First	*	$19,817,170	$23,138,945	....	....	....	8
Germania	$35,144	4,349,224	4,796,604	0.76	8.72	11.51	5
Marine	78,729	6,145,111	6,572,800	1.23	7.17	15.75	10
Milwaukee	15,431	2,691,942	3,587,225	0.42	1.47	3.43	7
National Exchange	58,705	5,631,731	6,267,270	1.00	5.73	11.94	8
Wisconsin	190,967	20,432,804	21,858,542	0.89	5.81	9.55	10

* Capital increased during year.

MINNEAPOLIS, MINN.

First	$378,560	$21,697,000	$24,287,200	1.34	7.58	16.43	*10
Metropolitan	**	940,323	1,594,756	....	....	....	6
Northwestern	267,658	20,317,763	23,073,577	1.25	6.94	12.26	10
Scandinavian-American	11,200	2,000,000	3,000,000	0.81	7.56	8.24	..
Security	431,141	20,111,000	20,180,054	2.14	15.51	43.11	12

* Capital increased. ** Consolidated with the Germania Bank.

NEW ORLEANS, LA.

Commercial	$57,658	$3,551,389	$4,161,965	1.43	8.21	19.22	10
Germania-American	109,000	8,170,140	6,675,213	1.45	6.51	10.91	8
New Orleans	9,750	1,287,447	1,253,507	0.22	.61	.74	..
New Orleans	91,225	5,681,904	5,767,347	1.58	5.93	9.42	8
Whitney Central	261,661	15,177,677	21,125,080	1.45	6.42	10.59	10

OMAHA, NEB.

Omaha	$120,398	$12,378,765	$14,190,989	.45	7.73	12.04	8
First	101,606	12,048,067	13,510,219	.79	7.23	20.32	10
Nebraska	13,013	2,293,164	2,321,628	.57	4.21	6.51	8
United States	175,861	12,761,731	12,799,731	1.68	10.34	22.63	8
Merchants	129,695	7,369,181	7,397,940	1.84	13.94	27.83	8
City	11,000	2,524,500	2,532,500	.43	1.86	2.30	6
Corn Exchange	*19,455	1,498,329	1,634,750	1.20	6.38	6.49	..

* Earnings since June 30, 1910.

takeous in each. Of course, it is assumed that in so doing every man has that judgment and sense of propriety which will prevent him from being a mere tale bearer or busy-body. Any measure of success in this direction presupposes the cordial co-operation of bank officers and directors, and that can only be secured by earning it. The ignorance of many country bank officers and of a large proportion of such directors is abysmal. But is there anyone here who will say that when he has approached such officials with the manifest purpose of being helpful without being unnecessarily dictatorial, he failed to find them eager to receive suggestions which will enable them to perform their duties more intelligently?

There is one element in the way in which we do our work as individuals which

SPELLS SUCCESS OR FAILURE.

It may be summed up in the one word "enthusiasm". The laziest man I ever knew was a lawyer. He seemed to be aggrieved when a client brought him professional employment which involved any kind of mental or physical effort. Yet that same man would whip a trout stream all day long or play 36 holes on the golf course with no sense of weariness. The point is that he was an indifferent lawyer, but an enthusiastic sportsman, and, naturally, success followed upon enthusiasm. So, I am sure, it is with all of us. If a man takes up the work of examining banks merely as a means to an end or keeps his eye on the fee before him too closely, he can hardly expect that measure of success which he does not merit. One cannot keep himself keyed up to the highest pitch all the time, in every bank. It is against the inevitable reaction that I, for one, must guard myself,—the time when routine work becomes rather wearisome to the flesh and the mind revolts against the necessity of verifying notes or cash or collateral which we feel morally certain are correct.

But if one's enthusiasm for his work sags at times, he can often stimulate it by seriously considering what real, efficient bank examinations mean in these days of public unrest. No man is justified in glorying in his own work, but we are all justified in keeping constantly before us the thought that it is a great thing to be charged with the responsibility of protecting the deposits of the people of the country, and, in a broad sense, of maintaining at the highest point of efficiency and of down-right, old fashioned honesty the financial institutions upon which the whole fabric of modern business rests.

I would not in this presence say anything which might suggest

AN INVIDIOUS COMPARISON

between the state and national systems even if I were sure that the benefits resulting from the latter predominate. But we of the national service may well take pleasure in the fact that of the 7,000 banks operating under the national system, but seven were placed in charge of receivers during the year ending October 31, 1910, and that there were but four actual failures, the others being merely temporary suspensions. That this

Digitized by Google

most satisfactory record is the result, in part, at least, of efficient supervision no one will question.

We are but small cogs in the big wheel, and yet we are in a large sense independent each in his own district. Is not the fact sufficient to send us out from this meeting to another year's work with the fixed determination that not through our neglect shall a single national bank in our respective districts add one name to the roll of insolvent associations?

Bank Organization.

[By McLaren Bibb, Jr., Secretary Alabama Bankers Association.]

The Ancient worthy, who first suggested the folly of carrying coals to New Castle, no doubt, had in mind the day would come when a country banker would accept the invitation of the chairman of the national bank examiners of this district to discuss before them matters connected with banking. I am not reluctant to justify the wisdom of that worthy's foresight, because the acceptance of the invitation was the only excuse I could find to get here, and being here I expect to profit largely by your proceedings, however little you may gain from my impromptu participation in them.

As all of us will recall, once upon a time Gaul was divided into three parts. Gaul finds its modern prototype in banking. Banking is divided into three parts too—organization, management and liquidation. Of these three, I am inclined to believe bank organization the most important. Given a well-organized bank, and it is clear that liquidation will rarely follow while the management is taken care of by the men to whose standing, ability and character the original ground organization is a tribute.

In the social world, divorce has become to be recognized as a national evil. What divorce is to society, bank failures are to finance. Just as students of the social problem have discovered that to correct the abuses of divorce we must go back and throw greater safeguards about the execution of the marriage contract, so have the comptroller of the currency and a few state bank superintendents come to know that the best way

TO CURE BANK FAILURES

is to begin the treatment during the period of gestation, immediately after application for a charter.

It was not so many months ago when charters were granted state and national, as a matter of course. That the required capital was subscribed, appeared the only essential, and even here it was not always the case that capital has been subscribed bona fide in cash or its equivalent. We should not be disposed to too severely criticise officials responsible for this easy-going practice. Many places developed faster than their banking facilities. The need for banks was so great that any old sort of response to that need was better than none at all. It is because this condition, if it exists anywhere today, is a rare exception, that in objecting to recent rulings on the subject of bank organization, it is not enough to point out that had such regulations been formerly required, many places now en-

PHILADELPHIA, PA.

From Sept. 1, 1910, to Sept. 1, 1911.

Name.	Total earned since Sept. 1, 1910	Net funds, Sept. 1, 1911	Net funds, Sept. 1, 1910	Percentage earned on net funds	On capital surplus and profits	On capital	Annual dividend rate
Bank of North America	$142,670	$17,313,100	$15,682,908	.79	3.90	14.28	12
Centennial	30,276	4,187,511	4,178,774	1.44	6.12	17.73	12
Central Nat'l	215,332	21,140,521	22,710,756	.97	5.58	21.53	16
Corn Exchange	217,003	25,030,278	24,532,900	.90	8.70	21.90	10
Eighth *	81,319	4,346,300	4,402,994	1.86	6.56	20.64	12
Farmers & Mechanics	170,549	17,356,042	18,291,256	1.61	5.91	8.52	7
First	182,963	25,302,719	25,781,591	.70	6.42	12.83	10
Fourth Street	190,651	28,364,711	29,206,582	.82	5.95	17.68	14
Franklin	280,386	32,170,516	38,570,648	.72	4.68	28.53	16
Girard	505,211	42,470,500	46,644,069	1.21	8.82	27.26	14
Kensington	95,572	2,052,189	2,074,187	1.28	4.62	10.62	8
Manayunk **	40,650	2,504,041	2,502,283	1.61	6.36	20.32	12
Manufacturers	42,746	2,020,308	2,718,115	1.60	4.70	8.50	6
Market Street	102,811	12,521,971	12,598,948	.82	4.74	10.25	8
National Bank Germantown	25,868	2,202,411	2,283,149	.77	3.40	8.50	12
National Bank Liberties	69,782	4,740,969	4,853,913	1.48	4.83	11.91	12
National Security	70,266	4,922,507	4,960,768	1.37	6.60	28.10	14
Ninth	28,969	4,066,078	4,311,457	.69	3.11	9.64	10
Northern	23,265	2,202,482	2,874,156	.80	5.64	11.61	7
Northwestern **	66,467	3,513,121	3,802,405	1.76	8.07	33.23	12
Penn	126,481	7,380,748	7,224,940	1.74	6.78	35.59	12
Philadelphia	285,000	25,711,252	25,560,001	.86	6.24	22.52	16
Quaker City	54,493	3,295,100	3,284,644	1.52	5.76	10.81	8
Second	52,485	2,526,108	2,501,301	1.15	6.71	10.50	10
Southwark	20,653	2,413,881	2,909,183	1.23	5.17	8.26	8
Southwestern	11,807	1,551,515	1,521,829	.94	3.22	5.90	6
Tenth	20,427	1,437,205	1,455,855	1.41	6.12	8.28	8
Textile	9,087	1,010,070	1,006,018	.20	1.02	1.64	6
Third	97,612	8,151,887	6,601,158	1.20	6.30	16.28	12
Tradesmens	70,934	6,000,384	7,445,370	.92	5.78	14.16	10
Union	48,292	7,411,805	8,303,285	.58	1.50	8.65	8
Western	68,882	5,411,862	5,472,817	1.25	8.32	11.48	6

* Extra dividend of 4%. ** Extra dividend of 2%. a Capital increased during the period from $[illegible] to $[illegible], exclusive of premium on new stock, as above, making total capital equal [illegible].

PITTSBURGH, PA.

Bank of Pittsburgh	$121,083	$[illegible]	$24,581,696	1.74	7.52	17.57	12
[illegible]	**	[illegible]	[illegible]	**	**	**	[illegible]
[illegible]	2,012	2,491,073	2,719,870	0.96	4.46	8.92	[illegible]
[illegible]	60,016	7,500,773	7,450,271	0.80	2.71	10.42	[illegible]
[illegible]	[illegible]	6,111,408	6,[illegible]	1.16	6.57	13.[illegible]	12
[illegible]	[illegible]	6,612,458	[illegible]	1.48	5.82	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	118,078	[illegible]	[illegible]	1.80	[illegible]	[illegible]	12
[illegible]	**	[illegible]	[illegible]	**	**	**	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

joying excellent banking facilities might still be without them.

To illustrate this by a concrete example: In my home county I started the first bank in a territory of over 600 square miles, comprising this county. That territory needed banking facilities, and could not have then obtained them had not steps been taken, which, if duplicated in 1911, might be contrary to the attitude of the comptroller. But since 1902, six other banks have been established there, making seven in all. Manifestly, it must be admitted that the status of financial affairs has changed sufficiently to warrant the application of regulations, which would have been ill-timed nine years ago. What is true of St. Clair county, Alabama, is to a greater or less extent true of every county and city in that state and the entire South.

To pass from this brief reference to the wisdom of the now declared policies of the comptroller, let us proceed to the consideration of your action in carrying out these policies. The first thing, of course, is to

DETERMINE THE CHARACTER,

ability, experience and financial strength of the subscribers to the capital with especial regard to those of the subscribers who will become directly responsible for the safety and success of the institution. If the location has been up to this time a non-bank town, your inquiries must be directed to bankers and business men in adjacent cities. There is nothing mysterious about banking. Success at it requires talents neither unusual in degree nor unique in kind. Given a half dozen business men, retailers, country merchants, people who stand well in the rating agencies and with near-by wholesalers, add to them capital, a cashier, and mix well with a set of by-laws suited to the situation, and the result is bound to be a sturdy bank, well meriting the confidence of the community.

If the proposed organization is in a town already enjoying the service of one or more banks, your investigations become the more difficult and embarrassing. On the one hand, you will be faced by biased opinions of men in sympathy with the established banks, and hence, hostile to the new one. On the other hand, you will be confronted by biased opinions held by men with a grudge against the established bank, and consequently, eager to grease the ways for launching a competitor. Between the two horns of this dilemma, my judgment would be to choose neither. You must sift out the facts, and weigh statements, balancing probabilities on the same basis followed by a jury of 12 men, who somehow manage to meet on a united and just verdict with the evidence before them in hopeless conflict.

Granting then that the character of the organizers may be fairly said to inspire the confidence of the community, you must next pass upon the second question: Are further banking facilities required for the convenient transaction of the business of the locality? On this point, less weight should be given the ipse dixit of individuals. The condition and figures

ST. JOSEPH, MO.

From Sept. 1, 1910, to Sept. 1, 1911.

Name.	Total earned since Sept. 1, 1910.	Net funds, Sept. 1, 1910.	Net funds, Sept. 1, 1911.	Percentage earned on net funds.	On capital surplus and profits.	On capital.	Annual dividend rate.
Burns	.....	.....	.....	....	....	....	6
First of Buchanan County	.....	.....	.....	....	....	....	8
German-American	$46,647	$1,579,478	$5,018,147	.96	13.53	25.72	8
Tootle-Lemon	.....	4,248,000	4,732,000	....	....	....	..

ST. PAUL, MINN.

American	$40,519	$1,957,386	$2,132,743	1.98	16.14	20.26	6
Capital	44,077	5,817,453	5,933,776	.77	6.66	8.81	6
First	198,967	12,712,861	13,242,723	1.53	9.10	19.80	12
Merchants	183,241	10,257,467	11,116,276	.85	9.90	18.32	10
National German-American	227,771	13,734,168	11,691,480	1.79	11.38	22.77	10
Second	82,342	4,256,695	4,027,147	1.98	9.57	25.68	10

SALT LAKE CITY, UTAH.

Continental	.....	.....	.....	....	....	....	8
Deseret	$100,568	$1,334,671	$3,964,181	2.64	9.81	21.91	*12
Utah	.....	2,719,087	.....	....	....	....	8
National Bank of Republic	.....	.....	.....	....	....	....	8

* Plus 5% extra.

SAN FRANCISCO, CAL.

American	*	$7,884,681	$7,025,734	....	....	....	7
Crocker	**	23,606,530	22,982,997	....	....	....	8
Anglo-London-Paris	$185,141	28,075,692	31,537,300	0.62	3.27	4.63	8
First	149,601	17,139,717	17,166,849	0.87	3.08	4.99	10
Merchants	74,181	2,283,993	2,522,256	3.15	13.00	14.84	6
Seaboard	30,046	1,533,274	1,641,992	1.83	5.79	12.01	6
Wells-Fargo-Nevada	486,262	38,049,935	36,032,307	1.31	4.31	5.10	8
Western	*	3,171,644	5,017,265	....	....	....	..
Mercantile	204,103	13,129,861	14,385,979	1.49	6.65	10.21	10
Bank of California N. A.	765,748	47,839,367	52,904,920	1.52	4.69	9.01	9

* Decrease in surplus. ** Capital increased during year.

SEATTLE, WASH.

First	$33,204	$4,142,447	$3,736,892	0.84	9.00	11.07	10
Seattle	196,597	16,208,572	15,908,918	1.22	15.24	19.66	30
National Bank of Commerce	301,530	14,909,077	14,049,099	1.42	9.58	20.15	16
Citizens	8,427	709,161	678,528	1.17	3.68	4.21	8

SPOKANE, WASH.

Exchange	$147,786	$6,732,267	$5,647,016	2.38	10.90	14.78	12
Traders	146,671	7,107,033	6,156,823	2.21	11.45	14.67	14
Old National	179,133	9,477,571	10,232,263	1.82	12.62	17.91	10
Fidelity	16,000	1,552,242	1,897,000	0.92	6.40	8.00	8

TOLEDO, O.

Commerce	$79,123	$8,001,317	$8,904,434	0.91	6.30	7.91	6
Second	189,237	9,097,486	9,485,022	2.03	7.01	18.92	8
First	85,179	4,516,000	5,585,277	1.68	5.96	17.03	10
Northern	100,583	4,943,404	4,684,857	2.09	7.10	10.06	6

WASHINGTON, D. C.

American	$117,068	$3,162,640	$3,105,586	3.73	16.77	23.01	8
Riggs	285,...	1,758,647	12,...	1.37	9.81	28.44	20
Columbia	34,000	1,...	1,...	1.41	6.38	13.66	10
Commercial	*	1,...	6,...	....	....	....	8
Farmers & Mechanics	38,...	1,...	1,...	1.23	5.87	15.35	12
Lincoln	12,...	1,...	1,400,138	.85	3.05	4.01	6
National Capital	10,...	1,...	1,...	.42	2.33	5.28	..
National Metropolitan	80,...	1,...	1,...	1.56	5.66	10.00	8
Second	27,...	1,...	2,...	....	4.91	7.41	8
National Bank of Washington	174,...	4,...	5,...	3.22	10.07	16.61	16
District	41,...	1,...	1,...	2.60	10.10	11.19	6

* Capital increased during year.

Digitized by Google

H. Dangel & Company

BANK CHECKS OF EVERY DESCRIPTION

We carry in stock a full line of bank supplies, coin bags, coin wrappers, bill straps and so on.

29 Otis Street, - - - - Boston, Mass.

of the bank or banks already established furnish the

MOST CONCLUSIVE PROOF.

Considerable force must also be allowed to the programme adopted by the new bank in completing its subscription list. If it is shown that the demand has resulted from the activity of promoters, strangers to the soil, promoters, whose chief interest arises from profits derived from the sale of stock, or in the purchase of equipment and supplies, or in salaries to be paid without returning a substantial quid pro quo in the way of labor done or supervision exercised, you may well approach this phase of the case a doubter, like Thomas.

But supposing that the organizers are all local men, free of these entangling alliances, the decision finally resolves itself down to the nature and volume of the established bank's loans and discounts and bills payable. Show me the bank that carries in its case a considerable number of maximum loans, and whose bills payable for several months in the year reach the legal limits, or the limits imposed by safety, and the chances are strongly in favor of additional facilities being required. If the established bank fails to meet this demand by an increase in capital, if it has been constantly pressing upon its own resources to meet the legitimate trade demands of its territory, or local business men to gain the accommodation called for by their responsibility and collateral are compelled to carry divided accounts, you are safe to conclude the new organization is entitled to recognition.

Your decision upon this

PERPLEXING PROBLEM

is important enough to deserve your most prayerful thought and duty. Inadequate banking facilities impose a hardship that legitimate business should not be permitted to suffer. Too many banks endanger stability of older organizations, whose methods have been unquestioned, and whose soundness has been a delight to the examiner. Say what you will, deny as strenuously as you may, the fact still remains that bank officers and directors are engaged in earning dividends upon capital, and setting aside undivided profits for the rainy day. That is the spur driven deep into the financial beast by its driver, the stockholder. It is a stimulus that the most conservative bank manager cannot resist, although he be proof to the temptations of stock speculation. To dwindling profits, caused by the too rapid multiplication of banks, can be charged the recklessness of many a bank officer, whose natural tendencies are conservative.

Just one word more. The subject more properly belongs to management than organization; yet, after all, it must go back to the first causes of things. Admitting that the organizers meet the strictest tests, and that the locality requires the proposed bank, one element yet remains; to plant deep the system whereby the bank's affairs are to be conducted and supervised. The position of director in a bank is even now not well understood. By many it is regarded as a distinction without responsibility. Directors look to the active officers to manage the bank. As to their own duties, they are either

IGNORANT OR INDIFFERENT.

As a result of this condition, many banks are one-man concerns, successful or failures, according to the ability or weakness of the cashier or president.

To correct this admittedly unwholesome condition, bank examiners should drive home upon newly elected directors the tremendous responsibility they have assumed. Your effort should be to see to it that no loans are granted, except within limits of credit agreed upon by the board in advance, and duly entered upon the liability ledger, or without the application for accommodations being held up until it can be passed upon by the discount committee. I believe in this system so strongly that I do not think the comptroller has gone far enough in the general form of by-laws, which must be adopted by new organizations or old ones, if their equivalent is not already in force.

By the terms of this general form, the full board meets once a month, but no provision is made for meetings of the discount committee. The by-laws should require that this committee, consisting of not less than three board members, other than active officers, must meet at least once a week at a stated hour, unless it meets more often. Every request for funds should be referred to this committee, and customers educated to the point where they will learn to anticipate their needs, instead of expecting, as is the case so frequently now, to execute the note on the spot, and have proceeds placed to their credit forthwith on the sole and single responsibility of one active officer. You all realize that to call the committee's or the board's attention to a loan after it has been negotiated is an exact parallel to locking the stable door after the stock has been stolen. The way to prevent loan losses is not to make them, and they will not be made if active officials are required to keep within fixed limits set by the board at stated intervals, anticipating the want of customers, or are compelled to hold up loans until the subcommittee can shoulder the responsibility.

In conclusion, permit me to suggest that we cannot legislate character or ability into individuals. I fear we are given to rely too largely upon legislation to create a sound and satisfactory banking system. For the same reason that the guaranty of deposits has not lived up to the hopes of its author, so will the central bank idea fall far short of meeting the expectations of the monetary commission. Amercia is a country of wide area and

DIVERSIFIED INDUSTRY.

Our geographical reaches preclude the possibility of a central bank, and the number of our bank units prevents reconstruction at the other end by making one stand sponsor for the good faith and credit of all the others. As I look at the future, it rests largely with you examiners, state and national, working under cautious and courageous executives. Start the bank right, in a community that needs it; point out the direction it must go; see that it hews close to the line; make the men higher up answer to penal statutes for delinquencies, and we will have approached as close to the financial millenium as we are likely to get. This will at least insure a sound system of country banking, and with the country banks safe, the nation, wide and large, is not going to shiver every time the reserve cities have a Wall street "chill".

As a result of a campaign of the Alabama Bankers' Association, covering several years, remarkable for the amount of study devoted to the problem, the publicity given to its labors and the signal statesmanship of Governor O'Neal, who incorporated the measure in his inaugural address, Alabama has at last placed upon its statute books a bank bill of which we are

Digitized by Google

Bankers Linen

These Marks Denote Southworth Quality

Bankers Linen Bond

Request your printer or lithographer to use these papers for your office stationery.

They are manufactured especially for use by Bankers, Brokers and financial people—those who know good paper and have discriminating taste. Send for specimen book to

SOUTHWORTH COMPANY, Mittineague, Mass.

Manufacturers of high grade writing papers

(Please mention United States Investor.)

justly proud. We count it as good as the best, the national act not excepted. We have an active and able superintendent; a strong bank board; two examiners chosen upon merit only, all clothed with ample authority to bring our system to a high degree of excellence. When national examiners come into Alabama, you will find officials no less determined than the comptroller, to correct the faults with which our business in the past has been so justly charged, and no less anxious to force the banker to understand his duties to the public and live up to them. There opens the road to peace, plenty and patriotism.

The Most Concise Though Thorough Method to Determine the Character of Loans and Discounts.

[By H. D. Marshall, Jr., National Bank Examiner for New Mexico, Arizona and Western Texas.]

The note case is the heart of a bank and as in the case of the human organism, upon its condition depends the ability of the body to withstand the tests to which it is put, and survive the vicissitudes of a long and, in many instances, trying career. Therefore, the examination of the loans and determination of their value, which is by far the most important part of every examiner's work, is a task of vital importance, and one which should be approached with intelligence, and a full appreciation of its importance and consequences. Little is learned from a mere classification of loans and mathematical subdivisions of various kinds of notes. Past due means much in some sections of the country, little in others.

In this connection, I think in arriving at an opinion as to value of loans and discounts, too great a distinction can be, and sometimes is, made between notes that are past due and those that are not. While the fact that a note is past due may be prima facie evidence of weakness, a loan about which there is the slightest question is in my opinion a better note, from the standpoint of collectibility, and therefore, value, past due, than with the time of hoped for payment extended ninety days. Unsecured is the danger signal in new and unsettled communities, mining camps and localities where speculation is prevalent and the population floating. In the settled farming country, it usually means that the cashier knows John Smith owns 120 acres clear, who and when John married, and how much Mrs. Smith will get when Father Jones, who owns the adjoining 120 acres, dies. Therefore, the size of the note case cannot be determined with a two-foot rule.

The determination of

THE CHARACTER AND VALUE

of loans and discounts carried by the city banks whose credit files are complete, and whose customers obtain their lines from a cold-blooded analysis of the statements they make, or the market value of the collateral offered, is easy, compared with the task which confronts the examiner who must decide whether or not the country merchant who "has a pretty fair stock of goods, is doing a nice little business, but has too many accounts on his books, and owes his wholesalers", is entitled to the $10,000 for which this bank is carrying him. It is the method of determining the value of the assets of the country bank that I will discuss briefly, the same being based on results of personal experience.

Do not waste time on small notes. They will not do any material damage if they are bad, and the man who can get $50 to $200 is usually good for it. List in a pass book all large loans, the word large being determined in proportion to bank's capital and surplus, all loans to officers and directors and advances to corporations and enterprises in which they are interested. It is from the last

TWO CLASSIFICATIONS

that trouble usually arises, and particular care should be exercised in securing information relative thereto. As the paper is gone through the first time with an active officer, ask him his opinion of the various notes, the value of the collateral and the estimated worth of the makers, their moral standing, etc. Note briefly his replies in a pass book under proper headings. Call for the last statements of his mercantile borrowers and analyze them closely. Note particularly whether the borrowed money exceeds the capital of the concern. If so, the creditors have more interest in the business than its shareholders, and are therefore assuming the greater risk. Have a meeting of the directors, or as many of them as are obtainable, and discuss with them the lines of credit noted. Ask practically the same questions [illegible] and compare their replies with his. I have found that four or five of the most representative men of a community will not wilfully misrepresent the facts with reference to the loans of a bank. Their judgment may be at fault, their information insufficient, but their answers will be honest and to the best of their knowledge. In connection with

THE DISCUSSION OF LOANS

made to directors and enterprises in which they are interested, it is, of course, necessary to discount to a degree their opinions, which are based partly on hope of the successful outcome of their undertakings. Also, the disinclination on the part of some directors to discuss the business affairs of others must be overcome. To do so, the examiner must impress upon each that it is neither the purpose of the examiner nor the object of an examination to "criticise" anyone or anything; but, that only by a mutual exchange of information and opinion can the true condition of the bank, for the safety of which they are legally and morally liable, be ascertained, or any benefit derived from such examination.

At the time of the next examination, refer to the pass book used previously, and see what changes, reductions and improvements have been made. Find out who the new borrowers are, and why the old ones have not made the promised reductions. Except in rare instances and from sources known to be reliable, ask few questions outside. It only causes comment, sometimes misunderstanding and injury, and little real information is obtained. Be a good listener when in a crowd of local people, and learn from observation, rather than inquiry.

In the last analysis, "horse sense" combined with ordinary care and that frank treatment which elicits replies, and a spirit of co-operation rather than antagonism, will gain for an examiner as complete an understanding of the loans and discounts of a bank as it is possible for one not intimately associated with the makers to have.

HARLAN, KY.—Application has been made at the office of the comptroller of the currency, to organize the Harlan National Bank. The bank has a capital of $25,000. A. M. Clark, W. F. Hall, A. M. Gregory, W. H. H. Smith and J. S. Kelley are interested.

Digitized by Google

THE UNITED SHOE INDICTMENTS.

The Necessity For Educational Work in Adapting Our Industrials to Modern and Progressive Conditions.

In view of the action of a Federal grand jury this week in indicting six of the principal officers of the United Shoe Machinery Company and the general public discussion of the statutes which lead to such action, it is interesting to note the wideepread and growing demand for similar consolidations to eliminate the public waste of old-fashioned and uneconomical competition in the textile industry. While we cannot criticise, of course, the faithful interpretation by the courts of such statutes as the Sherman Anti-trust Act of 1890 under which these indictments have been made, yet we think it is within the province of proper discussion to state that the ill-advised and rudimentary statute in question is being used by selfish business interests in a way that will eventually give the offenders, who are being indicted from time to time, a high measure of popularity for the very reason that they have suffered some personal inconvenience in working out

DIFFICULT PROBLEMS.

There must naturally be a good deal of educational work in adapting our industries to modern and progressive conditions. Broadly speaking, all corporations are public service corporations, and it was discovered some years ago that competition among public service corporations could easily be carried to excess, hence, railroad commissioners and state and Federal officials, generally, who are intrusted with the duty of giving franchises for gas companies, street railways, railroads, telephones, etc., are becoming very conservative in permitting the formation of new enterprises whose competition will increase the burdens of the public.

No observer of fundamental economic conditions doubts that similar conservatism will be developed in every form of business enterprise; hence, public sympathy is easily veering in favor of officials of corporations like the United Shoe Machinery Company, who are subjected to the annoyances of

CRUDE LEGISLATION,

which must be interpreted by the courts somewhat harshly. President Sidney W. Winslow, of the United Shoe Machinery Company, and all the stockholders and officials of that corporation are understood to have afforded the department of justice every possible assistance in conducting their investigations. All the company's records were freely turned over to Mr. Gregg, who represented the Federal government, and he had a desk in the company's office for weeks.

The occurrence has produced some very interesting information from President Winslow. It appears that the initial cost of the machinery equipment of a shoe factory is

LOWER TO-DAY THAN EVER

before, and that the company has lowered many of its charges and has never increased royalty charges, or charges for materials furnished manufacturers. On 164,000,000 pairs of shoes out of the total annual production, the amount of royalty received will average less than 1 1-3 cents per pair, which is all the company gets for the manufacture, installation, use, care and service in keeping machines in running order and for instruction of operators. The average royalties paid by a shoe manufacturer for the use of all machines furnished by the company in the manufacture of all types and grades of shoes is less than 2 2-3 cents per pair. This includes the Goodyear welt shoe, on which the highest royalty paid on the most expensive shoe is less than 5½ cents per pair.

The three companies doing business in 1899, by the consolidation of which the United Shoe Machinery Company was formed, were

NOT COMPETING COMPANIES.

The principal machines which each made did not interfere with the machines made by any other of the three companies. The Goodyear Shoe Machinery Company chiefly made machines for sewing the sole to the upper in welt shoes and various auxiliary machines which helped to perfect the shoe. The Consolidated & McKay Lasting Machine Company made machines for lasting a shoe—an entirely distinct operation. The McKay Shoe Machinery Company made machines for attaching soles and heels by metallic fastenings and furnished material for that purpose.

The

OBJECT OF THE CONSOLIDATION

was not to destroy competition. The purpose was to reduce the cost of production of the machines, to improve the quality of service furnished without increasing the cost to the shoe manufacturer and to give to each manufacturer who might wish it an opportunity to get from a single company under these improved conditions such of these machines as he might need in that department of his factory in which soles and heels are attached to uppers- the machines in what is known as the bottoming room. The company now makes over 300 different machines, some of which are leased to manufacturers, many of which are sold outright and most of which can be either leased or purchased as the shoe manufacturer may prefer. It has many millions invested in machines in shoe factories, and its returns on these investments are not as large proportionately as the returns received by the successful shoe manufacturers on their investments.

WOMEN STOCKHOLDERS.

Of the 7,106 individual holders of the stock of the corporation, 4,325 are residents of Massachusetts and more than half the stockholders are women. The operators on the company's machines in shoe factories are much more regularly employed and receive higher wages than under the conditions existing prior to the formation of the company.

The wages paid at the company's Beverly factory average higher than those paid in any other factory of equal size in Massachusetts. According to the official report by the Massachusetts state bureau of statistics, the city of Beverly held first place in Massachusetts in 1908 with an average annual wage of $640.17. The average of the Beverly factory exceeds that of the city. The weekly wage in 1910 averaged $15.75.

CONDITION OF OPERATIVES.

The provisions for the comfort, safety, health and happiness of the employes at the Beverly factory are not excelled and perhaps not equalled at any other factory in the world. The secretary of the employes' welfare department of the National Civic Federation in a letter written June 2, 1911, says of this feature of the management of the Beverly factory:

"Since our method of inducing employers to better the conditions of their employes is that of proving the value of welfare work by quoting splendid examples, we shall find it particularly valuable to point to the United Shoe Machinery Company for emulation."

SALE

City of Schenectady, N. Y. Bonds

$100,000 4 1-2% Sewer Bonds
$200,000 4 1-2% School Bonds

Sealed proposals will be received by the Comptroller, accompanied by certified check for two per cent of par value of bonds bid for, until 11 A. M., Sept. 29, 1911.

Denomination $1,000 each, maturing one to twenty years without option.

Interest and principal payable in New York funds at office of city treasurer, Schenectady, New York.

Bonds engraved and delivered to purchaser by Columbia Trust Co., 135 Broadway, New York City.

Legality certified to by Caldwell, Masslich & Reed, 100 Broadway, New York City.

No bids at less than par and accrued interest.

C. H. BENEDICT, Comptroller,
City of Schenectady, N. Y.

6% BONDS

Certainty Adaptability Convertibility

NO element of an investment approaches in importance that of *certainty*—certainty that it will conserve and return principal intact, and pay the contract rate of interest. A-R-E 6's have done this for nearly a quarter of a century.

¶ They are adaptable, being issued to return interest on current funds or to provide for saving surplus earnings, returning the latter with interest compounded at 6%.

¶ Their *cash convertibility* safeguards the investor against temporary financial need.

¶ This Company is engaged solely in the business of investment and operation in New York real estate, a stable and profitable investment field, and offers its 6% Gold Bonds in these forms:

6% COUPON BONDS

For those who wish to invest $100 or more

6% ACCUMULATIVE BONDS

For those who wish to save $25 or more a year

Descriptive Booklets and map of New York showing location of properties sent on request.

AMERICAN REAL ESTATE COMPANY

Capital and Surplus, $2,011,247.80
Founded 1888 Assets $23,026,889.67

Room 502, 527 Fifth Avenue, New York

Los Angeles, Cal.

I must sell my beautiful eight acre tract of land in the city limits of Los Angeles. This is an excellent chance for somebody wishing to obtain a location for industrial purposes or a delightful residence site, with spacious ground for gardens, lawns and park drives in the recreation city of the nation; or for investment where your money will quickly double, at least, in value. Do Not delay in writing me for particulars and further information.

J. E. GOETZ,
1164 E Adams St., Los Angeles, Cal.

GOVERNMENT LANDS

EXTREMELY desirable for settlers, investors and speculators, soon auctioned off for cash or on time; no residence or improvements required. For particulars, INDIAN LANDS AGENCY, 67 Milk st., Boston.

MASSACHUSETTS LIGHTING COMPANIES.
Dividend No. 32.

The Trustees of the Massachusetts Lighting Companies have declared a dividend of one and three-quarters per cent, payable October 16, 1911, to Shareholders of record at the close of business, October 2, 1911. The transfer books do not close.

ADDIS M. WHITNEY, Treasurer.
Boston, September 21, 1911.

OFFICE OF
THE UNITED GAS IMPROVEMENT COMPANY,
N. W. CORNER BROAD AND ARCH STREETS,
Philadelphia, September 12, 1911.

The Directors have this day declared a quarterly dividend of two per cent (2%) per share), payable October 16, 1911, to stockholders of record at the close of business, September 30, 1911.

Checks will be mailed.

LEWIS LILLIE, Treasurer.

CONSIDERING SECURITY

high grade industrial bonds pay the *highest income* and offer the best chance for rising profits. Send for circular "M".

BEARDSLEY AND COMPANY
Henry Shedd Beardsley, President
Pullman Building, Madison Square New York

BOSTON STOCKS AND BONDS

For the Week Ending Thursday Evening, September 21, 1911.

Name.	Range for Week Low	Range for Week High	Last Sale	Sales for Week	Range for Year of 1911. Lowest		Range for Year of 1911. Highest		Range from Jan., 1879, to Jan., 1911. Lowest	Range from Jan., 1879, to Jan., 1911. Highest
Railroads.										
Boston & Albany	220	224½	220	78	220	Sept	226	Feb 15	129	*220 1890
Boston Elevated	126	126½	126	485	126½	Aug 16	130½	Aug 2	52⅝	1858 150 1911
Boston & Maine	99	102	100½	230	99	Sept 15	122⅝	Feb 15	109⅞	1869 230 1877
do. pref.			148		148	Sept 5	154	June 5	134⅝	1891 180 1902
Cent. Verm't 4s	85½	85½	85½	10,000	85½	Sept 20	92	Mar 22	75	1904 96½ 1880
C. B. & Q. Jt. 4s	96⅝	96	96⅝	6,000	96⅜	Jan 6	98¼	June 2	82½	1907 102 1905
Chic. Junc. R...	158	158	158	50	156	Apr 25	165	Aug 23	50	1886 182 1906
do. 5s			102	4	101¾	Aug 14	102	Aug 24	89⅝	1891 116 1899
Fitchburg pref.	127	127	127	75	125	July 22	130	Jan 9	63½	1885 145 1905
K. C., Ft S. & M. 6s	116½	116½	116½	2,000	115	Mar 22	116¾	Jan 6	76	1886 126 1902
K. C. M. & B. new 5s			92		91¾	Jan 19	93½	Jan 3	12⅝	1894 102 1896
do. inc. 5s			88		88	Apr 6	90	Mar 14	8	1886 104 1908
N.Y., N. H. & H.	129	133	132¾	2,298	128¼	Sept 14	151⅜	Feb 22	127	1907 279 1893
Old Colony			187		183	Mar 15	189	June 14	95	1879 221 1893
Rutland pref.	33½	34	34	11	33	Jan 26	45	Aug 4	6⅛	1879 125¼ 1902
West End	86	87½	86½	165	86	Sept 18	95	Feb 6	43	1884 102 1905
do. pref.	100	100½	100	85	100	Sept 20	105	June 22	78	1888 118¼ 1901
Miscellaneous.										
Am. Agri. Chem.	50	53⅜	50	1,325	46½	Jan 6	60	May 18	9	1903 50¼ 1909
do. pref.	101¾	102¾	102¾	27	99	Jan 6	106¾	Mar 1	65½	1903 105 1910
Am. Pneu. Ser.	3½	4	3½	1,775	3½	Aug 29	6½	Jan 31	3	1901 29 1908
do. pref.	14½	15	14½	1,750	12¾	Sept 1	19¾	Jan 31	9½	1908 46 1908
Am. Tel. & Tel.	134½	136½	134⅝	6,947	131⅜	Aug 30	153¾	Jan 5	88	1907 186 1902
do. 4s	86½	86½	86½	42,000	85¾	Mar 22	92	May 27	71	1907 101¼ 1901
do. cons. 4s	103⅝	103⅝	103⅝	1,000	104	Aug 25	111¾	June 19	86½	1908 107⅝ 1900
Am. Woolen	27¼	27½	27½	6	27½	Sept 19	36¾	Mar 20	7¼	1903 45 1908
do. pref.	85¾	86½	86½	42	86	Aug 30	96¾	June 15	65	1903 110¾ 1904
B. & Wor. Elec.			12		6	Feb 15	13	July 13	8	1910 39½ 1908
do. pref.	50	50	50	53	38½	Jan 27	56	July 1	35	1910 90 1908
Cumberl'd Tele.	152½	152½	152½	5	146	Jan 19	160	June 2	93½	1907 152½ 1910
Dom. Coal 6s	96½	96½	96½	1,000	90	Jan 4	96¾	Mar 21	90	1908 101¼ 1905
E. Boston Land.	7½	8	7⅝	100	7¼	Jan 1	12	May 1	2¾	1891 18¾ 1910
Edis. Elec. Ill.	280	286	286	164	275	Sept 9	292½	Feb 3	10	1885 310 1908
Gen'l Elec. Co.	143½	151	145	135	144½	Sept 21	167¾	May 29	20¼	1892 258¼ 1901
Mass. Elec.	17	18	17	517	16	Apr 24	24	June 3	6½	1907 45¾ 1908
Mass. pref.	87¼	88½	87½	279	83⅜	Jan 9	96	July 11	57	1907 99 1902
Mass. Gas	91	92¼	92	44	87⅜	Jan 3	96¼	Aug 4	30	1903 91⅛ 1910
do. pref.	96¾	97	96¾	68	91⅝	Apr 13	98	Aug 24	74½	1903 97 1910
Mergenthaler	222½	226	222½	114	211	Jan 3	250	July 31	118¾	1897 226 1910
N. E. Cot. Y'n.			110		109	Aug 17	119	Mar 14	40	1904 125 1908
do. pref.			106½		106	Jan 3	116½	Mar 15	24¾	1903 118 1909
do. 5s	99½	99½	99½	3,000	99¾	Sept 8	103	June 20	93	1908 105¾ 1901
N. E. Telephone	*143¾	147½	143¾	17	127	Jan 17	150⅛	June 10	78¾	1879 270 1908
Portland Elec.	64	65	64	196						
Pullman Car.	154	156½	154	221	154	Sept 21	163	Jan 30	55⅛	1901 225½ 1906
Reece But. H.	13	13	13	50	12	Jan 5	16⅝	May 22	7½	1884 163 1901
Torr'g'n Co. Cl. A	29	30	29	265	29	Sept 21	36	Jan 7	18	1906 37 1910
do pref.	30	30	30	1	27	Sept 6	30	July 26	20	1907 35 1908
U'ted Fruit Co.	182	189	185	534	180	Aug 23	197	June 12	73	1901 200 1910
U'ted Fruit 4½s	96	96⅞	96	3,000	96⅜	Apr 17	97½	Jan 6	95	1910 97½ 1910
Un. Shoe Mach'y.	*40⅝	41	41	4,421	40⅝	Aug 29	58⅞	Feb 18	*28	1900 95¼ 1906
do. pref.	*26½	28	27	771	*26½	Sept 20	29½	Mar 7	22	1900 33½ 1906
West. Tel. & T.	16½	16½	16½	117	16	Sept 9	22⅜	Feb 6	4	1906 33½ 1902
do. pref.	95¾	97	96½	25	89	Jan 23	100	July 28	50	1907 106¾ 1902
do. 5s	98	98½	98½	6,000	90¾	Jan 3	100	July 25	74	1907 106¼ 1902
Mining.										
Adventure	4½	4½	4½	25	4	Aug 22	7½	May 18	† .62½	1907 33 1901
Allouez	23	26	22	600	21	Aug 26	39	Jan 6	10c	1894 74¼ 1907
Amalgamated	51½	51¾	52	11,500	51½	Sept 21	71½	June 26	23⅝	1903 129½ 1899
Am. Zinc	22⅜	23	22½	1,025	21	Aug 26	30⅝	June 14	5	1904 67 1899
Arizona Com.	90	2	95	7,168	.25	Sept 9	1⅝	June 14	7⅝	1907 51⅜ 1908
Bos. & Corbin	4	4½	4½	250	3⅝	Aug 24	15½	June 6	6	1907 25 1908
Butte Bal'k'l'a	4½	4½	4½	210	3¾	Aug 29	6⅜	Jan 4	4½	1910 13⅛ 1910
Butte Coalition	48	50	48	850	14	Aug 25	20⅝	May 24	10	1907 43 1908
Calumet & Ariz.	113	115	114	1,750	66	Aug 17	62	June 14	44⅜	1910 198 1907
Calum. & Hecla.	390	410	368	170	360	Sept 20	545	Jan 4	124	1884 1000 1907
Centennial	9	9	9	50	8	Aug 30	16	Jan 3	10c	1896 61 1890
Copper Range	50½	53	50½	500	50	Aug 26	69⅝	Feb 2	37	1903 105 1907
Daly-West	3½	3½	3	3	3	Feb 15	6½	June 21	3½	1910 56 1902
East Butte	9¾	10	8⅞	1,900	8⅞	Aug 28	14⅜	June 28	3½	1908 18⅛ 1907
Elm River			10		.10	July 24	20	Jan 6	05	1910 7 .907
Franklin	6¼	7⅛	6¾	1,859	5½	Aug 24	14	June 14	4	1879 30 1890
Giroux	3 7-16	4⅛	3⅞	5,147	3 7-16	Sept 21	8⅛	Feb 6	2⅝	1907 13⅝ 1901
Granby	30	31	29	440	26	Aug 25	43½	June 21	20	1910 151 1907
Greene Cananea	5⅞	6⅝	6	2,010	5 5-16	Feb 9	8	June 28	5	1907 18 1907
Hancock, Con.	18	19½	18	715	17⅜	Aug 26	30¾	June 19	14	1907 35 1910
Helvetia	75	85	75	170	88	Sept 16	2	Mar 4	1⅜	1910 38 1908
Isl'd C'k Coal	32	34	32½	230	29¼	May 9	40⅝	June 3	5⅜	1910 33⅜ 1910
do. pref.	83	87½	83	56	84½	Sept 14	91	June 13	84½	1910 90⅝ 1910
Isle Royale	12	13	13⅜	306	11⅜	Aug 24	19½	June 13	5⅛	1903 75 1890
Kerr Lake	3½	3⅝	3⅝	715	3½	Sept 18	7⅜	Jan 23	6	1910 35 1907
Keweenaw	2	2¼	2	500	1⅝	May 10	3⅜	June 14	2½	1909 7⅜ 1909
La Salle	2¼	2¼	2	500	1⅝	Aug 18	6	Jan 3	3	1908 23¼ 1906
Lake Copper	27	28	28	4,977	21⅜	Aug 26	40	June 14	4	1903 94½ 1910
Mass. Cons.	5	6	6	10	4½	Aug 25	10	June 19	2½	1908 37⅝ 1901
Miami	17½	18	17½	70	15½	Sept 21	24⅞	June 7	4⅜	1908 29 1910
Michigan			1⅝		1⅝	Apr 25	4¼	May 6	3	1908 24½ 1907
Mohawk	38	40	38		36	Apr 24	53	June 15	11½	1908 *97 1907
Nev. Cons.	16½	17	16½	1,210	14½	Sept 5	21⅜	June 15	6¼	1907 30 1908
New Arcadian					2	Aug 28	4⅜	May 17	11	1905 165½ 1899
Nipissing	7⅛	8	7⅛	5	7⅛	Aug 28	11⅞	Feb 15	5	1906 33⅞ 1908
North Butte	22	24½	22½	4,750	21⅜	Aug 26	36	June 13	16½	1910 120 1907
North Lake	1⅛	1⅜	1⅛	1,100	⅞	Aug 2	2⅜	June 3	1	1909 11¾ 1900
Old Dominion	36½	38	36½	80	35	Aug 24	49	June 19	9½	1908 66⅜ 1908
Osceola	85	86	85	155	82	Sept 7	124	Jan 4	7½	1889 181 1907
Parrot	8	9	8	500	8	Sept 5	13¾	May 22	8⅜	1907 72½ 1899
Quincy	65	65	65	155	65	Sept 5	74	June 24	19	1879 190 1899
Ray Consol'ted	13⅜	14	13⅜	687	13⅜	Sept 21	18¾	Jan 3	7⅛	1903 27½ 1909
Santa Fe	90	90	90	100	.75	Apr 26	1⅜	June 13	1	1903 22 1899
Shannon	7⅜	8	7⅜	1,250	7⅜	Aug 28	13⅛	Feb 4	2⅜	1904 24⅜ 1907
Sup. & Boston Copper	20	21	21	1,000	21	Aug 17	31½	June 14	7	1907 65½ 1910
Sup. & Boston	20⅜	21	21	51	21	Sept 11	30	June 15	16⅜	1908 1⅝ 1899
Tamarack	60	65	60	240	50	Sept 5	84	Jan 3	43½	1909 203 1903
Tennessee										
Trinity	2	2½	2	200	2	Sept 5	5	June 20	2⅝	1904 42½ 1907
U. S. Smelting	31½	33	33	1,000	31	Aug 28	49⅝	June 14	24⅝	1903 70 1907
do. pref.	46	47	46½	450	45¾	Aug 30	64⅛	June 26	27⅜	1907 54¼ 1909
Utah Cons.	11	11½	11½	1,000	9¾	Jan 20	20	June 26	12⅝	1910 *79 1907
Utah Apex	2	2	2	50	2	Sept 19	3½	June 15	1⅞	1903 10¾ 1908
Victoria			2	4	1	Aug 19	2½	Feb 7	1	1909 12 1901
Winona			5	150	4½	Aug 24	9¼	Feb 6	1	1909 22 1899
Wolverine			92	92	91	Sept 21	122	Feb 16	75c	1903 200 1907

** T... ...ment paid. † Rights off. ‡ Auction. § Old securities. ♦ Old stock.

Digitized by Google

Financial Summary of the Week

American Linseed Co.—The net earnings for the fiscal year ended July 31, were $434,612, or $295,340 under those for the previous twelve months. The company now has a total surplus of $1,246,270. Bayard Lemmick, Jr., and Charles O. Heedt were elected directors in the place of John A. McGean, and the late H. M. Frances. Henry E. Cooper, chairman of the committee in charge of the management of the company, calls attention in his report to the strong cash position of the company, the excess of current assets over liabilities being upward of $3,240,000. The permanency of the committee which succeeded former President McGean in the management of the company has not yet been settled.

Baltimore & Ohio R. R. Co.—Daniel Willard, president of the Baltimore & Ohio, said that it was too early to discuss dividends that would not be declared until 1912. Mr. Willard said that he was still of the opinion, which he had expressed before, that the Baltimore & Ohio was a conservative 6 per cent stock. From earnings of the first two months of the fiscal year, he did not believe that there was any present worry necessary among shareholders about the dividends, as the net earnings for July and August were in excess of 1910. Mr. Willard said that he would earn the money for the 6 per cent dividends this fiscal year, and it was up to the directors to declare it or not as they saw fit. Baltimore & Ohio opened its new fiscal year with an increase in July net earnings of $77,006, or 4.05 per cent. Gross revenue decreased $228,576, or 3 per cent, and operating expenses were more than correspondingly reduced by $348,432, or 6.42 per cent, through diminished maintenance and transportation expenses.

Chicago, Milwaukee & Puget Sound Ry.—The Chicago, Milwaukee & Puget Sound's pamphlet report for the fiscal year showed operating revenues of $14,516,567, an increase of $3,750,603. Operating expenses were $8,290,129, an increase of $3,015,269, and net operating revenue was $6,226,238, an increase of $735,394. After allowing for outside operations, taxes and interest charges, there was a balance available for dividends of $2,772,197, which was equal to 2.77 per cent on the outstanding stock. This compares with 2.20 per cent earned the previous year. On June 30, the company had a total surplus of $481,870. It operated 2,529 miles of road during the year, of which it owned 2,351 miles. Of the total mileage, 88 miles was operated under contracts. As the comparison of earnings for the last fiscal year was made with those for a period of eleven months in the previous year, earnings for the year just ended, made a more favorable showing than if they had been compared with earnings for twelve months in the previous year.

Chicago, Milwaukee & St. Paul Ry.—The Chicago, Milwaukee & St. Paul issued its pamphlet report for the year ended June 30, last. Gross earnings were $61,955,995, an increase of $129,101, while operating expenses were $2,262,722 larger, or $47,058,719. Net operating revenues were $17,922,276, a shrinkage of $2,133,621. After allowing for outside operations and taxes, together with income from securities and the dividend on the preferred stock, there was $8,213,081, or a decrease of $2,323,469 available for dividends on the common stock. This was equal to 7.08 per cent, compared with 9.8 per cent the previous year. The heavy decrease in net operating revenue was due to the inability of the company to obtain increased rates to offset the higher cost of labor. The number of tons of revenue freight carried one mile during the year decreased .06 per cent. The company carried $126,861 to surplus account, which, on June 30, was $19,278,597.

Chicago Pneumatic Tool Co.—The official reports of earnings show that net results from operations in the first six months of the current year, ended June 30, were only slightly behind those of last year, while returns for the third quarter thus far have very nearly equalled those shown in the corresponding period in 1910. The dividend for the current quarter was earned in August, and the July and September profits will apply to surplus account. There is a large export trade with European countries, and shipments now aggregate an increase of fully 20 per cent, as compared with a year ago, aside from the output of the London plant. The quarterly meeting takes place in New York on September 26, when it is expected a dividend will be declared. August, this year, showed more buying on the part of the railroads than for several months past.

Colorado Fuel & Iron Co.—This company reports as follows for the fiscal year ended June 30, 1911: Gross, $22,934,685; expenses, $19,456,336; net, $3,478,349; other income, $671,599; total income, $4,149,948; charges, $2,890,276; surplus, $1,259,672; as compared with $1,506,819 in 1910, $858,375 in 1909 and $294,366 in 1908.

Copper Market.—The copper market is weak, with many of the large selling agencies and producers willing to sell electrolytic below 12½ cents a pound. Domestic consumers are holding aloof from the market, waiting for more reassuring news from Europe. The slump in foreign buying has caused a hesitancy among local consumers. With production running at the rate of 1,500,000,000 pounds a year, consumers argue that prices cannot show a substantial advance, and for this reason they are not inclined to buy copper for delivery very far ahead.

Corn Products Refining Co.—President Bedford of the Corn Products Refining Company says that the business of the company is satisfactory. The recent advance in the price of sugar has stimulated the demand for the company's products. This has been felt principally in the greater call for jams and other preserves and for corn syrup. The second unit of the Argo plant will be in operation by January 1, according to present plans. Capacity of the enlarged plant will be 40,000 bushels of corn a day or approximately 14,000,000 bushels a year. It will be the largest factory in the world for the manufacture of glucose, starch, dextrine, oils and other products of corn.

Crucible Steel Co.—At the meeting of directors of the Crucible Steel Company, Chairman Dul'uy stated that earnings for the fiscal year had been very satisfactory and would probably show in the neighborhood of 10 per cent on the preferred shares, after deducting $500,000 for depreciation of plants, etc. As the company's fiscal year ended August 31, accountants are auditing the accounts for that period. No quarterly statement will therefore be issued at this time, as the annual report will be published later in the month, showing the full year's results.

Delaware & Eastern R. R.—The bondholders' plan to reorganize the Delaware & Eastern Railroad has been presented to the up-State Public Service Commission. The committee proposing this plan represents 93 per cent of all the bondholders of the defunct company. The plan provides for the organization of a new corporation to be known as the Delaware & Northern Railroad Company, with an authorized capital stock of $1,250,000, of which $250,000 is to be 6 per cent cumulative preferred and $1,000,000 common. Under the plan, the bondholders have been assessed 25 per cent of the par value of their bondholdings with which the road was purchased, necessary improvements made and claims against the company paid. The bondholders are to have issued to them $1,000,000 in common stock for the equal amount of bonds, which they now hold.

Georgia Ry. & Power Co.—Application has been made for incorporation in Georgia of the Georgia Railway & Power Company of Atlanta, with an authorized capital stock of $27,000,000, consisting of $15,000,000 common, $2,000,000 6 per cent cumulative first preferred, without voting power, and $10,000,000 4 per cent noncumulative second preferred stock. The preference of the latter stock will cease when it and the common shall have received 4 per cent dividends for three consecutive years, after which it will share equally with the common in dividend disbursements.

Interborough Rapid Transit Co.—This company will issue $11,400,000 of 5 per cent gold mortgage bonds when it receives permission from the Public Service Commission. The proceeds will be used to liquidate $10,000 of outstanding notes, while the balance will provide funds for improvements to equipment and machinery.

Maine Central R. R. Co.—The Maine Central Railroad Company has declared a quarterly dividend of 1½ per cent, payable October 2 to stock of record, September 15, thus reducing the rate from 8 to 6 per cent annually. This road is part of the New Haven system, control of it being held by the Boston & Maine through stock ownership. Last month, stockholders of the Maine Central were given the right to subscribe for an equal amount of new stock at par. In the annual report of the company recently published, announcement was made that the dividend would be reduced from 8 to 6 per cent at this time.

Missouri, Kansas & Texas Ry. Co.—For the year ended June 30 last, the Missouri, Kansas & Texas had a surplus of $1,773,706, an increase of $772,243 or about 70 per cent over 1910. Gross earnings were about $2,500,000 ahead of 1910, while expenses and taxes increased $1,803,157. The road operated about 300 more miles in the fiscal year 1911 and naturally this must have had some beneficial effect upon the business done. After deducting $520,000 dividends on the preferred stock, a balance of $1,253,706 was available for the $63,283,257 common stock, upon which no dividends are paid. This is equal to 1.9 per cent earned on the stock.

Montana-Tonopah Mining Co.—The Montana-Tonopah Mining Company held its annual meeting in Salt Lake City, Utah, and the financial report submitted to the stockholders may be summarized as follows: After paying dividends for the year amounting to $120,000 and paying for all general expenses and extensive development work, the company had cash in bank of $173,867; bullion and concentrates amounting to $61,017; and bills receivable $20,000, a total of $254,954 in cash resources. The management reported that the ore reserves were larger than for several years.

N. Y., N. H. & H. R. R.—President Mellen is quoted as saying: "Unless something occurs more than I believe is likely to, unless there is some cataclysm in business impending which I cannot foresee, the question of a reduction should never be raised. Uncertainty of the New Haven dividend caused special attention to be directed to the earnings of that system for July. Total operating revenues showed a decrease of $71,924. Total operating expenses decreased $25,744, so that net operating revenues were $46,180 smaller than in July of last year.

New York, Ontario & Western Ry.—Gross earnings of the Ontario & Western gained $716,919 for the year ended June 30, according to the annual report issued yesterday. Net expanded $67,447 and total income $26,208. After payment of dividends, there remained a deficit of $19,400. "Sundry adjustments" corrected this into a final deficit of $246,597, deducting which from the profit and loss surplus of last years leaves $5,646,142.

New York & Harlem R. R.—The New York & Harlem Railroad has declared a semi-annual dividend of 2 per cent. This is one-half of 1 per cent more than six months ago. The dividend just declared will be paid out of the rental received from the Metropolitan Street Railway Company, to which it is leased.

Rutland R. R. Co.—The Rutland Railroad Company's general balance sheet for the quarter ended June 30, last, shows: Assets, total permanent investment $21,733,210; cash, $255,713; loans and bills receivable $125,000, traffic and car-service balances due from other companies, $9,853; net balance due from agents and conductors, $122,184; miscellaneous accounts receivable, $309,138; materials and supplies, $354,728; other working assets, $8,258; total working assets and accrued income, $1,185,177; total deferred debit items, $432,327; grand total, $23,351,215. Liabilities, capital stock, $9,257,000; funded debt, $11,262,000; loans and bills payable, $322,000; traffic and car-service balances due to other companies, $46,554; audited vouchers and wages unpaid, $524,934; matured interest, rents and dividends unpaid, $10,678; other working liabilities, $868; unmatured interest, rents and dividends payable, $21,261; taxes accrued, $48,517; deferred credit items, $122,536; corporate surplus, $1,733,764; grand total, $23,351,215.

Toledo, St. Louis & Western R. R. Co.—Regarding the declaration of the regular [illegible] per cent preferred dividend by the Toledo, St. Louis & Western Railroad Company, President Theodore P. Shonts, said after the meeting, that while the earnings of the company for the past year will not show the dividend fully earned, [illegible] the regular payment, taking part of same out of the accumulated surplus. The company's prospects are exceedingly favorable, owing to many traffic arrangements now under consideration.

Digitized by Google

UPON PRESENTATION

at the Office of

THE MIDDLESEX BANKING COMPANY

OF MIDDLETOWN, CONN.

DEBENTURES of Series E13, maturing October first, and Series E14, maturing November first, WILL BE PAID at par with interest to the date of payment.

OUR NEW INVESTMENT PROPOSITION

is as

Sound and secure as a good bank and pays large dividends.

First class representatives wanted; must be men of good standing in their community

SECURED INVESTMENT TRUST

92 STATE STREET, BOSTON

6% NEW YORK CENTRAL REALTY BOND

A Good Investment

To investigate is the six per cent Realty Bond of the New York Central Realty Company issued in denominations of $1,000. $500. and $100.

It offers a high grade of security, a liberal cash availability and an interest earning of 6%.

WRITE for booklet illustrating the methods of the Company, describing its bonds, their redemptive privileges and advantages over other Realty securities. Everybody knows us.

New York Central Realty Co.

Suite 1190, 1328 Broadway, Cor. 34th St., New York City

CAPITAL AND SURPLUS, $1,464,588.34

Corporation Organizers

Delaware charters are inexpensive and perpetual, and permit stockholders and directors to hold meetings anywhere. The law is more stable, and grants greater powers than other states. $1,142,434,400 of capital organized in Delaware during 1910—double that of New Jersey or elsewhere. In selecting an agent to organize and represent your company, get the best—it will be cheaper and safer in the end and will add prestige to your enterprise. Lawyers' and Brokers' business a specialty. Corporation Law and forms sent on request.

MERRICK SECURITY & TRUST CO

Wilmington, Del.

6 PER CENT INTEREST PAID

By Coupon on Bonds Secured by Well Selected New York Real Estate.

"We Deal in No Other Securities"

THE DEBENTURE CORPORATION OF NEW YORK

334 Fifth Avenue New York City

SIX NUMBERS FREE

Financial Converse (published every two months) answers more questions on mines than any periodical published. S. F. Campbell, of Chicago, says: "This paper is worth more than any other mining publication in the United States." Cut this out and send for six copies free covering the next year.

FINANCIAL CONVERSE

339 Monadnock Block, Chicago, Ill

NEW YORK STOCKS AND BONDS

For the Week Ending Thursday Evening, September 21, 1911.

Names.	RANGE FOR WEEK Low	RANGE FOR WEEK High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911 Lowest		RANGE FOR YEAR OF 1911 Highest		RANGE FROM JAN., 1878, TO JAN., 1878, TO Lowest		RANGE FROM JAN., 1878, TO JAN., 1878, TO Highest	
Atch. & T. R R.	101½	102⅝	102½	47,700	100⅝	Jan 3	116⅝	June 5	$ 1-16	1896	152½	1899
Atch. & Top. pf.	102	102	102	500	100⅜	Jan 4	108½	June 12	16	1896	107½	1901
Atch. & Top 4s.	92⅜	93⅛	93⅛	97,000	92⅜	Sept 20	99⅜	Jan 4	61	1894	105⅝	1902
do. adj. 4s....	90⅞	91½	90⅞	8,000	90⅜	Mar 29	92½	Jan 26	38	1896	99¼	1906
At'tic C'st Line.	118½	120½	119½	600	117	Jan 3	132½	July 22	58	1907	170	1905
B. & O. Gold 4s.	96¼	96¼	96¼	33,000	96	Aug 22	99¾	Feb 21	83	1907	105⅝	1906
B. & O.S. W.3½s.	85⅝	86⅜	85⅝	18,000	80½	Sept 8	93	Mar 11	80	1907	[illegible]	1890
Balti. & Ohio...	96	97⅝	96½	11,600	94½	Sept 8	109⅝	July 22	9	1897	125¼	1908
do. pref.	...	...	86	.....	85½	Aug 30	91	Jan 4	67⅛	1885	100	1905
Brooklyn R. T..	72⅞	74	73½	9,650	72	Sept 13	85⅝	July 20	18	1896	137	1899
B R.T.conv't 4s.	82⅝	84	83⅜	131,000	82⅞	Apr 18	88⅝	Jan 26	56	1907	102¼	1905
Canadian Pac...	221½	224½	224⅛	58,363	196⅝	Jan 3	247	July 21	33	1898	302⅜	1910
Canada South...	...	...	68	.....	62	Mar 1	68	May 12	33	1898	97	1902
Cen.of Ga Con.5s.	105⅞	106⅞	106⅝	5,000	102¾	Jan 13	110	July 26	85	1907	120⅝	1901
do. 1st inc....	97	97	97	8,000	96	July 25	114⅝	Apr 18	30	1899	102	1910
do. 2d inc.....	...	...	98	.....	95	Mar 1	106¼	Apr 5	9	1899	101	1910
do. 3d inc.....	...	...	98	.....	85	Feb 24	102	Apr 4	4	1899	108	1910
Central N. J....	260	260	260	100	260	Sept 16	285	June 2	31	1885	312	1910
Cent'l Pac. 1st...	...	...	...	.....	91¾	July 19	92	Mar 8	75	1907	91	1910
Ches.O. gen.4½s.	100⅝	101⅜	101	25,000	100½	Apr 12	102	May 18	61	1893	111	1905
Chesapeake & O.	69½	71⅝	70⅝	20,900	68⅝	Sept 14	86⅝	Feb 10	1	1885	133⅞	1881
Chic. & Alton...	19	19½	19	300	15	Aug 28	31⅛	May 12	8⅛	1907	74⅜	1909
do. pref.	...	...	40	.....	40	Aug 30	63	Jan 27	47	1908	85½	1908
Chic. Gr't West.	17½	18	17⅝	1,200	17⅜	Sept 14	25¾	June 5	3⅝	1897	27⅜	1909
do. pref. A....	36	36½	36¼	1,300	36	Sept 16	49⅝	Feb 6	15½	1908	90½	1901
Chic. M. & St.P	110½	111	111	30,61	110⅝	Sept 14	133½	Feb 7	34⅜	1875	199⅝	1906
do. pref.....	143½	145	145½	1,000	141	Sept 14	155½	June 15	76⅜	1879	218	1881
Chic. & N. W....	139	140⅜	139	2,150	138½	Sept 1	156½	June 12	49⅝	1879	271½	1902
do. pref.	...	...	197	.....	197	Aug 30	201½	Aug 9	128	1893	274½	1902
Chi.,St.P. & Om.	...	...	144	.....	130⅝	Apr 20	144	June 12	18⅜	1885	225	1905
do. pref.	...	...	150	.....	152	Feb 18	152	Feb 18	66	1885	230	1905
Chic. Un. Trac..	...	...	2	.....	2	Aug 23	5	June 2	⅝	1908	23	1902
do. pref.	...	...	5	.....	5	Aug 23	7¾	Feb 6	3	1908	80	1902
C.,C.,C. & St. L.	493⅛	500⅜	500	400	493⅛	Sept 15	66	Jan 13	19⅛	1896	111	1905
do. pref.	...	...	94½	.....	94½	Aug 22	98	Feb 1	62	1897	124½	1902
Colo. & South'n.	45	46	45	600	44	Sept 14	60	Jan 18	4⅜	1889	68⅛	1909
Col. & So. 1st pf.	75	75	75	300	73⅜	Sept 13	84⅝	July 10	35	1896	86	1909
do. 2d pref....	66	69¼	69¼	70	66	Sept 18	75	Aug 8	12½	1895	84½	1909
Del. & Hudson..	159½	160	160	300	159⅜	Sept 20	175⅞	June 8	23	1879	240⅜	1906
Del., L'ck & W.	...	...	620	.....	610	Feb 17	640	June 5	46	1879	680	1909
Den & Rio G'de	22⅝	23⅜	23⅛	1,300	21½	Sept 14	35	Feb 21	4⅝	1887	136½	1880
do. pref.	45	46⅝	45½	1,750	44	Sept 14	74	Feb 21	24	1894	103⅜	1907
Det.,So.Sh.& Atl	...	...	95	.....	90	Sept 5	15½	May 1	2½	1890	24	1902
do. pref.	...	...	21	.....	20	Aug 28	28⅜	Apr 4	5	1898	46⅝	1908
Erie 1st gen. 4s.	75⅛	75½	75⅛	12,000	73½	Jan 3	79⅜	July 19	53	1895	95	1905
Erie	30¼	31⅜	30⅝	71,900	27⅜	Jan 11	38½	June 21	7⅜	1877	52⅞	1881
Erie 1st pref....	69¼	51⅜	50	13,475	45⅜	Jan 12	61⅛	July 1	15	1897	95	1881
Erie 2d pref....	40	41⅞	40	1,850	35	Jan 13	49½	July 3	13	1895	78⅞	1906
Ev's'le & T. H.	...	...	92	.....	60	Feb 1	88	July 24	20	1897	152	1892
do. pref.	...	...	90	.....	85	June 6	90	July 24	72	1904	148⅝	1902
Gr'neB& WdebR.	12	12	12	1,000	11	Aug 28	15½	Jan 25	5½	1898	27⅛	1903
Gt. Northern pf.	123⅜	124⅛	123⅛	19,220	119⅞	Sept 11	140	June 8	44½	1899	248	1906
Hock'g Valley™.	...	...	125⅝	.....	128	May 24	131	Apr 29	22	1899	140	1910
do. pref.	...	...	125	.....	.....	.....	.....	.....	53½	1899	101⅝	1910
Illinois Central..	135	136½	135	900	132	Jan 3	147	July 20	79⅜	1879	154⅜	1906
Inter-Met (w.I.).	13½	14⅛	13½	10,200	13½	Sept 21	20⅝	Feb 15	4⅝	1897	55⅜	1908
do pf. (w. I.)	40	42½	40⅜	4,400	40⅜	Sept 14	55⅝	Feb 10	14	1907	87⅜	1908
Iowa Central....	15	15	15	100	15	May 12	22	Sept 8	2	1885	51⅞	1902
do. pref.	28	28	28	100	28	Apr 27	39	Sept 8	12	1885	90⅜	1902
Kan. City & So.	26⅝	28	28	500	26	Sept 14	34¾	June 15	7	1899	50⅛	1909
do. pref.	62½	64	64	700	62½	Sept 21	70	May 26	27½	1900	75⅝	1908
K.C.,Ft.S.&M.pf	...	...	75	.....	75	Aug 7	78	May 3	58	1900	88	1902
L'ke E. & West.	...	...	12½	.....	12½	Aug 14	16¾	Feb 1	1⅝	1885	78½	1901
do. pref.	...	...	35	.....	35	Sept 5	40	Jan 13	24	1900	118	1902
Louis. & Nashv.	137⅞	140	138	6,900	136½	Sept 14	156⅜	July 19	22	1885	162⅜	1908
Manh'ttan Elev.	133⅝	134⅞	134⅝	700	134	Mar 28	142½	July 19	64½	1884	175	1905
Minn. & St. L....	31	36	33	400	21½	Apr 26	34⅝	Aug 23	3½	1899	115	1902
do. pref.	62	63½	63½	200	55	Mar 13	69	Sept 13	7⅝	1899	127⅜	1902
M.St.P. & S.S.M.	129½	131	130	1,200	128½	Sept 11	152⅜	Mar 30	6	1897	164	1906
do. pref.	...	...	143⅜	.....	141⅜	Aug 28	156⅝	July 21	10	1897	193⅜	1906
M.,K.&T. 1st 4s.	97	97¼	97	27,000	87⅜	Sept 8	98	Jan 21	50	1893	104⅜	1903
do. 2d 4s.....	85	85	85	1,000	83⅜	Jan 6	89⅜	Feb 17	27	1893	92⅜	1904
M.K. & T. 1st 5s	100	101	101	6,400	98	Sept 19	109⅝	July 10	72	1895	114⅜	1909
Mo., K. & Tex..	29⅛	29½	29⅛	5,100	29⅛	Sept 21	38⅜	June 14	6⅜	1879	54	1881
do. pref.	62½	63⅝	63⅛	200	62⅛	Sept 21	69	June 12	13⅜	1897	78⅜	1909
Missouri Pacific.	70⅛	70⅝	70⅝	23,600	63⅜	Sept 13	63	Feb 15	1⅝	1897	125½	1902
N. Y. Central....	99⅝	100⅛	100⅛	14,650	99⅝	Sept 21	115⅜	Feb 3	31⅜	1885	174½	1901
N.Y.,C. & St. L.	45⅜	45⅞	45⅝	100	45	Sept 14	65	Jan 20	9	1896	73⅛	1905
do. 1st pref....	...	...	101⅝	.....	.....	.....	100	Aug 15	101⅝	Mar 20	4	1885
do 2d pref....	...	...	82	.....	.....	.....	82½	Aug 25	90	Jan 30	18	1892
N.Y., Ont. & W.	38⅛	39⅜	38⅝	1,725	38⅛	Sept 21	46⅞	July 12	6⅜	1885	64	1905
No.& W.Con. 4s.	97⅜	97⅜	97⅜	1,000	96⅜	Aug 29	99½	Feb 3	74	1896	105	1905
Norfolk & West.	102⅜	102⅝	100⅝	3,100	100	Sept 9	110⅝	June 26	⅛	1896	108⅝	1908
do. pref.	89⅞	90	89⅞	500	86⅜	Apr 28	91	May 22	4⅛	1896	96	1902
N. Pac. prior 4s.	88⅜	89	89	20,000	88⅜	Aug 30	100⅜	Feb 6	90¼	1896	109	1939
do. gen. 3s....	69	70⅛	69	51,000	65	Sept 21	77¼	Aug 4	57	1896	78	1905
North'n Pacific.	112⅜	113⅝	113⅛	37,075	112	Sept 11	131⅞	June 8	11	1897	1000	1901
Pacific Coast....	...	...	102	.....	100	Jan 11	102	Jan 10	34	1899	142	1906
do 1st pref....	...	...	130	.....	.....	.....	.....	.....	65	1897	105	1910
do 2d pref.....	...	...	101	.....	101	Jan 11	101	Jan 11	50½	1903	135	1905
Penn. R. R.....	118⅝	120⅛	119⅝	39,401	118½	Sept 14	130⅝	Feb 1	97½	1885	170	1902
Peoria & East'n	...	...	20	.....	.....	.....	.....	.....	2	1895	50	1901
P.,C.,C. & St. L	91⅞	91⅞	91⅞	100	91⅜	Sept 11	100	Jan 17	10½	1884	105½	1902
do. pref.	105	105	105	100	105	Sept 20	112	Feb 17	60	1893	128	1902
Reading gen. 4s.	97⅜	97⅜	97⅜	150,000	96⅜	Mar 15	98½	Aug 7	77	1895	104⅛	1905
Reading	140⅜	141	141⅛	216,725	136	Sept 14	161⅜	June 8	17⅜	1885	117⅛	1909
do. 1st pref....	88	88	88	100	88	Sept 20	92	July 14	11⅜	1902	81	1909
do. 2d pref....	80½	81½	81½	500	80½	Sept 21	101	May 2	26⅜	1907	94⅜	1908
R'k Island, new	25⅛	25	25⅛	14,000	25⅛	Sept 21	34⅜	June 14	6⅝	1907	98⅛	1901
do. pref.	43⅜	44	43⅜	2,400	43⅜	Sept 21	63⅜	June 14	9⅜	1879	120	1897
St L.&S F 1st 4s	75	76⅛	76	40,000	74	Sept 20	83	May 4	4⅜	1879	84½	1887
St L.&S F 1st pf.	58	62⅛	59	300	59	Sept 19	69	July 25	50	1880	110⅜	1905
St L.&S.F.2d pf.	38	40	39½	1,900	38	Apr 21	49¼	July 24	12	1891	90⅜	1902
St L.&SW 1st 4s	91	91	91	6,000	89⅞	Jan 24	92⅝	Aug 27	6⅜	1896	123⅜	1908
do 2d gen. 4s.	...	...	81	.....	78	Jan 9	82⅜	June 29	26	1898	97	1905
St L. Southw..	...	...	39½	.....	21	Jan 13	34	Feb 4	1	1897	94⅛	1901
do. pref.	65⅜	66½	66⅜	200	59⅜	Jan 3	72	June 27	21⅜	1900	90	1902
sub'd A [illegible]	74⅜	75½	74⅜	27,000	74⅜	Sept 20	82	July 19	69⅝	1910	77⅜	1910
San A. [illegible]	...	...	86½	1,000	86	Sept 11	88	May 16	45	1896	92⅜	1909
So. [illegible]	...	...	94⅜	47,000	94	Sept 5	96	May 8	84⅛	1908	98⅛	1905
So. [illegible]	...	109	107½	58,850	105⅜	Sept 14	126⅜	June 26	12	1898	139⅛	1909
[illegible]	...	...	71⅜	.....	.....	.....	.....	.....	94⅜	1909	127	1909

Digitized by Google

NEW YORK STOCKS AND BONDS

For the Week Ending Thursday Evening, September 21, 1911.

Name.	RANGE FOR WEEK Low	High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911. Lowest		Highest		RANGE FROM JAN., 1879, TO JAN., 1911. Lowest		Highest	
Southern	26	27⅝	26⅝	11,15[illegible]	25¼	Sept 11	33⅜	July 22	22	1894	1263	1882
do. pref.	62¾	64⅜	63	2,100	61¾	Jan 11	75⅛	July 20	13	1894	103	1906
Texas & Pacific.	22½	23½	22¼	1,10[illegible]	22½	Sept 21	30½	June 9	4⅜	1893	73¾	1881
Third Avenue...	7⅞	8½	8	500	7⅜	Aug 28	28	Mar 2	5½	1910	243	1889
Tol.Rys.& Light	.....	.....	7	.....	6½	Aug 16	8¼	Jan 17	5½	1910	38	1903
Tol.. St. L. & W	18½	19½	18⅜	1,100	17	Sept 11	24⅜	Feb 8	10⅜	1901	64⅜	1909
do. pref.	42¾	44⅛	42⅜	1,520	38	Sept 1	53⅞	Feb 8	22⅜	1903	74⅜	1909
Twin City R. T.	104	104¾	104⅛	247	104	Sept 1.	111	Feb 2	9½	1897	129	1902
U.P.cvt. 4s, 1927.	100⅜	102	101	383,000	100⅜	Sept 21	109⅝	June 27	75⅛	1907	124⅛	1908
Union Pacific....	156½	162¼	157⅝	605,100	156½	Sept 21	192⅝	July 22	3	1896	204⅝	1910
do pref.	89	90	89½	1,400	85	Sept 16	96	July 24	47	1898	118¼	1909
Wabash 1st 5s...	107⅜	107⅞	107⅜	12,000	99⅛	Aug 28	110	Mar 30	93	1890	121	1902
do. deb. B's..	.....	.....	101	.....	.....		.....		19	1893	101	1909
Wabash	12⅝	13½	13	2,400	12⅝	Sept 21	18⅝	Feb 22	3	1895	60	1881
do. pref.	24⅜	27½	25	4,400	24⅜	Sept 21	40⅜	Feb 23	9	1894	96¼	1881
West. Md., pref.	75¼	77	77	2 0	.....		.....		67	1910	77	1910
Wheel. & L. E..	3	3	3	100	2⅝	Sept 13	6¼	Feb 3	½	1897	63⅝	1887
do. 1st pref..	.....	.....	7¾	.....	7½	July 22	17⅜	Feb 2	3⅝	1897	80¼	1892
do. 2d pref....	.....	.....	3	.....	3	Sept 5	8	Feb 23	4	1910	42⅜	1902
Wis. Central....	48¾	51½	48⅜	1,200	48⅜	Sept 20	73⅛	May 1	4c	1889	64	1910
do. pref.			88½						50c	1899	91¾	1909
do. 1st 4s.....	93	93¾	93	23,000	92	Aug 28	99¾	July 5	87	1896	99½	1890
Miscel. St'ks.												
Adams Express.	.....	.....	100	.....	225	Jan 30	242	June 12	97½	1888	315	1907
Allis Chalmers.	6½	6½	6¼	200	6⅜	Sept 21	9¾	May 31	4	1907	27⅜	1906
do. pref.	17	18	17	500	17	Sept 21	34	Feb 3	14	1908	87½	1903
Amal. Cop.....	52⅜	57⅜	52½	154,500	52⅜	Sept 20	71⅝	June 12	23⅝	1909	130	1901
Am. Beet Sugar.	48½	54¼	49¾	32,270	.....		.....		5½	1[illegible]	49¼	1900
Am. Car & F'd.	46	47	45	5,5[illegible]	45	Sept 21	58¼	July 19	10⅝	1899	76⅜	1899
do. pref.	.....	.....	116½	.....	114¾	Mar 1.	120	May 2	51	1899	124⅝	1904
Amer. Cot. Oil..	50⅜	51	50½	2,250	48⅜	May 22	62⅜	Feb 2	8	1896	79¼	1909
do. pref.	.....	.....	100	.....	100	Sept 7	106⅛	Mar 21	27⅛	1899	107⅛	1909
Amer. Express..	.....	.....	217	.....	215	Aug 14	245	Mar 2.	100	1893	301	1910
Am. H. & L....	3⅜	3⅜	3⅜	10	3⅜	Sept 20	5	July 21	2¾	1903	27⅜	1899
do. pref.	19	20	19⅞	800	19	Sept 20	26⅜	June 14	10	1907	83¼	1899
Am. Ice Sec.....	17⅛	17½	17½	200	16½	Aug 28	25⅜	July 1.	8¼	1907	96	1907
Am. Linseed Co.	8⅜	9¼	8⅜	51	8	Aug 11	12⅝	Feb 1.	5	1903	30⅜	1901
do. pref.	27⅛	27⅝	27¼	200	27¼	Aug 14	34	Feb 13	16½	1907	68	1901
Am. Loco.....	34	35	34	1,900	34	Sept 20	43¼	May 22	11½	1903	78½	1906
do. pref.	.....	.....	106½	.....	104	Aug 10	110⅝	Mar 1	67½	1903	122½	1906
Amer. Malt Co..	4	4¼	4¼	200	3⅝	Feb 17	5⅜	July 11	2½	1907	90¾	1898
do. pref.	38	38½	38	700	31½	Mar 8	42⅜	July 2.	14½	1903	88	1909
Am. Smtl. & Ref	64⅞	65⅜	65⅜	78,6[illegible]	64⅞	Sept 21	83⅞	June 15	30	1899	174	1906
do. pref.	102	103	102	900	100	Sept 21	108¼	June 15	77½	1899	137	1906
Am. St'l F'dry..	27	28	27	500	25	Sept 19	52½	Feb 9	3½	1904	66¾	1909
Am. Sugar Ref.	115	116½	115	2,70[illegible]	113	Aug 12	121⅜	June 14	85	1889	182	1899
do. pref.	114⅜	116⅜	114⅞	1,100	111	Jan 5	119½	Feb 14	66⅛	1893	142	1905
Am. Tob. pref..	91	92¾	92	2,400	87	Aug 24	102	May 23	90	1907	151¼	1902
Anaconda|||	32¾	34⅜	32¾	7,40	32⅜	Sept 21	41⅛	June 29	1[illegible]5	1907	302⅜	1907
Br'k Un'n Gas..	129	130	130	900	129	Sept 15	145½	June 8	80	1907	253	1902
Central Leather.	19⅜	22¾	20	6 30[illegible]	20	Sept 20	33⅜	Feb 2	11⅞	1907	61⅜	1909
do. pref.	92	93¼	92	500	92	Sept 15	105	Feb 10	68	1907	111	1909
Chino Copper....	17⅝	19⅛	17	8,600	.....		.....		2¾	1910	13	1909
Colo. Ind. 5s....	75	75	75	2,000	73	Aug 12	79½	Feb 22	35	1907	88½	1908
Colo. F'l & Ir'n.	25⅜	27⅛	26	1,100	25⅜	Sept 21	38⅜	Feb 4	14	1907	126½	1901
do. pref.	.....	.....	110	.....	110	Aug 5	110½	Jan 9	30	1907	142½	1901
C.&H.V.Co'l&Ir.	.....	.....	14½	.....	4	Feb 9	4	Feb 9	⅝	1896	92½	1910
Consolid't'd Gas.	131	133½	131½	5,800	130¼	Sept 14	148½	June 6	67	1857	241¾	1897
Con. Tobacco 4s.	87	87⅝	87	17,000	81¾	Jan 11	89¼	July 10	51¼	1908	95⅜	1904
Corn Prod'ts R.	12⅝	13	12⅝	2,6[illegible]	12⅝	Sept 21	15⅜	May 17	8	1907	28	1906
do. pref.	77	78½	77	1,01[illegible]	74½	Jan 16	85	May 29	40	1907	98¼	1909
Dist. Secur.....	30½	31¼	31	2,05	30	Sept 9	38¼	June 6	19½	1904	78	1907
Fed. M. & Smlt.	.....	.....	28¼	.....	17⅜	Jan 28	36	Feb 16	48½	1904	139	1906
do. pref.	50	50	50	171	47¼	Sept 19	66½	May 19	47	1907	112⅞	1906
Goldfield Con....	5⅜	5⅝	5⅜	11,47[illegible]	5⅜	Aug 26	7⅞	Jan 2	3⅞	1907	10	1910
Internat Paper.	91	95	94	400	9	Sept 9	12⅜	Feb 3	7½	1907	68¼	1899
do. pref.	45⅜	46⅞	45⅜	1,100	44⅜	May 15	54⅜	Jan 21	47	1909	95	1898
Int. Harvester..	99⅛	104½	101	22,[illegible]70	.....		.....		52	1908	125⅜	1910
do. pref.	116	118¾	116	1,090	.....		.....		90	1[illegible]	129	1910
Inter. Stm. P'mp	27⅜	31½	27⅜	1,450	27⅜	Sept 21	44	Feb 10	7⅜	1907	60	1906
do. pref.	84	85	85	200	83¼	Sept 14	90¼	June 12	80	1907	95	1902
Laclede Gas.....	101⅝	103	102½	842	.....		.....		93½	1910	116½	1910
Mackay, pref....	73½	75⅝	72½	40	.....		.....		50	1907	76⅜	1910
Nation'l Biscuit.	124½	131½	128	2,200	117⅜	Jan 16	141	Apr 4	23	1900	130	1908
do. pref.	126	126	128	190	124	Jan 20	130	Feb 4	79½	1900	130	1908
Nat. En. & St'p.	15	15½	15	200	16	Sept 8	22	July 24	6½	1907	36	1903
do. pref.	.....	.....	98	.....	85	Jan 4	100⅜	July 22	70	1908	98¼	1909
Nat. Lead.....	48	49⅜	48	1,700	48	Sept 21	58⅜	Mar 15	11[illegible]½	1903	95⅜	1901
do. pref.	107⅜	107⅞	107⅜	100	105¼	Mar 24	109⅜	Aug 15	48	1893	115	1899
N.Y. Air Brake.	51	56	51	32	51	Sept 20	76	June 19	14	1898	168⅜	1905
North Amer. Co.	64⅜	65½	65½	400	64	Jan 10	76⅛	May 22	2½	1892	134	1902
Pacific Mail....	29½	31½	29½	3,100	23¼	Apr 24	31	Sept 13	8¼	1893	70	1897
P'ple's G.L.& C.	101½	103½	102¼	1 50	101½	Aug 25	109	Jan 19	29	1903	128¼	1899
Pressed St'l Car	26½	28	26½	1,150	26⅜	Sept 14	37⅜	July 3	15⅜	1907	65⅜	1908
do. pref.	91	94	91	700	91	Sept 21	102⅜	June 16	52½	1907	111⅜	1909
Ry. Stl. Spring.	26⅜	28	26⅜	2,20[illegible]	24⅜	Aug 28	39	June 14	15⅞	1894	63¼	1906
do. pref.	94	96⅜	94	9 0[illegible]	88⅜	Aug 30	102¼	May 24	67	1903	109	1900
Rep'b Ir. & St'l.	21¾	21	21⅜	3,70[illegible]	21⅜	Sept 21	35¼	Feb 6	5	1904	49⅛	1899
do. pref.	82⅜	83⅞	84	3,20[illegible]	82⅜	Sept 21	99⅜	Mar 14	36⅜	1903	111½	1909
Sloss-Sh. S. & I.	36	37	36½	500	35½	Sept 14	56¼	Feb 6	17½	1900	113¼	1906
do. pref.	.....	.....	112	.....	112	Feb 17	113	Feb 15	59¼	1900	130	1905
T. Pac. Ld. Tr..	.....	.....	84	.....	84	Sept 11	92	Jan 24	5	1898	95	1910
Texas Company.	96	97	96	470	.....		.....		134½	1910	144	1910
Underwd Typo..	88½	88½	88½	120	.....		.....		41	1909	41	1909
Un. Bag & Pap.	5⅛	5½	5½	200	5½	Sept 19	9	Feb 10	3⅞	1904	45	1899
do. pref.	54	54	54	100	54	Aug 1	59¼	Jan 20	38	1900	88	1899
U.S.Cast IP & F	13	13	13	325	12	Sept 20	19	Feb 24	6	1908	53	1906
do. pref.	43½	45⅞	43½	1,110	43½	Sept 21	58⅜	Feb 24	32	1903	97⅜	1906
U. S. Express...	.....	.....	90	.....	90	Sept 11	104	Feb 1	25	1896	160	1902
U.S.R'lty & Imp	67	67	67	10[illegible]	65¼	Jan 25	79⅜	May 29	38	1907	98¼	1905
U. S. Rubber...	35⅛	35⅞	36⅜	2,80	35⅜	Aug 12	47⅞	Mar 1	7	1903	69⅜	1891
U. S. Rubber pf.	107½	108½	107½	90	107½	Sept 21	115½	July 7	20¼	1903	123¼	1909
U. S. Steel.....	58	58¾	58⅛	1144,74[illegible]	52¾	Sept 20	82¼	Feb 6	8⅜	1904	91	1910
do. pref.	104¾	105¾	105⅜	19,[illegible]70	104⅜	Sept 21	120⅞	Feb 4	49⅜	1903	125⅜	1910
do. 5s	100	1.03⅝	100⅜	873,000	100	Sept 20	106¼	May 27	65	1903	106¼	1910
Utah Copper....	44⅞	42⅜	40⅞	23,[illegible]00	41	Sept 20	52	June 14	13	1907	67⅛	1908
Virg. Car Chem.	48¼	52	49	10,1[illegible]	49	Sept 21	70⅜	Feb 23	12⅜	1907	72	1901
do. pref.	116	116¾	116	4[illegible]	116	Sept 20	128½	Mar 15	75	1907	133⅜	1902
West. Un'n Tel.	75	77⅜	77	8,350	71⅜	Mar 20	84¼	May 24	41	1908	137⅜	1881
West. Mfg. Co..	59⅜	62	60	5,7[illegible]	60	Sept 20	79	May 29	20¼	1898	154	1907
do. pref.	110½	111¼	110½	200	110¼	Aug 16	123	Jan 5	48¼	1896	160	1907

* Ex-dividend. ** New. † Assessment paid. ‡ Ex-rights. § Price bid. ‖ Price asked. ¶ Old securities. ‡ Certificates. x Ex-interest. ||| Par value basis. *** Receipts.

MONATON REALTY INVESTING CORPORATION

Pays

6% COMPOUND INTEREST

On Money Invested in

Its Accumulative Certificates
Running terms of 10, 15 or 20 yr.

Payments may be made annually semi-annually, quarterly or monthly

SECURITY

OWNERSHIP OF NEW YORK INCOME PROPERTY

Affording

Immediate returns on investments and Opportunity for increase of valuation.

For illustrated Booklet, inquire:

Publicity Department
Times Building
Broadway & 42nd Street,
New York City

FRANKLIN RAY CENTRAL

Our weekly market letter mentions the above, also Nevada Hills, East Butte, The Porcupines and "Coppers" and "Curb" stocks in general. Mailed free upon request.

"Coppers" and Curb Stocks bought and sold for Cash or Carried on Margin

H. A. BROWN & CO.

Members Boston Curb Exchange

60 State St. Boston — 74 Broadway New York

First Mortgage Bonds

For Small Investors

WEEKLY OR MONTHLY PAYMENTS

Government, State and Municipal Issues, also Standard Railroad, Public Service and Industrial Bonds sold in any amount for Cash or on Weekly or Monthly Payments. Best, Easiest and Safest way to provide for your future.

Circulars 104 on request; Correspondence invited

Resident Representatives Wanted

FUNDING COMPANY OF AMERICA

40 EXCHANGE PLACE, NEW YORK

Digitized by Google

WALL STREET TO NEW ORLEANS.

Itinerary of Bankers' Special Trains to American Bankers' Association Convention and Cruise to Panama Canal.

The New York Central lines have just issued the itinerary of their bankers' special trains to the thirty-seventh annual convention of the American Bankers' Association at New Orleans, November 20 to 24, and cruise, per the United Fruit Company's steamers, to the Panama Canal.

The committee on transportation of the New York State Bankers' Association have arranged with the New York Central lines for special trains similar to the famous "Red", "White", "Blue" and "Green" sections of the bankers' special to Los Angeles and the Pacific Northwest last year, and for a cruise to Panama after the close of the convention. These special trains, now under construction, will be built of steel, and their appointments will excel any equipment heretofore offered the traveling public. They will make their first trip in service with the bankers.

TRIP TO PANAMA.

For the accommodation of the party, which will be taken out on the trains of the New York Central lines, the United Fruit Company's new steamships, "Sixaola", "Tivives" and "Carrillo", direct from the shipyards of Belfast, have been specially chartered for the cruise of twelve days from New Orleans to Panama and return. They are of 5,000 tons each and afford ample facilities for a delightful trip.

The trip across the isthmus and the inspection of the Panama Canal will be made in special trains on the Panama railroad.

This tour has the approval of the officials of the American Bankers' Association, and the committee on transportation cordially invites the bankers of the United States and Canada, their families and friends, to unite with them in making this delightful tour.

The New York Central lines inform us that accommodations on three of their trains have already been taken and that a fourth and

POSSIBLY A FIFTH

section may be necessary.

The first train will leave New York the evening of Wednesday, November 15, via New York Central lines, arriving in New Orleans Friday evening, after a brief stop at Vicksburg, where entertainment will be provided by the Clearing House Association of that city.

The second train will leave New York the morning of Friday, November 17, via New York Central lines, arriving Nashville 1 P. M., Saturday, where entertainment of the party will be provided for by the Nashville Clearing House Association.

The third train will leave Saturday afternoon, November 18, to accommodate those who cannot spare the time to leave earlier, and will be operated on a very fast schedule in order to reach New Orleans early Monday morning.

Special train will return from New Orleans Friday evening, November 24, stopping over at Chattanooga, arriving in New York, Monday, November 27.

Hotel accommodations at New Orleans must be secured by communicating direct with William Allen, chairman Hotel Committee, 337 Carondelet street, New Orleans.

Each train will be equipped especially for this trip in a most approved manner, and nothing will be left undone to afford all who join this party the very best accommodations.

NATIONAL, STATE AND SAVINGS BANKS have purchased 53% of an issue of First Mortgage Bonds which we are selling at a price to yield 6%.

An unusual opportunity for institutions, trustees and individuals to make a conservative and profitable investment.

Send for circular 617.

GEORGE H. BURR & CO.
Bankers, 35 Wall Street, New York
Chicago-Boston-Phila.-St. Louis-San Francisco

WANTED
Austin, Tex. 4s
Cater-Crume Stock
Peoria Water Works Co. 4s
Alfred Light & Power 5s
York Haven Water & Power 5s
St. Joseph Water Co. 5s
H. C. SPILLER & CO.
Specialists in Inactive Bonds
27 STATE STREET BOSTON

Almoloya Mining Co.
60 Wall St., NEW YORK

TINTICS AND OTHER UTAH STOCKS
Write for reports and for Weekly Market Letter.
WM. H. TIBBALS, Salt Lake, Utah.

20%
Dividends on stock of the SMITH VALLEY LAND & LIVE STOCK COMPANY will be very conservative with positively no chance of losing the amount of your investment. If you are interested in dividends and absolute security back of your investments you will want some of this stock. It is a sure winner; a sure dividend payer, and a very high class investment. Write for particulars.
Glass & Meyer
56-58 Vandergrift Bldg. Pittsburg, Pa.

FOR
Oil and Gas Land Leases
WRITE
C. W. DEMING & D. C. ACOSTA, Inc.
Tulsa, Okla.

FOR HIGH GRADE OIL STOCKS
WRITE
EQUITY BOND & SECURITY CO.
37 WALL STREET, NEW YORK CITY

YOUR INVESTMENT SHOULD EARN YOU MORE MONEY
Boston Real Estate Carefully Selected and Scientifically Managed
The United States Investor in its issue of Sept. 16, 1911, says of this company "Both the preferred stock and the bonds are well worthy of the consideration of our readers."
Address for prospectus and other information
COMMONWEALTH REALTY COMPANY, Chas. E. Jeffrey, Prest.
Room 407, 53 State St., Boston.

INDUSTRIAL SAVINGS AND LOAN COMPANY
BROADWAY AND 42ND ST., NEW YORK
Established 18 years, under New York Banking Law Assets $2,250,000
5% PER ANNUM
$25 to $3,000 may be deposited or withdrawn on any date desired—earnings credited for full time. For 18 years we have never paid less than 5% per annum. ¶ A good place for your temporarily idle money.
WRITE FOR FULL PARTICULARS

EMNAHA GOLD MINING COMPANY
Incorporated under the laws of the State of Idaho. Capitalization, $500,000, divided into 500,000 shares. Par value $1.00 per share. Of which 200,000 shares have been placed in the Treasury, for the development of the property.
This Company owns and controls nine claims on Battle Creek, Imnaha, Willowa Co., Ore., on which there are three well defined parallel veins, carrying very rich gold quartz. A limited amount of the shares of the stock have been sold.
For full particulars, address
JOHN SENNETT, Treasurer
79 Milk Street, Room 602 Boston, Mass.

Digitized by Google

The Best Purchases on the Railroad List

As Indicated by the Two Standards of Comparison: of Present Investment Yield on Basis of Current Dividends and Prevailing Market Price, and on Basis of Present Earnings on Prevailing Market Values.

The average net yield of the 50 railroad stocks quoted in the following table was 5.42 per cent on September 20, as compared with 5.41 per cent on September 13, 5.34 per cent on January 4, and with 4.71 per cent on January 2, 1910.

Norfolk & Western common is one of the issues which has been attracting well-merited attention since the decline in values began, and continues to sell well above the level of other 5 per cent railroad issues. One reason for this, of course, is to be found in the relatively good showing made in the fiscal year to the end of June, as well as in the opening month of the new fiscal period. The annual report showed gross earnings of $35,500,000, the largest on record, an increase of approximately $500,000 for the year, but, to quote the words of President Johnson, "the operating expenses evidence the result of continued increases in the cost of labor and material, and in expenditures to meet public demands and legislative requirements, many items of which your company cannot control."

These words bear a very close resemblance to the pessimistic utterances of other railroad heads, although they do not go as far, to be sure. The actual figures contained in the report do not appear at all discouraging, when one looks beneath the surface, for although operating expenses did increase $1,900,000, $1,200,000 of this is accounted for by more liberal appropriations for maintenance. Conducting transportation, an item in the income account which reflects to a greater degree than any other the changes in the cost of labor and materials, shows a gain of only $600,000. Other income was larger by $200,000 than in the previous year, while interest on bonds was smaller by $160,000, so that the surplus, after fixed charges, showed a reduction of only $1,203,000, which, allowing for the $1,200,000 increase in maintenance of way and equipment, made the final results for the year practically the same as for 1910, when 11¼ per cent was earned on the common stock then outstanding. Certainly, for a year which includes six months of general trade depression, such a showing as this need arouse no feeling of alarm on the part of shareholders, present or prospective.

A comparison of the results shown by the Norfolk & Western for the last fiscal year with those of 1901, show that in the ten-year period, gross earnings have increased from $15,785,440 to $35,557,520; net from $6,339,980 to $11,279,240, and the surplus after fixed charges from $4,158,880 to $7,740,380. The Pennsylvania has not been buying a pig in a poke in acquiring nearly $37,500,000 of Norfolk & Western. In the past 15 years over $88,000,000 has been expended by the Norfolk for improvements, of which $62,254,000 has been charged to capital and $25,939,000 to earnings. The results attained show that this large amount of money has been spent to good advantage.

The amount actually earned after preferred dividends for the year was within a very small fraction of 9 per cent on its outstanding $74,284,000 common stock, so that the margin of safety over the 5 per cent dividend rate was ample

STOCKS SHOWING BEST INVESTMENT YIELD

Present rank.	Stock.	Present dividend	Price	Yield on present price
1	Toledo, St. L. & W., pref....	4%	44	9.09
2	Detroit United	6%	67	8.46
3	Chesapeake & Ohio, com.	4%	71	7.04
4	[illegible]	5%	74	6.76
5	St. L. & San F., 1st pref....	4	62	6.45
6	[illegible] Valley	10%	155	6.77
7	St. Paul, com.	7%	112	6.25
8	M. K. & T. pref.	6	94	6.38
9	K. C. Southern, pref.	4	64	6.25
10	[illegible] Pacific	10	161	6.21
11	Baltimore & Ohio, com.	6%	97	6.18
12	Northern Pacific	7%	118	6.04
13	N. Y., N. H. & H.	8%	138	6.02
14	N. Y., C. & St. L., com.	3%	56	6.10
15	Colo. & Southern, 1st pref	4	68	5.85
16	[illegible] com.	5%	100	5.82
17	St. Louis S. W., pref.	4	69	5.80
18	Twin City R. T., com.	6%	103	5.77
19	Great Northern, pref.	7	121	5.65
20	Delaware & Hudson	9	160	5.62
21	Southern Pacific, com.	6%	108	5.55
22	[illegible] & St. L., com.	3%	61	5.49
23	M., St. P. & S. S. M., com.	7%	136	5.15
24	[illegible] & S. M., pref.	4%	75	5.33
25	Colo. & Southern, 1st pref.	4%	76	5.44
26	[illegible] & St. L., pref.	5	94	5.32
27	C., St. P., M. & O., com..	7	132	5.30
28	Western Maryland, prof....	4	77	5.19
29	N. Y., O. & W.	2%	49	5.13
30	Illinois Central	5%	106	5.14
31	Chicago & N. W., com.	7%	140	5.00
32	[illegible] & Nashville	7%	150	5.00
33	[illegible]	6%	120	5.00
34	Colorado Grand, pref.	6%	120	5.00
35	Norfolk & Western, com....	5%	102	4.90
36	[illegible] pref.	5%	105	4.80
37	[illegible] pref.	7	145	4.83
38	N. Y. Central	8%	162	4.85
39	M., St. P. & S. S. M., pref.	7%	145	4.83
40	[illegible] & Ohio, pref.	4%	93	4.85
41	Buffalo, R. & P., com.	7%	165	4.63
42	Central of N. J.	12%	280	4.61
43	Lehigh Valley, pref.	4%	89	4.44
44	Norfolk & Western, pref.	4	90	4.44
45	[illegible] & Southern, com..	2	45	4.44
46	Canadian Pacific	10%	226	4.42
47	Reading, com.	4%	140	4.29
48	[illegible] & Maine	4	100	4.00
49	L. I. & W.	3%	90	3.84
50	Southern Railway, pref.	3%	91	3.13

STOCKS SHOWING BEST EARNINGS

Present rank.	Stock.	Price	Earnings on present price.
1	St. L. & San F., 2d pref	40	29.80
2	Erie, 1st pref.	51	22.15
3	M., K. & T., pref.	64	21.50
4	Detroit United	67	19.45
5	Southern Railway, pref.	81	16.20
6	N. Y., C. & St. L., com.	90	15.15
7	Hocking Valley, com.	128	14.70
8	Buffalo, R. & P., com	108	13.25
9	Louisville & Nashville	140	13.20
10	Norfolk & Western, com	102	10.95
11	Union Pacific, com	161	10.45
12	[illegible] & E. Ill., pref.	46	10.30
13	Twin City R. T., com.	104	10.20
14	Atlantic Coast Line	120	10.20
15	Colo. & Southern, com.	45	9.50
16	St. Louis S. W., pref.	69	8.85
17	Canadian Pacific	226	8.85
18	Southern Pacific	108	8.75
19	Central of N. J.	280	8.75
20	Erie, com.	31	8.40
21	Great Northern, pref.	121	8.40
22	C., St. P., M. & O., com.	132	8.20
23	Baltimore & Ohio, com.	97	8.00
24	C., C., C. & St. L., com..	98	7.95
25	Delaware & Hudson	160	7.95
26	[illegible]	94	7.85
27	P., C., C. & St. L., com	93	7.40
28	Lehigh Valley	157	7.30
29	Chesapeake & Ohio, com.	71	7.05
30	M., K. & T., com.	23	6.95
31	K. C. Southern, pref.	64	6.75
32	Northern Pacific	118	6.65
33	St. Paul, com.	112	6.55
34	Illinois Central	136	6.30
35	M., St. P. & S. S. M., com..	136	6.15
36	N. Y., N. H. & H.	138	5.85
37	Michigan, com.	1	5.80
38	Pennsylvania	120	5.60
39	D., L. & W.	96	5.40
40	Reading, com.	140	5.30
41	N. Y., O. & W.	29	5.05
42	Rock Island, pref.	87	5.00
43	Chicago & N. W., com.	140	4.75
44	Western Maryland, pref.	77	4.30
45	Chicago Gt. Western, pref.	26	3.90
46	Iowa Central, pref.	37	1.85
47	Toledo, St. L. & W., pref.	44	1.75
48	K. C. Southern, com.	28	1.75
49	Boston & Maine	100	0.45

Digitized by Google

FOR SALE

Draper Manufacturing Co. Com.
Port Hood Coal Co. 6's 1919
Nevada California 6's 1927
Leavenworth City & Ft. Water Co. 4's
Mexican Coal & Coke 5's 1926
Detroit & Suburban Gas 5's 1926
Pope Manufacturing Co. Pfd.
City Manufacturing Co.
Kirby Lumber Co. Pfd.
Nashawena Mills
Niles-Bement-Pond Com.
U. S. Envelope Pfd.
Wamsutta Mills
Boston Securities Co. Com.
Quisett Mills
Columbian Nat'l Life Ins. Co.
Sealshipt Oyster System Pfd.
Maverick Mills Com.
Atlanta, Birm. & Atlantic 5's 1936
Youngstown & Southern 5's 1923
U. S. Bobbin & Shuttle Com.
El. Tiro Copper Co. 6's 1917
Hudson River Elec. Power 5's 1944
Bingham Mining & Smelt. 6's 1914
Central Indiana Lighting 5's 1927
Bigelow Carpet Co.
Massachusetts Cotton Mills
Equitable Accident Co.
American Caramel Pfd. & Com.
American Glue Pfd.
Central Maine Power Co. Com.
New England Inv. & Sec. Pfd.
U. S. Worsted Com. & Pfd.
Buffalo & Susquehanna 4½'s 1953
American Soda Fountain
Manomet Mills
U. S. Finishing Co. Pfd.
American Real Estate 6's 1920
Syracuse Rapid Transit Com.
Acme White Lead & C. W. Com. & Pfd.
Chicago-New York Elec. Air Line
Standard Screw Co. Pfd.
Continental Mills
Catawissa Coal Co. Defaulted 5's
York Light & Heating Pfd.
Silver-Burdett Co. Pfd.
Walpole Rubber Co. Pfd.
with 20% Com. as bonus
Philadelphia & Eastern 5's 1927
Metropolitan Coal Co.
Rocky Mt. Bell Telephone
Edison Portland Cement 6's 1929
National Light, Heat & Power Pfd.
Acker, Merrill & Condit Deb. 6's
Aurora, Elgin & Chicago Ref. 5's 1946
Century Telephone Const. 5's 1946
Connecticut River Power Com.
Lynn Realty Co.
Toledo Railway & Light 4s
Whitman & Barnes Mfg. Co.
Algonquin Printing Co.
St. Louis, Rocky Mt. & P. 5s 1955
Indiana, Columbus & East. 5s 1926
American Investment Sec'y Pfd.
Dayton Lighting 5s 1937
New Orleans Great Nor. 5s 1955
Waltham Watch Com.
Utah Metal Mining Co.
Swift & Co. 5s 1946
American La France F. E. 6s 1919
Regal Shoe Pfd.

WANTED

U. S. Envelope 1st 5s 1925
Ashtabula Water Co. 2d 5s 1917
Atlantic City & Shore R. R. 5s 1945
Bangor Railway 5s 1935
Buffalo, Lockport & Rochester 5s 1945
Burlington Ry. & Lt. 5s 1917
Chicago Rys. Purchase Money 4s 1927
Duluth Superior Traction Co. Com.
Erie Elec. Motor 5s 1941
Evansville Elec. 4s 1921
Lewiston, Brunswick & Bath 5s 1918
Seattle Tacoma Power Co. Com.
Wheeling Traction 5s 1931
Brockville, Westport & Northw. 4s 1923
Cincinnati Bluffton & C. 5s 1932
Colorado Springs & C. Creek 5s 1931
Ohio & Little Kanawha R. R. 5s 1950
Pittsburg, Shawmut & Northern 4s 1952
Denver Gas & Electric 5s 1949
Oregon Light, Heat & Pwr. 5s 1941
Portland Electric Co. Pfd.
Rome Gas & Electric Lt. & P. 5s 1931
Adrian (Mich.) Water 5s 1931
Alfred Light & Power 5s 1935
Alton Water 4½s 1931
Antigo Water Co. 6s 1915
Appleton Wtr. Works 6s 1914
Boise-Payette River Elec. 6s 1921
Bodwell Water Power 5s 1933
Butte Water Co. 5s 1927
Central Colorado Power 5s 1946
Central Union Telephone 5s 1919
Eastport Water 5s 1918
Harrison Bros. & Co. Ltd. 5s 1924
Idaho Oregon Light & Power 6s 1925
Otis Falls Pulp 6s 1916
Omaha Water Co. 5s 1946
Palatka (Fla.) Waterworks 6s 1918
Rochester (Minn.) Water Co. 4s 1917
Santa Fe County (N. M.) 6s
Yankee Fuel Co. 5s 1926
Gamewell Fire Alarm Telegraph stock
King-Crowther Co. stock
Lincoln Traction Co. Pfd.
Walter A. Wood Mowing & R. Machine Co.
H. O. Subordinate 3's
Bellaire Bridgeport & M. Ferry 6s 1913
Cleveland, Painesville & A. 5s 1922
Springfield (Mo.) Water Co. 5s 1936
Glens Falls Gas & Elec. 5s 1919
Terre Haute Gas & Elec. 5s 1929
Cleveland & Erie Tract. Income 5s 1929
Florida & Southern 4s 1925
Embankment Land Co. stock
Coplay Cement Mfg. Co. Pfd. & Com.
New Hampshire Elec. Rys. Pfd. & Com.
New River Co. 5s 1934
Ludlow Valve Mfg. Co. Pfd.
Union Twist Drill Pfd.
Hill Manufacturing Co.
Pere Marquette Com.
U. S. Whip Com.
National Casket Co.
Arlington Mills
Massachusetts Lighting Co.
Atlantic Cotton Mills
Boston Wharf Co.
Middlesex Banking Co.

HOTCHKIN & CO.

Dealers and Specialists in Inactive Securities

Cable Address "TOCKIN" Telephone 460—461—462—2321 Main

53 STATE ST., BOSTON

Digitized by Google

GENERAL LIBRARY
UNIV. OF MICH.
OCT 2 1911

United States Investor

Copyright 1911, by Frank P. Bennett & Co., Inc.

Volume XXII. BOSTON, NEW YORK AND WASHINGTON, SEPTEMBER 30, 1911 Number 39

It will surprise many well-informed bankers if one of the effects of the recent failure of the Tradesmen's Trust Company of Philadelphia shall not be the institution of one most wholesome reform. The course this reform will take has to do with one feature of the daily transactions between Philadelphia's clearing house banks and its numerous body of trust companies. We admit that at first blush there is something almost humorous about such a probability. The defunct trust company was an institution of modest proportions. Alongside of the huge aggregation of assets which some of the more representative trust companies of the city can display, its million and a half dollars or so of resources look pitifully small. The likelihood that the collapse of an institution no more formidable than this will have effects upon the conduct of all the national banks and trust companies of any city seems about as difficult of credence to the uninformed as anything well can be. In banking, however, as in other lines of human activity, small occurrences coming at the proper moment frequently have results all out of proportion to the importance of the occurrences themselves. The suspension of the Tradesmen's Trust Company appears from this point of view to have been well-timed. Prior to its embarrassment, the more influential bankers of the city had almost agreed to a better future procedure in the banking practice we have in mind. It needed only the slight additional impetus of a modest trust company failure to push the problem straight to the point of solution. If the solution shall now be obtained, it can hardly be said that the downfall of this company is an utter misfortune.

Effects of a Failure

The particular topic now pressed to the fore is the arrangement of a better method of settling the daily debits of Philadelphia's trust companies to its national banks. Let it be confessed at the outset that this bank failure is not without its other lesson. One principle of good banking upon which the world is always in need of frequent advice has also been reemphasized. This is that there is a world of difference between ample security and liquid security. Long as they have been in business, the officials of the bank which has now come to grief seem not to have had any proper appreciation of this principle. An accurate inventory of the resources they will now turn over to a receiver will disclose a policy on their part altogether too friendly toward loans on real estate and a resulting debasement of their resources to an extent sufficient to cause any bank's downfall. The temptation to select these unliquid assets was, of course, great. No city in this broad land holds out more alluring chances for the professional developer of real estate than does Philadelphia. It is essentially a city of homes, and, best of all, homes owned by their occupants. Within the entire municipality one finds few of those apartment houses where people live in flats which have done so much in other cities to destroy the wholesome idea of what a home ought to be. The growth of Philadelphia has been rapid, but instead of carrying building construction up into the air, as it has in New York, for example, it has carried this construction out into the hitherto undeveloped farming country on the city's outskirts. For years, there has been really tremendous activity in house erection all around the city's edge, and even over into the adjoining suburbs. In such activity always lies a lure for the banker who does not frown upon real estate loans.

Trust Company Clearings

In all these building operations at Philadelphia the lure for the banker has been as persistent as it has been hard for any banker to resist, especially one who has been fired with the ambition to make his small institution profitable and to gain it more deposits. In almost every case the new homes have been erected by those who have had prompt sales of the new structures in mind. The nature of the population of Philadelphia is such that a steady demand for the new houses as soon as completed has until recently been experienced. Builders have been handsomely recompensed for their enterprise. This has spurred them on to more and more building, and their resort to any institution which would advance them capital has been steady and increasingly insistent. Even after they have consummated their sales, which might be expected to put them in position to discharge their obligations to the bank, it has generally been necessary for them to find loans for the buyers of the homes, who have usually found it necessary to acquire their residences on the installment plan.

The Real Estate Lure

There is much about such loans that appeals to the lender of money. His prospect for profit of better than normal proportions is good. His fortunate escape from any losses in the early and even in the more advanced stages of real estate booms of this variety lulls to sleep the fear which ought constantly to beset him that by and by the boom may commence to drag and the payment of his loans become less certain. In any event, either the hypnotic effect of good fortune with its earlier loans, or some other influence, led the Tradesmen's Trust Company into more than generous treatment of the applications for loans on buildings in process or completed, and the resulting unliquidness of its resources forced it to a suspension. Thus the primary lesson of its failure is a reemphasizing of that old, old doctrine, as true and wholesome as it is ancient, that real estate loans are a fit investment for funds repayable on demand only to a modest fraction of the whole volume of a bank's assets.

At the same time, that is a fact upon which we have no present purpose of laying particular stress. Numerous other commentators will harp upon that tolerably obvious feature of the situation. What is more interesting to bankers at large is that one slight inconvenience to which the clearing house banks have been put by this trust company suspension has caused them to take up once more the whole question of their daily dealings with the local trust companies. It seems reasonably certain that they will now press to final solution one problem which has been mooted more than once during recent years.

The method which Philadelphia's trust companies employ for settling

Digitized by Google

checks drawn against themselves is the practice for which remedy is sought.

One Check For Several

Only two of the companies, it will be recalled, are members of the clearing house. Neither of the two is numbered among the largest of the city's fiduciary institutions. A more or less earnest attempt a few years ago to draw more of them within the fold was not successful. The trust companies continued to prefer their present unaffiliated condition, concluding very likely that the advantages of membership at that time were not sufficient to warrant them in taking the step. As a result, the clearing house banks of the city have found it necessary to collect by hand every day the checks they have received against each trust company.

The practice is as inconvenient, anyone can readily see, as it is archaic. The city is full of trust companies of every sort and condition, every shape and size. Among them are institutions which in assets, strength, skill of management, and those other elements which go to give character to the trust company are unsurpassed anywhere in the world. The mass of trust estates they hold is even more imposing than the aggregate of their deposits. Any railroad or industrial corporaion employing them as trustees of mortgages, any decedent entrusting to them the conduct of his estate and any depositor who selects them as custodian of his money knows that employment of them assures a diligent, faithful and above all things a prudent and safe performance of the duties involved. With all its supremacy in things financial, New York City has been able to evolve few institutions that are to be spoken of in the same breath with them.

Fortunately for Philadelphia, these companies have become well enough known for the popular mind to associate the term, "Philadelphia Trust Company" with them instead of with the numerous body of other Philadelphia trust companies that are neither so substantial nor so exceedingly well managed. The whole number of trust companies in Philadelphia is nearly three score, so that although there are these huge companies among them, there are numerous others concerning whom the clearing house banks may well feel more concerned. Good or bad, however, the huge number of them makes a daily round of visits to all a nuisance, and to aggravate the condition, is the practice that has become established among clearing house banks of accepting from all trust companies, in payment of checks drawn against them, a check on some other clearing house bank in lieu of the cash for which the checks actually call. When the First National Bank, for instance, presents at the Fidelity Trust Company the checks against it which the First National Bank has that day, it receives in return, instead of cash, a check of the Fidelity Trust Company upon some clearing house bank, where the Fidelity Trust Company keeps a balance.

The argument for the practice is simple. It is that of convenience. The messenger whom each clearing house bank despatches to make the rounds of the trust companies would hardly be able to handle the huge volume of cash he would receive for the checks he presented, nor would it be safe for the clearing house banks to be daily trucking through the streets from trust company to trust company and back to their own doors the great amount of coin and bills which altogether they would accumulate. The arguments against the practice, on the other hand, are numerous. To begin with, it isn't in entire accord with those banking methods which the law contemplates. When a bank becomes the agent of a depositor and undertakes to collect a check or anything else for him, it really has undertaken to get cash for him. For it to accept anything but cash, even though what it accepts is a check by a perfectly good maker on a perfectly good bank, isn't doing precisely what the depositor engaged it to do. This nice point of legality is not, however, for the moment quite so potent an influence in urging banks to seek a reform of the present practice as is quite another point of law. This other point is one which was established in a case that went to the courts as the result of another trust company failure of some years ago. This is that when a bank accepts from a trust company a check upon a clearing house bank in return for the checks it held against that trust company, the bank which receives this check occupies a most unhappy position among that trust company's creditors if it shall fail. The regular depositors of the company rank prior to it. They must be paid off in full and with interest before the bank which accepted the check from the trust company in payment for checks drawn against it can receive a cent. Hence, those banks of Philadelphia which sent their runners to the Tradesmen's Trust Company on the day before it failed and received back its check drawn on one of the Philadelphia national banks have only a piece of paper to show for

Objections to Practice

the checks they surrendered on that last day to the Tradesmen's Trust Company. The value of that piece of paper is problematical, if it has value at all. No wonder the clearing house banks do not enjoy a practice which has placed them in this position, even though in this particular instance the losses they take will be small.

And now for the proper cure to be applied. Its selection and indeed its application may be found to be a very simple process. The trust companies may interpose no obstacle whatever. From the present arrangement they reap one advantage that they will have to surrender if some other form of payment for checks is adopted drawn against them. The check with which they now pay their obligations does not ordinarily go through the clearing house until the next day. Consequently, they receive a day's interest upon the amount of money which the check represents which would not come to them if they paid cash. We do not understand, however, that any cupidity, any desire to retain this single day's interest will lead the trust companies to be offish when the clearing house seeks to arrange a better form of payment. Indeed our impression is that for one suggestion, namely, that the trust companies become members of the clearing house, the more influential trust company people are predisposed to be friendly. That is what leads many people to the conclusion that such is the final solution that will be hit upon. If adopted, it will solve the difficulty beyond a doubt. If they meet their obligations each day at clearing house just as the national banks do, no national bank will have cause for worry or complaint. No longer will it be necessary, as it sometimes is now, for a clearing house bank when it receives an unusually large check from a trust company in settlement to send around to that other clearing house bank on which it is drawn in order to determine that the check is good and to have a due bill issued by the bank in place of the check. That is what is frequently done now by any national bank if the trust company treasurer's check it receives is above normal size and is drawn by some of the less substantial trust companies.

May Join Clearing House

Quite another suggestion is that the trust companies be called upon to deposit security with the clearing house to indemnify the banks against such losses as the collapse of the Tradesmen's Trust Company has

Other Suggestions

Digitized by Google

THE NATIONAL CITY BANK OF CHICAGO

CAPITAL :: :: $2,000,000.00
SURPLUS & PROFITS $00,000.00
RESOURCES :: :: $29,300,000.00

United States Depository — *Accounts of Banks and Bankers solicited. Correspondence invited.* — Organized 1907

brought. How popular this suggestion would be among the trust companies, we do not know. Probably the question of the popularity of each plan with the trust companies will have its weight in determining which plan shall be selected. The national banks are not to be blamed for preferring to handle the whole affair with the greatest possible diplomacy. The trust companies are neighbors of theirs. In many instances, their boards of directors include men who are also directors of the banks. The deposits of the trust companies with the banks are substantial. There could be no stronger inducements to comity between the two classes of institutions than these facts. Another suggestion is that the clearing house manager or some other representative of the body be made the wholesale collector of city trust company checks, somewhat after the fashion of the collection of out-of-town checks at the Boston Clearing House. We do not understand that this suggestion has thus far obtained so much following as the suggestion that collateral deposited at the clearing house be required of the trust companies. Neither of these two suggestions is quite so simple as the suggestion that the companies be persuaded to enter the clearing house.

A Desirable Result

From the admission of the trust companies to the clearing house, one great advantage will flow that can hardly be emphasized too strongly. This is that in times of stress the trust companies will be found shoulder to shoulder with the national banks in all movements for the common advantage. When any considerable number of banking institutions are outside the clearing house, as the trust companies are to-day, at Philadelphia, and as the trust companies of New York were in 1907, the clearing house committee is nowhere near so potent a factor in applying remedial measures and in taking powerful preventive steps as it should be. With the trust companies affiliated, and represented on the clearing house committee, that body is endowed with powers for the common good that are almost incomprehensible to the average man. It can force house cleaning in banking quarters where disaster is impending. It can pool resources and apply them at the points where they are needed. The strong bank is arrayed, by its command, behind the feebler one, and a general restoration of confidence made possible throughout the community. These were the considerations which led the New York Clearing House to make its recent successful effort to bring the leading trust companies of the city into the fold. The same considerations are likely to lead the Philadelphia banks, we imagine, to make an almost superhuman effort to accomplish the same result in their city. The fact that such an achievement will solve the problem which we have discussed above as having been pressed to the fore by the Tradesmen's Trust Company's failure, comes now as still another reason why early action of this nature at Philadelphia is distinctly desirable.

Samuel S. Campbell, vice-president of the Fourth National Bank of New York, has just returned from a six-weeks' trip in Europe. While Mr. Campbell's trip was really for pleasure, he found time to put the finishing touches on the plans of the Fourth National Bank for the opening of a foreign department.

OLDEST BANK IN AMERICA
Chartered by Congress, 1781.

The Bank of North America

(NATIONAL BANK)
PHILADELPHIA, PA.

Capital	$ 1,000,000.00
Surplus	2,250,000.00
Undivided Profits	371,000.00
Deposits	15,075,000.00

HARRY G. MICHENER ..... President
SAMUEL D. JORDAN ..... Cashier
WILLIAM J. MURPHY ..... Asst. Cashier
RICHARD S. McKINLEY ..... Asst. Cashier
Accounts Solicited
Correspondence Invited

Ladd & Tilton Bank

PORLAND, OREGON.

Established 1859.

Capital $1,000,000.
Surplus & Undivided Profits $700,000.

OFFICERS

W. M. LADD, President
EDWARD COOKINGHAM, Vice Pres.
W. H. DUNCKLEY, Cashier
ROBERT S. HOWARD, Asst. Cashier
J. W. LADD, Asst. Cashier
WALTER M. COOK, Asst. Cashier

DIRECTORS:

EDWARD COOKINGHAM J. WESLEY LADD
WILLIAM M. LADD S. B. LINTHICUM
HENRY L. CORBETT FREDERIC B. PRATT
CHARLES E. LADD THEODORE B. WILCOX

THE
OLD NATIONAL BANK
OF SPOKANE

OFFERS ITS CORRESPONDENTS
Better Banking Service

The Largest Number of direct connections of any bank in the Inland Empire.

Send us your Washington, Oregon, Idaho and Montana Items.

Portland National Bank
PORTLAND, MAINE
Union Mutual Life Insurance Co. Bldg.

Accounts received on the most liberal terms consistent with sound banking.
Collections receive prompt attention.

WM. W. MASON ..... President
EDWARD W. COX ..... Vice-President
CHAS. G. ALLEN ..... Cashier
EDWARD L. PIPER ..... Asst. Cashier

Directors:

Fred E. Richards, Charles G. Allen,
Henry B. Cleaves, George F. West,
William W. Mason, George Westcott Bayer,
Lyman M. Cousens, Roswell C. Bradford,
Edward W. Cox.

Franklin National Bank
PHILADELPHIA

Capital $1,000,000.00
Surplus and Undivided Profits. 2,730,181.17

INCORPORATED 1900.

OFFICERS:

J. R. McALLISTER, President.
J. A. HARRIS, JR., Vice-President.
E. P. PASSMORE, Cashier. L. H. SHRIGLEY, Assistant Cashier.
J. W. HARDT, Assistant Cashier.
Foreign Exchange Department.
WILLIAM WRIGHT, Manager.

Chase National Bank
NEW YORK

Capital ..... $ 5,000,000
Surplus and Profits (earned) ... 8,382,871
Deposits 118,848,700

A. BARTON HEPBURN,
Chairman of the Board
ALBERT H. WIGGIN, President
SAMUEL H. MILLER, Vice-President
HENRY M. CONKEY, Cashier
CHARLES C. SLADE, Ass't Cashier
EDWIN A. LEE, Ass't Cashier
WILLIAM E. PURDY, Ass't Cashier
ALFRED C. ANDREWS, Ass't Cashier

DIRECTORS
Henry W. Cannon

James J. Hill — George F. Baker
Grant B. Schley — Albert H. Wiggin
A. Barton Hepburn — George F. Baker, Jr.
John I. Waterbury — Francis L. Hine

FOREIGN EXCHANGE DEPARTMENT

The National Park Bank
OF NEW YORK
Organized 1856.

Capital ..... $ 5,000,000.00
Surplus and profits 12,947,463.12
Deposits, Sept. 1, 1911 ..... 106,550,902.43

Digitized by Google

ANGLO & LONDON PARIS NATIONAL BANK
SAN FRANCISCO
Capital, Surplus and Profits, $5,700,000.00 Deposits, $23,500,000.00 Cash and Sight Exchange, $10,300,000.00
Issues Travelers' Letters of Credit, available in all parts of the world; buys and sells Foreign Exchange, and issues Drafts and Cable Transfers
ACCOUNTS OF BANKS, BANKERS, CORPORATIONS, FIRMS AND INDIVIDUALS INVITED

ACCRUED INTEREST AS ASSET.

Treasurer of Vermont Savings Bank Explains Law of His State on This Subject.

Newfane, Vt., Sept. 23, 1911.

ED. UNITED STATES INVESTOR:

In an address delivered before the members of the Vermont State Bankers' Association at a meeting held in Barton, Vermont, August 16, 1911, Hon. F. C. Williams, bank commissioner, criticised the Legislature of 1910 in that the bill revising the banking laws was so amended as to eliminate accrued interest as an advertised legal asset.

The original bill contemplated accrued interest in such manner, and provided for the same being entered among the assets of Vermont state banks in their annual report to the bank commissioner.

AS A MEMBER

of the House Bank Committee in the Legislature of 1910, I am familiar with the considerations which led to the amendment which originated in the committee.

The House Bank Committee, to whom the bill revising the statute relative to state banks was referred, was composed of nine members, five bank officials, three business men and one physician, and while some members of the committee took the view that accrued interest not due might properly have a place among the assets in the official statement of the banks, I do not now recall any member of the committee who looked with favor upon accrued interest past due, as a published resource, for the reason that the latter would naturally include accrued interest on real estate loans in process of foreclosure, if banks held any such, also accrued interest on bonds for collection of which suit had been brought, and in fact, almost anything in the line of deferred assets and expectations.

Most of the committee took

THE BROAD GROUND

that in making up a statement for publication it is a pretty good old-fashioned, conservative rule to include only such assets as are already on the books in some form, and for that and other reasons, accrued interest, as a published resource, was cut out of the bill.

Another argument favoring the proposed amendment which had influence with the committee was the fact that had the Legislature allowed accrued interest to be counted a legal asset in the bank's official statements, such items would have immediately become subject to the state tax of seventenths of one per cent each year, which in our judgment would have been altogether

TOO HIGH A PRICE

to pay for the privilege of merely increasing a bank's resources on paper, and which would not add a cent to a bank's stability, strength or soundness.

The commission, to make recommendations with a view to revising the banking laws of Vermont, appointed by Governor Prouty in 1908 and instructed to report to the Legislature of 1910 was made up of gentlemen eminently fitted for the task, and the recommendations submitted by them were so admirable that a bill was drawn which embraced their views in toto, but the section relative to accrued interest, although endorsed by the bank commissioner, was, it seems to me, undesirable and well omitted from the measure as finally enacted into law. Respectfully,

FRANK A. DE WITT, Treasurer.
Windham County Savings Bank.

MUTUAL NAT'L BANK OF BOSTON.

The Mutual National Bank, of Boston, which has been in business only a year and nine months, has been forced by its steadily increasing business to secure larger quarters. Its directors have accordingly taken a 12-year lease of the premises at 40 State street, now occupied by the State Street Trust Company. The Mutual National Bank has had an exceptional business development since its establishment, and in its brief career has built up deposits exceeding $1,700,000. Its success has been due largely to a strict adherence to the conservative policy which it adopted at the start, and at the same time meeting all reasonable requirements of its patrons.

BANKERS' TRUST COMPANY.

At a meeting of the board of directors of the Bankers' Trust Company, of New York City, held September 18, a dividend of 6 per cent on the increased capital stock of the company was declared payable October 2. This corresponds with a quarterly dividend of 4 per cent heretofore.

BERRYTON, KAN.—The Berryton State Bank is organizing with J. B. Deever, president and Roy H. Deever, cashier.

The Fourth National Bank
OF THE CITY OF NEW YORK

OFFICERS
JAMES G. CANNON, President
SAMUEL S. CAMPBELL, V. Pres.
CHARLES H. PATTERSON, V. Pres.
DANIEL J. ROGERS, Cashier.
E. W. DAVENPORT, Asst. Cashier.
CHARLES E. MEEK, Asst. Cashier.

DIRECTORS

James G. Cannon	L. F. Loree
Cornelius N. Bliss	Eugene Delano
Robert W. Sunst	M. Orme Wilson
William S. Opdyke	Elbridge G. Snow
T. Frank Manville	Wedding Ring
Thos. H. McKittrick	Morton F. Plant
Mortimer L. Schiff	Samuel S. Campbell

CAPITAL AND SURPLUS - $10,000,000

RUEL W. POOR, President
JAMES McCUTCHEON, Vice-President — ARTHUR W. SNOW, Cashier
W. L. DOUGLASS, Second Vice-President — RALPH T. THORN, Asst. Cashier

The Garfield National Bank
OF NEW YORK CITY
Capital and Surplus - - - $2,000,000
Offers to Banks, Bankers, Corporations and Firms the services of a thoroughly equipped and conservatively managed bank.
YOUR BUSINESS SOLICITED

THE DEXTER HORTON NATIONAL BANK of Seattle
maintains a department organized for the especial care of the accounts of banks and bankers. Our officers will be pleased to correspond with bankers contemplating the establishment of relations in the Pacific Northwest.
CAPITAL & SURPLUS $1,440,000

METACOMET NATIONAL BANK
OF FALL RIVER, MASS.
Capital, $750,000 Surplus and Undivided Profits, $333,000
SIMEON B. CHASE, President
MILTON REED, Vice-President — CHARLES B. COOK, Cashier
Special attention given to the handling and collecting of cotton drafts, sent direct from the South

Digitized by Google

IF YOU HAVE NO CORRESPONDENT
IN CINCINNATI
WE WILL WELCOME THE OPPORTUNITY OF PROVING TO YOU THE BENEFITS WHICH WILL ACCRUE FROM FORMING A CONNECTION WITH US.
RESOURCES
TWENTY-FIVE MILLION DOLLARS
And every facility for the satisfactory handling of Bank Accounts.
THE FIFTH-THIRD NATL BANK

Sugar, Steel or Telephone?

A Subscriber Wants to Know Which is the Best Investment, Sugar Common or Preferred, Steel Common or Preferred, or American Telephone and Telegraph—From the Investment Viewpoint, Sugar Securities Are Rated First With Telephone a Very Close Second—Sugar Preferred Is Not Preferred in Distribution, Company Has No Debts, and the Liquidating Value of Both Stocks Is Now Above Their Market Value—An Investment Distributed Between Sugar Common, Telephone and Steel Preferred Yielding Over 6% With Odd Change Invested in Western Union Is Recommended.

Little Compton, R. I., Sept. 18, 1911.
ED. UNITED STATES INVESTOR:

Will you kindly advise through the columns of the United States Investor which you would prefer as an investment, American Sugar Refining common, American Sugar Refining preferred, United States Steel common, United States Steel preferred or American Telephone & Telegraph, and oblige? A SUBSCRIBER.

Our subscriber has selected five very good stocks, and to determine the particular one in this list which is the best investment is not an easy problem. I presume our subscriber understands that in the strictest sense of the term, none of the stocks in his list can be regarded as an investment for either trustees or women. The business man, on the other hand, might be safely told that some of these securities could be regarded by him in the investment class.

Intrinsic value, management, earnings past and prospective have heretofore been the three vital points to be considered in selecting any stock investment. Now, however, another quality must be considered which is the possibility of

GOVERNMENT ASSAULT.

In my opinion, none of the stocks in the above list are likely to be permanently damaged by any such government proceeding, although the possibilities of this in connection with the Steel Corporation have been one of the principal topics of conversation in Wall street for some weeks.

The Sugar Company has been most thoroughly prosecuted by the government authorities, but now with no probability of any future infraction of the law by it, this company can be regarded as having passed through the fire, thoroughly purged, and should now be immune. The Telephone Company has so far not even been considered by the political bushwhackers, even though its remarkably efficient executive, President Vail, has boldly gone on record with the statement that he and his corporation believed thoroughly in a telephone monopoly, and that they were continually working toward that end.

Leaving out of consideration the danger to any of these securities from governmental prosecution, which I think may be safely done, the first consideration is with reference to

THEIR INCOME YIELD

at present prices. From this viewpoint, the stocks under consideration by our subscriber make the following showing:

Stock.	Dividend rate.	Price.	Yield.
American Tel. & Tel.	8%	135	5.92
Sugar preferred	7%	115	6.08
Sugar common	7%	115	6.08
Steel preferred	7%	110	6.36
Steel common	5%	60	8.33

It is a maxim dating back to the time when stocks began to be sold, that the higher the income yield promised, the greater the risk, and conversely, that the lower the yield in income, the greater the amount of security. Assuming that this rule may be applied to the securities in question, the stock of the American Telephone & Telegraph Company would be the best investment, and it is a very close question as to investment preference between Telephone stock and the common and preferred stock of the Sugar Company From the investment viewpoint, however, I am inclined to place Sugar preferred and common at the head of the list with Telephone stock third, and Steel preferred and common respectively in the fourth and fifth place. This preference for the stocks of the Sugar Company is on account of the fact that the company has no bonded or other debt, and

THE
Chatham and Phenix
National Bank
NEW YORK
Capital and Surplus
$3,000,000
All business under direct supervision of the officers.
LOUIS G. KAUFMAN, President.
GEO. M. HARD, Chairman of the Board.
F. J. HEANEY, Vice-President.
W. H. STRAWN, Vice-President.
A. M. BULL, Vice-President.
BERT L. HASKINS, Cashier.
H. L. CADMUS, Assistant Cashier.
N. P. GATLING, Assistant Cashier.
W. B. BOICE, Assistant Cashier.
H. C. HOOLEY, Assistant Cashier.
Your Account Solicited.

The MECHANICS and METALS NATIONAL BANK
OF THE CITY OF NEW YORK
OFFICERS
GATES W. McGARRAH, President
ALEXANDER E. ORR, Vice-Pres.
NICHOLAS F. PALMER, Vice-Pres.
FREDERIC W. ALLEN, Vice-Pres.
FRANK O. ROE, Vice-Pres.
WALTER F. ALBERTSEN, Vice-Pres.
JOSEPH S. HOUSE, Cash.
ROBERT U. GRAFF, Ass't Cash.
JOHN ROBINSON, Ass't Cash.
CHARLES E. MILLER, Ass't Cash.
Capital, Surplus and Undivided Profits, $14,000,000

The Commercial National Bank OF WASHINGTON D. C.
Capital $500,000 Surplus and Undivided Profits $296,000
ASHTON G. CLAPHAM, President
ELDRIDGE E. JORDAN, First Vice-pres. N. H. SHEA, Second Vice-pres.
T. K. SANDS, Third Vice-president
JOHN POOLE, Cashier HERBERT V. HUNT, Asst. Cashier

CITIZENS NATIONAL BANK BALTIMORE MD.
CAPITAL, $1,000,000 SURPLUS, $2,000,000

Digitized by Google

NATIONAL BANK 3rd OF ST. LOUIS

CAPITAL $2,000,000
SURPLUS $2,000,000
DEPOSITS $35,000,000

NATIONAL BANK 3rd OF ST. LOUIS

could to-day liquidate, and, after paying off the preferred stock at par, have left $140 a share for the common. The American Telephone & Telegraph Company had outstanding, according to its last statement, $146,618,000 of bonds, and the total bonded indebtedness of all its controlled and affiliated companies aggregated between $100,000,000 and $200,000,000 in addition. It is trite to say that the ownership of

PROPERTY FREE AND CLEAR

must always be regarded as a superior position to any equity ownership, regardless of how well secured or hopeful.

Both Steel preferred and common must be placed at the bottom of this list from the standpoint of underlying indebtedness alone. The total bonded debt of the Steel Corporation is around $600,000,000, which necessarily comes ahead of the $360,000,000 of preferred stock and $508,000,000 of common stock outstanding. The percentage of this indebtedness to the amount of Steel preferred issued is larger than in the case of the Telephone Company, which has only $146,000,000 of bonded and current indebtedness for its $263,000,000 of stock outstanding.

From the investment standpoint, the relative amount of mortgage indebtedness and notes outstanding must be regarded as vital, because in these times severe shrinkages are possible, and in the case of a property fairly worth $100,000,000, with $50,000,000 of bonds, and $50,000,000 of stock outstanding, if from any cause there resulted a slash of 50 per cent in its value, while the bondholders would be secured, the stock would be wiped out, but if in this particular case there were no bonds, the stock would only decline 50 per cent in value.

The proper interpretation of the word investment should comprise assurance under most adverse conditions, and the stock which has no mortgage ahead of it is necessarily to be preferred, provided other conditions as to investment return, value and earnings prospects are equal.

In placing the American Sugar securities at the

HEAD OF THIS LIST,

I am taking into consideration the fact that for the year 1910 the company, in order to maintain its dividends, and provide for depreciation charges, as well as other adjustments in its accounts, had to draw on its accumulated surplus to the extent of $1,427,623. This was an exceptional year, however, and is not likely to recur in the near future. To pay 7 per cent dividends on the $90,000,000 of preferred and common stock outstanding of the company calls for $6,300,000, and for the fiscal year ending December 31, 1911, it is a matter of current belief in Wall street that the net earnings will amount to around $10,000,000

There are about 20,000 stockholders in the Sugar Company, and the small average holdings, as well as the fact that there are very few transactions in the stock on the stock exchange, prove conclusively that both issues are very closely held by investors. One of the strange facts which is frequently commented on is that both the preferred and common stocks are now selling on about a parity, or at around 115.

The company's liquid assets in the form of cash, accounts receivable and marketable securities amount to well up toward the total amount of preferred stock outstanding, to disregard entirely the value of its plants, and the further fact that there is no indebtedness existing on these plants, or against the company's assets. A preferred stock so amply secured as this, and paying 7 per cent,

OUGHT TO SELL HIGHER

than 115, particularly in view of the fact that the common stock sells at about the same price. The explanation is that it is not clearly established as to whether the preferred stock of the Sugar Company is actually preferred, so far as distribution of assets is concerned.

There is no very definite statement in the company's charter, and the wording of the preferred stock certificate does not help in the solution of the problem. Officials of the company decline to express any opinion on the subject, and say that they do not see any possibility of the question having to be determined at any time in the future, so they are not bothering about it.

If Sugar preferred stock was clearly entitled to a preference in distribution, as well as dividends, I do not think there would be any question about its selling higher in the market than any other 7 per cent preferred industrial

One of the large holders of Sugar stock, who is probably as well posted about its value as anyone, told me one day this week that the liquidating value of Sugar common could hardly be less than 140. Forty per cent on $45,000,000 of the common outstanding is $18,000,000, which would mean an estimated net liquidating value of the assets of the company to be $108,000,000. The company's balance sheet on December 31, 1910, showed more than this in values, which are known to have been very conservatively arrived at. But even on this basis, if both the preferred and common, of which there is an equal amount outstanding, should share equally in distribution, the liquidating

VALUE WOULD BE 120

or several points above the market value at this writing.

The Sugar Company, it should be borne in mind, is in a unique position of strength from every viewpoint. At the present time, the company actually sells less than 50 per cent of the sugar consumed in this country, this percentage having been steadily declining from around 90 per cent at the time of its organization.

Hence it should be immune from attack on the ground of being a trust in restraint of trade. Under the old Havemeyer management, sins were committed, but these sins have been amply atoned for by a complete change in managers and methods as well as by the payment of several million dollars in cash. In addition, the company is to-day in a much better position from the standpoint of modernized plants, efficient distribution facilities and ample working capital than any of its competitors. Sugar is quite a necessary article of our national consumption, and the American Sugar Refining Company is unquestionably now in a better position to take care of half of this requirement and upon a basis which would be profitable to its shareholders than anyone else.

The contention of the Sugar Company that it for some time has been a beneficent rather than a coercive or avaricious combination has been amply demonstrated during the past few weeks in the sugar market. There has been a considerable period during which the so-called trust has maintained lower prices than any of the independents who were at the same time in the aggregate selling more sugar than was the trust.

The higher prices were, as a matter of fact, justified by current prices of raw sugar, but the American Company had made ample

PURCHASES AT LOWER PRICES,

so that it was not forced to raise prices on the finished product as was probably necessary for the other concerns. The independent companies, nevertheless, seemed to be of the idea that if they continued their higher prices the American Company would get in line.

Arbuckle, the leading one, a few days ago was apparently convinced that this would not result, so he reduced his price 75 cents per hundred pounds in one announcement, which is the biggest single slash in refined sugar prices recorded in many years. Recent events in the sugar market, therefore, prove very conclusively that the American Sugar Refining Company is the kind of a large corporation which the country needs, and which, incidentally, investors may safely put their faith in.

The stock of the American Telephone & Telegraph Company must be rated very close to Sugar common and preferred, and if you canvass the shrewdest investors and bankers of New England, which is regarded as the best sources of information on both companies, you would probably discover about as many preferences for one security as the other. The Tele-

Digitized by Google

phone Company is a much larger enterprise and is destined to grow larger every year at a rate which will probably not be equalled by any other industrial corporation in this country. The present 8 per cent dividend rate is not likely to be increased for many years, in any event, but the stock will necessarily be bulwarked by continually increasing resources and earning power, and, in consequence, the stock will inevitably sell at considerably higher figures whether there is any increase in the dividend or not.

The company's acquisition of

PRACTICAL CONTROL

of the Western Union Telegraph Company, as well as a considerably increased proportion of the cable lines between here and Europe will be very material factors in this development. The company's purchase of what has been reported as about a 40 per cent interest in the stock of the Western Union Company cost something like $30,000,000, but as a matter of fact, it really cost the Telephone Company nothing, because by this purchase the use of enough additional wire lines were secured so that the purchase really took the place of a similar amount of money which the company would have had to invest for new construction.

In a few years Western Union stock is likely to be earning as much as American Telephone & Telegraph stock, and selling on the same basis, at which time it is quite possible that Western Union shareholders will be given an opportunity to exchange their holdings on an equal basis for Telephone stock. If we assume, therefore, that $40,000,000 of Western Union stock was acquired at 80, and it will be worth 150 in a few years, a profit of 70 points or $28,000,000 will be realized, leaving out of consideration the fact that this purchase saved all its cost in new construction, and during its period of development will increase the Telephone earnings to such an extent as to pay very ample returns on cost.

The present situation and prospects of Steel securities is discussed in another article in this issue. In placing Sugar common and preferred and Telephone stock ahead of Steel preferred from the investment viewpoint, I do not want to depreciate the virtues of this security. For several years United States Steel preferred has earned its 7 per cent dividends more than three times over, and although there is only $360,000,000 of this issue outstanding, a matter of over

$460,000,000 IN SURPLUS EARNINGS

has been put back into the property since the organization of the company ten years ago. It has been frequently and justifiably said that when the United States Steel Corporation could not pay the dividends on its preferred stock, there would not be very many railroad dividends being paid.

Steel common, of course, cannot be regarded n the investment class. I am, therefore, inclined to advise our subscriber who wants to make an investment in one of these securities to divide up his purchase between Sugar common, Telephone and Steel preferred, and if he wants to have his holdings in round lots distributed between these three, I would further suggest and urge that he put the balance of his investment fund into Western Union.

P. DE MEDICI.

HENRY HORNBLOWER ELECTED.

Mr. Henry Hornblower, of the well-known firm of Hornblower & Weeks, on Monday was elected president of the Boston stock exchange. Harry H. Gay, of Gay & Sturgis, was elected

HENRY HORNBLOWER.

vice-president and Sidney Chase succeeds himself as treasurer. The new governing board is made up of Hazen Clement, of Clement, Parker & Company; Charles W. Tewksbury, Walter Jackson, of Francis Henshaw & Company, Charles Hayden, of Hayden, Stone & Company; George T. Rice, of Bond & Goodwin, and S. B. Pearmain, of Pearmain & Brooks, the first three of which were reelected, while the latter three took the places of Harry H. Gay, Wm. H. Seabury and Chas. M. Cabot.

Mr. Hornblower, the new president, is one of Boston's best known and most successful bankers and financiers. He was born in Lawrence in 1863, and after he graduated from high school he began his business career in 1878 in his father's banking and brokerage firm. On August 6, 1888, however, Mr. Hornblower was joined by John W. Weeks, the present congressman, and under the name of Hornblower & Weeks, the house has enjoyed

A MARKED SUCCESS.

The other members of the firm are James J. Phelan, James H. Wainwright, Edward L. Geary, John W. Prentiss, Andrew S. Wood, Henry N. Sweet and Charles T. Lovering, Jr.

A member of the stock exchange in 1888, Mr. Hornblower was elected to the governing board in 1901, and has served several years as vice-president. Hornblower & Weeks have themselves financed quite a number of well-known enterprises, among the most recent of which are the Hoosac Cotton Mills, the Harmony Mills and the Sealshipt Oyster System. Mr. Hornblower is a director of all of these, and in addition, he is also closely allied with many other business interests in New England, and is a director of the International Trust Company, the First National Bank of Arlington, the Atlantic, Gulf and West Indies Steamship lines and the Converse Rubber Company. He has been active socially, and is and has been prominent in Boston's best clubs and associations.

DECATUR, GA.—J. E. Norris is the cashier of the recently organized bank of De Kalb County.

HOPE, N. J.—The First National Bank of Hope has been organized with a capital of $25,000. T. A. Seals, S. Read, L. C. Beatty, Wm. H. Bowers and H. R. Hurley are interested.

SYCAMORE, ILL.—The corporate existance of the Sycamore National Bank has been re-extended until September 15, 1931.

THE ARIZONA COMMERCIAL COPPER COMPANY

Notice to Bondholders and Stockholders.

In accordance with instructions of the meeting of holders of these securities September 20, 1911, a majority of the bonds and large holdings of stock being represented, the undersigned protective committees have organized to form a plan of reorganization substantially on the lines then suggested. The respective deposit agreements have been prepared under which holders of the bonds and stock are requested to immediately deposit their holdings with the **American Trust Company, No. 50 State Street, Boston, Mass.**, who will issue negotiable receipts therefor. Application will be made to list these receipts on the Boston Stock Exchange. Bonds and shares must be deposited on or before October 9th, 1911. Copies of deposit agreements may be seen at the office of the American Trust Company or at the offices of the members of the Committees. Details of a plan of reorganization will be announced shortly and any dissenting depositor may then withdraw his securities.

Stockholders' Committee

Nathan J. Miller,
29 Broadway
New York City

Edward S. Goulston
17 Milk Street
Boston

Alfred J. Hayman
Coolidge Corner
Brookline

Bondholders' Committee

Harry M. Stonemetz,
Of J. W. Bowen & Co.
53 State St., Boston

George T. Rice
Of Bond & Goodwin
35 Congress St., Boston

Lemuel E. Demelman
Shawmut Commercial Paper Co.
716 Old South Bldg., Boston

Goulston & Storrs, Counsel.
17 Milk Street, Boston, Mass.

Digitized by Google

CHINESE BANKERS COMING.

Captain Robert Dollar, of San Francisco, special representative of the Associated Chambers of Commerce of the Pacific Coast, of which Spokane is a member, announced here that the government of China has appropriated $150,000 to defray the expenses of a party of representative bankers and merchants from China on a tour of the United States next year. The commissions are due in San Francisco the second week in April, and visiting San Francisco, New Orleans, Birmingham, Ala., Atlanta, Ga., Washington, D. C., Baltimore, Pittsburgh, Philadelphia, New York, the lake cities, Chicago, St. Louis, Omaha, St. Paul, Spokane, Portland, Tacoma and Seattle. The trip will cover 11,000 miles and occupy 72 days. The visitors will be accompanied by representatives of the Associated Chambers of Commerce, among whom will be former Mayor C. He bert Moore of Spokane.

KENTUCKY BANKERS.

The nineteenth annual convention of the Kentucky Bankers' Association will be held at the Phœnix Hotel, Lexington, Kentucky, on October 25 and 26, 1911. The officers of the association have put in a lot of hard work in order to make the meeting attractive to the bankers, and it is expected that there will be a large attendance, and that the convention will be a success in every way. J. N. Kehoe, president of the Mitchell, Finch & Company's Bank, is president of the Kentucky Bankers' Association, and Arch B. Davis is secretary. Information in regard to the convention, can be had by writing the latter.

PITTSBURGH BANK TABLES.

An unfortunate error by the printer caused a mistake in the Pittsburgh bank tables which appeared in our last issue. We present herewith the tables as they should have been:

PRESIDENT HUTTIG RECOVERING.

The many friends of Mr. Charles H. Huttig, the able and widely known president of the Third National Bank of St. Louis, will be pleased to learn that he is now resting comfortably, and rapidly recovering from the operation which was performed on him earlier in the week at the Presbyterian Hospital, in New York. His condition was at first considered serious, but his friends and associates are now looking forward to the time when he will again be able to take up his active duties.

Mr. Huttig has been president of the Third National Bank for fourteen years, and in that period he has rapidly brought his bank to the front, where it now holds a position with the leading banks of the country. He has been remarkably successful, securing an able and very efficient corps of associates and assistants, who are thorough and practical bankers. According to the last call of the comptroller, as of September 1, 1911, this bank has a surplus and undivided profits of $2,163,792, and has total deposits of $36,135,628. The bank has a capital of $2,000,000.

Mr. Huttig was one of the vice-presidents of the St. Louis Exposition; he is president of the Huttig, Sash & Door Company, and is likewise a director in several other corporations.

PHILADELPHIA, TENN.—The Bank of Philadelphia has been organized by W. A. McCrary, L. Alshert, N. C. Milligan, G. C. Burgess and J. H. Thompson.

PITTSBURGH, PA.

Name.	Total earned since Sept. 1, 1910.	Net funds, Sept. 1, 1910.	Net funds, Sept 1, 1911.	Percentage earned on net funds.	On capital surplus and profits.	On capital.	Annual dividend rate.
Bank of Pittsburgh, N. A.	$411,043	$22,712,481	$24,584,736	1.74	7.52	17.13	12
Columbia	**	8,956,114	12,608,528	....	....	....	2
Commercial	25,012	2,491,073	2,719,870	0.96	4.53	8.33	8
Diamond	60,097	7,500,773	7,450,271	.80	2.64	10.02	20
Duquesne	97,762	6,601,937	6,736,250	1.47	6.83	19.55	12
Exchange	78,408	6,611,044	7,879,491	1.08	3.80	6.53	7
Farmers Deposit	550,616	32,100,375	32,667,439	1.70	6.71	9.18	*6
Federal	118,378	6,232,168	6,599,272	1.84	5.07	11.84	12
First	**	25,615,030	21,740,932	....	....	....	8
First of Birmingham	17,974	1,042,176	1,093,271	1.68	5.85	17.97	16
German	81,000	5,960,000	6,856,600	1.22	6.56	16.20	12
Keystone	32,206	5,145,627	5,532,179	0.60	2.32	6.44	14
Liberty	....	1,257,895	1,418,411	....	....	....	6
Marine	23,188	1,556,181	1,519,010	1.50	5.39	7.72	6
Metropolitan	35,155	1,479,168	1,582,845	2.29	4.68	8.77	8
Mellon	578,830	43,427,576	46,047,306	1.29	***	***	6
Monongahela	139,874	8,350,872	9,042,118	1.61	4.88	13.98	12
Western Penn.	82,797	5,685,698	5,681,598	1.45	5.50	8.28	6
Pennsylvania	28,496	1,230,240	1,109,965	2.43	7.56	14.25	6
Peoples	201,303	14,826,902	16,714,510	1.24	7.06	20.13	4½
Second	170,362	16,988,310	20,254,490	0.91	4.31	9.46	12
Third	25,078	1,624,322	1,789,149	1.46	3.48	5.01	6
Union	180,926	15,817,408	17,680,350	1.08	3.12	30.15	40
United States	15,154	1,481,537	1,429,424	1.04	2.25	3.03	7
German of Allegheny	91,968	4,900,577	5,687,338	1.75	8.21	45.98	36
First of Allegheny	9,242	1,992,236	2,019,628	0.46	1.52	2.64	8
Second of Allegheny	70,417	2,356,625	2,283,015	3.03	5.87	23.47	20
Lincoln	61,592	5,786,026	6,637,582	0.90	4.21	10.26	10

* Extra dividend of one per cent. ** Decrease in surplus. *** Increase in capital.

PITTSBURGH, PA.

Names.	Capital.	Surplus & Profits.		Due Banks & B'kers.		Total Deposits.		Loans & Discounts.	
		June 7.	Sept. 1.	June 7.	Sept. 1	June 7.	Sept. 1.	June 7.	Sept. 1.
Bank of Pittsburgh N. A.	$2,400,000	$3,186,912	$3,188,725	$10,512,071	$10,137,992	$19,224,696	$18,966,601	$12,550,100	$12,301,175
Columbia	600,000	888,770	890,097	3,819,719	4,747,500	9,928,919	11,118,262	5,395,706	5,752,346
Commercial	300,000	252,356	251,129	711,746	647,891	[illegible]	2,168,741	1,630,485	1,659,357
Diamond	600,000	1,620,330	1,614,950	2,465,168	2,388,734	5,471,908	5,235,621	4,199,836	4,406,069
Duquesne	500,000	990,732	997,874	....	712,098	[illegible]	5,258,395	[illegible]	[illegible]
Exchange	1,200,000	881,995	861,869	1,797,712	2,079,590	5,432,874	5,918,546	4,380,130	4,541,378
Farmers Deposit	6,000,000	2,328,932	2,335,470	9,352,804	8,750,847	25,835,077	24,331,969	15,460,296	14,901,008
Federal	1,000,000	1,338,674	1,322,955	1,674,934	1,773,453	4,022,266	4,295,337	4,083,630	[illegible]
First	1,000,000	985,301	1,000,551	7,706,483	7,872,772	18,890,036	19,740,381	9,882,919	10,100,767
German	500,000	748,946	756,000	1,590,124	1,564,25[illegible]	[illegible]	5,600,000	3,903,542	3,849,303
Keystone	500,000	868,311	832,172	704,129	718,328	[illegible]	[illegible]	2,594,895	2,421,400
Liberty	200,000	146,961	145,154	131,625	88,624	1,102,107	1,078,267	664,382	688,177
Marine	300,000	[illegible]	[illegible]	140,798	162,243	1,156,845	1,063,061	991,651	955,989
Mellon	6,000,000	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	21,453,099	23,468,518
Metropolitan	400,000	[illegible]	350,376	....	....	[illegible]	[illegible]	956,316	928,151
Monongahela	1,000,000	[illegible]	[illegible]	2,116,268	2,171,386	[illegible]	[illegible]	5,421,374	5,511,546
N. B. of W. Penn.	1,000,000	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	4,177,432	3,638,817	3,648,655
Pennsylvania	300,000	[illegible]	176,578	[illegible]	33,443	[illegible]	[illegible]	711,151	840,144
Peoples	1,000,000	[illegible]	1,873,170	6,584,764	6,906,420	[illegible]	12,841,340	9,472,109	11,915,780
Second	1,800,000	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	16,302,468	8,757,644	8,536,965
Third	[illegible]	[illegible]	[illegible]	297,741	[illegible]	[illegible]	1,073,924	1,111,150	1,072,783
Union	600,000	[illegible]	5,138,762	[illegible]	1,801,247	[illegible]	11,942,520	9,546,961	9,495,260
United States	[illegible]	[illegible]	[illegible]			[illegible]	756,558	1,229,984	1,349,255
Lincoln	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	5,177,884	4,667,945	4,557,153
First of Birmingham	300,000	[illegible]	[illegible]		[illegible]	[illegible]	785,797	878,296	881,614
First of Allegheny	[illegible]	[illegible]	[illegible]	[illegible]		[illegible]	1,521,418	1,361,981	....
Second of Allegheny	300,000	[illegible]	[illegible]		[illegible]	[illegible]	[illegible]	1,706,117	1,798,111
German of Allegheny	[illegible]	[illegible]	[illegible]	[illegible]	25,706	[illegible]	[illegible]	1,838,946	2,284,733

Digitized by Google

Missouri Pacific Deficit $5,232,539

President Bush Makes Some Vigorous Changes in Operation, as Well as Statistical Results—Operating Ratio Increases From 70.82 to 82.10—Substantial Cut in Surplus Account as Well as Material Increase in Maintenance Expenses for the Fiscal Year—The Stock Significantly Advanced on Publication of the Poorest Annual Report in the History of the Company.

St. Louis, Mo., Sept. 25, 1911.

Ed. United States Investor:

When I subscribed for your publication some years ago, you offered information without charge to your subscribers. If you are still doing so, will you kindly advise through your valued columns what you think of Missouri Pacific as a speculative commodity, after it has passed through the ordeal referred to in attached clipping. O. F. S.

The clipping referred to by our correspondent was as follows.

"The fresh weakness in Missouri Pacific was accompanied by rumors that improved methods of bookkeeping would show a substantial deficit in the road's income account. President Bush intends to give his stockholders one good dose of oil, which will be hard to swallow, and then the patient is expected to improve. The shareholders may gag a little when they read the forthcoming annual report, but they will feel better after they analyse it. This will be reviewed by directors this week. It will show a deficit of about $3,000,000, of which approximately $1,000,000 represents charges to income of accounts that should have been retired long ago. This information has now gone the rounds, and traders used it to-day for a final drive against the stock on which it went to about 33."

During the past week or so, frequent reference has been made in Wall street reports to the effect that the Missouri Pacific's annual report for the fiscal year ending June 30, 1911, would be very bad. In some of these paragraphs figures were given, and in these instances, $3,000,000 was stated as the amount of probable deficit which the report would show.

When the report appeared finally, the actual deficit on last year's operations was stated at $5,232,539, or more than $2,000,000 in excess of any previous estimate. The stock market was evidently prepared for these figures, or in any event, was in a mood to interpret them fairly, because

THE STOCK ADVANCED.

The closing price on Wednesday, before the figures of the report were known, was 35. Thursday, on the sale of over 4,000 shares, the final quotation, which was the highest of the day, was 35⅞.

Any stock which advanced on Thursday of last week, when more than five points were being marked off the price of both Steel common and preferred on the largest transactions for any day of the year, seems to be entitled to credit for considerable inherent strength.

Missouri Pacific has recently sold as low as 35, but at present prices, and regardless of general market conditions, the best opinion available is that it can hardly fail to be within a very few points of the bottom if it has not already struck that figure.

A corporation, nevertheless, which fails to earn its fixed charges by over $5,000,000 naturally does not present a very attractive argument toward the purchase of any portion of its $83,000,000 of stock outstanding. In the case of Missouri Pacific, however, a new era has begun, and the new management has very clearly applied the knife unsparingly to previous accounting methods, and has given unmistakable evidence that from this time on Missouri Pacific figures will represent conservative statements of actualities instead of

BOOKKEEPING JUGGLERIES.

The gross earnings of the company for the last year were $52,776,592, a small decrease from the figures in 1910 which were $53,019,137. The other income for the last year was $1,809,557, as compared with $1,293,730 for the preceding year. The freight earnings for the year decreased $572,570, but passenger earnings increased $707,493.

That the rehabilitation of the property has begun in earnest was proved by the fact that expenditures for maintenance of way increased during the year $984,028 and expenditures for maintenance of equipment increased $596,091.

The most important as well as the largest item in the deficit of over $5,000,000 for the year's operations was in the increased transportation expense of $3,855,422. This is accounted for in a number of ways aside from the official statement that the company had to pay out more money in wages. In the first place, the habit of the old management was to, in effect, conceal a considerable proportion of the road's disbursements on account of claims for passenger injuries and freight losses by charging these items to profit and loss account, instead of putting them into operating expense as the approved modern railroad practice requires. In last year's account, for example, $902,000 was charged to operating expense on account of personal injuries, as compared with $265,000 the previous year, and similarly on account of freight claims $988,000 was charged this year to operating expenses as compared with $444,000 on this account in the preceding year.

Another important factor in the largely increased operating expense was in hire of equipment, which amounted to over $1,200,000, an increase of $763,000 over last year. This item, of course, means that

THE NEW PRESIDENT

has not only secured more traffic, but borrowed the cars necessary to handle it, and necessarily has had to pay the rental on the cars he borrowed. Next year, this item will be very materially reduced, if not practically wiped out, because enough new cars have been bought to supply the company's needs.

Besides properly charging up expense items to the expense account, a considerable readjustment was made in the asset and liability items of the balance sheet with a result that the profit and loss surplus of the Missouri Pacific shows a decrease over last year from $16,655,587 to $9,148,253, and in the case of the subsidiary Iron Mountain Road, the profit and loss surplus also shows a decrease from $1,425,298 to $111,968.

The financial position of the company has very materially improved, as the miscellaneous accounts payable in the last statement amount to only $67,182, as compared with $4,675,665 in the statement of a year ago. The much-discussed floating debt of the Missouri Pacific has, therefore, disappeared, and it is well known that the

NEW BANKING ARRANGEMENTS

of the road have assured ample funds for needed future development of the property.

The current report for the fiscal year just ended has naturally inspired the comment by a number of financial writers that there is little possibility that the company will next year be able to earn its fixed charges. I was told on Thursday of this week, however, after the report came out, by a man very largely interested in, as well as well informed regarding Missouri Pacific, that there was no possibility that the company during the year ending June 30, 1912, would not earn its full fixed charges and a surplus besides.

Since May 1 the company has purchased about 8,000 new cars and 50 locomotives, and since that time over 3,600,000 new ties have been laid. Nearly 400 miles of line is being relaid with new 85-pound steel rails and 500 miles are being rock ballasted. Practically the entire 7,200 miles of road has been brushed up, and before the end of the present calendar year, President Bush is authority for the statement that he will have the whole system in fairly good condition.

It is not probable that any dividend will be paid on Missouri Pacific stock for two or three years, but it should, nevertheless, appeal to investors who like to buy securities for a long pull, and who are satisfied to get their dividends from year to year in increased market valuations. Assume, for example, that such an investor requires 20 per cent per annum on his money. If he bought Missouri Pacific at 35, and could sell it at 42, or an advance of 7 points within a year's time, he would then actually realize 20 per cent on his investment.

Even in these times I have the

COURAGE TO PREDICT

that Missouri Pacific will sell at 42 within a year, and inside of three years I believe it will make a much better relative advance. In any event, if this does not result it will be the first time that the banking house of Speyer & Company has failed to successfully develop a property which they have taken in hand. P. De Medici.

SPRINGFIELD, MO.—The McDaniel National Bank has been chartered with a capital of $100,000. Henry L. Schneider is president, William T. Bruer, vice-president; George D. McDaniel, cashier, and John T. Young, assistant cashier.

Digitized by Google

Will Connect Six Railroads

The 110-Mile Scranton & Binghamton Electric Railroad Company Is Making Rapid Progress—Besides Connecting Six Steam Roads, the New Line Will Traverse a Very Rich Agricultural Territory, and Will Tap an Extensive Coal Field—On the 20 Miles Already in Operation $9,000 Per Mile Is Being Earned, While $8,000 Per Mile Covers Operating Expenses and Fixed Charges—Investors Are Being Given an Unusually Liberal Stock Bonus in the Purchase of the Company's First Mortgage 6 Per Cent Bonds.

The Scranton & Binghamton Railroad Company has other unique features aside from the fact that it is the largest interurban electric railroad now under full headway of construction. The new road will extend from Scranton, Pa., to Binghamton, N. Y., and with extensions will comprise 110 miles. The territory covered is a rich agricultural section possible of great development, and an important coal field will be tapped by the Bernice extension.

Many electric roads have been profitable with but one and even no important terminal, but the Scranton & Binghamton, as the corporate name indicates, will have two important and inevitably profitable terminals in two adjoining states.

In the line of competition, the Delaware, Lackawanna & Western now has a line from Scranton to Binghamton, but this must be construed as competition only in the most limited sense, and the best evidence of this fact is that

THE LACKAWANNA OFFICIALS

have co-operated in every way with the builders of the new road. The Lackawanna officials, like many others, have advanced in knowledge to an appreciation of the fact that for the big steam road there is no money in short-haul passenger traffic and that the paralleling electric railroad which depends on this traffic even though it secures many passenger fares is really a steam road feeder, because it develops the territory. The Lackawanna makes its money out of through traffic, and this is the business it is always seeking.

A somewhat humorous suggestion appeared recently which may be regarded as significant along this line. It was in reference to the statement that the Lackawanna was spending $13,000,000 to cut off 13 miles in its distance from Buffalo to New York, and this was a well-justified expenditure, because it was worth, to any community or any transportation company, $1,000,000 a mile to get nearer to New York. On its main line to Scranton as well as its branch lines, the Lackawanna has been following the same policy of developing through traffic and relatively disregarding local short-haul traffic.

The Scranton & Binghamton, while paralleling the Lackawanna between Scranton & Binghamton follows a different route and goes through a number of small towns considerably distant from the Lackawanna line.

One of the strongest features of the new line is that it will

BE THE CONNECTING LINK

between no less than six different steam railroads, comprising the Delaware, Lackawanna & Western, Lehigh Valley, Delaware & Hudson, New York, Ontario & Western, the Central of New Jersey and the Erie, and all of these roads will necessarily contribute to the revenue of the new line.

Another very interesting feature of the Scranton & Binghamton enterprise is that investors have been and are being treated much more liberally than is the custom of railroad promoters who preempt such a favorable field for a new transportation venture. Ordinarily, such an enterprise is financed through the sale of 5 per cent bonds at 90, yielding around 5½ per cent, and the stock representing the ultimate and to-be-realized profits is divided among the banking syndicate which guarantees the sale of the bonds. In the case of the Scranton & Binghamton Company, however, the interest rate on the bonds was fixed at 6 per cent, the bonds sold at par and at the start a 100 per cent bonus in stock was given to each bond purchaser.

Now that the enterprise is beyond the experimental stage and is assured both as to financing and earnings, the original underwriters have naturally been inclined to reduce the amount of common stock bonus given to purchasers of the bonds. At last accounts this bonus was 50 per cent, with good prospects of further reduction to correspond with the progress of the enterprise to the point where money can be borrowed for completion through the sale of bonds without giving any stock bonus.

The beginning of this enterprise was in the acquisition of the Northern Electric Company extending north from Scranton about 20 miles. This division is now earning $9,000 per mile, and its earnings are increasing at the rate of 10 per cent per annum. This beginning of the new road has but one terminal and extends only two miles into what is known as the freight zone, or in other words, has just

BEGUN TO INVADE TERRITORY

which now practically has no freight facilities. The completed property will have an average bonded indebtedness of around $45,000 per mile, so that it is only necessary to figure on a small increase in the present rate of earnings on the 20 miles of road built to presume on a surplus of income which will make dividends on the stock probable soon after the completed line is in operation. This conclusion is based on the following formula. If a well-built electric railroad can earn $9,000 a mile, 40 per cent of these earnings will be available for fixed charges and dividends. This 40 per cent of what the Scranton & Binghamton is now earning amounts to $3,600 per mile, and deducting 6 per cent interest on the estimated bonded indebtedness of $45,000 per mile amounts to $2,700, leaving a balance of $900 per mile available for dividends on the stock.

The prospectus of the company, taking into consideration miscellaneous sources of income, estimates the gross revenue of the completed property at $1,100,000 and a net revenue after payment of operating expenses and all fixed charges of $200,000, which is the equivalent of

4 PER CENT ON THE STOCK

outstanding. I am inclined to believe that this estimate is conservative and justified by the facts.

One of the interesting features in connection with this new enterprise, as well as one worthy of the consideration of all investors, is that without exception the influential people in the community to be served have been so enthusiastic that they have enabled the promoters to secure a considerable proportion of the right of way without cost and besides have contributed a considerable amount of the capital already expended through purchase of the company's bonds.

The territory which will be traversed by the new line is rich in natural resources as well as virgin in character. There is lumber, coal and stone aside from productive agricultural lands. There are many large orchards, and an ideal dairying section which will be given their first opportunity to directly reach the best markets.

The new company occupies a very strong strategic position in the control of what is known as the Northern Boulevard, a turnpike road running through the gap in the mountains north of Scranton, and giving it the only available thoroughfare in this territory.

The new line is being built on strictly modern and most enduring lines of construction. The company has its own stone quarries and is rock ballasting all its line. The car barns, power house, transforming and converting stations are all of steel-brick-concrete construction, its cars are of the best Brill interurban type, and the entire road, 60 feet wide, will be on its privately owned right of way. Every franchise is either perpetual or for a long term of years exceeding the life of the bond issue.

The company will have a considerable

AMOUNT OF OUTSIDE INCOME

through furnishing light and power to towns it goes through. A contract has already been made with the Abbington Light, Heat & Power Company whereby the railroad company will be able to purchase power at wholesale for its own use and then distribute the balance at retail. It is estimated that the company's outside revenue from this source will be from $40,000 to $50,000 a year, and another item of outside income will be a matter of $10,000 from tolls on the Northern Boulevard.

The management and the financial backing of the company is in the hands of local people of well-established reputation and character, including T. J. Foster, president of the well-known International Correspondence Schools, W. L. Connell, president of the Union National Bank of Scranton, and R. W. Day, a railroad executive

Digitized by Google

of recognized ability and wide experience.

The new line will furnish practically exclusive transportation facilities for what is said to be the best dairying section of Pennsylvania, in which 8,000 cans of milk a day are now produced, and it is believed that this production will speedily increase to 30,000 cans per day when the possibility of reaching a market is afforded.

The authorized bonded indebtedness of the Scranton & Binghamton Railway Company is $10,000,000, of which $5,000,000 is reserved for extensions, double tracking and corporate purposes. The current issue of bonds is being handled by E. A. Burke & Company, bankers, of Scranton, Pa. The authorized capital stock is $6,000,000, of which $5,000,000 has been issued and $1,000,000 is in the treasury.

I regard these 6 per cent bonds at par with

THE LIBERAL STOCK BONUS

as a very attractive proposition to the investor in public utility securities who has heretofore bought similar bonds on a 5½ per cent basis, which were not as well secured either in intrinsic value or earnings, and without any stock participation in the profits of the enterprise. P. DE MEDIN.

MARKET FOR STOCK.

Inquiries.

21301. (Scranton, Pa.) Please give us whatever information you may have on file, or are able to obtain regarding the following companies, also in what cities these securities are marketable: Elk Crystal Gold Mining Company, International Fibre Company, Union Brake Shoe & Foundry Company, Continental Wireless Telegraph Company, Economic Gas Light Company and Lucky Horse Shoe Four Leaf Mining & Oil Company.

Ans.: The Continental Wireless Telephone & Telegraph Company was raided by post-office officials on November 21, 1910, and since that time nothing has been heard of the company, whose activities were most pronounced in the stock selling line. There is no market for the stock. Neither do we find any for the shares of the Lucky Horse Shoe Four Leaf Mining & Oil Company, a concern incorporated in Arizona in 1906, with a capitalization of $3,000,000, and promoted from Elkhart, Indiana, for the ostensible purpose of developing and operating properties in Crescent, Nevada, and Robinson, Illinois.

The Union Brake Shoe & Foundry Company is practically unknown, we found, among the larger concerns in the brake shoe business. It was promoted several years ago from Chicago, but there never seems to have been much of a market for the stock, even in that city, and we find no evidence of any demand whatever at the present time. A concern known as the Union Brake Shoe Company which was in existence about 40 years ago, had its charter annulled in 1883 by the state of Pennsylvania, on account of non-payment of taxes over a term of years.

The Economic Gas Light Company was dissolved in 1892, so of course there is no value to the stock. Nothing new has been learned of the International Fibre Company since our last report, published September 10, 1910. By reference to this report you will be able to get the information desired. We are unable to locate the Elk Crystal Gold Mining Company, either from previous reports or from mining handbooks. If you will furnish the address of the company, we will endeavor to secure and prepare a report on it.

Volume 2 of "Obsolete American Securities and Corporations," is now ready for distribution. This book was compiled under the able direction of R. M. Smythe, of New York City, and stands alone as a reference book on worthless stocks.

We own and offer a first mortgage bond yielding over 5%, secured by real estate valued largely in excess of outstanding bonds. Earnings of Company over four times interest charge.

Listed on N. Y. Stock Exchange.

The unsecured paper of this Company is readily bought by banks throughout the country.

Write for Circular U

Knauth, Nachod & Kühne
BANKERS
15 William St., New York

I. M. TAYLOR & CO.
8 Congress St., Boston
115 Broadway, New York
Members of New York, Boston and Chicago Stock Exchanges
This week's Market Letter summarizes the situation and is especially devoted to
U. S. Steel
Reading
Union Pacific
Sent Upon Request

Assets Realization Company
Capital $10,000,000
Purchases Estates in Liquidation at any point in the United States
NEW YORK PHILADELPHIA CHICAGO

Hodenpyl, Hardy & Co.
BANKERS
7 Wall Street, New York
6% PREFERRED STOCKS A SPECIALTY

BODELL & CO.
PROVIDENCE, RHODE ISLAND
Boston Office, 35 Congress St.
Bonds and Preferred Stocks of Proven Value

GEO. D. COOK & CO.
BANKERS
71 BROADWAY, NEW YORK
We make a Specialty of
Mexican Government and State Bonds

McCOY & COMPANY
Municipal and Corporation Bonds
181 LA SALLE STREET
CHICAGO

Boody, McLellan & Co.
111 BROADWAY, NEW YORK
MEMBERS OF NEW YORK STOCK EXCHANGE
Orders Executed for Investment or on Margin

We Offer
$100,000.00 of (7%) Cumulative
Preferred Stock of a New Power Plant
Now installing dam for 25,000 horse power. The Company has contracts closed for sufficient business to pay all interest charges, expenses and dividends on the common stock.
WM. D. PERKINS & CO., Bankers
No 211 Cherry Street, Seattle, Wash.
Estab. 1893. Oldest Bond House in Wash.

DOMINION BOND COMPANY
LIMITED
MONTREAL TORONTO OTTAWA
LONDON, ENGLAND
Dealers in HIGH-GRADE CANADIAN BONDS
List on Application

5% BONDS
Guaranteed by
National Light Heat and Power Co.
A. H. BICKMORE & CO.,
30 PINE ST., NEW YORK

6% Timber Bonds
Carrying With Them An Exceptionally Attractive Feature
American Finance & Securities Co.
5 Nassau Street New York

H. C. Gibbs & Co.
Gas and Electric Light Bonds
To yield 5% to 5 1-2%
60 State Street BOSTON

CIRCULAR ON MISCELLANEOUS UNLISTED MILL AND MANUFACTURING SECURITIES
SENT UPON REQUEST
HORNBLOWER & WEEKS, 60 Congress St., Boston

Digitized by Google

Shall I Sell My Steel?

Many of the 120,000 Owners of the United States Steel Corporation Have Been Much Disturbed by Decline in the Stock and Rumors of Government Assault—Federal Officials Admitted Company Was Exemplary, Permitted It to Buy Tennessee Coal & Iron, No Properties Have Since Been Acquired, and Nothing Done in the Violation of the Strictest Interpretation of the Law, so the Government Will Make Out a Very Sorry Case if a Dissolution Attempt Is Made—If Ore Lands Are Worth Only $100,000,000, According to Government Admission, Common Stock Is Worth Over 50—Shareholders Had Better Wait Until the Despondent Spasm Is Over.

It is a very obvious deduction that the question which has been asked the greatest number of times by investors in the past few weeks has been, "Shall I sell my Steel?" Circumstantially, this conclusion is justified by the preponderating majority of inquiries which have come to my desk, and it is only a natural development when it is borne in mind that the Steel Corporation has over 120,000 different shareholders, a considerably larger number than any other corporation in the world, in connection with the further fact that Steel stocks both common and preferred have relatively declined to a greater extent and more precipitately than any other securities in their class of distribution.

At the outset I will say that my advice to Steel shareholders, whether they made their purchases at higher or lower quotations, would be to hold their stock. The stock market

ALWAYS HAS HAD SPASMS

in the past and will probably continue to do so to the end of time, and it has never yet been found to be advisable to liquidate securities in one of these spasmodically despondent periods.

In considering this view of the case, the first fact to be considered by the investor is that a considerable portion of the present disturbance in financial affairs must be credited to political exigencies. There is to be a presidential election next year, and both of our political parties seem to be running a race in what I am tempted to denominate vandalism. Every politician seems to be inspired with the idea that the more successful assault that can be made in either word or deed on any large and successful industry the more favorable will become the prospect of realizing his personal and political ambition. Their logic is that there is popular discontent, and that this may be lined up in their interest by any programme which may be popularly regarded as destructive of existing conditions and institutions which are regarded as responsible for these conditions.

From the economic standpoint, our crops will be less than were expected, and conditions generally in this country, as well as throughout the world, have unmistakably pointed to a slack season. This development inevitably would have tended toward a decline in stock market prices, but the decline has extended beyond anything justified by actual conditions. Unrestrained political ambition must, therefore, be credited for more responsibility in bringing about the present state of affairs than crops or any other fundamental factor.

Another very vital point which should be borne in mind by every investor is that probably without any agreement the large and powerful coterie of

WALL STREET SPECULATORS

have been working in perfect concert with these inordinate and inconsiderate politicians. The speculators do not care whether stocks go up or down, all they want is to have them move in one direction or the other, and they can make money. They very clearly made up their minds some months ago that both political parties had become so disrupted that practically all the politicians of both brands could be presumed to be in favor of a general smash programme, and the greater the smash, provided his name was prominently mentioned in connection, the better it would suit each and every politician. The speculators promptly and effectively co-operated, and have been hammering values at will to the extent that they have influenced investors of every calibre from the smallest to the biggest.

The recent decline in Steel securities has been generally ascribed to the threat of an action by the Federal government to dissolve the company. I do not believe that any such dissolution is either probable or possible. One argument in support of this eventuality is well worth while at this time to

7% PREFERRED STOCK AT PAR
with bonus of 25% common of the
Moisant International Aviators, Inc.

Foremost aeroplane manufacturers on the North American continent. Now established, producing, owning concern. From Jan. 1 to July 1, receipts from cash prizes, bonuses and percentage of gate receipts amounted to $111,000.

For full particulars address

CILBERT H. CARR
50 Congress St., Boston.

American Industrials Co.
Broad Exchange Building, New York.
INVESTMENT SECURITIES.
6% Twenty Year First Mortgage Gold Bonds.
7% Preferred Stocks.
8% Preferred Stocks.

Baker, Ayling & Co.
50 Congress street, Boston
INVESTMENT BONDS
Philadelphia Office, Land Title Building

WE TRADE IN
Western Power Common
Western Pacific
United States Worsted Pref.
United States Worsted Com.
Detroit & Mackinac Com. & Pref.
Blaugas Company of America
Wells Fargo Express.
E. BUNGE & CO. 20 BROAD STREET, NEW YORK
Cable Address, "Ernatus, New York" Long Distance 'Phone 4735-4736 Rector

JOHN P. DAVIS, President. WM. M. WELLCOME, Vice-President. BYRON H. DAVIS, Sec'y-Treas.
The Davis Wellcome Mortgage Co.
(Incorporated)
TOPEKA, KANSAS.
Gilt-edge first mortgage loans for sale at 5½% and 6% net to the investor. Security well-selected, improved farm lands, in no case to exceed 50% actual value of the farm. Every loan personally examined by one of our inspectors. No better or safer security for money anywhere.
We point with pride to a record of twenty-five years, loaned over $12,000,000, without foreclosing a mortgage or the loss of a dollar in either interest or principal.
Bank References:
BANK OF TOPEKA
CENTRAL NATIONAL BANK, TOPEKA
Correspondence Solicited

INVESTMENTS
Bonds and Stocks
WM. F. CROSBY,
Tel. 4090. 311 Main St.
WORCESTER, MASS.

Digitized by Google

consider, which is the Tennessee Coal & Iron Company case. At the time the Tennessee Company was acquired by the United States Steel Corporation, there had never been a suggestion but that the Steel Corporation was a model institution.

It has now been proved, as had always been known, that the taking over of the Tennessee Company by the Steel Corporation in the panic very measureably

RELIEVED THE SITUATION

and made possible other measures of relief which were effective. The Steel Corporation officials in making this transaction first went to the Federal authorities in Washington and practically said that they would not in any way jeopardize their position at that time, which was admittedly correct, by acquiring a rival company except with the full consent and approval of the government.

This consent and approval was given, and since that time the Steel Corporation has acquired no more properties and has done nothing which could in any way be construed as a violation of the Sherman law on the strictest basis of interpretation. Just how, then, the Federal authorities can assert at this time that the Steel Corporation is unlawfully restraining trade I cannot figure out. In the remote event that this case should get into court, our government would have to say, yes, we did approve of the Steel Corporation and permitted them to buy the Tennessee Coal & Iron Company, but now we have changed our mind, and think that it is a bad monopolistic institution, which should be curbed and disintegrated.

Standard Oil and American Tobacco have done things in the past which were worthy of condemnation, and all of these things were so successfully arrayed in evidence that our Supreme Court ordered their dissolution, even though in the case of the Standard Oil Company all its sins had been committed many years before, and a complete reformation had taken place. The United States Steel Corporation, however, has utilized none of these admittedly unfair methods to maintain or build up its business.

A few days ago, J. Pierpont Morgan is reported to have said to one of his friends in commenting on the present status of affairs that it was obviously "impossible to

UNSCRAMBLE AN EGG".

and it is believed that our pre-eminent financier had particular reference to the Steel Corporation when he made this statement. The only vice of the Steel Company is that it has become both large and successful. A surprisingly great and steadily increasing foreign trade has been developed, and if evidence is sought as to its unfair treatment of consumers, I do not believe that there is any available.

One of the first policies adopted by the company, and one which has always been maintained, was to amply protect all of its consumers, and many customers of the United States Steel Corporation have told me that the so-called trust was the best thing which ever happened for them. Prior to its organization, prices fluctuated to such an extent that particularly the small manufacturer was forced to speculate, and never knew whether he would sustain a profit or loss in supplying his trade. The policy of the Steel Corporation was to make a year's contract with any of its customers who desired it, which

WOULD PROTECT THEM FULLY

against any advance in the price of material, and in case there was a decline, the custom of the company was and always has been to further protect these regular customers by furnishing the goods previously contracted for at market prices regardless how low at all times. As a result, the Steel Corporation has established stability in the steel trade, and there is no steel consumer or independent steel manufacturer who will deny this fact.

The company's well-known liberality in the treatment of its employes, as well as its publicity policy to all security holders has, in brief, made it not only the largest, but the most exemplary industrial enterprise in the world.

In considering the possibilities of a dissolution of the Steel Corporation, the only two possible grounds upon which the company might be successfully assailed is in reference to its holdings of ore lands and ownership of railroads. The railroad holdings ought not to be an insurmountable difficulty, because if the corporation agrees to handle traffic for any competitor at regular tariff rates, there could be no serious objection, and this I understand the corporation has always been willing to do.

As to the ownership of ore lands, it can be successfully claimed that the Steel Corporation has very wisely and very amply provided for all its future requirements of ore, and in fact, has bought outright or under contract or lease secured much more ore than it could possibly use in this generation. It is, therefore, possible that the company may be indicted for having

BEEN TOO PROVIDENT,

and that the industry disturbers in Washington may conclude that a considerable portion of the company's ore lands must be sold.

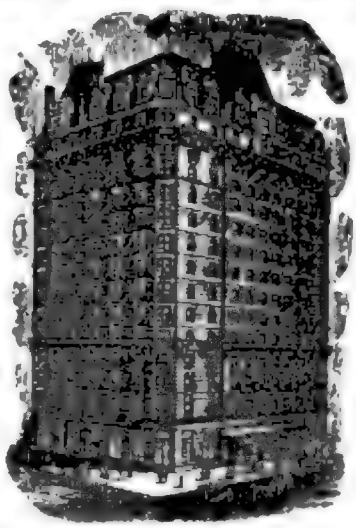
It might be that, as a nation, we will reach such a position that our temporary rulers can enforce such an absurd exaction, but I do not believe it. The Steel Corporation's lease of the Great Northern ore lands can be cancelled in 1915, provided notice is given two years prior to that time. In the development of this lease the corporation has spent a matter of $14,000,000, and it might appease the requirement of devastator Wickersham if this lease was abandoned and the $14,000,000 spent in exploration work forfeited. Even this would not be a serious handicap, because the company can stand such a loss, and owns many other rich deposits of iron ore in fee simple.

In the improbable event that the Steel Corporation should be dissolved, the preferred stock might be retired at par. The preferred, however, is now selling within a few points of par, so that if I were the holder of it, I should not be inclined to be scared out now, because, with its ample margin of security, the worst any holder could get would be par, and it is quite possible that, after the cyclone passes, this preferred stock may again sell at a higher price in fair relation with other preferred industrial issues.

Steel common is, of course, to a

(Continued on page 1650.)

"In the Heart of Things"
HOTEL
MARTINIQUE
Absolutely Fireproof
B'way, 32d-33d Sts., New York City
ONE BLOCK FROM NEW PENN. R. R. DEPOT
and opposite
HUDSON TERMINAL
connecting with
Erie Lackawanna Lehigh Valley Pennsylvania Railroads
from which
BAGGAGE TRANSFERRED FREE TO AND FROM HOTEL



In the midst of leading Department Stores and Theatres

600 ROOMS 400 BATHS

Rooms with use of bath, - - $1.50 up
Rooms with private bath, - - $2.50 up

CHAS. L. TAYLOR, Pres. W. S. GILSON, Vice-Pres.
WALTER CHANDLER, Jr., Mgr.
Also Proprietors of St. Denis Hotel

THE ALBANY HOTEL IN THE HEART OF DENVER'S

SOCIAL AND BUSINESS LIFE AND ACTIVITIES.

Digitized by Google

Municipal Bond Sales

MUNICIPALITY.	Date of sale.	Classification of bonds.	Amount.	Rate of Interest. Per cent.	Maturity.	Sales price.	Purchaser.	Income basis.
Athol, Mass.	Sept. 18	Water	$30,000	4	*15½	104.234	Parkinson & Burr, Boston.	3 64
Norfolk County, Mass.	Sept. 19	Notes	84,000	4	*	101.60	Blake Bros. & Co., Boston.	3.65
Peabody, Mass.	Sept. 14	School	32,000	4	*8½	102.26	Estabrook & Co., Boston.	3.69
Cleveland, Ohio.	Sept. 15	City F'rm Sch.	35,000	4	1924	100.511	Otis & Hough, Cleveland.	3.95
Cleveland, Ohio.	Sept. 15	Bridge	100,000	4	1924	100.511	Otis & Hough, Cleveland.	3.95
Pike County, Ohio.	Sept. 13	Bridge	7,000	4	*14	100.50	Mrs. Elizabeth Douglas, Waverly.	3.963
Renville County, Minn., Sch. Dist. No. 88.	Sept. 20	Building	1,200	4		par	State	4
Todd County, Minn., Sch. Dist. No. 154.	Sept. 20	Building	1,350	4		par	State	4
Washington County, Minn., Sch. Dist No. 44.	Sept. 20	Building	3,700	4		par	State	4
Wayne Township, Ohio, Sch. Dist.	Sept. 4	High School	7,000	4	**1-14	par	Seasongood & Mayer, Cincinnati.	4
Wilkin County, Minn., Sch. Dist. No. 75.	Sept. 20	Building	1,800	4		par	State	4
Conneaut, Ohio.	Sept. 14	Storm sewer	10,000	4½	*7	101.88	A. E. Aub & Co., Cincinnati.	4.09
Newark, Ohio.	Sept. 7	St. imp. (c. p.)	11,405	5	*5 1-3	104.31	Newark Trust Co.	4.116
Marion County, Ohio.	Sept. 8	Turnpike	28,500	5	*5¾	104.30	Tillottson & Wolcott, Cleveland.	4.149
Newark, Ohio.	Sept. 7	Paving	11,300	5	*5¾	104 16	Provident Savings & Trust Co.	4.177
Union County, Ohio.	Sept. 8	Road	45 500	5	*3½	102.54	First National Bank, Cleveland.	4.21
Canton, Ohio.	Sept. 15	Road	12,400	5	*12½	107.50	Well, Roth & Co., Cincinnati.	4.22
Westchester County, N. Y.	Sept 20	Highway	84,100	4½	*16 2-3	103.35	Farson, Son & Co., Chicago.	4.22
Union County, Ohio.	Sept. 8	Ditch	36,000	5	*3¼	102.31	First National Bank, Cleveland.	4.23
Lakewood, Ohio.	Sept. 7	Street imp.	20,500	5	**1-10	103.73	First National Bank, Cleveland.	4.232
Newark, Ohio.	Sept. 7	Paving	5,000	5	*5	103.42	Provident Savings & Trust Co.	4.233
Niles Ohio.	Sept. 8	Paving	6,800	5	*11 1-3	106.746	Well, Roth & Co., Cincinnati.	4.242
Port Clinton, Ohio.	Sept. 13	Street & sewer	13,000	5	*3½	103.20	Well, Roth & Co., Cincinnati.	4.28
Wood County, Ohio.	Sept. 11	Highway	50,000	5	*3½	101.896	First National Bank, Cleveland.	4.26
Jeromesville, Ohio, Sch. Dist.	Sept. 15	Building	3,500	5	*5	103.27	Ashland Bank & Sav. Co., Ashland.	4.265
Canton, Ohio.	Sept. 15	Road	14,000	5	*5 2-3	103 51	Hayden, Miller & Co., Cleveland.	4.30
Morgan Hill, Cal.	Sept. 5	Water	13,000	5	t5-30	102.73	Bank of Morgan Hill.	4.33
Lockport N. Y.	Sept. 19	Wat. m. prot.	8,000	5	*3	100.625	John R. Earl, Lockport.	4.41
Hudson, Wis.	Sept 4	City	20,000	4½	**1-20	100.50	Bank of Hudson, First National Bank, Hudson.	4.44
Webster Groves, Mo., Sch. Dist.	Sept. 7	Building	28,000	4½	t10-20	100.403	Wm R. Compton Co., St. Louis.	4.462
Lowville, N. Y.	Sept. 16	Bridge	9,000	5	*4½	102.23	F. S. Easton, Lowville.	4.45
North Star, Ohio, Sch. Dist.	Sept. 6	Building	6,500	5	*1	101 96	Citizens Bank Co., Ansonia.	4.469
No. Tonawanda, N. Y.	Sept. 19	Street imp.	8,500	4½	*5½	100.148	John J. Hart, Albany.	4.47
Hopewell Township, Ohio.	Sept. 11	Road	18,000	4½	*10½	100.005	Tiffin National Bank, Tiffin.	4.496
Long Beach, Cal.	Sept. 8	Water works	578,000	4½	*23½	par	Long Beach Water Co.	4.50
Long Beach, Cal.	Sept. 8	Water works	272 000	4½	*23½	par	Alamitos Water Co.	4.50
Matteawan, N. Y.	Sept 19	Water & sewer	47,000	4½		par	Matteawan Savings Bank.	4.50
Wilmar, Minn.	Sept. 11	Sewer	40,000	4½	1931	par	Wells & Dickey Co., Minneapolis.	4.50
Newark, Ohio.	Sept. 7	Sidewalk	880	5	1915	101 74	Hayden, Miller & Co.	4.52
Newark, Ohio.	Sept. 7	Paving	1,620	5	*4	101.66	Hayden, Miller & Co.	4.541
Overpeck Tp., N. J., Sch. Dist.	Sept. 18	Building	55,000	5	*26	106 25	First Nat. Bank, Ridgefield Park.	4.585
Kirkwood Mo.	Sept. 2	Elec. l'ht imp.	10,000	5	t10-20	103 10	A. G. Edwards & Sons St. Louis.	4.61
Duplin County, N. C.		Court House	30,000	5	*14½	102.97	E. H. Rollins & Sons, Boston.	4.714
Portersville, Cal.	Sept. 4	Water & street	60,000	6	**1-40	102.78	Jas. H. Adams & Co., Los Angeles.	4.735
Haddon Heights, N. J.		Street imp.	30,000	5	1931	102.55	Camden Safe Dep. & Trust Co.	4 90
Wilkes-Barre, Pa.	Aug. 24	Paving	14 000	5	1916	100.75	Local Investors.	4.829
High Point, N. C.	Sept. 11	Street imp.	20,000	5	1941	102.676	E. H. Rollins & Sons, Boston.	4.83
High Point, N. C.	Sept. 11	School	10,000	5	1941	102.676	E. H. Rollins & Sons, Boston.	4.83
High Point, N. C.	Sept. 11	Water & sewer	20,000	5	1941	102.676	E. H. Rollins & Sons, Boston.	4.83
Struthers, Ohio.	Sept. 13	Sewer	11,550	5	*5	100.43	Struthers Savings & Banking Co.	4.90
Palestine, Texas.	Sept. 14	School	20,000	5	1951	101.05	A. B. Leach & Co., Chicago.	4.94
Tulsa, Okla.	Sept. 19	Paving	11,000	5	1931	100.005	Exchange Nat. Bank, Tulsa.	4.996
Tulsa, Okla.	Sept. 19	Fire dept.	50,000	5	1931	100.005	Exchange National Bank, Tulsa.	4.996
Tulsa, Okla.	Sept. 19	Library site	7,000	5	1931	100.005	Exchange National Bank, Tulsa.	4.996
Tulsa, Okla.	Sept. 19	Sewer	100,000	5	1931	100.005	Exchange National Bank, Tulsa.	4.996
Tulsa, Okla.	Sept. 19	Water works	90,000	5	1931	100.005	Exchange National Bank, Tulsa.	4.996
Tulsa, Okla.	Sept. 19	Street imp.	33,000	5	1931	100.005	Exchange National Bank, Tulsa.	4.996
Bradley Beach, N. J.	Sept. 11	Sewer	15 000	5		par	Asbury Park & Ocean Grove Bank.	5
Port Arthur, Tex., Ind. Sch. D.		Building	25,000	5	120-40	par	Ulen & Co., Chicago.	5
Port Chester, N. Y.	Sept. 18	Outlet sewer	900	5		par	Adams & Co., New York.	5
Port Chester, N. Y.	Sept. 18	Sewer	1,650	5		par	Adams & Co., New York.	5
Port Chester, N. Y.	Sept. 18	Street imp.	1,700	5		par	Adams & Co., New York.	5
Port Chester, N. Y.	Sept. 18	Sewer	2,000	5		par	Adams & Co., New York.	5
Port Chester, N. Y.	Sept. 18	Street imp.	4,000	5		par	Adams & Co., New York.	5
Terrace Park, Ohio.	Sept. 7	Street imp.	1,300	5	**1-10	par	Milford National Bank, Milford.	5
Umatilla County, Ore., Sch. Dist. No. 6.	Sept 16	Building	15,000	5	t10-20	par	Cutler, May & Co., Chicago.	5
West Concord, Minn.	Sept. 9	Village	5,000	5	**5-9	par	Union Investment Co., Minneapolis.	5
Vernon Parish, La., Sch. Dist.	Sept. 15	Building	40,000	5	t20-30	97 52	S. A. Kean & Co., Chicago.	5.164
Putnam County, Mo.	Sept. 12	Hospital	8,000	5	t2-5	99.062	H. C. Speer & Son, Chicago.	5.21
Thief River Falls, Minn.	Sept. 18	Elec. light	40 000	5½	1931	par	Thos. J. Bolger Co., Chicago.	5.50
Empire, Cal., Sch. Dist.	Sept. 4	Building	5,000	6	*3½	102 05	Wm. R. Staats Co., Los Angeles.	5.65
Unadilla, Ga.	Sept. 14	Water & sewer	28,000	6	t15-28	100 14	Hillver Trust Co., Atlanta.	5.70
Mt. Olive, N. C.	Sept. 6	Water works	12,000	6	1931	103.22	Stacy & Braun, Toledo.	5.727
Grants Pass Ore.		Fire dept.	5,500	6	1921	101.85	Security Sav. B'k & Tr. Co., Toledo.	5.75
Perrin, Cal., Sch. Dist.	Sept. 5	Building	2,500	6	*3	100.44	Chas. H. Younger, Santa Cruz.	5.94
South Mills, N. C.	Sept. 7	School	5,000	6	1921	101.	Sav. B'k & Tr. Co., Elizabeth City.	5.986
Port of Nehalem, Ore.	Sept. 2	Improvement	25,000	6	**10-19	101.20	Cutler, May & Co., Chicago.	5.975
Fett, S. D., Sch. Dist. No. 2.		Building	8,000	6	t5-15	par	H. C. Speer & Sons Co., Chicago.	6
Santa Barbara County, Cal.		Building	93 000	6	*11	93.10	First National Bank, Commercial Bank, Santa Barbara.	6.98
Andover, Mass.		Water	10,000	4		101.31	Estabrook & Co., Boston.	
Cole Camp, Mo.		Water works	10,000	6	*12½		H. T. Holtz & Co., Chicago.	
Davenport, Iowa.		Improvement	75,000	4	**6-20		N. W. Halsey & Co., Chicago.	
Fresno Co., Cal., Perrin Sch. D.	Sept. 5	Building	2,500	6	**1-5		Chas. P. Younger, Santa Cruz.	
Fresno Co., Cal., Empire Sch. D.	Sept. 4	Building	5,000	6		102.00	Wm. R. Staats Co., Los Angeles.	
Harlem, Mont.	Sept. 9	Water	33,800	5	t10-20		Ulen & Co., Chicago.	
Philipsburg, Pa., Sch. Dist.	Aug. 19	Bldg. & ref'd.	25,000			100.50	Local Parties.	
Port Chester, N. Y.	Sept. 18	Macadam	7,500	5		104.86	Adams & Co., New York.	
Port Chester, N. Y.	Sept. 18	Paving	3,000	5		102.90	Adams & Co., New York.	
Rochester, N. Y.	Sept 19	Loan	300,000	4	8 mos		Bankers Trust Co., New York.	
Sumas, Washington.	Sept. 11	Electric light	7,000		t10-20	par	Wm. D. Perkins & Co., Seattle.	
Tarentum Pa.	Sept. 19	Water supply	100,000	4½	1931		West'n Reserve Inv't Co., Cleveland.	
Terrell, Texas.	Sept. 4	Improvement	12 000	5	t15-40		Unknown	
Tulare Co., Cal., Linder Sch. D.	Sept. 20	Building	3,500	6		101 77	First National Bank, Visalia.	

* Year average. ** Year serial. t Ye ar optional.

Digitized by Google

Bond Certification

Modern conditions make the registration and certification of municipal and corporate obligations desirable and convenient. We have a department maintained exclusively for this purpose.

First National Bank of Boston
70 Federal Street

Boston Elevated Railway Company

In accordance with the provisions of the lease of the West End Street Railway Company to the Boston Elevated Railway Co., dated December 8th, 1897, a dividend rental of one and 75.100 dollars per share will be paid to holders of record of the Common Stock of the West End Street Railway Co. on October 1, 1911.

By vote of the directors of the West End Street Railway Company the transfer books of the common stock will be closed from the close of business September 23, 1911, to the opening of business October 2, 1911.

H. L. WILSON, Treasurer.

UNITED FRUIT COMPANY
DIVIDEND NO. 49

A quarterly dividend of two per cent on the capital stock of this company has been declared payable October 14, 1911, at the office of the Treasurer, 131 State Street, Boston, Mass., to stockholders of record at the close of business, September 23, 1911.

CHARLES A. HUBBARD, Treasurer.

American Telephone & Telegraph Co.

A dividend of Two Dollars per share will be paid on Monday, October 16, 1911, to stockholders of record at the close of business on Saturday, September 30, 1911.

WM. R. DRIVER, Treasurer.

Walpole Rubber Co.

The quarterly dividend of 1¾% on the Preferred stock and 1% on the Common stock has been declared payable Oct. 16, 1911, to stockholders of record Oct. 2, 1911. Books close Oct. 2, 1911, and reopen Oct. 16, 1911.

A. T. BALDWIN, Treasurer.

Walpole, Mass., September 20, 1911.

MASSACHUSETTS LIGHTING COMPANIES.
Dividend No. 32.

The Trustees of the Massachusetts Lighting Companies have declared a dividend of one and three-quarters per cent, payable October 16, 1911, to Shareholders of record at the close of business, October 2, 1911. The transfer books do not close.

ADDIS M. WHITNEY, Treasurer.

Boston, September 21, 1911.

OFFICE OF
THE UNITED GAS IMPROVEMENT COMPANY.
N. W. CORNER BROAD AND ARCH STREETS.

Philadelphia, September 13, 1911.

The Directors have this day declared a quarterly dividend of two per cent ($1.00 per share), payable October 14, 1911, to stockholders of record at the close of business, September 30, 1911.

Checks will be mailed.

LEWIS LILLIE, Treasurer.

NEW ENGLAND TELEPHONE AND TELEGRAPH COMPANY

A dividend of one and three-quarters dollars ($1.75) per share will be paid on Saturday, September 30th, 1911, to stockholders of record at the close of business on Tuesday, September 19th, 1911.

WILLIAM R. DRIVER, Treasurer.

September 19th, 1911.

NIPE BAY COMPANY
Preferred Stock Dividend.

A dividend of one per cent has been declared payable October 2nd, 1911, at the office of the Treasurer, 121 State Street, Boston, Mass., to holders of preferred stock of this Company of record at the close of business, September 25th, 1911.

CHARLES A. HUBBARD, Treasurer.

SALE OF
King County Harbor Bonds

NOTICE IS HEREBY GIVEN, that the Board of County Commissioners of King County, Washington, will receive sealed bids up to 12 o'clock M of October 31, 1911, for the sale of King County Harbor Bonds as herein directed:

1st. Bids will be received upon the sale of 875 of said bonds, or upon $875,000.000 worth thereof, being one-half of the total issue authorized.

2nd. Bids will also be received upon 1750 of said bonds, or $1,750,000.00 worth thereof, being the total issue authorized.

These bonds cannot be sold for less than par and shall not bear interest at a greater rate than 4½ per cent per annum, interest payable annually. The bonds shall bear date of November 1, 1911, and the interest thereon shall be due and payable on the 1st day of November in each and every year thereafter; said bonds to run for twenty years, and are in denominations of $1000.00 each.

The Board of County Commissioners reserve the right to reject any and all bids.

Bids will be opened at the office of the Board of County Commissioners in the Court House at Seattle, King County, Washington.

Dated at Seattle, Washington, this 19th day of September, 1911.

OTTO A. CASE,

County Auditor and Clerk of Board of County Commissioners of King County, Washington.

By N. M. WARDALL, Deputy.

NOTICE OF BOND SALE

Fayette, Alabama

Sealed bids will be received by town clerk until 12 o'clock noon, Oct. 2nd, 1911, for $22,000.00 water works and sewerage bonds in denomination of $500.00 each, dated Sept. 1st, 1911, maturing ten years from date, without option with interest at 5% payable semi-annually. Principal and interest payable at some bank in New York to be selected by purchaser. Check for 2% to accompany application. Right reserved to reject any or all bids.

O. L. EKWURZEL, Town Clerk.

THE UNITED STATES FINISHING CO.

320 Broadway, N. Y., September 21, 1911.

PREFERRED STOCK DIVIDEND NO. 45.

The Board of Directors have this day declared the regular quarterly dividend of One and Three-Quarters Per Cent (1¾%) upon the Preferred Stock of this Company, payable October 2, 1911, to stockholders of record at the close of business September 21, 1911.

COMMON STOCK DIVIDEND NO. 11.

The Board of Directors have this day declared a dividend of One Per Cent (1%) upon the Common Stock of this Company, payable October 2, 1911, to stockholders of record at the close of business September 21, 1911.

F. S. JEROME, Treasurer.

UNITED SHOE MACHINERY CORPORATION.

The Directors of this Corporation have declared a quarterly dividend of 1⅜% (37½c. per share) on the Preferred capital stock, and a dividend of 2% (50c. per share), on the Common capital stock, both payable October 5, 1911, to stockholders of record at the close of business, September 19, 1911.

L. A. COOLIDGE, Treasurer.

NOTICE
OF
BOND SALE

Notice is hereby given that sealed bids will be received by the undersigned, the city auditor of the City of Mobridge, South Dakota, up to 12 o'clock, noon on the 16th day of October, 1911, for the purchase of duly authorized bonds of the said city as follows:

$7000.00 waterworks bonds payable as follows: $1000.00 on January 1st, 1925, and $1000.00 annually thereafter.

$3000.00 city hall and jail bonds payable as follows: $500.00 on January 1st, 1916, and $500.00 annually thereafter.

$7500.00 sewer bonds payable as follows: $500.00 on the 1st day of January, 1922; $1000.00 on January 1st, 1923, and $1000.00 annually thereafter.

All of said bonds bear interest at the rate of 5% payable annually, and will be sold in separate sets, and each bid on each set must be accompanied by a certified check in the sum of $200.00 as a bond of good faith in the event the bid is successful.

The city council reserves the right to reject any and all bids.

M. T. WOODS, City Auditor.

Digitized by Google

United States Investor

Published Every Saturday Morning by

FRANK P. BENNETT & CO., Inc.

SUBSCRIPTION RATES

$5.00 per annum in United States and Mexico; $5.50 per annum in Canada.

$7.00 per annum in England, the Continent, Australia and Countries in the Postal Union.

$10.00 per annum for Investor and Inactive Securities Supplement, including privilege of inserting quotations in the Supplement.

ADVERTISING RATES

Twenty-five cents per agate line. There are fourteen agate lines to the inch.

PUBLICATION OFFICE,
530 Atlantic Avenue, Boston.

NEW YORK OFFICE,
2 Rector Street, New York.
JOSEPH L. BARKER, Manager.

Washington Office, 208 Corcoran Building: Philadelphia Office, 308 Chestnut Street.

Entered at the Post Office at Boston, Mass., as second class matter.

Comptroller of the Currency Murray has resumed his proposed tours among bank examiners for the purpose of testing the efficiency and honesty of the examining force. During the past ten days he has been visiting points in New England and will probably make a general report of his findings upon his return to Washington. Investigations of this kind were undertaken by the comptroller about a year ago, and were then suspended, owing to pressure of work in the office. Hostile critics declared that the reason for the suspension was the unwillingness of the banks and the examiners to submit to this inspection. That there was no warrant in such insinuations is now clearly shown by Mr. Murray's resumption of his studies and by his announced intention of carrying them on consistently.

Many investors who have been holding aloof from the stock market for a long time past, in the belief that prices were altogether too high, appear to have been reassured on that score by the heavy fall of last week, and have been buying substantially. When United States Steel was at the lowest point reached in the first downward movement, large buying orders developed and prevented the break from going further. It would appear that a considerable amount of the stock thus taken was ordered by small investors who believed that the price of the shares had reached an investment basis. That it had done so was the belief of many larger operators, and this applied not only to steel but to other shares. The sympathetic fall in railroad stock, notwithstanding that no government attack on the roads is impending, was met by very considerable purchases on the part of smaller investors who were convinced that the shares were now within their reach.

A new danger has been perceived by some observers in connection with the so-called National City Company case, now in the President's hands for settlement. It is feared that in rendering a final decision there may be an effort on the part of the President and his cabinet to discriminate between the banks which are controlled jointly with trust companies and are engaged in a purely banking business, and those which, while controlled in a similar way, are doing business not of a strictly banking character. This would draw a line between such institutions as those affiliated with the First National and Continental and Commercial National banks of Chicago on the one hand, and the National City organization in New York on the other. The latter concern, moreover, owns bank stocks, while neither of the former have any. Apparently, there is some disposition to draw such a line of division as is indicated by certain suggestive statements in Secretary MacVeagh's recent Boston interview. Undoubtedly, such a line of division should not be drawn. What is wanted is a real decision on the fundamental issues at stake rather than a technical legal analysis. Secretary MacVeagh's own relationship to the Chicago institutions should forbid any leaning to their side, as a matter of policy, if on no other grounds.

BRANCH BANKING.

Foreign bankers, who have been looking over the proposals for banking reform in the United States that have been offered to the public during the past few months, are taking the ground that banking legislation in this country cannot succeed unless it contains definite provision for branch banking. The Aldrich plan and the variations of it which have eminated from various sources, of course, fail to recognize the idea of branch banking. True, the Aldrich plan provides for the establishment of fifteen branches of the proposed central institution, these to be located at many different points throughout the country. But this is in no sense an adoption of the branch system. The fifteen branches would do their chief business with local associations of banks. They would not be offices for doing direct business with the public. In foreign countries where the branch system is applied, the peculiarity of its operation is that it affords a direct contact beween the bank establishing the branches and the public at many different points, and enables the institution to take care of many transactions which would otherwise be beyond its reach.

Why cannot branch banking be introduced in the United States? Practically, the only answer given to this question is the statement that such banking would be distasteful to existing institutions because of the competition to which they would be subjected through the establishment of strong branches of large city institutions which would compete with the smaller banks of the country. This, of course, is an argument based entirely upon the wishes of the banks rather than upon the welfare of the country, but its political importance must not be minimized. The banks have shown again and again that they are able to block proposed legislation if they deem it desirable to do so. In times past, when branch banking has been proposed, the complaint of the small banks has been that there would be an undesirable tendency to the establishment of a banking monopoly and that the country would be forced to depend for its supply of credit upon a few large institutions which would practically get their own way in regard to legislation. It is necessary to meet this argument in some manner if anything approaching branch banking is to be introduced without too great a degree of friction.

Sir Edmund Walker, the president of the Canadian Bank of Commerce, is said to have suggested that the difficulty might be largely overcome by leaving the small banks to themselves without competition in their own field and introducing the branch system in cities above a specified size. The purpose of this modification of the branch plan would evidently be that of avoiding the hostility of the numerous small institutions throughout the country. Competition is already very severe in the cities, and it might be thought, with some degree of reason, that city banks would not offer very strenuous opposition to the plan, especially as they would all be convenienced by it and would merely be competing in a somewhat different way among themselves. This modification of the branch idea, while open to serious criticism, at least offers a feasible if partial solution of a difficult problem. It is not impossible to graft the branch system upon proposed plans for banking legislation. The desirability of branch banking is undoubtedly fundamental, and earnest effort should be made to secure its incorporation as a

Digitized by Google

phase of such remedial legislation as may be passed by Congress.

U. S. STEEL'S STATEMENT.

In issuing a statement concerning its condition on Tuesday last, the United States Steel Corporation has taken a step which was obviously proper and demanded by the conditions that had developed in the securities market during the preceding week. Only two points are covered in the statement—that there have been no negotiations between the concern and the government looking to dissolution, and that the corporation was organized on a business basis, believes in its own integrity, and intends to go ahead. The added remark that the properties of the concern are of immense intrinsic value was suitable as an expression of opinion, but was not needed in view of the repeated and competent inquiries that have been prosecuted by government officials and others, and which have fully demonstrated the accuracy of the remark.

The statement itself, the conditions under which it was issued, and the manifest tone of the utterance, have contributed to the clearing of the atmosphere concerning the position of the Steel Corporatoin. This has been asked for by anxious stockholders for some time past, and with increasing intensity for a week or two. It was due to them to make the statement. What is now needed is an equally clear statement from the government with respect to its intentions regarding action as to the concern. This has been steadily refused, and even in the statement issued by Mr. Wickersham at the beginning of the past week, there was no indication of intentions with respect to any particular concern. It would have been very desirable had such a statement been made with regard to those concerns which were definitely under suspicion or investigation, in order that the public might know exactly what to expect, or, if nothing was to be expected, might be assured of that fact. The refusal to make such a statement is censurable, and should be rectified as early as possible. If the Steel Corporation, the Smelting combine, and other concerns of the same sort are simply under investigation, a plain statement to that effect will greatly tend to assist public understanding and to avert what might develop into a rather serious trouble. It is of no use to pretend that such action is hostile to the public interest. Nearly all of the great industrial concerns under consideration have widely distributed bodies of stockholders. It is due to this large section of the public that it should know what the government is planning. The case is quite different from what it would have been had the combinations only just been formed. They were, in fact, formed years ago and the government has tacitly recognized them by permitting their continued existence. It, therefore, owes them an obligation which it ought to discharge.

With reference to United States Steel, there will be a very general disposition to accept the statement made by its directors that it has in the past "scrupulously observed the law and recognized the just right of its competitors". The concern has never been charged with the improper methods of competition that have been laid at the door of the Standard Oil Company, the Tobacco monopoly and others of the same sort. The report of Commissioner Smith, of the Bureau of Corporations, published last July, shows that the corporation has been honest and efficient in the management of its internal affairs. Certainly, it has allowed and has practiced a far greater publicity than most other industrial enterprises. For these reasons, it and its stockholders deserve sincere and straightforward treatment at the hands of the Department of Justice.

THE STOCK MARKET PANIC.

Attention in the financial world has been almost exclusively centred during the past week upon the break in stock market prices. This break has sent shares of many concerns to lower levels than had been reached since the panic of 1907, while others have been sympathetically depressed far below the values considered normal. Coming as it did at a time when the general level of prices was considered depressed, and when many had expected an upward tendency to set in, the break has been as surprising to most persons as it was unexpected.

Nominally, the cause of the slump has been the anxiety felt by many persons with respect to the policy of the government. This policy has been most sharply called in question regarding the United States Steel Corporation, but sympathetically, other issues than those of steel have suffered. The broad underlying problem has been whether the President and the Department of Justice intended to proceed against all concerns under suspicion of violating the Sherman anti-trust act as interpreted by the Supreme Court last spring. Of course, this question naturally frames itself not only with respect to steel but also in regard to smelting issues and many others. Smelting shares have consequently suffered severely, and the same has occurred in issues similarly circumstanced. The remarkable feature about the situation has been the absence of actual new developments of any tangible kind with reference to this subject. No evidence can be found to show that the Department of Justice has already embarked upon new policies on corporate matters, and it is tentatively denied by officials that anything of the sort is now contemplated. The President's Detroit speech, it is true, reasserted his intention of enforcing the law as interpreted by the court, but it is hard to find any statements of policy in this address that had not been made, in a different form at some earlier date. The speech was a more logical and connected presentation of the President's ideas on the subject, but that is all.

In looking for the causes of the present trouble on the political side, the observer of conditions must look below the surface. Uncertainty and unrest have not sprung up in a moment. A basis for them was created in the foolish and unfair "Stanley Steel Trust Investigation" inaugurated by the House of Representatives last summer, and still dragging out its menacing existence. Deep distrust has been produced in the business community by the apparently hasty and reckless work of the Department of Justice. Attorney-General Wickersham's offhand opinion in the National City Company case was rightly regarded as an alarming indication of unreliability in the department, and President Taft himself has already delivered a severe criticism upon Mr. Wickersham in the Wiley case by speaking of the Attorney-General's opinion as prepared without knowledge of all the facts. Anxiety about the congressional situation, danger from possible Tariff tinkering and half a dozen similar influences make up a total which is quite sufficient to account for the damage that has been done. Behind the political influences thus involved in the situation is the fact that the industrial situation, while not at all alarming, has not been brilliant. The fact that 25 per cent of our steel-producing capacity is idle is not encouraging, while depression in other metal markets likewise exists. This means that while, if let alone, the industries affected could probably recover in a reasonable time and maintain the present investment value of their stock, they are not necessarily able to do so if handicapped by political uncertainty and attack. Under such conditions, the shares naturally go to a lower level. The quickest and most natural remedy for present troubles would be the issuance of a more complete and reassuring announcement of his corporation policy, specific and conclusive, by the Executive.

Digitized by Google

SHALL I SELL MY STEEL?

(Continued from page 1645.)

considerable extent a speculative security, but the low price made this week represents about the

LOWEST FIGURE OF VALUATION

which any competent authority has given it in recent times. Taking the extreme claim of the government investigators, the common stock has a present actual value of over $50 per share, notwithstanding the fact that when the company was organized the stock represented very largely water. Since the organization, however, a sum representing over $70 per share for all of the common stock outstanding has been taken out of earnings and put back into the property, so that the government estimate of the real value of Steel common can safely be regarded as conservative.

In connection with this government valuation it should be borne in mind that the company's ore lands were given an appraised value of only $100,000,000, although C. M. Schwab, the original president of the company, and now an independent steel manufacturer, has frequently said that in his opinion the ore lands of the company were worth $1,000,000,000. Other valuations have been less, but no one has assumed to value them at less than $500,000,000. But since it takes a valuation of only $100,000,000 for the ore lands to make Steel common worth 50, the present holders of the stock ought not to be inclined to sell.

At the present time, the Steel Corporation is in an ideal position. Every one of its plants has been brought to the highest degree of efficiency, and its manufacturing energy has been admirably distributed to various points in the country with reference to the market to be supplied where ore and fuel can be secured at lowest cost and the finished product distributed at the smallest expense in the way of transportation. The plants in the Chicago district can supply the West, the Tennessee Coal & Iron plant can supply the South and the Pittsburgh and other plants in the east can take care of the balance of the country. This

DISTRIBUTION OF PLANTS

as well as their improvement to the maximum of economical production with the company's supply of raw material and a world-wide selling organization of established efficiency has naturally put the company in an impregnable position. Even if the company might be divided up into four or five parts, which I believe is unlikely, substantial and satisfactory returns in the way of dividends could be made on the present selling prices of its securities.

P. DE MEDICI.

BODELL & COMPANY.

Owing to increasing business, the firm of Bodell & Company has been forced to acquire more floor space, and now has a suite of offices in the Banigan Building, equal to, if not better than, any banking house in the city. The offerings of this firm, since its organization, have been of a very high order, and customers have profited greatly

MUNICIPAL SHORT TERM LOANS.

BOSTON, MASS.—City Treasurer Chas. H. Slattery has negotiated an additional temporary loan of $500,000, in anticipation of taxes, maturing in November, at 2¾ per cent. Thus far in the current year, the city of Boston has borrowed $4,600,000 in anticipation of taxes. The prices paid for the city's previous temporary borrowings were 2¾ per cent for $2,500,000; 2⅞ per cent for $1,500,000, and 3 per cent for $600,000.

WOBURN, MASS.—The treasurer has awarded the issue of $14,000 4 per cent one-year notes, dated September 1, 1911, and maturing September 1, 1912, to F. S. Moseley & Company, at par and a premium of $1.25.

TROY, N. Y.—The Manufacturers' National Bank, Troy, was awarded $200,000 5 per cent 2-months' certificates of indebtedness at par. There were no other bidders.

BOISE, IDAHO.—The Bank of Idaho has been converted into the Pacific National Bank of Boise. H. E. Eastman is president; E. Wilson, vice-president, and F. H. Parsons, cashier. The bank is capitalized at $200,000.

MARION, S. C.—The Marion National Bank, capitalized at $100,000, has been chartered with S. W. Norwood as president and J. L. Williams, cashier.

Wall Street to New Orleans

Five Special trains de Luxe to

Thirty Seventh Annual Convention

American Bankers Association

New Orleans, Nov. 20-24, 1911

Via

NEW YORK CENTRAL LINES

Four specially chartered steamships

NEW ORLEANS to PANAMA CANAL

For delightful 12 day cruise

For illustrated itinerary, reservations and complete details, address

CHARLES ELLIOT WARREN, Chairman.
Transportation Committee, Lincoln National Bank, New York or

L. F. Vosburgh, General Passenger Agent or
W. R. Barnet, Asst. General Passenger Agent
Grand Central Terminal, New York.
E. J. O'Hayer, General Eastern Passenger Agent,
1216 Broadway, New York.

NEW YORK CENTRAL LINES

Standard Equipment

for keeping detailed and accurate records is a necessity in modern business.

From its inception Library Bureau has been synonymous with standard card and filing systems.

The universal use, during the past 35 years, of the widely adopted and standardized equipment devised and manufactured by Library Bureau attests superior quality and service.

Write us for suggestions

"Price List" catalogue on request.

Library Bureau

Organized in Boston 1876

43 Federal St., Boston

Manufacturers and distributors of office, library and bank furniture, in wood and steel, cabinets and supplies.

DIRECTORS:

Costello C. Converse, Grant Walker, Jesse P. Lyman, A. N. Parlin, Samuel P. Savage, William V. Kellen, Lyman P. Gordon

Samuel T. Russell, President — A. N. Parlin, Vice President — W. E. Parker, Treas.

Digitized by Google

Channing Sees A Copper Shortage

Vice-President of the Miami Copper Company Thinks There May Be a Scarcity Even After the Increased Production of 1912—Lower Prices Recorded for the Metal on Account of Slump in German Demand—Copper Shares Have Declined in Sympathy With the General Market.

The past week in the copper market has proved a somewhat confusing one to the holders of copper stock, thanks to the conflicting character of the news advices received from various quarters from day to day. As far as the metal market is concerned, there is perhaps some reason for this feeling of doubt, inasmuch as a weakening in prices has been reported. The local demand continues light, and sales for immediate delivery have been reported as being made by small dealers as low as 12¼ cents per pound. The leading producers and selling agencies, it is true, are quoting an eighth of a cent a pound above this figure, but even that higher rate represents a shading from the selling price which has prevailed for several weeks past.

CAUSES OF WEAKNESS.

The reason for this comparative weakness is not deeply hidden, being found in the reports of a recession in commercial activity in European centres, particularly in Germany, where the consumption of the metal for the past year has been unusually large, so large in fact, that shipments from this country have been materially augmented as a result. As I stated in these columns recently, the metal market must look for maintenance of strength to this European demand, supplementing the rather limited inquiries in this country. The domestic consumption, as for months past, is below normal, and, of course, if the European demand for the metal shows any decided slackening, an increase in available supplies may be looked for. However, it is by no means certain as yet that the foreign demand will show as marked a recession as is being predicted by the stock market bears who are using this possibility as a club with which to pound the copper share market. Shipments of the metal to Europe in the next two or three weeks will be watched with an unusual degree of interest as affording a means of determining whether the rather depressing stories set afloat on this side have a solid basis of fact.

LARGER STOCKS EXPECTED.

Influenced by bearish sentiment, owners of copper shares rather expected to see an increase in copper stocks reflected in the August report of the Copper Producers' Association, but they were very agreeably surprised at the results actually shown. Now similar predictions are being made for the present month, and the next statement will be awaited with marked interest. Production is running at the rate of approximately 1,500,000,000 pounds, and it is more than likely that no very marked diversion from this rate of production will be shown until a more definite idea is obtained regarding the extent of the business depression in Europe.

To say that sentiment regarding the copper market and the future of copper shares is universally bearish would be an inexcusable misstatement of fact, however, for many of the leading authorities in this field believe that metal prices will show a material advance within the next two or three years, and that the current unsettled condition of affairs should be disregarded by investors except as it affords an opportunity for acquiring meritorious copper stocks at bargain levels.

Vice-president J. Parke Channing, of the Miami Copper Company, has echoed the sentiments of other well-known copper authorities in expressing the opinion that a shortage in the world's copper supply is more than a mere possibility, depending upon the discovery of new ore bodies of great magnitude. Such testimony as this, of course, is to some extent a verification of the Finlay report on Michigan copper properties, although more embracing in its terms. Mr. Channing anticipates a material increase in the production of copper next year, amounting to about 200,000,000 pounds, which would be about 10 per cent of the normal output. This increase in production will result largely, of course, if it does develop, from the operations of new companies which are just entering the list of producers.

IMPORTANT PLANS PROGRESSING.

In the meantime, the big mining interests are not permitting the depression in the metal market to interfere with their plans for future operations on a large scale. A short time ago, I commented on the steady increase in the Inspiration ore reserves. The latest report submitted shows that this increase is being maintained, for of the ore reserves averaging 2 per cent copper, there are now developed 26,569,400 tons, and partially developed 81,300 tons, bringing the total up to 26,650,700 tons. In addition to this, there are certain blocks of lower grade ore containing 2,802,402 tons. By averaging this lower grade ore with the tonnage of 2 per cent ore given above, the total of present ore reserves amounts to 29,453,100 tons, running 39 pounds of copper to the ton, or a total of 1,150,000 pounds of copper.

This proposition has now reached the stage where the development of additional tonnage is likely to be subordinated to active preparations for the mining and the treatment of the ore. As I stated in my previous article on the Inspiration Company, preparations to this end have, in fact, been going on for some time, and it is evident that the property is working closer and closer to the point where it will be included among the country's big producers. Plans for the new 5,000-ton mill are now being drawn up, and while developments are not being pushed, pending the completion of plans for surface equipment, I anticipate that it will not be long before public announcement is made of the sinking of the shaft and the grading for the mill. P. DE MEDICI.

THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY.
Four Per Cent One Hundred Year Adjustment Mortgage Bonds.

Notice is hereby given that the Board of Directors of this Company has declared to be due and payable on the first day of November, 1911, an annual installment of interest (being the fifteenth installment) upon the UNSTAMPED Adjustment Mortgage Bonds at the rate of Four Per Cent (4%) on the par amount thereof, being Forty dollars ($40) upon each One thousand dollar ($1000) bond, and Twenty dollars ($20) upon each Five hundred dollar ($500) bond. Such interest will be paid at the office of the Company, No. 5 Nassau Street, New York City, on the Coupon Bonds upon presentation and surrender of the respective coupons NUMBERED 15 and on the Registered Bonds to the registered holders thereof. The Transfer Books of the Registered Bonds will close on October 7, 1911, and will remain closed until November 2, 1911.

STAMPED ADJUSTMENT MORTGAGE BONDS.
SEMI-ANNAUL INTEREST.

A semi-annual installment of Two Per Cent (2%) in respect of interest on the STAMPED Adjustment Mortgage Bonds, being Twenty dollars ($20) upon each One thousand dollar ($1000) bond, and Ten dollars ($10) upon each Five hundred dollar ($500) bond, will be paid at the office of the Company, No. 5 Nassau Street, New York City, on November 1, 1911, on the Coupon Bonds upon presentation and surrender of the respective coupons NUMBERED 30 and on the Registered Bonds to the registered holders thereof. The Transfer Books of the Registered Bonds will close on October 7, 1911, and will remain closed until November 2, 1911.

C. K. COOPER, Assistant Treasurer.
New York City, September 19, 1911.

Copper Range Consolidated Company

At a meeting of the Board of Directors of the COPPER RANGE CONSOLIDATED COMPANY held this day, a dividend of 75c. per share, being Dividend No. 31, was declared, payable on Monday, October 2nd, 1911, to Stockholders of record at the close of business on Saturday, September 9th, 1911.

FREDERIC STANWOOD, Treasurer.
Boston, September 6th, 1911.

The Reece Button Hole Machine Company
Quarterly Dividend No. 102

A quarterly dividend of Two Per Cent has been declared payable October 16th, 1911, to stockholders of record at the close of business October 5th, 1911.

FRANCIS A. SHEA, President

The International Button Hole Sewing Machine Company
Quarterly Dividend No. 56

A quarterly dividend of One Per Cent has been declared payable October 16th, 1911, to stockholders of record at the close of business October 5th, 1911.

FRANCIS A. SHEA, President.

Reece Folding Machine Company
Quarterly Dividend No. 10

A quarterly dividend of One Per Cent has been declared payable October 16th, 1911, to stockholders of record at the close of business October 5th, 1911.

FRANCIS A. SHEA, President

SEALSHIPT OYSTER SYSTEM

Boston, Mass., September 28, 1911.

A dividend of 1¾% on the Preferred Stock of Sealshipt Oyster System has been declared for the quarter ending September 30, 1911, payable by check on the fourteenth day of October, 1911, to all holders of Preferred Stock of record at the close of business on September 30, 1911. The transfer books will not close.

W. H. RAYE, Treasurer

INTERNATIONAL PAPER COMPANY.

A dividend of one-half of One Per Cent on the Preferred stock has been declared, payable October 16th, 1911, to preferred stockholders of record at the close of business at 3 P. M. October 4th, 1911, at which time the transfer books close for the annual meeting, to be held October 25th, 1911, 12 o'clock noon, at Corinth, N. Y., and re-open on the morning of October 26th, 1911. Checks mailed.

H. W. HYDE, Secretary.

Digitized by Google

Textile Manufacturing Shares

Considering business depression, shares in textile mills have kept remarkably firm and bid fair to become stronger every day. For many weeks odd lots of securities will undoubtedly change hands at a sacrifice and the reason for this has already been explained. The investor who is speculating has been meeting all kinds of embarrassments of late. He must in some way cover himself. If he is fortunate enough to possess stock in some of the textile mills, he has attempted to sell this at the best figure he can obtain. At times when the stock market is as uncertain as at present, many investors are obliged to part with good securities, not because they wish to sell, but because they

MUST HAVE MONEY

to cover themselves.

The list of offerings at this week's auction was again large. While the sales include but four textile mills, one share of Bigelow Carpet changed hands at $165, while the last public sale was made at $170. Three shares of the Dwight Mfg. Company brought $1,175, which was the same figure brought last week. Thirty shares of Naumkeag Steam Cotton Company were sold at $140, which was a decline of two points, and thirty shares of Massachusetts Cotton Mills changed hands at $113, or a decline of five and one-eighth points. To be sure, all the sales at this week's auction, with the exception of Dwight Manufacturing Company, showed a slight decline, but this change is of no consequence.

THE BIGELOW CARPET COMPANY

recently declared an extra 2 per cent dividend, and although much money has been spent by this concern for improved machinery and new buildings, the stockholders have not been asked for an extra cent. The last statement of the Bigelow Carpet Company showed net quick assets of over $4,500,000, which is some more than $112 per share. Last year the company earned in the vicinity of $500,000. The stock is non-taxable in Massachusetts, and is a security of great value.

The Massachusetts Cotton Mills have recently increased their capitalization and some consider it doubtful that this stock will continue to pay 8 per cent. The concern has paid out much money in erecting a large new storehouse, a new power plant and other new machinery. During the past 12 years the mills of this company have been practically rebuilt with funds derived from the excess earnings over and above the dividend. During the same time, the surplus has been increased over $80 a share. The mere fact that a few shares have been sold at $118 in no way indicates that the decline will continue.

NEW BEDFORD.

Dartmouth Manufacturing Company stock was offered this week at $295, having been previously held at $300. Grinnell was offered at $220, which was a drop of five points from the last sale, and several other parcels of New Bedford mill stock were either sold or offered at a slightly reduced price. These transactions, however, cannot be considered as having any important bearing upon the market. They simply represent stock which holders, for one reason or another, are unable to carry. In some cases, the holders are pushed and need the money to cover other securities, and in a few instances, it is the same old story of the pessimist.

The Wamsutta Mills have declared their regular quarterly dividend of 1½ per cent. Many stockholders, who were anxious a week ago to sell their holdings in the City stock, have not withdrawn their offers and a very small amount of this can now be purchased at $150. There have been many rumors of increased curtailment and general hard luck stories about New Bedford. The manufacturers in that city are pleased with the change in the last two weeks, although they are somewhat loth to admit it. There has been no radical increase in values, but the general feeling is some stronger.

NEW YORK KNITTING MILLS.

Preferred stock of the Oneida-Regal Textile Company to the amount of $500,000, has recently been sold.

THE ONEIDA-REGAL COMPANY

comprises the Oneida Hosiery Company, with plants at Oneida and Waterville, N. Y., and Philadelphia; the Regal Textile Company with plants at Syracuse, and the Stittsville Knitting Company with plants at Stittsville, N. Y. The Oneida Hosiery Company manufactures men's, women's and children's seamless hosiery for the trade to retail at prices ranging from ten to twenty-five cents per pair. Their "Cadet" brand of guaranteed stockings is one of the best known in the country. The Regal Textile Company is devoted to the manufacture of women's ribbed fleece underwear. This ribbed fleece knit underwear is made only by the Oneida-Regal Company, the Utica Knitting Company and the Frisbie-Stansfield Knitting Company, and the business on this class of garments including garments for men, women and children, is practically divided between the three companies, so that there is little competition. The Stittsville Knitting Company manufactures specialties in men's underwear.

This ribbed fleece underwear is what would be called if it were a woven woolen fabric, a double cloth. It is knitted with three threads, one thread forming the outer portion of the garment or rib, a second thread forming the inner portion or fleece, and the third binding the two together. This ribbed fleece underwear knitted on circular machines is taking the place of a similar fabric woven on flat machines, for which there has always been a big trade. The newer ribbed fleece line made by the Oneida-Regal Textile Company is much preferable to the older class of garments, being more elastic and more comfortable, and it must largely replace the older fabrics, and while it may not secure all of that business, it will attract the better class of trade,

ASSURING A VOLUME OF BUSINESS

not only in good years, but in periods of depression, as it will be sought out by the better class of trade.

The management of the Oneida-Regal Company includes W. H. Stansfield as president, who is also vice-president of the Frisbie-Stansfield Company, and Chas. A. Byington is the secretary. He is also a director in the Frisbie-Stansfield Company, and manager of the Kendall Knitting Company plant. Geo. A. Frisbie is treasurer of this company as well as of the Frisbie-Stansfield Company. Wm. J. Quade is also a director of both companies, and the manager of the Richelieu Knitting Company. E. I. Goodrich is a director of this company as well as of the Frisbie-Stansfield Company, and has charge of the selling.

The products of this company as well as of the Frisbie-Stansfield mills are trade-marked and well known not only to the trade but a considerable portion of the consuming public. The ribbed fleeced knit underwear is trade-marked "Velvet Lined", and the "Cadet" guaranteed hosiery is also a trade-marked line. The balance sheet of the company follows as of January 3, 1911:

ASSETS.

Current assets.	
Cash	$ 74,679.40
Accounts receivable	370,220.13
Merchandise inventory	297,453.46
Bills receivable	7,500.00
Prepaid items	11,068.62
Fixed assets.	
Real estate	268,937.35
Machinery	245,002.78
Fixtures	5,596.42
Total	$1,280,458.16

LIABILITIES.

Accounts payable	$ 106,232.70
Capital stock.	
Preferred	500,000.00
Common	500,000.00
Surplus	174,225.46
Total	$1,280,458.16

In this statement, no trade-mark or good will is capitalized, although the trade-mark and good will value are both large. The average net earnings for the past five years have equalled $117,783 per annum, or an average larger than three times the dividend requirements for the preferred stock, the dividends at the rate of 7 per cent being $35,000 a year, while the average earnings for the past five years have been at the rate of 23 2-5 per cent. The earnings in 1910 were $112,392 and for 1909, $157,478, that is, in 1910, they were more than three times the requirements of the preferred dividends and in 1909 more than four times the requirements of the preferred dividends. The worst of the past five years was 1907, when the net earnings were $88,554, or about 2½ times the preferred dividend requirements. From the balance sheet, it will be seen that the net quick assets back of each share of preferred are $130. This preferred stock recently sold at $100 or par, thereby yielding a full 7 per cent. The preferred stock is redeemable in whole on any dividend date before January 1, 1910, or thereafter on any dividend date at 115 with accrued dividends.

The surplus shown in the statement above cannot be distributed to the common stockholders while any of the preferred stock is outstanding. The company must deduct from profits each year and place into an account called "special reserve for improvements and betterments" 2 per cent of the book value of the buildings and 5 per cent of the book value of the machinery, which fund cannot be used in payments of dividends or in determining the amounts available for dividends. The above is in addition to the fact that all renewals and repairs to buildings, machinery and equipment are charged to operating expenses. This company, having the well-known Frisbie-Stansfield management, with Geo. A. Frisbie as treasurer, and E. T. Goodrich looking after the selling end, with $130

Digitized by Google

of net quick assets back of every share of preferred, and paying 7 per cent, represents the best investment value of any of the textile shares dealt in in New York City.

PROPOSALS FOR BONDS.

KING COUNTY, WASH.—Sealed bids addressed to the board of county commissioners at Seattle, will be received until October 31, for $1,750,000 King County harbor bonds being the total issue authorized, and for $875,000 of the same bonds being one-half of the total issue authorized. The bonds shall bear date of November 1, 1911, shall run for 20 years and are for $1,000 each. The bonds cannot be sold for less than par and shall not bear more than 4½ per cent per annum interest, interest payable annually.

MOBRIDGE, S. D.—Sealed bids will be received by M. T. Woods, city auditor, until October 16, for the following five per cent bonds: $7,000 for waterworks maturing $1,000 on January 1, 1925, and $1,000 annually thereafter; $3,000 for city hall and jail, maturing $500 on January 1, 1916, and $500 annually thereafter; $7,500 for sewer, maturing $500 on January 1, 1922, $1,000 on January 1, 1923, and $1,000 annually thereafter. Each bid on each set must be accompanied by certified check for $200.

OPENED PHILADELPHIA OFFICE.

Messrs. Meikleham & Dinsmore, engineers and bankers, 25 broad street, New York, announce the opening to-day of a branch office in Philadelphia, at 437 Chestnut street (Lafayette Building), in charge of Clyde L. Paul.

This firm was established about ten years ago, and specializes in Public Service Corporation bonds, issued upon established properties which they own, operate and manage. The properties are mostly located in the East and have been signally successful.

PASADENA, FLA.—The Bank of Commerce, capitalized at $100,000, has been converted into the National Bank of Commerce of Pasadena. H. W. Chynoweth is president; Mac D. Snowball, vice-president; E. D. Tyler, vice-president, and T. J. Stocks, cashier.

PHILADELPHIA, PA.—The Quaker City Trust Company has been organized with $200,000 capital.

A CLASS "A" INDUSTRIAL.

If such provisions existed in the charters of some of our great industrial corporations as are found in the charter of the Brunswick-Balke-Collender Co., we would not have witnessed the recent decline which has been suffered the past week, incident to rumors of dissolution to comply with the Sherman anti-trust law.

The charter of the Brunswick-Balke-Collender Company, with reference to preferred stocks says, "this stock shall be preferred, both as to principal and dividend, and, in case of the dissolution of the corporation, whether voluntary or involuntary, the holders of the preferred stock shall be paid on the basis of $120 per share, and all unpaid accrued or accruing dividends thereon before any amount shall be paid to the holders of the common stock."

The preferred stock of the Brunswick-Balke-Collender Company may well be included in the list of "Class 'A' Industrials." It is dealt in by Geo. H. Burr & Company, 35 Wall street, New York, dealers in high-class industrial preferred stocks of a seasoned character.

Financial Summary of the Week

American Agricultural Chemical.—The shareholders of the American Agricultural Chemical Company are well pleased with the action of the directors on Tuesday in deciding to make future dividends on the preferred stock quarterly instead of semi-annually. The change is regarded as a move intended to meet the wishes of the smaller shareholders. Incidentally, it is also said that the question of an initial dividend on the common stock would have received consideration on Tuesday, but for the absence of two influential members who are known to be in favor of a distribution. The matter will, it is further asserted, probably be acted upon a little later on—probably before the end of the fall season.

American Beet Sugar Co.—An interest in the American Beet Sugar Company is reported as saying, that the directors are in no hurry to place the common stock on a dividend basis. It is suggested that the most prudent policy would be to build up a substantial working capital before paying anything to common shareholders. The net liquid assets of the company are only a shade above the net current liabilities. Then there are prospects of changes in the sugar tariff schedule. If the price of sugar holds to its present level, the net earnings of the American Beet Sugar Company in the current fiscal year will be much larger than in the preceding fiscal year.

American Gas & Electric Co.—The American Gas & Electric Company has declared the regular quarterly dividend of 1½ per cent on its common stock, payable October 2; books close September 22 and reopen October 3. Also the usual quarterly dividend of 1¼ per cent on its preferred stock, payable November 1; books close October 20 and reopen November 2.

American Steel & Wire Co.—The American Steel & Wire Company is operating its plants on a basis of between 75 and 80 per cent of capacity. In other words, it is maintaining its operations at practically the high level of the year. Orders are said to be satisfactory. Prices are holding better than in the case of most steel products.

American Telephone & Telegraph Co.—The dividend income of the American Telephone & Telegraph Company for the current year will, it is authoritatively asserted aggregate approximately 12 per cent on the stock. The company will start in on its new year with a cash balance of about $50,000,000, the largest amount in its history. The new construction requirements during the year have been so relatively small as to make it improbable that the company will need any additional money for this purpose before the latter part of 1913.

Central Railroad of New Jersey.—The Central Railroad of New Jersey earned 26.5 per cent on its outstanding capital stock in the fiscal year year ended June 30. This compares with 33.18 per cent the previous year. Gross earnings for the twelve months were $24,799,235, or $947,724 more than in the previous year. Operating expenses increased $930,513, to $14,198,996, leaving net revenues at $10,600,239, an increase of $17,211. Net from outside operations was $75,286, so that total net for the road was $10,675,525, an expansion of $185,089. Operation of the New York and Long Branch Railroad yielded earnings of $2,471,197, or $2,231,167 smaller than in the previous year. These earnings were added to the net of the Jersey Central, giving it total income of $13,146,722, a decrease of $2,005,419. After deducting total charges, which were $89,700 smaller, the company had a balance available for dividends of $7,148,101, a decrease of $1,955,798. The company expended $3,000,000 on betterments and additions, which compares with $4,000,000 spent on that account the previous twelve months. Other deductions, together with miscellaneous credit items, left a surplus of $923,288, a shrinkage of $733,571. On June 30, the road had a total surplus of $13,519,634. Had it not been for a shrinkage in income from the New York and Long Branch the Jersey Central would have made a better showing than the previous year.

Colorado Fuel & Iron.—Although the surplus of the Colorado Fuel & Iron Company for the year ended June 30, is a decrease of $247,116 from last year's figures to $1,259,672 for 1911, it is the second largest the company has had. The net earnings were $3,178,340, a decrease of $264,256 from last year. Proxies for use at the annual meeting toward the end of the year are being solicited in the names of George J. Gould, J. F. Welborn and L. M. Bowers.

Copper Market.—The copper market shows little change, with sales of small lots of electrolytic copper reported at 12¾ cents a pound. However, the leading producers and selling agencies continue to quote 12½ cents. Buying continues of a hand-to-month character, and is small in the aggregate. Unless a resumption of buying sets in before the close of the month "The Copper Producer's" figures for September will probably show an increase. Surplus stocks abroad are also expected to show an increase this month.

Distillers Securities Corporation.—The annual report of the Distillers Securities Corporation for the fiscal period ended June 30, 1911, shows gross profits of $3,043,279, as compared with $2,723,980 in 1910, net earnings of $1,750,416, against $1,570,861, and net profits of $967,623, which is equal to 2.95 per cent on the $32,478,840 capital stock as compared with 2.4 per cent applicable for dividends last year. The general balance sheet of the company shows assets of $59,358,426, which is slightly above last year's total. The report says that at the end of the year, the company's working capital stood at $14,440,690, which is a small increase.

Granby Consolidated Mining, Smelting & Power Co.—The Granby Consolidated Mining, Smelting & Power Company reports a gross income from its operations for the fiscal year ending June 30, 1911, of $3,216,014, as compared with $4,009,925 earned in the preceding year. Its net profits available for dividends were only $216,525—$1.40 per share, or $348,421 less than last year, and its surplus over and above dividend requirements was $68,044. Its total surplus at the close of the year aggregated $2,534,414. The year's production amounted to 17,855,130 pounds of copper. The average cost thereof was 11.09 cents per pound and the selling price 12.311 cents. The yield of silver amounted to 343,504 ounces and the gold output was 41,744 ounces. The company's total assets are given as $17,503,910, of which amount $919,622 is represented by cash and copper on hand.

Illinois Central R. R.—During the past twelve months 192 industries located along the Illinois Central. Capital invested in these was $13,394,000, and the plants employ 9,274. The largest number are located in Illinois, but the rest of the country traversed by the road from South Dakota to Louisiana shares fairly well. This is evidence that the prosperity of central Mississippi valley during the past year was general and proves the confidence of capital, says the management.

International Nickel Co.—The directors of the International Nickel Company have declared a dividend of 4 per cent for the quarter on the common stock, an increase from the last preceding quarterly payment of 1½ per cent. They also have declared the regular quarterly dividend of 1½ per cent on the preferred, payable November 1. The common is payable December 1.

Lehigh Valley Railroad Co.—The Lehigh Valley Railroad Company reports for the fiscal year ending June 30, 1911, gross operations of $14,280,084, as compared with $14,083,251 for the preceding year. Its surplus over and above all operating expenses, charges and deductions made for additions and betterments was $7,519,457, or $225,934 more than at the close of the previous year. Its total profit and loss surplus as of June 30, 1911, amounted to $30,330,647.

Missouri Pacific Railway Co.—The Missouri Pacific Railway Company, including the St. Louis, Iron Mountain and Southern and other subsidiary properties, reports gross earnings for the fiscal year ending June 30, 1911, of $52,776,592, as compared with $53,019,136 earned in the preceding year. Its net income amounted to $11,256,213, while charges aggregated $14,106,243, leaving a deficit for the year

Digitized by Google

of $5,282,539, as against a surplus at the close of the previous year of $2,759,411.

Nipissing Mines Co.—The financial statement of the Nipissing Mines Company as of September 16, submitted to the directors recently, shows: Cash on hand, $794,699; ore in transit, $241,815; ore at mine ready for shipment, $213,696; making a total of $1,250,210. It is estimated that at the time the next dividend is payable, on October 20, the company will have a cash surplus of approximately $1,100,000.

Philadelphia & Reading Co.—The Philadelphia & Reading Company's gross receipts for the fiscal year were $45,663,661, an increase of $235,578. Operating expenses were $27,675,842, an increase of $1,112,224. Net earnings were $17,987,819, a shrinkage of $876,646. Additions and betterments consumed $3,353,559, or $1,282,895 more than in the previous year. Deduction of fixed charges and taxes left surplus of $4,330,409, a decrease of $2,301,266. The complete annual report of the Reading system for the fiscal year ending June 30, 1911, makes the following comparative exhibit:

TOTAL THREE COMPANIES.

	1911.	1910.	Inc.
Gross	$88,731,632	$87,768,252	$963,380
Net	26,980,539	29,085,400	*2,104,861
Charges, etc....	19,044,835	18,309,331	735,504
Surplus	7,935,704	10,776,069	*2,840,365

* Decrease.

The gross income of the Philadelphia & Reading road was $45,663,661, and its surplus $4,330,408, as compared with $6,632,375 at the close of the preceding year. The Philadelphia & Reading Coal & Iron Company earned $31,290,120, gross, and after providing for all expenses, charges and other deductions showed a deficit of $103,316, as compared with $771,501 on June 30, 1910. The total earnings of the Reading Company were $8,677,841, and its surplus $2,708,512. The surplus for all companies, $11,288,263, including $3,353,559 expended for additions and betterments, after allowing for the dividend requirements on the preferred stocks, was equal to 12.12 per cent on the $40,000,000 of the company's common stock, a showing that compares with 14.35 per cent, earned in the previous year.

St. Louis Southwestern Railway Co.—The St. Louis Southwestern Railway has issued its pamphlet report for the year ended June 30, showing operating revenues of $11,888,036, an increase of $901,520. Operating expenses were $8,578,155, an increase of $432,098. Net operating revenues were $4,309,881, an increase of $469,422. Gross corporate income was $3,457,004, an increase of $453,739. After allowing for deductions there was $1,215,823 carried to surplus, or $399,356 more than last year. On June 30, the company had a total surplus of $5,110,718. The ratio of operating expenses to total operating revenues for the twelve months ended June 30, was 72.16 per cent, which compares with 74.15 per cent the previous year. President Edwin Gould, in his report to shareholders under date of September 15, said crop and business conditions in the territory adjacent to the St. Louis Southwestern's lines were good and the outlook for future traffic was favorable.

United States Steel Corp.—Even though the United States Steel Corporation, under existing conditions, is making an average of only $10 or $11 per ton on its manufactured output, its profits are probably 50 per cent larger than those of its competitors. Should a dissolution of the great corporation be brought about, its profits, according to conservative estimates, would certainly be from $3 to $4 per ton. On this basis, the loss in the aggregate would amount to an average of $3 per ton on an output of 10,500,000 tons a year, or not less than $34,500,000, or nearly 7 per cent on the company's outstanding common stock. Obviously, therefore, the prospect of a disintegration of the great concern is disturbing to the shareholders.

Wabash Railroad.—The Wabash Railroad was operated at a deficit of $403,421 in the fiscal year ended June 30, according to the pamphlet report issued yesterday. In the previous year, it earned a net surplus of $545,719. Although the interest distributed on the debenture "A" and "B" bonds was $265,000 smaller than in the previous year, the payments on this account were partly made out of the company's profit and loss account, as the balance available for interest on these bonds was only $601,579, while the interest on them was $1,005,000. Gross earnings of the company for the twelve months were $29,884,037, an increase of $997,981, but operating expenses showed an expansion of $1,829,960 to $22,366,183, leaving net operating revenue of $7,517,854, a decrease of $831,979. Money expended in additions and betterments amounted to $1,288,041, or $347,568 smaller than in the previous year.

Westinghouse Air Brake Co.—The Westinghouse Air Brake Company reports a surplus over and above all expenses, charges and dividends for the fiscal year ending July 31, 1911, of $123,13[illegible], which compares with $1,474,010 earned in the preceding year.

Wisconsin Central.—Wisconsin Central was operated at a deficit of $681,967 in the fiscal year ended June 30. Total operating revenue was $8,749,452, a decrease of $112,379. Operating expenses increased $700,452, so that net earnings were $2,212,807, or $812,432 smaller than those in the previous year. Dividends were paid out of surplus account, reducing that item to $1,485,951.

MINING INQUIRY.

Sioux Consolidated Mining Co.

21292. (Charlottesville, Va.) Can you give us any information as to the present condition and future prospects of Sioux Consolidated Mining Company, Reid Smoot, president; R. L. Auderburg, secretary?

Ans.: The Sioux Consolidated Mining Company has been prospecting considerably during the greater part of the year, in hopes of finding ore on the 600-foot level, but as yet, they have been unable to find it. During the first six months of this year, the company shipped 118 carloads of ore or an average of about four and a half car loads per week. From the first of July to September 3, the total shipments were only 18 car loads, which is no more than enough to pay expenses. It is unofficially reported to-day that the company has about $2,000 in the treasury. The stock is not assessable and therefore the prospects for a dividend next month are not very bright, in fact, they are not very good for many more dividends this year. It is also reported that they are working on rich pockets in different parts of the mine, and are saving this ore to make a sensational shipment later. The company owns quite a territory and if they should find another vein naturally the stock would show some advance. Under the present conditions, however, the stock seems likely to decline considerably. It stands to-day 15 cents bid, 20 cents asked.

THE CONCHO VALLEY LOAN AND TRUST CO.
OF
SAN ANGELO, TEXAS.

Capital stock $200,000.00. Organized and operating under the Texas Banking Laws, offer to investors some high grade paper, netting from 6 to 7%. Secured by first Mortgage on improved farm and ranch lands. Our paper carries our endorsement and guarantee of payment of principal and interest. Write for information.

T. C. WYNN, Pres. C. J. KIRKPATRICK, Sec. & Treas.

CONSIDERING SECURITY

high grade industrial bonds pay the *highest income* and offer the best chance for rising profits. Send for circular "M".

BEARDSLEY AND COMPANY
Henry Sheldon Beardsley, President
Pullman Building, Madison Square New York

20%

Dividends on stock of the SMITH VALLEY LAND & LIVE STOCK COMPANY will be very conservative with positively no chance of losing the amount of your investment. If you are interested in dividends and absolute security back of your investments you will want some of this stock. It is a sure winner; a sure dividend payer, and a very high class investment. Write for particulars.

Glass & Meyer

56-58 Vandergrift Bldg. Pittsburg, Pa.

UNLISTED SECURITIES
A SPECIALTY
CASH PAID FOR ANYTHING
Get my prices before trading.
C. W. GILMAN, 50 Broad St., N. Y.
Phone 3750 Broad. Use the wire.

FOR
Oil and Gas Land Leases
WRITE
C. W. DEMING & D. C. ACOSTA, Inc.
Tulsa, Okla.

FOR HIGH GRADE OIL STOCKS
WRITE
EQUITY BOND & SECURITY CO.
37 WALL STREET, NEW YORK CITY

Almoloya Mining Co.
60 Wall St., NEW YORK

EMNAHA GOLD MINING COMPANY

Incorporated under the laws of the State of Idaho. Capitalization, $500,000, divided into $0,000 shares. Par value $1.00 per share. Of which 200,000 shares have been placed in the Treasury, for the development of the property

This Company owns and controls nine claims on Battle Creek, Imnaha, Willowa Co., Ore., on which there are three well defined parallel veins, carrying very rich gold quartz. A limited amount of the shares of the stock have been sold.

For full particulars, address

JOHN SENNETT, Treasurer
79 Milk Street, Room 602 Boston, Mass.

Digitized by Google

The Best Purchases on the Railroad List

As Indicated by the Two Standards of Comparison: of Present Investment Yield on Basis of Current Dividends and Prevailing Market Price, and on Basis of Present Earnings on Prevailing Market Values.

The average net yield of the 50 railroad stocks quoted in the following table was 5.51 per cent on September 27, as compared with 5.42 per cent on September 20, 5.34 per cent on January 4, and with 4.71 per cent on January 2, 1910.

Below all the crumbling of prices and the discussion regarding present and future values, there is an encouraging undercurrent represented by monthly and yearly reports, showing that some of the country's leading railroads have prospered and are prospering. The emphasis now being placed upon the most depressing features of the situation minimize the effects of such reports, to be sure, but the keener visioned investors of the country are studying the matter from all sides, and are not being cajoled into the belief that political busybodies and oversensitive corporation heads are driving the country to the dogs. Of course, depressing influences, whether they be represented by political intrigues, labor demands, compulsory rate adjustments, or higher costs of materials, should be considered by the man who contemplates the purchase of railroad shares, for they are matters of great importance. The question is, have these influences been discounted by present prices? There is very good reason to believe that they have been, to a great extent, at least, and that the purchase of standard shares will show very substantial profits within a reasonable period, besides giving unusually good investment returns in the meantime. Attention is called to the fact that six representative steam railroads, including the New Haven, the Pennsylvania, the Union Pacific, the Atchison, the Southern Pacific, and the St. Paul, have shown in the last four years an increase of 6.8 per cent in gross earnings, while in the same period, net earnings have advanced 9.7 per cent Here is food for thought in a look backward, through the gloom which beclouds the situation.

The Reading system for the fiscal year ended June 30, 1911, reports gross earnings of $88,731,632, an increase of $963,380 over the 1910 results, while net decreased $2,104,861 to $26,980,539. Charges were $19,044,835, as compared with $18,309,331 in 1910, so that the surplus was $2,840,365 smaller than in the preceding fiscal period, being $7,935,704. The gross income of the Philadelphia & Reading road was $45,663,661 and its surplus $4,330,408, as compared with $6,632,375 at the close of the preceding year. The Philadelphia & Reading Coal & Iron Company earned $34,390,130 gross, and after providing for all expenses, charges and other deductions, showed a deficit of $103,316, as compared with $71,501 on June 30, 1910. The total earnings of the Reading Company were $8,677,841, and its surplus $3,708,612. The surplus for all companies was $11,289,263, including $3,353,559 expended for additions and betterments. This amount, after allowing for the dividend requirements on the preferred shares, was equal to 12.12 per cent on the $70,000,000 of the company's common stock, a showing that compares with 14.35 per cent earned in the previous year.

STOCKS SHOWING BEST INVESTMENT YIELD

Present rank	Stock.	Present dividend	Price.	Yield on present price
1	Toledo, St. L. & W., pref.	4%	42	9.52
2	Detroit United	5%	67	7.46
3	Chesapeake & Ohio, com.	5%	70	7.14
4	B. R. T.	5%	72	6.85
5	St. L. & San F., 1st pref.	4%	60	6.68
6	K. C. Southern, pref.	4%	62	6.45
7	Lehigh Valley	10%	156	6.41
8	Erie, 1st pref.	4%	67	6.33
9	St. Paul, com.	7%	110	6.36
10	M., K. & T., pref.	4	60	6.67
11	Colo. & Southern, 1st pref.	4%	62	6.35
12	Baltimore & Ohio, com.	6%	95	6.32
13	Northern Pacific	7%	113	6.14
14	N. Y., N. H. & H.	8%	131	6.10
15	N. Y., C. & St. L., com.	4%	70	6.00
16	St. Louis S. W., pref.	4%	68	5.88
17	Atchison, com.	8%	102	5.88
18	Twin City R. T., com.	8%	104	5.77
19	Great Northern, pref.	7%	121	5.74
20	Colo. & Southern, 1st pref.	4%	70	5.71
21	Delaware & Hudson	9%	160	5.62
22	Southern Pacific, com.	6%	107	5.60
23	M., St. P. & S. S. M., com.	7	127	5.51
24	P., C., C. & St. L., com.	5%	91	5.49
25	K. C. F. S. & M., pref.	4%	76	5.33
26	C., C. C. & St. L., pref.	5%	94	5.32
27	C., St. P., M. & O., com.	7%	132	5.30
28	N. Y., O. & W.	5%	98	5.10
29	Illinois Central	6	116	5.19
30	Western Maryland, pref.	4%	77	5.19
31	Pennsylvania	6%	119	5.04
32	Atlantic Coast Line	6%	119	5.04
33	Louisville & Nashville	7%	139	5.04
34	Chicago & N. W., com.	7%	140	5.00
35	Norfolk & Western, com.	5%	100	5.00
36	Buffalo, R. & P., com.	5%	100	5.00
37	N. Y. C. Central	5%	101	4.95
38	St. Paul, pref.	7%	143	4.90
39	Atchison, pref.	4%	102	4.90
40	M., St. P. & S. S. M., pref.	7%	146	4.81
41	Baltimore & Ohio, pref.	4%	86	4.65
42	Central of N. J.	12%	260	4.61
43	Colo. & Southern, com.	2%	44	4.54
44	Canadian Pacific	10%	225	4.44
45	Norfolk & Western, pref.	4%	90	4.44
46	Union Pacific, pref.	4%	90	4.44
47	Reading, com.	8%	187	4.28
48	Boston & Maine	5%	120	4.16
49	D., L. & W.	20%	505	3.96
50	Southern Railway, pref.	2%	61	3.17

STOCKS SHOWING BEST EARNINGS

Present rank.	Stock.	Price.	Earning on present price.
1	St. L. & San F., 2d pref.	47	22.20
2	M., K. & T., pref.	63	25.95
3	Erie, 1st pref.	42	23.40
4	Detroit United	67	19.15
5	Southern Railway, pref	62	16.15
6	N. Y., C., & St. L., com.	56	15.15
7	Hocking Valley, com.	128	14.70
8	Buffalo, R. & P., com.	100	14.30
9	Louisville & Nashville	139	13.30
10	Norfolk & Western, com.	100	11.20
11	Union Pacific	157	10.60
12	D. & R. G., pref.	46	10.36
13	Atlantic Coast Line	119	10.30
14	Twin City R. T., com.	104	10.30
15	Colo. & Southern, com.	44	9.70
16	B. R. T.	72	9.60
17	St. Louis S. W., pref.	68	8.95
18	Canadian Pacific	225	8.90
19	Reading, com.	137	8.85
20	Southern Pacific, com.	107	8.60
21	Great Northern, pref.	122	8.55
22	Central of N. J.	260	8.45
23	Erie, com.	51	8.40
24	C., St. P., M. & O., com.	132	8.20
25	Baltimore & Ohio, com.	95	8.15
26	Delaware & Hudson	160	7.95
27	N. Y. Central	101	7.85
28	P., C., C. & St. L., com.	91	7.80
29	Chesapeake & Ohio, com.	70	7.20
30	C., C., C. & St. L., com.	75	6.95
31	K. C. Southern, pref.	62	6.95
32	M., K. & T., com.	29	6.80
33	M., St. P. & S. S. M., com.	127	6.80
34	Northern Pacific	114	6.75
35	St. Paul, com.	110	6.50
36	Lehigh Valley	156	6.45
37	Illinois Central	116	6.20
38	N. Y., N. H. & H.	131	5.95
39	Atchison, com.	102	5.85
40	Pennsylvania	119	5.70
41	D., L. & W.	505	5.55
42	N. Y., O. & W.	98	5.20
43	Rock Island, pref.	47	5.00
44	Chicago & N. W., com.	140	4.75
45	Western Maryland, pref.	77	4.50
46	Chicago, Gt. Western, pref.	56	4.00
47	Iowa Central, pref.	37	3.85
48	Toledo, St. L. & W., pref.	42	1.85
49	K. C. Southern, com.	28	0.75
50	Boston & Maine	100	6.45

Digitized by Google

The Best Purchases on the Industrial List

As Indicated by the Two Standards of Comparison: of Present Investment Yield on Basis of Current Dividends and Prevailing Market Price, and on Basis of Present Earnings on Prevailing Market Values

The average net yield of the 50 industrial stocks quoted in the following table was 6.49 per cent on September 26, as compared with 6.30 per cent on September 19, 6.30 per cent on January 3, and 5.76 per cent on January 2, 1910.

The temporary engulfing of United States Steel Securities in the advancing tide of pessimism is a feature of the current situation which must not be passed over without comment. The story which has it that this mammoth enterprise will be asked to dissolve, and that the officials will assent, rather than draw upon themselves the rapid-fire attention of government investigators, has been launched at a most opportune time for the further ance of a bear campaign, which has shown signs of needing some such impetus as this. It is pointed out that although the corporation is making an average of only $10 or $11 per ton on its manufactured product under existing conditions, its profits on this basis are probably 50 per cent larger than those of its competitors. Should a dissolution of the great corporation be brought about, its profits, according to conservative estimates, would be reduced so materially that they would not amount to more than $3 or $4 per ton. On this basis, the loss in the aggregate would amount to an average of $3 per ton, or an output of 10,500,000 tons per annum, or not less than $31,500,000, or nearly 7 per cent on the companys' outstanding common stock. Obviously, therefore, according to the bearish point of view, the prospect of a disintegration of the great concern should be disturbing to the shareholders.

This touching solicitude for the welfare of the small investor has been very much in evidence on the bear side of the market in the past two months. It is synonymous with a desire to foster a feeling of distrust and unrest, without regard for consequences, and there is always the possibility that a conflagration will be kindled, which will be extinguished only with great difficulty.

Of course, the suggestion that we are on the verge of a rapidly declining steel business, and are facing an adjustment which will be quickly reflected in tonnage and earnings, is hardly calculated to encourage the small shareholders, and speculative Wall street has attracted a not inconsiderable following which can see in the decline in the price of Steel common to practically an 8 per cent basis, an emphatic suggestion of a cut in the annual rate. If the dividend should be reduced to 4 per cent, as has been suggested, the yield on the basis of the stock's present price would be a little more than 6 per cent, or about the same as when the issue sold in the neighborhood of 80, with a 5 per cent dividend. To sacrifice Steel common at present prices, because of the dire predictions made by those whose energy is more to be commended than their methods, would be unwise, and, on the other hand, the stock has been brought down to an unusually attractive investment level. **The opinion of Wall street traders on the bear side that the dividend will be reduced at the next dividend period to a 4 per cent annual basis has not killed odd-lot buying entirely.**

Stocks.	Present dividend.	Price.	Yield on present price.	Present rank.	Stocks	Price	Earnings on present price	Year ended
Am. Cotton Oil, com	5%	51	9.80	1	Inter. Merc. Marine, pref	15	62.45	Dec. 31, 1910
U. S. Rubber, 2d pref	6%	67	8.96	2	Bethlehem Steel, pref	56	23.95	Dec. 31, 1910
U. S. Steel, com	5%	56	8.93	3	Ry. Steel Spring, com	27	22.20	Dec. 31, 1910
Republic I. & S., pref	7%	84	8.33	4	Am. Beet Sugar, com	59	21.90	Mar. 31, 1911
Am. Woolen, pref	7%	87	8.05	5	Westinghouse, com	60	21.80	Mar. 31, 1911
United Dry Goods, com	8%	100	8.00	6	Pressed Steel Car, com	26	21.35	Dec. 31, 1910
Am. Writing Paper, pref	2%	25	8.00	7	Am. Locomotive, com	34	21.10	June 30, 1911
Central Leather, pref	7%	92	7.61	8	Am. Ag. Chem., com	49	18.45	June 30, 1911
Pressed Steel car, pref	7%	92	7.61	9	Allis-Chalmers, pref	17	18.20	June 30, 1910
U. S. Realty & Imp	5%	67	7.46	10	Sears, Roebuck, com	126	16.25	Dec. 31, 1910
Ry. Steel Spring, pref	7%	94	7.45	11	Am. Car & Fdy., com	45	15.55	Apr. 30, 1911
Union Bag & Paper, pref	4%	54	7.41	12	Am. Ice Sec. Co	17	14.90	Oct. 31, 1910
Int. Steam Pump, pref	6%	81	7.41	13	United Fruit	184	14.55	Sept. 30, 1910
Nat. Enam. & Stpg., pref	7%	96	7.29	14	Inter. Harvester, com	102	14.55	Dec. 31, 1910
Am. Smelt. & Rfg., pref	7%	100	7.00	15	Am. Woolen, com	28	14.65	Dec. 31, 1910
Va.-Carolina Chem., pref	8%	116	6.90	16	U. S. Realty & Imp	67	13.95	Apr. 30, 1911
Laclede Gas	7%	102	6.86	17	Am. Cotton Oil, com	51	13.80	Aug. 31, 1910
National Lead, com	3%	44	6.82	18	Colo. Fuel & Iron, com	27	11.85	June 30, 1911
People's Gas	7%	102	6.86	19	General Electric	145	11.50	Dec. 31, 1910
Crex Carpet	5%	75	6.66	20	Nat. Enam. & Stpg., com	15	11.25	June 30, 1911
Am. Locomotive, pref	7%	105	6.66	21	Republic I. & S., com	22	11.25	June 30, 1911
Corn Prod. Rfg., pref	5%	75	6.66	22	Inter. Paper, pref	48	11.00	June 30, 1911
Am. Smelt. & Rfg. com	4%	60	6.66	23	Am. Smelt. & Rfg., com	60	10.60	Apr. 30, 1911
National Lead, pref	7%	106	6.60	24	Union Bag & Paper, pref	54	10.30	Jan. 31, 1911
U. S. Steel, pref	7%	106	6.60	25	U. S. Steel, com	56	10.30	June 30, 1911 (3 mos.)
Distillers Sec. Corp	2%	31	6.45	26	National Lead, com	44	9.80	Dec. 31, 1910
Am. Tobacco, pref	6%	93	6.45	27	Am. Linseed, pref	27	9.80	July 31, 1911
Westinghouse, 1st pref	7%	111	6.30	28	Corn Products Rfg., pref	75	9.40	Feb. 28, 1911
Am. Sugar, com	7%	114	6.14	29	Western Union	77	9.30	Sept. 30, 1911
Va.-Carolina Chem., com	3%	49	6.12	30	United Dry Goods, com	100	8.90	July 15, 1911 (6 mos.)
Am. Sugar, pref	7%	115	6.09	31	U. S. Cast Iron Pipe, pref	1[illegible]	8.80	May 31, 1911
Am. Beet Sugar, pref	6%	99	6.06	32	People's Gas	103	8.75	Dec. 31, 1910
Am. Car & Fdy., pref	7%	116	6.03	33	Am. Can, pref	83	8.25	Dec. 31, 1910
Inter. Harvester, pref	7%	116	6.02	34	Utah Copper	40	8.15	June 30, 1911 (6 mos.)
Am. Can, pref	5%	83	6.02	35	N. Y. Air Brake	75	8.15	Dec. 31, 1910
Mackay Companies, com	5%	83	6.02	36	Amalgamated Copper	49	8.00	Apr. 30, 1911
Am. Tel. & Tel	8%	137	5.84	37	Distillers Sec. Corp	31	7.75	June 30, 1910
Pacific Coast, com	6%	102	5.88	38	National Biscuit, com	130	7.60	Jan. 31, 1911
Am. Ag. Chem., pref	6%	102	5.88	39	Am. Malt Corp., pref	37	7.55	Aug. 31, 1910
Sears, Roebuck, com	7%	126	5.55	40	Am. Tel. & Tel	134	7.40	June 30, 1911 (6 mos.)
General Electric	8%	145	5.51	41	Tennessee Copper	3[illegible]	6.75	Dec. 31, 1910
Am. Malt Corp., pref	2%	37	5.41	42	U. S. Rubber, com	3[illegible]	6.65	Mar. 31, 1911
National Biscuit, com	7%	130	5.38	43	Va.-Carolina Chem., com	49	6.35	May 31, 1911
Inter. Harvester, com	5%	102	4.90	44	Am. Sugar, com	114	6.30	Dec. 31, 1910
Consolidated Gas	6%	132	4.60	45	Mackay Companies, com	83	6.20	Jan. 31, 1911
Underwood Typewriter	4%	89	4.49	46	Consolidated Gas	132	5.65	Dec. 31, 1910
Am. Car & Fdy., com	2%	45	4.44	47	Sloss-Sheffield, com	36	5.60	Nov. 30, 1910
Inter. Paper, pref	2%	48	4.17	48	Am. Steel Foundries	36	5.60	Mar. 31, 1911 (8 mos.)
Amalgamated Copper	2%	49	4.08	49	Central Leather, pref	92	4.90	Dec. 31, 1910
Western Union	3%	77	3.90	50	Int. Steam Pump, com	29	2.55	June 30, 1911 (3 mos.)

Digitized by Google

BORROWING ON POLICIES.

An Interesting Letter From a Correspondent in Which He Takes Exception to Our Recent Article on This Subject—Two-Thirds of the Policies on Which Loans Have Been Made Either Lapse or Are Surrendered.

New York, Sept. 26, 1911.

ED. UNITED STATES INVESTOR:

My attention has been called to several articles in your paper regarding the borrowing on life insurance policies, and from the gist of your remarks, one is led to infer that you not only condone the loaning by the companies on their policies, but would inaugurate a policy of discontinuing them altogether.

While I consider life insurance one of the best assets a person who has some one dependent upon him can have, I do not believe the intelligent thinking individual of to-day would invest largely in life insurance, were it not for the fact that his policies have a recognized value and can be utilized to relieve financial embarrassment temporary or otherwise as well as protection in case of death.

It seems to me as consistent to condemn and prohibit the father of a family placing a mortgage on his home or borrowing on securities he may have purchased with money saved for the purpose of protecting his family and a competence for his old age, as to condone the borrowing on life insurance policies. Again, how about the young man who takes insurance as an inducement to save his money and afterwards desires to start in business, he may or may not have some one dependent upon him. Suppose he has, he should be permitted to avail himself of the elasticity of his policy which can be kept in force just the same, while affording him an opportunity to increase his earning capacity.

I have known of many men who have been relieved of great financial embarrassment by being able to obtain loans on their life insurance policies, and if they had been unable to get succor for this source, would have become bankrupt and lost all they had in the world, the loans which they were able to get enabling them to weather the financial storm and continue in business. While the number of policy holders availing themselves of the privilege of obtaining loans is greater than formerly (owing to the fact that insurance companies did not loan in the old days), the vital fact that the lapses are infinitely less, proportionately, is ignored by you in your statistics of the increase in loans.

The purpose of life insurance is to safeguard the insured (as a rule) as well as the family. It has been my experience that when a parent is crushed financially and his ambition and business courage destroyed, the premiums to meet insurance policies are not forthcoming, owing to his inability to pay them and his policies lapse. L. P. B.

We agree with you in considering life insurance a valuable asset to those who may have some one depending upon them, but when you state that the intelligent thinking individual of to-day would not invest largely in life insurance were it not for the fact that his policy can be utilized to relieve

FINANCIAL EMBARRASSMENT

temporarily, we very emphatically disagree with you. For even though the power of borrowing on a policy may be taken away or limited, this does not decrease the recognized value of such a policy, and it is the same protection in case of death.

We would like to ask our subscriber if there are not times when the father of a family may be consistently condemned and should be prohibited from placing a mortgage on his home or borrowing on securities he may have purchased with money saved for the protection of his family. He must, of course, agree with us that there are.

No one possibly would have objected to borrowing on policies had the loans been restricted simply according to the original theory. There are only two conditions, however, under which they can be justifiable. One of these is in order to pay a premium and thus save the policy; the other is when a person has taken out a policy, not with the intention of protection to his family, but as a sort of a reserve account in case of any money stringency or temporary financial embarrassment. The case of the young man whom you quote would, of course, come under the latter. This, of course, as previously stated, was the original theory, but time has shown the abuses to which it may be put by policy holders, for there are many policy holders to-day who have borrowed from their policies, not because they needed to, but because they knew they had that reserve money and thinking, not of the future protection of their loved ones as they had when they had first taken out the policy, but of some present enjoyment, they have borrowed on their policies supposing that they could easily put it back. It is the best thing in the world, however, in such a case to let the principal run a long time, paying the interest on it and finally letting matters run for so long a time in this way that the policy holder eventually decides to surrender or cancel his policy.

The writer only the other day was talking with a high official of one of the prominent life insurance companies, and he said that he had borrowed upon his policy that he might use the money for investments, some of which had turned out good and some of which had not turned out quite so good.

HE SAID THIS,

however, and that emphatically, "I have finally come to the conclusion that the practice is bad, and if I had it to do over again, I certainly would not borrow upon my policy, and I certainly will not do it again in the future, as it robs those dependent upon me of the protection which I had originally planned to give them". And yet, this man had not used the money from his policy to buy an automobile, to take his family to Europe, to buy something which he had particularly fancied, but to purchase an investment on which he figured he would get a greater return than upon the money as tied up in his policy. When he considered it too risky for him, certainly it is time that those policy holders who have been borrowing promiscuously should have given them some food for thought.

An interesting suggestion for the alleviating of the condition which bids fair to become serious if continued, serious not to the insurance company, for they have ample protection, but to the beneficiary of the policy, has been called to our attention, and a paper read by an officer of one of the life insurance companies at a recent convention in which he questioned whether or not it would be profitable to issue

TWO CLASSES OF POLICIES,

one to be known as the family policy under which a wife or children are made beneficiaries, and under which there would be no provision for the borrowing of money, with the exception possible in cases where it would be necessary to pay premiums in order to keep the policy alive, the other class, business policies, would have an option to the insured to borrow as under the present method. This, of course, is more or less of a Utopian idea, but the idea itself is more or less followed out to-day in the event of a man reserving or not reserving the right to change the beneficiary. This matter is summed up, it seems to us, in the statement that if every man who has taken out a policy for the benefit of his family, and who has borrowed upon that policy, confronts himself with the fact that he is destroying that benefit to a greater or less extent whenever he makes a loan, there would be less borrowing. On the other hand, if he takes a policy for business purposes, of course, when business necessities arise, it is good form on his part to exercise his option for a loan.

Coming down to the matter of lapses and surrenders of policies, our subscriber infers that the fact that the lapses during the past fifteen years are less proportionately than are the loans, is vital, and that it has been caused from the fact that loans have been made. The insurance companies themselves, however, believe that this fact is not vital, and anyone who will analyze the situation, cannot help but agree with them. For, as a matter of fact, on December 31 1895, there was $4,795,083,000 worth of insurance in force, and the amount of lapses and surrenders of policies was equivalent to $414,291,836, or, in other words, the lapses and surrenders of policies were equivalent to 8.63 per cent of the amount of insurance in force. On December 31, 1910, however, there was $11,521,797,000 worth of insurance in force, while the lapses and surrenders of policies were equivalent to only $499,950,706, and the proportion of the latter to the former, therefore, was only 4.34 per cent,

Before All Else

there is found in every Union Mutual Policy the first and strongest Purpose of Life Insurance.

Protection

Clear, Faithful Reasonable Contracts. Ask for Particulars.

Union Mutual Life Insurance Co.
Portland, Maine

Fred E. Richards, President.

STATE MUTUAL LIFE ASSURANCE COMPANY OF WORCESTER, MASSACHUSETTS INCORPORATED 1844

JANUARY 1, 1911
Insurance in force more than $140,000,000
ASSETS - $36,327,879.03
LIABILITIES - 33,371,941.25
SURPLUS - $ 2,955,237.78
1910 MOST PROSPEROUS IN HISTORY OF THE COMPANY

North American Accident Insurance Co.
CHICAGO

Net Surplus & Capital..$ [illegible]
Income 1910..... 1,151,[illegible]
Will add good men in Establishing Agencies.
Best Policies — Largest Commissions or Profit Sharing Contract
A. R. Forrest, Vice-Pres. & Sec'y, Chicago

Digitized by Google

showing thereby in the fifteen years A VERY APPRECIABLE DECREASE in the lapses.

It is folly to argue from this, however, that this decrease has been brought about from the fact that during this time the insurance companies have been making loans upon the policies, for no man can say how much or how little effect this feature of insurance has figured in it. It is true that big insurance companies are endeavoring to find out in just what way the loans do figure in this matter, but we have been assured by several of them that as yet they have been unable to figure it out to any certainty One large company, however, figures that two-thirds of its policies upon which loans have been made either lapse or are surrendered, and it is therefore, safe to assume that the same proportion will hold in all other companies, if even not to a higher degree.

Since the big unheaval in insurance made in 1905, life insurance companies have not been permitted to pay such high commission to agents, nor can they offer big bonuses and the like. As the result of this, they have not been underwriting that large amount of hothouse business as they did formerly. By hothouse, we mean insurance that was written up under the pressure of high commissions, and such as would lapse in the first year or two. The Armstrong law, in this respect, may be said to be a big feature in reducing so materially the proportion in lapses and surrenders. The companies themselves have not been negligent in this matter, since for a number of years the

MOST SUBSTANTIAL COMPANIES

have been making a big fight to stop lapses and surrenders, and as a result of investigation, they have brought the signs down so fine that no man takes out a life insurance policy to-day, unless he is pretty sure that he will be able to continue to pay the premiums as they come due. This, therefore, to the writer seems to be the essential factor in the reduction in the number of lapses and surrenders.

As a matter of fact, the insurance commissioners of most large states are even at the present time considering having enacted a uniform law for deferring payment on loans upon policies. At the present time, requests or demands for loans are complied with just as soon as the formalities can be completed. With the laws under consideration, however, this payment would be deferred perhaps 60 days; perhaps 90 days, and perhaps 120 days. This deferment, therefore, in a great many cases, would have given time for the temporary stringency to have passed, when the loan would not be asked for, and as a result, a big check would have been given to the number of loans, which are being made, and the interest of policy holders, and their beneficiaries protected. It is highly desirable that such laws shall come about.

STANTONVILLE, TENN.—The People's Bank has been organized with a capital of $24,000. John R. Erwin is president; H. Combs, vice-president, and F. P. Flatt, cashier.

BOSTON STOCKS AND BONDS

For the Week Ending Thursday Evening, September 28, 1911.

Names.	RANGE FOR WEEK Low	High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911. Lowest		Highest		RANGE FROM JAN., 1879, TO JAN., 1911. Lowest	Highest
Railroads.										
Boston & Albany	220	221	221½	93	219 Sept		226 Feb	15	129 1879	*230 1906
Boston Elevated	124½	125½	125	387	124½ Sept	26	130½ Aug	2	52¾ 1888	130 1911
Boston & Maine	100	101	100	279	99 Sept	15	122¾ Feb	15	105½ 1879	230 1877
do. pref.			148		143 Sept	5	154 June	5	134¾ 1891	190 1902
Cent. Verm't 4s			82½		82½ Sept	20	92 Mar	22	75 1904	98½ 1909
C. B. & Q. Jt. 4s	96¾	96	96¾	23,000	95¾ Jan	5	98¼ June	2	82½ 1907	102 1906
Chic. Junc. R.			156		156 Apr	29	165 Aug	23	50 1899	182 1904
do. 5s	101¼	101¾	101½	1,000	101¾ Sept	23	102 Aug	21	89¾ 1891	116 1899
Fitchburg pref.	125	125¾	125¾	18	125 Sept	27	130 Jan	9	63½ 1879	148 1905
K.C.,Ft.S.&M.6s			116		115 Mar	22	116¾ Jan	6	76 1895	126 1909
K.C.M.&B.new5s			92		91¾ Jan	19	93½ Jan	3	125¾ 1894	1102 1885
do. inc. 5s			89		88 Apr	6	90 Mar	14	8 1896	104 1902
N.Y., N.H. & H.	131	131½	132	81	128¾ Sept	14	151¾ Feb	22	127 1907	279 1880
Old Colony	187	188	187½	19	182 Mar	15	199 June	14	96 1879	221 1893
Rutland pref.	3½	3½	3½	1	3½ Jan	26	6½ Aug	4	6¼ 1879	135¾ 1902
West End	85¾	85¾	85¾	1	85¾ Sept	28	96 Feb	6	42 1894	102 1905
do. pref.	100	100½	100	440	100 Sept	21	105 June	22	78 1888	118¼ 1901
Miscellan'e's.										
Am. Agri. Chem.	46½	50	48	475	44½ Sept	26	60½ May	18	9 1903	50¾ 1909
do. pref.	102½	103½	103	156	99 Jan	4	104¼ Mar	1	66¾ 1903	105 1910
Am. Pneu. Ser.	3½	3¾	3¾	470	3½ Sept	25	6½ Jan	3	3 1903	29 1906
do. pref.	14	14½	14½	150	12¾ Sept	1	19¾ Jan	31	9½ 1903	46 1906
Am. Tel. & Tel.	133	135¾	135½	8,111	131¾ Aug	30	153¾ Jan	5	88 1907	186 1906
do. 4s	89¾	90	90	61,000	89¾ Mar	22	92 May	23	71 1907	103½ 1901
do. cons. 4s	103½	103½	103½	5,000	104 Aug	25	111¾ June	19	80¾ 1908	107¾ 1909
Am. Woolen	28½	28½	28½	175	27½ Sept	19	36¾ Mar	20	7¾ 1903	48 1909
do. pref.	90¾	90	89¾	404	86¼ Sept	26	96¾ June	15	66 1903	110¾ 1906
B. & Wor. Elec.			12		6 Feb	15	13 July	12	8 1910	39¼ 1906
do. pref.			70		28½ Jan	23	58 July	1	35 1910	90 1906
Cumberl'd Tele.	150	150½	150	41	146 Jan	19	158 June	2	93¾ 1907	152½ 1910
Dom. Coal 5s	98¾	98¾	98¾	20	90 Jan	4	98¾ Sept	22	90 1908	101½ 1905
E. Boston Land.	9½	10	10	46	7¾ Jan	1	12 May	1	2¾ 1898	18¾ 1906
Edis. Elec. Ill.	280	285	280	91	275 Sept	9	292½ Feb	3	10 1893	300 1906
Gen'l Elec. Co.	147	148	148	672	142 Sept	22	161¾ May	29	20¾ 1898	258¾ 1901
Mass. Elec.	16¾	17½	17½	927	16 Apr	24	24 June	3	6½ 1907	45¾ 1902
Mass. pref.	87	87½	87	283	82¾ Jan	9	95 July	11	37 1907	99 1902
Mass. Gas.	87¾	91½	88	3,270	87¾ Sept	28	98¾ Aug	4	30 1903	91½ 1910
do. pref.	96	97	96	611	91¼ Apr	13	98 Aug	24	74½ 1903	97 1910
Mergenthaler	224½	225	224½	14	211 Jan	3	250 July	31	113¾ 1897	228 1910
N. E. Cot. Y'n.	104	104¾	104	200	104 Sept	25	119 Mar	14	40 1905	125 1909
do. pref.			106½		106 Jan	3	116 Mar	15	84¾ 1905	118 1910
do. 5s	98	98¾	98½	6,000	99 Sept	25	103 June	20	83 1908	105¾ 1907
N. E. Telephone	143	145	143	101	137 Jan	17	150¾ June	10	78¾ 1879	270 1906
Portland Elec.	64	65	64¾	165						
Pullman Car.	161	165	164½	277	153 Sept	7	161 Jan	30	5¾ 1901	23¼ 1906
Reece But. H.	11	11½	11½	40	12 Jan		16¾ May	22	7¼ 1884	163 1901
Torr'g'n Co.Cl.A	29	30	29	80	29 Sept	28	36 Jan	7	18 1905	37 1910
do. pref.			36		37 Sept	6	39 July	26	30 1907	35 1909
U'ted Fruit Co.	184	184	184½	709	180 Aug	28	197 June	12	73 1901	200 1910
U'ted Fruit 4½s.	96¼	96¾	96¼	4,000	95¾ Apr	17	97½ Jan	6	95 1910	97½ 1910
Un. Shoe Mach'y.	40½	42	42	1,537	40¾ Aug	28	54¾ Feb	18	*28 1900	95¼ 1906
do. pref.	26½	27½	27	170	26¼ Sept	22	29½ Mar	7	22 1903	29¾ 1906
West. Tel. & T.	14	17	16¾	775	15 Sept	26	23¼ Feb	6	4 1908	33½ 1902
do. pref.	95	95	95	115	89 Jan	23	100 July	28	50 1907	106¾ 1902
do. 5s	96¼	96¾	96¾	17,000	90¾ Jan	3	100 July	25	74 1907	106¾ 1909
Mining.										
Adventure	4	4½	4¾	20	4 Sept	26	7¼ May	18	‡.62½ 1907	23 1901
Allouez	22	25	24	400	21 Aug	28	29 Jan	5	90 1898	74½ 1907
Amalgamated	44½	45½	45¾	24,050	44½ Sept	27	71½ June	26	33¾ 1903	129½ 1899
Am. Zinc	21	23¾	22	1,175	21 Sept	25	26¾ June	16	5 1901	67 1899
Arizona Com.	65	80	81	1,175	55 Sept	9	85¾ June	14	7¾ 1907	51¾ 1909
Bos. & Corbin	4	5	4¾	50	3¾ Aug	24	15½ June	6	6 1907	25 1903
Butte Bal'kl'a	3¾	4¾	4	1,850	3¼ Aug	29	6¾ Jan	4	4½ 1910	18¾ 1910
Butte Coalition	14	15	14¾	1,170	14 Sept	26	20¾ May	24	10 1907	42 1908
Calumet & Ariz.	85	101½	98	4,850	85 Sept	27	63 June	11	44¾ 1910	198 1907
Calum. & Hecla	360	380	375	61	360 Sept	25	545 Jan	4	124 1884	1080 1907
Centennial	9	9¾	9	24	9 Sept	27	16 Jan	3	10c 1898	61 1899
Copper Range	44½	46¾	46	6,800	46½ Sept	25	69¾ Feb	2	37 1903	105 1907
Daly-West	7	8¼	8	100	3 Feb	15	6½ June	21	3¼ 1910	56 1901
East Butte	9	10	10	2,900	8¾ Aug	26	14¾ June	26	3¼ 1908	18¾ 1907
Elm River			10		10 July	24	20 Jan	6	.06 1910	7 1907
Franklin	6¾	7	6½	1,216	5½ Aug	24	16 June	14	4 1879	30 1899
Giroux	3¾	3¾	3 11 16	4,250	3¾ Sept	26	8¼ Feb	6	2¾ 1907	13¾ 1901
Granby	28	29	28	750	26 Aug	28	43½ June	21	20 1910	151 1907
Greene Cananea	5¾	6¼	6	4,000	5 5-16 Feb	9	8 June	26	6 1907	18 1907
Hancock, Con.	17	19	19	200	17 Sept	26	26½ June	19	1¾ 1907	38 1910
Helvetia	75	85	75	120	75 Sept	25	2 Mar	4	1¾ 1910	38 1909
Isl'd C'k Coal**	31½	33½	33½	200	29¼ May	8	40¾ June	3	30¾ 1910	33¾ 1910
do. pref.**	82½	84	84	383	82¾ Sept	27	91 June	13	84½ 1910	90¾ 1910
Isle Royale	11½	13	12½	715	11¾ Aug	24	19¾ June	21	5¾ 1903	75 1899
Kerr Lake	3¾	3¾	3¾	511	3¼ Sept	18	7¾ Jan	23	6 1910	35 1907
Keweenaw	2	2	2	150	1¾ May	10	3¾ June	14	2¼ 1909	7¾ 1900
La Salle	3¾	3¾	3¾	300	3 Aug	14	6 Jan	3	2 1908	23¼ 1905
Lake Copper	28½	26	25¾	3,610	21¾ Aug	26	40 June	13	4 1907	94¾ 1910
Mass. Cons.			6		4¾ Aug	25	10 June	19	2¾ 1908	37¾ 1901
Miami	17¾	17¾	17¾	440	17 Sept	27	22¾ June	21	4¾ 1908	29 1910
Michigan	1½	1½	1½	75	1½ Sept	27	4¾ May	6	3 1903	34¼ 1907
Mohawk	35	40	34½	225	36 Apr	24	53 June	16	11½ 1900	*97 1907
Nev. Cons.	17	17	16¾	2,734	15 Sept	25	21¾ June	15	6¾ 1907	30 1909
New Arcadian			28	2	27 Sept	26	2 Sept	26	4¾ May	17 11 1905	195¼ 1899
Nipissing	7¾	8	8	347	7¾ Aug	26	11½ Feb	17	5 1906	23¾ 1906
North Butte	20	23	22¾	7,940	20 Sept	25	36 June	13	18¾ 1910	120 1907
North Lake	4 1 16	4½	4¾	1,100	3¾ Aug	21	9¾ June	3	4½ 1909	11¾ 1900
Old Dominion	34¾	37	36¾	922	34¾ Sept	25	49 June	19	9¾ 1904	46¾ 1899
Osceola	81	85¾	82	130	81 Sept	22	124 Jan	4	7¾ 1899	121 1907
Parrot	7¾	8¾	8¾	715	7¾ Sept	22	13¾ May	22	8¾ 1907	72¼ 1899
Quincy	55	60	60	205	55 Sept	25	74 July	24	10 1879	190 1899
Ray Consol'ted	12	12¾	12¾	920	12 Sept	25	18¾ Jan	3	7¼ 1908	27¼ 1899
Santa Fe			59		75 Apr	26	1¾ June	13	1 1903	22 1899
Shannon	7½	7¾	7¾	310	7¼ Aug	18	12¾ Feb	6	3¼ 1904	34¾ 1907
Superior Copper	33	35	33½	581	31 Aug	17	54¾ June	14	7 1907	93¼ 1910
Sup. & Boston	2¾	2¾	2¾	452	2¾ Sept	13	8¼ June	15	2¾ 1908	36 1899
Tamarack	20	21	20½	320	20 Sept	26	52 Jan	3	4¾ 1910	265 1907
Tennessee			31¾		34¾ Aug	9	43¾ June	12	9¾ 1903	55¼ 1907
Trinity	3	4	3½	48	3 Sept	21	6 June	20	3¾ 1904	43¾ 1907
U. S. Smelting	39¾	42	41¾	2,800	39¾ Sept	27	60¾ June	14	24¾ 1907	70 1907
do. pref.	62½	64¾	63½	1,700	63¼ Aug	28	49¾ June	26	27¾ 1907	84¼ 1899
Utah Cons.	11¾	12	11¾	900	9¾ Jan	20	20 June	26	12¾ 1910	*79 1907
Utah Apex	2	2	2	120	2 Sept	22	3¼ June	15	1¾ 1907	10¾ 1906
Victoria	1¾	2	1 15-16	110	1 Aug	19	2¾ Feb	7	1 1900	12 1901
Winona	1¾	2	1¾	105	1¼ Aug	24	2¾ Feb	6	1 1902	22 1899
Wolverine	50	56	50	155	50 Sept	25	122 Feb	10	75c 1893	200 1907

* Ex dividend. † Assessment paid. ‡ Rights off. ‖ Auction. § Old securities. ¤ Old stock ecrip certificates.

Digitized by Google

This Week and Next

On Record Transactions for the Year, Prices on the New York Stock Exchange Have Been Put Up and Down With Such Small Final Result That Confusion Predominates Every Opinion—Since President Taft's Prophecy on January 8, 1910, 25 Leading Securities Have Declined in Value to the Extent of $1,000,000,000—Possibilities of Political Assault Still Dominate Stock Market Prices—Market Rallied This Week Regardless of the Accumulation of Campaign Thunder for Next Year's Presidential Election.

The story of the current week in financial affairs is really a study in confusion. On the New York stock exchange there were several million-share days when stocks went up and down so fast with a final result of negligible amount that every competent authority was willing to concede that the market was still a guess.

One of the most significant features of the week's market has been the savagely literal fulfillment of President Taft's prophecy on January 8, 1910, when he said that it would probably be necessary "to dry up the now flowing sources of capital from its places of hording and produce a halt in our present prosperity that will cause suffering and strained circumstances among the innocent many for default of the guilty few".

That this

PROPHECY HAS BEEN FULFILLED

and with a vengeance almost startling it is only necessary to compare stock market quotations on January 8, 1910, when this utterance was made with the quotations during the past week or so.

I have not gone through the entire list but only 25 stocks equally divided between the railroad and industrial list show a depreciation of about $1,000,000,000 since the date of President Taft's announcement.

If the figures were compiled on the entire list of securities dealt in on the New York stock exchange, the total shrinkage would be a billion and several hundred million dollars more.

On the assuring statement issued by J. P. Morgan and Chairman E. H. Gary, as a committee of directors of the United States Steel Corporation, the market rallied violently, and in a few minutes declined with almost equal violence. The slump of ten points in Wabash Railroad Company's 4 per cent bonds was not helpful, but was generally regarded as only further evidence that the end of the decadent Goulds must be nearer at hand. The August earnings of the Atchison, Southern Pacific and Union Pacific were not encouraging, although returns of some of the other lines were not so bad.

In round figures, our crops this year will

PRODUCE $1,000,000,000 LESS

than last year, but we have already marked off from the quoted value of securities listed on the New York stock exchange a matter of $3,000,000,000, and the process of marking down still continues, so it would seem fair to conclude that other things besides the current year's crop which was at the worst only 10 per cent less than last year, must be looked to for an explanation of the semi-demoralized state of the security markets.

Wall street is almost without exception bearish, and has been for some months. Almost every individual in Wall street will offer a different combination of the most essential factors, which have brought him to this viewpoint, but they all agree that the market must continue to go down until such time as figures that I regard as almost inconceivable are recorded for the leading and most widely distributed railroad and industrial shares. Investors and speculators generally

ARE DISGUSTED

with President Taft's speeches, and with the concurrent development that such insignificant alleged violators as the powder trust, the shoe machinery trust and the kindling wood trust have been put on the rack in the past few days. This was accompanied by the unofficial announcement that the International Harvester and the United States Steel Corporation were on the verge of voluntarily submitting to any arbitrary dismemberment programme which might be dictated by arch inquisitor Wickersham, of Washington, and has had its logical and inevitable

PHILADELPHIA STOCKS

For the Week Ending Wednesday Evening, September 27, 1911.

Names.	RANGE FOR WEEK Low	High.	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911. Lowest		Highest		RANGE FROM JAN., 1879, TO JAN., 1911. Lowest	Highest
Amer. Cement..	...	...	10	.....	10 Sept 19		17½ Jan 4		5½ 1906	46 1909
Amer. Railways.	44	44¾	44	174	42 Jan 10		46⅝ Aug 5		21½ 1900	56⅝ 1902
Bell Telephone..	...	...	116½	.....	.....		.....		45 1907	124¾ 1909
Cambria Steel...	40⅝	42⅝	42½	4,633	40⅞ Sept 22		48¾ Feb 18		13½ 1899	49¾ 1909
do. Iron	...	...	44	.....	43½ Aug 10		48 Mar 27		42 1907	138 1882
Elec. Co. of Am.	11⅝	11⅝	11⅝	715	11½ Jan 4		12½ Jan 11		5¾ 1902	25 1899
Elec. Storage....	49	51½	50	1,546	48½ Jan 3		56¼ June 15		15 1894	194 1899
Gen'l Asphalt...	22	23½	33	1,135	28½ Aug 25		34⅜ Jan 10		3 1907	34⅜ 1910
do. pref.	42	73¼	72⅝	60	68 Aug 28		83¾ Jan 30		11 1906	84¼ 1910
Hunt. & B. T...	...	...	8	.....	5 June 13		8 June 19		7 1910	42 1898
do. pref.	...	...	14	.....	14 Sept 18		27 Feb 1		7¾ 1880	59¾ 1902
Lake Sup. Corp.	21½	23½	22⅞	697	21¼ Sept 26		33¾ Feb 4		3⅝ 1903	53⅞ 1909
Lehigh Valley...	76½	80⅝	78	3,361	76 Sept 12		90½ Feb 3		17½ 1897	121¼ 1910
Lehigh Navig'n.	85½	86¼	86	407	84½ Sept 12		93½ July 29		35 1858	131¼ 1904
Marsden	...	...	1⅝	.....	.....		.....		⅝ 1907	28¾ 1899
Penn. Steel.....	...	...	60	.....	.....		.....		5 1884	200 1891
do. pref.	...	...	106	.....	104½ May 4		108¾ Apr 13		10 1897	117½ 1909
Phila. Co.....	48¾	49½	49	1,487	48¾ Sept 21		59¼ June 6		23¾ 1907	65¾ 1905
do. pref.	42	42½	42¾	250	42 Sept 25		45 Feb 8		34 1909	52 1901
Phil. Elec.....	16	16⅝	16⅜	6,499	16 Sept 26		18 July 17		2 1900	16⅝ 1911
Phil. Rap. Trans	20⅝	21⅝	21¼	1,177	16⅝ Apr 18		24⅛ Aug 4		12 1907	37⅞ 1909
Phil. Traction...	83	83	83	24	82 Sept 19		87½ July 14		5 1885	102½ 1905
Tonopah Min'g..	6⅛	6⅜	6⅛	6,427	5 3-16 Aug 23		8⅜ Jan 17		3 3-16 1907	21⅛ 1906
United Gas Imp.	84¼	85⅝	85¼	3,020	84¼ Sept 25		89⅝ Jan 9		50 1898	178 1899
Union Traction..	48	49½	48⅝	3,315	43 Jan 4		52⅝ July 14		8⅝ 1897	65¼ 1906
Warwick Steel..	10¼	10¼	10¼	100	9⅝ Jan 10		11⅜ Feb 28		2½ 1903	18 1899
W'stm'el'd Co'l.	...	...	79	.....	79 Sept 19		91½ Mar 20		45½ 1879	114 1899

* Ex-dividend. † Trust certificates. ** Temporary certificates.

CHICAGO STOCKS

For the Week Ending Wednesday Evening, September 27, 1911.

Names.	RANGE FOR WEEK Low	High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911. Lowest		Highest		RANGE FROM JAN., 1879, TO JAN., 1911. Lowest	Highest
Am. Can.....	9¼	10	9⅜	775	8¾ Jan 27		12¼ May 23		2⅜ 1903	21⅛ 1901
do. pref.	81	83	81½	775	76⅝ Jan 7		83⅝ May 23		25¼ 1902	98 1909
Am. Radiator...	...	...	265	.....	265 Jan 9		285 Feb 18		30 1900	280¾ 1910
do. pref.	...	...	139	.....	139¾ Mar 9		151 Aug 29		98 1898	136 1900
Am. Shipbldg...	50	54	50	50	50 Sept 27		79 Feb 6		19 1904	84½ 1910
do. pref.	...	...	108½	.....	110¾ Jan 16		113 May 18		82 1904	112 1910
Chic. City Ry....	...	...	190	.....	185 Mar 23		190 Apr 28		140 1906	476 1902
Chic. Pneu. T'l.	39½	42⅞	41	733	39½ Sept 22		65½ Feb 22		18 1904	107½ 1902
Chic. Subway...	1½	2	1⅝	1,850	1½ Sept 26		6 Mar 1		2¼ 1910	87⅜ 1905
Chic. Telephone.	119	119	119	10	115 Jan 25		134¼ May 17		95 1907	286 1901
C'm'nw'th Edis.	133	135	134	473	113 Jan 26		137⅜ July 15		77 1907	178 1910
Diamond Match.	96	100½	97	1,462	90 Jan 16		105½ July 11		82½ 1910	163 1901
Kan. City Light.	15	15½	15	100	15 Sept 26		25 May 23		20 1910	68¾ 1906
do. pref.	39	40	40	129	39 Sept 26		72½ Feb 25		68 1908	93¾ 1908
Met. El.....	...	...	27	.....	19¾ Feb 1		28⅝ June 23		12 1899	42 1902
do. pref.	...	...	75	.....	64 Mar 16		***75 July 17		32 1909	93¼ 1901
Nat. Carbon.....	101	101	101	50	100 Sept 13		120 June 8		15 1899	146 1910
do. pref.	...	...	117	.....	106¾ Aug 23		120 Apr 12		72 1900	124 1909
No. West. El....	...	...	29¾	.....	20¼ Apr 27		29¾ June 20		13¾ 1908	55 1901
do. pref.	...	...	68½	.....	60 Mar 1		87 Mar 20		44 1904	97 1901
Quaker Oats....	...	...	180	.....	165 Mar 17		181 June 19		35½ 1904	186 1910
do. pref.	105⅜	106	106	50	102½ Feb 8		107½ July 24		73 1903	109¼ 1905
So. Side El.....	...	...	80	.....	81 Feb 16		89 June 20		40¼ 1897	100 1901
Streets' Car.....	8½	8⅝	8½	210	8 May 31		13¼ Feb 24		10⅝ 1910	54½ 1900
do. pref.	...	...	50	.....	40 June 2		50 Aug 11		40 1910	111¾ 1906
Swift & Co.....	97⅜	100½	98¾	5,420	97⅜ Sept 25		104 June 8		75¼ 1907	177½ 1902
Un. Box Board..	1⅜	1¾	1⅜	200	1½ Sept 12		7 Jan 6		¼ 1906	17¾ 1902
do. pref.	...	...	7⅝	.....	.....		.....		1¾ 1906	71 1903
Western Stone..	...	...	19½	.....	19¾ July 25		24¾ Jan 24		14 1908	80 1908

* Ex-dividend. † New. *** Receipts. ‡ Assessment paid.

Digitized by Google

result in the further liquidation of securities by large holders.

It is trite to say that the law of supply and demand makes prices in Wall street, but it is nevertheless worth saying that the real reason for the continued decline in stock market prices is the fact that there are more sellers of stock than buyers, and that the supply of stock offered for sale at receding prices continues to be larger than the market can absorb, so the receding tendency of quotations continues. No one can have closely followed transactions on the New York stock exchange during recent weeks without being convinced of the fact that not one, but very many, large interests must have been handing out all the securities market would take without making it slump in any one day to the demoralization point, and the appropriate suggestion follows that these large interests who are pursuing a large campaign of liquidation have necessarily been inclined to temporarily stay the market, and rally it at opportune times.

The fact seems to be more clearly evidenced every day that the big men in the financial world

HAVE BECOME DISGUSTED

as well as scared, or both, and without any agreement or concert of action are going to a considerable distance in the sale of their securities. What their limit is, no one knows, but it cannot be doubted that they propose to shift a substantial portion of the burden of carrying a large amount of the securities of our industrial and railroad enterprises to smaller holders.

It is, of course, very well to prate about the inordinate aggression of our railroad and industrial combinations, and of the men who have profited by them, but the fact remains that these men in the millionaire class who make the wheels of industry go round, cannot be permanently injured by the assaults of either politicians or laboring men, and when the exactions of either politicians or labor leaders become too extreme, these millionaire and multi-millionaire individuals are simply inclined to turn their securities into cash, and wait for a better era. If a man has $10,000,000 in market value of securities, and believes that he is being unjustly treated by the public, he can sell his $10,000,000 of securities for $8,000,000, $7,000,000 or $6,000,000 in cash and quit the game temporarily. During his waiting period, he will not suffer any personal discomfort, and only the little fellow, which means the employe, is likely to be hurt during this period of the millionaire's disgust.

Business conditions generally do not justify any such pessimistic views as might be suggested by the declining quotations in the stock market, because business

CANNOT BE SO BAD

when the bank clearings of the country show an improvement over last year as well as the year before.

The real fact is that both political parties are now so busy accumulating campaign material for the presidential election next year that they cannot see anything else on the horizon I had believed that President Taft on

NEW YORK STOCKS AND BONDS

For the Week Ending Thursday Evening, September 28, 1911.

Names.	RANGE FOR WEEK		Last Sale	Sales for Week	RANGE FOR YEAR OF 1911				RANGE FROM JAN., 1878, TO JAN.,	
	Low	High			Lowest		Highest		Lowest	Highest
Atch. & T. R R.	99⅞	100⅛	102¼	101,100	99⅞	Sept 27	116⅝	June 5	$ 1-16 1894	152½ 1899
Atch. & Top. pf.	101½	102⅛	102⅛	2,400	100⅛	Jan 3	106½	June 12	14 1896	107½ 1901
Atch. & Top 4s	98¼	99	98¾	108,000	92½	Sept 26	99⅝	Jan 4	61 1894	105⅛ 1902
do. adj. 4s....	91⅛	91⅝	91⅝	16,000	90⅜	Mar 29	92½	Jan 26	36 1896	99¼ 1900
At'tic C'st Line.	117⅝	121½	121	2,200	117	Jan 3	132½	July 22	68 1907	170 1906
B. & O. Gold 4s.	98	98½	98	83,000	98	Sept 27	99¼	Feb 21	33 1907	106⅝ 1905
B. & O.S. W.3½s.	89½	89⅝	89½	12,000	89½	Sept 25	93	Mar 11	30 1907	96 1890
Balti. & Ohio...	93⅜	94⅛	94⅛	20,000	93⅜	Sept 28	109⅜	July 22	9 1897	125⅛ 1902
do. pref.	...	...	86	.....	85½	Aug 30	91	Jan 4	67½ 1889	100 1905
Brooklyn R. T..	72	74⅜	74	10,300	72	Sept 25	85⅝	July 20	13 1896	127 1899
B R.T.conv't 4s.	83	83⅜	83	133,000	82⅝	Apr 18	88⅛	Jan 26	56 1907	102½ 1905
Canadian Pac...	223½	229⅝	225⅝	30,654	126⅝	Jan 3	247	July 21	33 1896	303⅛ 1910
Canada South...	...	...	68	.....	62	Mar 3	68	May 12	23 1886	97 1903
Cen.of Ga. Con.5s.	106½	106½	106½	5,000	105⅜	Jan 13	110	July 26	55 1907	139½ 1901
do. 1st inc....	...	...	97	.....	96	July 25	114½	Apr 18	30 1890	103 1910
do. 2d inc.....	...	...	96	.....	90	Mar 1	108⅛	Apr 5	9 1899	107 1910
do. 3d inc.....	...	...	96	.....	85	Feb 24	102	Apr 4	6 1898	100 1910
Central N. J....	...	...	260	.....	260	Sept 18	295	June 3	31 1885	312 1910
Cent'l Pac. 5½s.	90	90	90	2,000	90	Sept 25	92	Mar 8	75 1907	91 1910
Ches.O. gen.4½s.	100½	100⅝	100⅝	15,000	100½	Sept 25	102	May 18	61 1893	111 1908
Chesapeake & O.	68⅝	72	70⅞	23,400	68⅝	Sept 25	86¼	Feb 10	1 1885	133¾ 1881
Chic. & Alton...	17	17	17	100	15	Aug 28	31¾	May 22	8¼ 1907	74⅝ 1909
do. pref.	...	...	40	.....	40	Aug 30	53	Jan 27	47 1908	83⅞ 1908
Chic. Gr't West.	17½	18	18	1,800	17⅜	Sept 14	25⅛	June 5	3⅝ 1897	37⅜ 1908
do. pref. A...	36	37	36	1,300	36	Sept 27	49⅛	Feb 6	15½ 1908	90½ 1901
Chic. M. & St.P.	106	112⅝	108	154,700	106	Sept 27	133⅛	Feb 7	34⅜ 1879	199⅝ 1906
do. pref.	140⅞	142½	143⅝	100	141	Sept 14	155½	June 15	76⅜ 1879	218 1906
Chic. & N. W....	139½	141¼	141¼	3,322	138⅛	Sept 22	156¼	June 12	49⅛ 1879	271½ 1902
do. pref.	...	...	197	.....	197	Aug 30	201½	Aug 9	128 1893	274½ 1902
Chi.,St.P. & Om.	...	...	144	.....	130½	Apr 20	144	June 12	18½ 1895	225 1905
do. pref.	...	...	150	.....	152	Feb 18	153	Feb 18	66 1900	220 1905
Chic. Un. Trac..	...	...	2	.....	2	Aug 30	5	June 2	⅝ 1908	22 1902
do. pref.	...	...	5	.....	5	Aug 21	7¾	Feb 6	3 1908	60 1902
C.,C.,C. & St. L.	55	56	56	1,300	48½	Sept 15	66	Jan 15	19½ 1896	111 1906
do. pref.	...	...	94½	.....	94½	Aug 22	98	Feb 1	62 1897	124½ 1902
Colo. & South'n.	43	44	43	400	42	Sept 23	60	Jan 18	4⅝ 1889	64¾ 1909
Col. & So. 1st pf.	...	...	75	.....	73½	Sept 13	84⅜	July 10	35 1899	86 1909
do. 2d pref....	...	...	69¾	.....	66	Sept 18	75	Aug 3	13½ 1899	84½ 1909
Del. & Hudson..	159½	160½	159½	100	159½	Sept 27	175⅛	June 8	22 1879	240⅜ 1905
Del., L'ck & W.	505	510	505	300	505	Sept 25	560	June 6	48 1879	630 1909
Den & Rio G'de	23	23	23½	2,250	21¾	Sept 14	38	Feb 21	4⅜ 1885	180½ 1880
do. pref.	45½	47	47	2,400	44	Sept 14	74	Feb 21	24 1894	103¼ 1901
Det.,So.Sh.& Atl	10	10	10	600	9½	Sept 5	15½	May 1	2⅛ 1896	24 1902
do. pref.	19¾	20	19¾	200	19¾	Sept 27	28⅝	Apr 4	5 1898	46¾ 1908
Erie 1st gen. 4s.	75	75¼	75	6,100	73½	Jan 3	79⅜	July 19	55 1908	95 1905
Erie	30⅝	31⅜	30⅝	67,300	27¼	Jan 11	34⅛	June 30	2⅝ 1894	52⅞ 1881
Erie 1st pref....	40¼	50½	49⅜	10,000	45⅝	Jan 12	61½	July 1	15 1893	95 1881
Erie 2d pref.....	39⅛	41⅝	40⅜	1,300	35	Jan 13	49½	July 3	13 1896	78⅛ 1908
Ev'v'le & T. H.	...	...	82½	.....	60	Feb 1	83	July 24	30 1897	152 1893
do. pref.	...	...	90	.....	85	June 5	90	July 24	72 1904	104⅜ 1902
Gr'neB.&W'dsB.	11	11½	11	41,000	11	Sept 25	15¼	Jan 28	5½ 1898	27½ 1903
Gt. Northern pf.	119	124¼	122½	39,600	119	Sept 25	140	June 8	44½ 1899	345 1906
Hock'g Valley...	...	...	128¼	.....	128	May 24	134	Apr 29	23 1899	140 1910
do. pref.	...	...	128	.....	.....	.....	.....	.....	83½ 1899	101⅜ 1910
Illinois Central..	134½	136	136	1,200	132	Jan 3	147	July 20	79⅜ 1879	184½ 1900
Inter-Met (w.i.).	13⅜	14⅜	14	7,500	13⅛	Sept 25	20⅜	Feb 15	4¼ 1907	55⅝ 1908
do pf. (w. i.)	39⅜	41⅝	41⅜	4,000	32⅜	Sept 25	55⅝	Feb 10	14 1907	87⅜ 1908
Iowa Central....	18	18⅜	18⅜	250	15	May 12	22	Sept 8	2 1888	51⅜ 1903
do. pref.	33½	34½	33½	100	28	Apr 25	39	Sept 8	12 1888	80⅝ 1903
Kan. City & So.	25⅝	27	26	1,300	25¼	Sept 25	38¼	June 15	7 1900	59¾ 1909
do. pref.	61½	63⅜	63⅛	600	61½	Sept 25	70	May 26	27½ 1900	75½ 1909
K.C.,Ft.S.&M.pf	...	...	75	.....	75	Aug 7	78	May 3	50 1908	85 1902
L'ke E. & West.	10	10	10	200	10	Sept 25	16¼	Feb 1	1⅝ 1895	74¼ 1901
do. pref.	...	...	25	.....	25	Sept 5	40	Jan 12	14 1908	138 1902
Louis. & Nashv.	138	141⅝	141¼	5,900	138½	Sept 14	156¼	July 19	22 1885	162¼ 1900
Manh'ttan Elev.	131⅛	132½	132	450	131⅛	Sept 25	142½	July 19	64½ 1904	176 1905
Minn. & St. L...	33	34⅜	33	600	21⅜	Apr 28	34½	Aug 23	3½ 1899	115 1903
do. pref.	60	60	60	200	35	Mar 13	64	Sept 13	7⅜ 1899	177⅜ 1903
M.S.P. & S.S.M.	124⅜	127⅜	127	900	124⅜	Sept 22	152¼	Mar 30	6 1897	164 1908
do. pref.	...	...	145⅜	.....	145⅜	Aug 28	156½	July 21	10 1897	182⅜ 1908
M.,K.&T. 1st 4s.	97⅜	97½	97⅜	13,000	87⅜	Sept 8	98	Jan 21	50 1893	104½ 1905
do. 2d 4s.....	84½	84¾	84½	6,000	83¾	Jan 5	86⅛	Feb 17	27 1893	92⅜ 1906
M.K. & T. 1st 5s	99½	100	99½	2,000	99½	Sept 25	105⅜	July 10	73 1896	114½ 1909
Mo., K. & Tex..	27	28⅜	28⅝	8,100	27	Sept 26	38⅛	June 14	5⅜ 1879	64 1881
do. pref.	62⅜	63	63	400	62⅜	Sept 25	69	June 12	13⅜ 1892	78¼ 1909
Missouri Pacific.	33⅝	37⅛	35½	36,500	33⅛	Sept 13	63	Feb 15	10 1897	125¼ 1903
N. Y. Central...	99⅝	102½	102⅜	23,300	99⅛	Sept 25	115½	Feb 3	31⅜ 1885	174½ 1901
N.Y.,C. & St. L.	48	49	48	300	48	Sept 25	65	Jan 30	9 1896	73⅛ 1905
do. 1st pref...	98⅜	98⅜	98⅜	500	98⅜	Sept 25	101¾	Mar 30	4 1895	134⅛ 1902
do. 2d pref.....	...	...	82½	.....	82½	Aug 23	90	Jan 30	18 1892	100 1902
N.Y., Ont. & W.	37⅜	39	38⅜	3,500	37⅜	Sept 25	46⅛	July 22	6⅜ 1895	64 1905
No.& W.Con. 4s.	98	98¼	98¼	13,000	97½	Aug 29	99½	Feb 3	76 1893	105 1896
Norfolk & West.	99⅜	102	102	4,100	99⅜	Sept 25	110⅜	June 26	⅝ 1896	108⅝ 1910
do. pref.	89	89	89	100	86¼	Apr 28	91	May 22	4¼ 1896	98 1909
N. Pac. prior 4s.	94⅝	99⅝	98⅝	55,000	98⅜	Sept 22	100⅝	Feb 6	90¼ 1900	109 1899
do. gen. 3s....	68	69	69	64,000	68	Sept 25	73¼	Aug 4	57 1898	79 1905
North'n Pacific.	111½	116½	112¾	55,750	111¼	Sept 27	137⅜	June 8	11 1897	1000 1901
Pacific Coast....	...	...	102	.....	100	Jan 11	102	Jan 10	34 1898	142 1906
do. 1st pref....	...	...	150	.....	.....	.....	.....	.....	65 1907	166 1910
do. 2d pref....	...	...	101	.....	101	Jan 11	101	Jan 11	50¾ 1903	135 1906
Penn. R. R.....	116⅝	120⅝	119½	51,620	118⅝	Sept 25	130⅛	Feb 1	97¼ 1895	170 1902
Peoria & East'n.	...	...	20	.....	.....	.....	.....	.....	2 1896	50 1907
P.,C.,C. & St. L.	90⅛	92½	92½	800	90¼	Sept 26	100	Jan 17	10¼ 1894	105¾ 1902
do pref.	102⅛	102⅜	102⅛	100	102⅛	Sept 25	112	Feb 17	40 1893	128 1902
Reading 4s.	97	97½	97¼	125,000	96⅝	Mar 15	98⅛	Aug 7	77 1898	104¼ 1905
Reading	134	140¼	137⅝	574,700	134	Sept 25	161⅜	June 3	17⅜ 1893	117¼ 1908
do. 1st pref...	89	90	90	400	88	Sept 20	93	July 14	11⅜ 1907	81 1909
do. 2d pref....	91½	93	91⅜	1,500	90¼	Sept 20	101	May 2	26½ 1907	94⅜ 1909
R'k Island, new	22⅜	24½	23⅜	14,200	22⅜	Sept 25	34⅜	June 14	6⅝ 1907	98¼ 1901
do. pref	44	46¼	45⅜	8,050	44	Sept 25	68⅝	June 14	9⅜ 1879	120 1887
St L. &S F.rf'g.4s	77⅜	78	77⅜	5,000	77⅜	Sept 25	83	May 4	4⅛ 1879	84½ 1887
St L.&S F 1st pf.	...	...	55	.....	59	Sept 19	69	July 25	50 1907	110¼ 1905
St.L.&S F 2d pf.	37	38½	38	1,400	36	Apr 21	49¼	July 24	12 1893	90½ 1902
St L.&SW 1st g4s	...	...	91	.....	90¾	Jan 24	92⅜	Aug 23	4⅝ 1896	173¾ 1989
do. 2d gen 4s.	80	80	80	10,000	78	Jan 9	82¼	June 25	36 1894	97 1905
St. L. Southw..	29½	32	32	300	21	Jan 13	36	Feb 4	1 1897	99¼ 1901
do. pref.	60½	64⅝	64⅝	1,100	50¾	Jan 3	72	June 27	21⅜ 1900	90 1902
s'b'd A.L.adj 5s	70	77⅜	77⅜	14,000	74½	Sept 25	82	July 19	69⅜ 1910	77⅜ 1910
San Ant & A P 4s	87½	87½	87½	1,000	86	Sept 21	88	May 16	45 1898	93¼ 1909
So. Pac. rfd 4s	90⅝	91⅜	91	6,000	90¼	Sept 25	96	May 8	94½ 1908	98¼ 1955
South'n Pacific.	104½	105⅜	105¼	98,500	104½	Sept 25	126⅝	June 26	12 1896	179¾ 1949
do. pref.	...	...	71⅝	.....	.....	.....	.....	.....	94⅝ 1909	127 1949

Digitized by Google

NEW YORK STOCKS AND BONDS

For the Week Ending Thursday Evening, September 28, 1911.

Names.	RANGE FOR WEEK Low	High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911. Lowest		Highest		RANGE FROM JAN., 1878, TO JAN., 1911. Lowest		Highest	
Southern	24⅝	26¾	25⅛	28,600	24⅝	Sept 25	33⅛	July 22	42	1894	2263	1892
do. pref.	62	65	63	3,700	61¼	Jan 11	75¼	July 20	613	1894	105	1906
Texas & Pacific	22¾	23½	22	2,200	22¼	Sept 25	30½	June 9	4⅝	1893	73⅝	1881
Third Avenue...	7⅜	8	7⅜	1,300	7⅜	Sept 25	26	Mar 2	6½	1910	243	1859
Tol.Rys.& Light	...	...	7	.....	6½	Aug 16	8¼	Jan 11	6½	1910	38	1902
Tol., St. L. & W	18⅝	19⅞	18½	1,200	17	Sept 11	24⅝	Feb 8	10⅝	1901	64⅞	1909
do. pref.	41¼	41⅞	41⅝	1,600	38	Sept 1	53⅜	Feb 8	22⅝	1903	74⅜	1909
Twin City R. T	104½	104⅝	104⅝	300	104	Sept 15	111	Feb 3	9½	1897	129	1902
U.P.cvt. 4s, 1927	101	101½	101	792,000	100	Sept 25	109⅝	June 27	78½	1907	124⅝	1909
Union Pacific..	159⅝	161⅜	159⅝	1183,100	153⅝	Sept 25	192⅝	July 22	3	1896	204⅝	1910
do pref.	89	90½	90	3,100	89	Sept 25	96	July 24	47	1898	118½	1906
Wabash 1st 5s	107½	107⅝	107½	11,000	99⅝	Aug 26	110	Mar 29	93	1899	121	1902
do. deb. B's.	...	...	101	.....	.....		.....		19	1893	101	1909
Wabash	10½	13	10⅝	5,900	10⅝	Sept 25	15⅜	Feb 21	3	1895	60	1881
do. pref.	19	25⅝	21	10,100	19	Sept 25	40⅝	Feb 23	9	1894	96⅛	1881
West. Md., pref	...	...	77	.....	.....		.....		67	1910	77	1910
Wheel. & L. E.	2½	2⅝	2½	500	2½	Sept 25	6¼	Feb 3	½	1894	63⅝	1887
do. 1st pref	7	8	8	200	7½	July 22	17⅝	Feb 3	2⅝	1897	80⅝	1892
do. 2d pref..	...	...	3	.....	3	Sept 25	8	Feb 23	4	1910	42⅝	1902
Wis. Central...	48	50	50	1,500	48	Sept 21	72¼	May 1	4c	1889	64	1910
do. pref.	...	...	88½	.....	.....		.....		50c	1899	91⅞	1909
do. 1st 4s..	93	93½	93	13	92	Aug 28	99⅝	July 5	27	1896	99½	1899
Miscel. St'ks												
Adams Express	...	...	100	.....	235	Jan 31	243	June 15	97½	1898	315	1907
Allis Chalmers	6	6	6	500	6	Sept 25	9⅜	May 31	4	1907	37⅝	1906
do. pref.	16½	17½	16⅝	400	16½	Sept 21	34	Feb 3	14	1908	87½	1903
Amal. Cop.....	44⅜	53	49⅝	208,500	44⅝	Sept 25	71⅝	June 19	33⅛	1909	120	1901
Am. Beet Sugar	45⅛	51⅜	50⅜	20,600	.....		.....		9½	1908	49½	1909
Am. Car & F'd	42⅛	44⅞	43½	10,300	42½	Sept 25	58¼	July 19	10⅝	1898	76½	1909
do. pref.	115	116½	116½	200	114¼	Mar 15	120	May 23	51	1899	124⅜	1909
Amer. Cot. Oil	45¼	51	49	12,675	45⅜	Sept 25	62⅜	Feb 23	8	1895	79⅛	1909
do. pref.	...	...	100	.....	100	Sept 7	106⅜	Mar 21	37½	1890	107⅜	1909
Amer. Express	201	201	201	100	201	Sept 26	245	Mar 27	100	1893	341	1910
Am. H. & L....	3½	3½	3½	800	3½	Sept 25	6	July 21	2⅜	1903	37⅝	1899
do. pref.	18	19½	19	400	18	Sept 25	28⅝	June 14	10	1907	83½	1899
Am. Ice Sec....	17	17½	17½	1,200	16½	Aug 29	25⅝	July 12	8⅛	1907	96	1907
Am. Linseed Co	8⅝	9	8⅝	600	8	Aug 11	12⅝	Feb 17	4	1903	39⅝	1901
do. pref.	27	28½	27	1,100	27	Sept 27	34	Feb 14	16½	1907	68	1901
Am. Loco.....	33½	37½	34	2,000	24	Sept 20	43¼	May 22	11½	1908	78½	1908
do. pref.	104½	105	104½	200	104	Aug 10	110⅝	Mar 1	67½	1903	122½	1906
Amer. Malt Co.	3	3⅝	3⅝	1,112	3	Sept 25	5½	July 11	2¼	1907	90⅝	1898
do. pref.	37	42	42	2,125	31¼	Mar 8	42⅝	July 22	14½	1903	59	1909
Am. Smtl. & Ref	58⅝	66½	62	366,800	56⅝	Sept 25	83⅞	June 15	30	1899	174	1906
do. pref.	98⅝	101½	100½	2,600	98⅝	Sept 27	106¼	June 15	77½	1899	137	1905
Am. St'l F'dry	27	27	27	2,450	25	Sept 25	53½	Feb 9	3½	1904	66⅝	1909
Am. Sugar Ref	112½	115	113½	1,500	112¾	Sept 25	121⅞	June 14	65⅝	1899	133	1909
do. pref.	113⅜	113⅝	113⅜	100	111	Jan 5	119½	Feb 14	90½	1898	143	1906
Am. Tob. pref.	91	96⅝	95½	18,000	87	Aug 24	102	May 23	60	1907	151½	1902
Anaconda‖	29	33⅜	32	7,100	29	Sept 25	41⅛	June 20	1135	1903	302⅝	1907
Br'k Un'n Gas.	130	130	130	100	129	Sept 15	146½	June 8	80	1907	263	1902
Central Leather	18⅝	21⅝	20⅝	4,000	18⅝	Sept 25	32⅜	Feb 2	11⅜	1907	61⅝	1909
do. pref.	81⅞	92	92	300	91⅜	Sept 25	105	Feb 10	68	1907	111	1909
Chino Copper....	16½	17⅝	17⅝	16,854	.....		.....		2¼	1910	53	1909
Colo. Ind. Se...	74	75	74	37,000	72	Aug 12	79½	Feb 23	35	1907	88½	1906
Colo. F'l & Ir'n	25	26½	26	2,500	25	Sept 25	36⅝	Feb 6	14	1907	126½	1901
do. pref.	...	...	110	.....	110	Aug 5	110⅜	Jan 9	30	1907	142¾	1901
C.&H.V.Co'l&Ir	...	...	14½	.....	4	Feb 9	4	Feb 9	⅝	1898	92½	1910
Consolid't'd Gas	129	133½	133	11,600	129	Sept 25	168½	June 6	67	1897	241⅞	1897
Con. Tobacco 4s	88	88	88	54,000	81¾	Jan 11	89¼	July 10	51⅜	1903	95⅝	1904
Corn Prod'ts R	10⅝	12	11⅜	3,500	10⅝	Sept 25	15⅝	May 17	3	1907	28	1906
do. pref.	72	76	74½	2,600	72	Sept 27	85	May 29	46	1907	98½	1909
Dist. Secur....	29	31½	31	4,300	29	Sept 28	38¼	June 6	13½	1904	78	1907
Fed. M. & Smlt	15¼	15⅝	15⅝	100	15¼	Sept 25	26	Feb 16	48½	1904	139	1906
do. pref.	...	...	50	.....	47¾	Sept 14	66½	May 19	47	1907	112⅞	1906
Goldfield Con...	5½	6	6	24,800	5⅜	Aug 26	7⅞	Jan 2	3⅜	1907	10	1910
Internat. Paper	9½	10⅝	9½	2,540	9	Sept 9	13⅜	Feb 3	7⅜	1907	65⅛	1899
do. pref.	45⅜	48½	47	3,900	44⅝	May 15	64⅜	Jan 21	47	1909	95	1899
Int. Harvester..	99⅜	102½	102	7,200	.....		.....		52	1908	125⅜	1910
do. pref.	115	117	115¼	900	.....		.....		89	1908	129	1910
Inter. Stm. P'mp	27	30	29	1,900	27	Sept 27	44	Feb 10	7⅜	1907	60	1906
do. pref.	80½	81	80½	300	80½	Sept 27	90½	June 13	50	1907	95	1902
Laclede Gas.....	100⅜	102	101⅜	11,500	.....		.....		93¼	1910	116½	1910
Mackay, pref....	72½	73⅛	72½	450	.....		.....		50	1907	76⅝	1910
Nation'l Biscuit	125½	130	127¼	2,057	117¼	Jan 16	141	Apr 4	23	1900	120	1909
do. pref.	...	...	126	.....	124	Jan 20	130	Feb 4	79½	1900	130	1909
Nat. En. & St'p	14	15	14	200	14	Sept 25	23	July 24	6½	1907	38	1902
do. pref.	96½	98⅝	98⅝	400	85	Jan 6	100⅝	July 22	70	1908	99½	1909
Nat. Lead.....	42½	48¼	46	9,621	42⅛	Sept 25	58⅝	Mar 15	810½	1903	85⅝	1906
do. pref.	104	106	105	500	104	Sept 22	109⅝	Aug 15	48	1893	115	1899
N.Y. Air Brake	55	55	55	200	51	Sept 20	75	June 13	14	1898	168⅝	1905
North Amer. Co	64⅜	65½	65	1,200	64	Jan 10	78½	May 22	2½	1892	134	1902
Pacific Mail....	28	30	30	5,400	23¼	Apr 24	31	Sept 12	8½	1893	70	1895
P'ple's G.L.& C.	102⅜	103½	103½	2,400	101½	Aug 25	109	Jan 19	39	1888	129¼	1899
Pressed St'l Car	25	27	26⅝	1,000	25	Sept 25	37¼	July 7	15⅝	1907	65⅝	1908
do. pref.	91	94	94	700	91	Sept 22	102⅝	June 16	62½	1907	111⅝	1909
Ry. Stl. Spring	26½	27¼	27¼	400	24⅝	Aug 26	39	June 14	15⅜	1894	63½	1905
do. pref.	...	...	94	.....	88⅝	Aug 30	102¼	May 24	67	1903	100	1909
Rep'b Ir. & St'l	21¼	22⅝	22	5,402	21½	Sept 25	35¼	Feb 6	5	1904	49½	1909
do. pref.	81⅜	84⅞	84¼	3,100	81⅜	Sept 22	99⅝	Mar 14	36¼	1903	111¼	1909
Sloss-Sh. S. & I	34	36⅝	36	1,300	34	Sept 25	56¼	Feb 6	17½	1900	118½	1905
do. pref.	...	...	112	.....	112	Feb 15	113	Feb 15	50¼	1900	120	1905
T. Pac. Ld. Tr.	...	...	84	.....	84	Sept 11	93	Jan 24	6	1898	95	1910
Texas Company.	85	87	85	1,200	.....		.....		134½	1910	144	1910
Underw'd Type..	86¼	90	88½	350	.....		.....		44	1905	44	1910
Un. Bag & Pap.	5⅜	6⅜	5½	1,900	5⅜	Sept 25	9	Feb 10	2⅜	1904	45	1899
do. pref.	...	...	54	.....	54	Aug 11	59½	Jan 30	36	1900	89	1899
U.S.Cast IP & P	11	13	11⅝	1,750	11	Sept 25	19	Feb 24	6	1903	53	1906
do. pref.	40½	43¾	40½	30	40½	Sept 25	59⅞	Feb 24	32	1903	97⅜	1906
U. S. Express...	85	89	85	200	85	Sept 25	104	Feb 1	35	1836	160	1892
U.S.R'lty & Imp	66	66	66	500	65¾	Jan 25	78⅝	May 29	38	1907	98½	1907
U. S. Rubber....	30½	36½	35	17,100	30½	Sept 25	47⅞	Mar 1	7	1903	69⅝	1899
U. S. Rubber pf.	101	106	104¾	2,550	101	Sept 25	115⅛	July 7	30½	1903	123¼	1909
U. S. Steel.....	57⅜	62	60½	3028,800	51⅝	Sept 25	82¼	Feb 6	9⅜	1904	91	1910
do. pref.	106	113	109	100,900	103	Sept 22	120⅞	Feb 4	48⅜	1903	125⅝	1910
do. 5s	100⅛	103	101⅞	1,800	100	Sept 22	106⅛	May 27	65	1903	106⅛	1910
Utah Copper....	38	41⅝	39½	60,300	38	Sept 25	52	June 14	12	1907	67½	1909
Virg. Car Chem	43⅛	49½	45⅝	17,950	43⅛	Sept 25	70⅜	Feb 28	12⅜	1907	72	1901
do. pref.	114	118½	115	1,100	110	Sept 25	128½	Mar 15	75	1907	133⅜	1902
West. U'n Tel	74⅜	78	77½	6,817	71⅜	Mar 20	84⅛	May 24	41	1908	103⅜	1881
West. Mfg. Co.	58⅝	62	61⅜	3,800	58⅜	Sept 25	79	May 29	20¾	1898	154	1907
do. pref.	111½	111½	111½	10	110½	Aug 16	122	Jan 5	48¼	1896	160	1907

* Ex-dividend. ** New. † Assessment paid ‖ Ex-rights. § Price bid. ¶ Price asked. # Old securities † Certificates z Ex-interest ‖‖ Par value basis *** Receipts.

his present campaign tour would have the necessary courage to assure the public that he was really in favor of a constructive programme for our nation. He may really have had this idea in his mind, but if he did, he expressed it with so much equivocation and circumlocution that it was misunderstood.

Both political parties are clearly running a race for supremacy in radical deeds and words on the theory that the most effective bludgeon wielder will get the majority of votes next year. Mr. Hearst has marked President Taft off his list of presidential possibilities, although every one thinks he is now radical enough, and says that if the Democratic party does not pick out for its candidate for president a sufficiently irrational man, or in other words, one more radical than Taft, that he will start a third party comprising the extreme radicals of both the Republican and Democratic parties. If President Taft could see that the present sledge-hammer policy must necessarily expire by limitation very soon, and take advantage of it by a convincingly constructive announcement, his election as the next president would be easily assured, because the proposed new Hearst party would practically result only in dividing the Democratic strength. There will be an unexceptional opportunity for another McKinley with a prosperity slogan, and I believe that

TAFT COULD QUALIFY

on this by simply dropping his vicious and erratic Attorney-General Wickersham out of the window and putting a sane man in his place. That Taft may have some ideas along this line is indicated by his repudiation of Wickersham's action in the Dr. Wiley case.

The foreign situation has, of course, been an important factor in our recent stock market disturbance. Europeans have sold back to us during the past month or so somewhere between $100,000,000 and $200,000,000 of securities, and at the same time, we have loaned the Germans well up towards $50,000,000 on obligations maturing in three to six months. That it was possible for us to not only take back our securities which had been sold abroad, as well as loan foreigners money at the same time, seems to me to be an unmistakable evidence of our strong financial position, although very generally this seems to have been interpreted contrariwise. In any event, we have brought back from Europe a considerable volume of our securities at low prices, and will be able to sell them later on at higher figures, which reverses the process which has generally been the case heretofore.

Startling rumors which have been denied were that both the Steel Corporation and the International Harvester Company, which have been justly regarded as representative of our big institutions of the model sort, have by threatened

GOVERNMENT ASSAULT

been compelled to agree to a voluntary dissolution and separation into practically their original constituent corporations. Both of these corporations have been exemplary in their treatment of the consuming public, their employes and their shareholders,

Digitized by Google

and from not one of these sources has there ever been a word of complaint. Their only vice seems to have been that they have become both large and successful, and have hence become such shining marks as our modern-day politicians like to shoot at.

In these times it is well for the investor to bear in mind that none of the conditions exist to-day which have produced panics in the past, notwithstanding the very general assertion by interested Wall street speculators that we are really in a panic, but the public does not know it. Our panics in the past have resulted from over-production, extravagant speculation and crop failures either in partial or complete combination, but at the present time, none of these three essential factors are in evidence. Prices in the stock market are low, there has been no possibility of speculative bubbles, labor is steadily being forced to accept what it is entitled to without daring to resent, and generally, merchants, manufacturers and capitalists for a year have been consistently following a policy of liquidation and retrenchment, so that there are

NO BUBBLES TO COLLAPSE,

and bed rock must necessarily be very near at hand.

Regardless of current reports, I do not believe that ambitious politicians will be able to make effective any far-reaching plans of generally dismembering, and hence reducing the efficiency and earning power of all our great national industries. As long, however, as this question is in doubt, the security markets will continue to be in a chaotic state. The investor, however, who believes that as a nation we will continue to be rational and sane should, in my opinion, place some buying orders for standard securities, at this time, on a scale down whether this scale is based on one, two or five points. THE FORECASTER.

The October number of the Rollins Magazine is out and reflects great credit upon the banking house of E. H. Rollins & Sons and the editor, Herbert W. Briggs. The articles are of the high order which characterized the two previous numbers of the magazine, and investors will find them unusually interesting. Richard C. MacLaurin, Sc. D., LL. D., president of the Massachusetts Institute of Technology, has an article on the Sherman act which everyone should read. "The Elements of an Ideal Investment", a contribution from the pen of Lawrence Chamberlain, author of "The Principles of Bond Investment", is very instructive. Other contributors are Frank C. McKinney on "The Taxation of Inheritance" and Allen Hollis on "Units of Electric Measurement". A copy of this magazine may be obtained free by andressing E. H. Rollins & Sons, of Boston, and mentioning the United States Investor.

WALLA WALLA, WASH. People's State Bank is the successor to J. L. Elams' bank at Walla Walla. H. H Marsh all is president, and J. W. Summers is vice-president. The capital stock is $50,000, with $5,000 surplus.

MUSKOGEE, OKLA.—The Commercial National Bank has increased its capital from $200,000 to $250,000.

WASHINGTON BANKERS' ASS'N.

Mr. Charles A. McLean, cashier of the Traders' National Bank, who was elected president of the Washington Bankers' Association at the Wenatchee convention on September 16, said on returning to Spokane that for business accomplished, enthusiasm and entertainment the annual meeting was excellent and marked history for the organization. The entertainment arranged for the delegates was original and well carried out, and as hosts Wenatchee more than did its share. One of the principal addresses was that given by Robert W. Bonynge, of Denver, a member of the National Monetary Commission, who spoke on the "National Reserve".

The recent promotion of James M. Pratt, of the Guaranty Trust Company, of New York, from the position of assistant treasurer, to that of vice-president, again draws attention to the prominence of young men in the financial affairs of this country.

Mr. Pratt, who is forty years of age, was born in the City of New York. In 1891, he accepted a junior clerkship in the Guaranty Trust Company remaining with them until 1898, when he resigned to become assistant secretary of the Fifth Avenue Trust Company, advancing to the office of secretary of that institution in 1902. Upon the merger of the Fifth avenue into the Guaranty Trust Company in January, 1910, he returned to his former company as assistant treasurer, which position he occupied until his recent promotion.

The tenth annual edition of the Copper Handbook is just received. The new issue of this work, which is considerd a standard authority on the subject of copper and copper mines for the entire globe, has 1,902 pages, and, in addition to the miscellaneous chapters, lists and describes 8,130 copper mines and copper mining companies, in all parts of the world.

The miscellaneous chapters of the book treat the subject of copper from all possible viewpoints, such as the history, chemistry, mineralogy, metallurgy, brands and grades, alloys and substitutes for copper, with a copious glossary, and a chapter of statistics ending the book that contains 40 odd tables, thoroughly covering copper production, consumption, movements, prices, dividends, etc. Anyone interested in copper, would do well to write the author and publisher, Mr. Horace J. Stevens, Houghton, Michigan, ordering a copy of the new Copper Handbook sent prepaid, subject to approval.

TRINITY, TEX.—A charter has been issued to the Trinity National Bank capital $30,000. F. L. Barnes is president; J. B. Peyton, vice-president, and P. H Cauthan, cashier.

TULSA, OKLA.—A. E. Lewis is president, Dr. N. W. Magginness, first vice-president; E. A. Ross, second vice-president, and W. L. Lewis, assistant cashier of the recently organized State Bank.

TOLUCA, ILL.—The Toluca Bank and the Peoples Bank have merged. The new institution will be known as the Toluca Bank.

N. Y. BANKERS' ASS'N.

Important Committees Announced For Ensuing Year.

Walter H. Bennett, president New York State Bankers' Association, has announced this week the committees of that body for the ensuing year. The principal ones are as follows:

Committee on Legislation: Ledyard Cogswell, Jr., chairman, vice-president New York State National Bank, Albany, N. Y.; O. H. Cheney, vice-president, Pacific Bank, New York, N. Y.; A. W. Thompson, cashier, Rondout National Bank, Kingston, N. Y.; Charles A. Miller, president, Savings Bank of Utica, Utica, N. Y.; Charles N. Sabin, vice-president, Guaranty Trust Company, of New York, New York, N. Y.

Committee on Arrangements: (1912 Convention): John A. Kloepfer, chairman, president, Union Stock Yards Bank, Buffalo, N. Y.; Thomas J. Swanton, president, National Bank of Commerce, Rochester, N. Y.; W. W. Brundage, cashier, Bank of Hamondsport, Hammondsport, N. Y.; R. J. Donahue, cashier, National Bank of Ogdensburg, Ogdensburg, N. Y.; S. R. Bell, cashier Larchmont National Bank, Larchmont, N. Y.

Currency Reform Committee: Elliott C. McDougal, chairmen, president, Bank of Buffalo, Buffalo, N. Y.; Gilbert G. Thorne, vice-president, National Park Bank, New York, N. Y.; Ruel W. Poor, president, Garfield National Bank, New York, N. Y.; Ledyard Cogswell, president, New York State National Bank, Albany, N. Y.; Seymour Van Santvoord, president, Security Trust Company, Troy, N. Y.; Floy M. Johnston, president, Poughkeepsie Savings Bank, Poughkeepsie, N. Y.; D. M. Pratt, president, Second National Bank, Elmira, N. Y.

UNITED STATES SMELTING, REFINING & MINING CO.

The Directors of the United States Smelting, Refining & Mining Company have declared a quarterly dividend of 1 3-4 per cent (87 1-2 cents per share) on the **Preferred Capital Stock**, and a quarterly dividend of 1 per cent (50 cents per share) on the **Common Capital Stock**, payable October 14, 1911, to stockholders of record at the close of business September 30, 1911.

F. W. BATCHELDER, Treasurer.

WESTINGHOUSE Electric & Manufacturing Company.

New York, September 27, 1911

A quarterly dividend of 1¾% will be paid October 16, 1911, on the PREFERRED STOCK of this Company, to stockholders of record at the close of business on September 30th, 1911.

T. W. STEMON, Treasurer

THE ATCHISON, TOPEKA & SANTA FE RAILWAY COMPANY.

Coupons No 32, due October 1, 1911, from The Atchison Topeka and Santa Fe Railway Company's GENERAL MORTGAGE FOUR PER CENT BONDS will be paid on and after October 2, 1911, upon presentation at the office of the Company, No. 5 Nassau Street, New York City.

C. K. COOPER, Assistant Treasurer

AMERICAN MALT CORPORATION 15 Exchange Place, Jersey City, N. J.

The Board of Directors have declared a dividend of FOUR PER CENT on the Preferred Stock of the Corporation, payable in two installments, namely, 2% on November 2, 1911, and 2% on May 2, 1912, to stockholders of record at the close of the transfer books respectively on October 19, 1911, and April 18, 1912.

HENRY EGGERKING, Treasurer.

September 27, 1911.

Digitized by Google

FINANCIAL INQUIRY.

United Stores Association.

21310. (Scranton, Pa.) Will you please give me such information as you may have available regarding the common and preferred stock of the United States Association. I will also appreciate any information relative to the affairs of the company.

Ans.: This is an organization which is intended as a co-operative buying and selling union between grangers, dealers and consumers, the avowed object being the protection of the smaller retail dealer against the effects of misdirected competition as reflected in the ability of large combinations or chain stores to undersell and undermine smaller retailers. The United Stores Association is intended to facilitate direct operation between the original producer and the retailer, thereby working to the advantage of both.

The proposition is capitalized at $1,000,000, of which $200,000 is 7 per cent preferred stock and the balance common stock. No bonds have been issued, and none of the stock has been offered for public subscription. The officers of the company are as follows: President, C. Paul Hagenlocher, Scranton, Pa.; first vice-president, R. Onffroy, who is also chairman of the board of directors and chairman of the executive committee; vice-president, Patrick Egan, ex-minister to Chili; secretary, E. F. Olmstead, former advertising manager of the H-O Company; treasurer, Walter S. Pope, former eastern manager Royal Baking Powder Company, and comptroller, Mathew J. Smith.

MINING INQUIRIES.

Satellite Mining Co.

21296. (St. Louis.) Will you kindly give me an idea as to the probable worth of Satellite Mining Company (Helena, Mont.) stock?

Ans.: The Satellite Mining Company was organized in 1890 by William G. Bailey and John W. Eddy, of Helena, both of whom are now dead. In appraising the Bailey estate, no value was put on his stock in this company. No mining has been done there for years, and locally, the stock has no value.

Cash Mining Co.

21294. The property of the Cash Mining Company was attached for salary by the former manager and sold. Some of the larger stockholders bought it in and they will either lease or sell it under an option. In view of this, the stock of the Cash Mining Company has little or no value.

BANK ITEMS.

ALGOMA, WIS.—The Citizen's Bank of this place is being organized with a capital of $50,000.

APPLETON, S. C.—The Bank of Appleton has been organized by R. H. Walker, G. H. Rhodes, M. Hill and W. B. Warren

ATLANTA, GA.—The Planter's Trust Company is being organized by John M Simonton, G. D. Porter, J. M. Simonton, S. E. Turman, Arnold Broyles and M. M. Anderson.

BLAKELY, GA.—J. S. Mims is president, T. B. McDowell and E. L. Fryer, Sr., vice-presidents, and J. B. Tarver, cashier of the Farmers State Bank, recently organized.

BONITA, TEX.—Application has been made by W. A. McCall, C. McCall, J. R. Modrall, J. C. Howard and S. H. Camp, to organize the First National Bank with a capital of $25,000.

BRASELTON, GA.—John O. Braselton is cashier of the Braselton Banking Company, recently organized at this place.

CASSVILLE, MO.—A bank is being organized here by J. W. Le Compte and Dr. F. W. Chandler.

CENTRALIA, ILL.—The Centralia State Bank is organizing with $50,000 capital.

CHICAGO, ILL.—The Lawndale State Bank has been incorporated by F. G. Havicek and J. J. Solat.

CLEVELAND, TENN.—The Peoples Bank has commenced business with a capital of $100,000. John T. Huffine is president; J. L. Harrison, vice-president, and T. H. Stokes, cashier.

COLUMBUS, GA.—The Fourth National Bank will increase its capital stock from $100,000 to $300,000.

COPENHAGEN, N. Y.—The Copenhagen National Bank has been granted a charter, capital to be $25,000. H. L. Grant is president; A. M. Seymour, vice-president; D. A. Timerman, cashier.

CORNWALL, N. Y.—The Cornwall National Bank was chartered September 21, with a capital of $25,000. C. E. Mailler is president; F. C. Wessells, vice-president, and J. S. Holloran, cashier.

DAVENPORT, WASH.—Directors of the Davenport National Bank, in which Aaron Kuhn and J. A. Schiller, of Spokane are interested, have given orders to rush work on the room in the Turner block, which will be the home of the institution next year. Plans for the remodeling of the building, were approved and work will begin November 1.

DAWSONVILLE, GA.—John D. Walker is president, E. McClure, vice-president and Hoyt Brannon, cashier of the new State bank recently organized at this place, with a capital of $15,000.

DUQUOIN, ILL.—Harry C. Miller, cashier of the First National Bank has been elected to the presidency of the institution. Walter R. Kinzey has succeeded Mr. Miller as cashier.

EAST TROY, WIS.—The State Bank of East Troy has increased its capital stock to $30,000.

KENNEBEC, S. D.—The Security State Bank, has been converted into the First National Bank, capital, $25,000.

LAWRENCE, KAN.—The Citizens State Bank has been chartered with a capital of $25,000. C. B. Hosford, M. A. Gorrills, Irving Hill, W. E. Spaulding, William Bromelsick and L. S. Hazen are interested

LEAD, S. D.—The corporate existance of the First National Bank of Lead has been extended to September 9, 1931.

LITCHFIELD, ILL.—A charter has been issued to the Litchfield National Bank The president is J. W. Kidd; H. C. Herrick, cashier, and Frank Paden, assistant cashier.

MARSHVILLE, N. C.—The Carolina Bank is organized with W. S. Blakeney, president, E. M. March, vice-president and P. P. W. Plyer, cashier.

MILAN, GA.—The Farmers & Merchants Bank has been organized here. L. B. Holt, of Sandersville; B. J. Reid, J. S. Marchant, J. H. Stanley and S. C. Gomer, of this place, are interested.

NEWARK VALLEY, N. Y.—The First National Bank of Newark Valley has been chartered by M. L. Benham, T. F. Chamberlain, Bert Bliss, N. J. Clark and H. L. Knapp.

NEW LONDON, O.—The Third National Bank of New London has been organized by H. W. Townsend, A. J. Gridley, E. R. Stilson, M. R. Coleman, E. M. Palmer and E. E. Townsend. The bank has a capital of $50,000.

O'BRIEN, TEX.—The Farmers Exchange Bank has been organized here.

OSHKOSH, NEB.—The Deuel County Bank has been converted into the First National Bank of Oshkosh. W. E. Roudebush is president; G. E. Melvin, vice-president; R. A. Day, cashier, and C. M. Empson, assistant cashier. The bank has a capital of $25,000.

PANGBURN, ARK.—The Pangburn State Bank has been organized with $20,000 capital. Harry Churchill, president; J. D. Castleberry, vice-president, and William Ellis, cashier.

PENSACOLA, FLA.—The corporate title of the Peoples National Bank has been changed to the Peoples National Bank of Pensacola.

PRAIRIE, MISS.—The First State Bank, capitalized at $10,000, has been organized by Guil Barber, P. S. Avery and J. M. Howell.

REDDING, CAL.—The Bank of Northern California, capitalized at $88,000, has been converted into the Northern California National Bank of Redding.

RICHMOND, VA.—A charter has been issued to the Central National Bank with a capital of $2,500,000. Charles Hutzler is president; C. A. Pople, first vice-president; W. H. Schwartschild, second vice-president, and P. E. W. Goodwin, cashier.

ROCK ISLAND, ILL.—The corporate existance of the Rock Island National Bank has been re-extended to September 11, 1931.

ROSELAND, LA.—A new bank is being organized here by W. G. Buckley, R. A. Kent, E. D. Reickert, R. W. Osborn, E. D. Wagnalls, L. J. Patenoate and others.

SAN BENITO, TEXAS.—The San Benito State Bank has been incorporated by A. B. Cole, S. L. Dworman and A. Ashcim.

SEWARD, IND.—The Bank of Seward has been organized with $10,000 capital. Jonathan Turkey, Claypool, Ind.; Owen S. Gaskill, Burket, and E. E. Gaskill, of Warsaw, are interested.

STACYVILLE, IA.—Rev. J. M. Schleuter has been elected president and J. E. Herman, vice-president of the recently organized German Savings Bank.

STAUNTON, VA.—The Planters' Bank has been incorporated with $50,000 capital. John B. Cochran is president, J. S. Cochran, vice-president, and John Crosby, secretary and cashier.

WELDON, TEX.—The First Guaranty Bank, capitalized at $10,000, has been incorporated by W. D. James, W. A. Moore and J. R. Phillips.

WILLIAMSPORT, PA.—The Susquehanna Trust & Safe Deposit Company has increased its capital to $400,000.

WILLIAMSTON, S. C.—The Bank of Williamston has increased its capital to $50,000.

Digitized by Google

UPON PRESENTATION

at the Office of

THE MIDDLESEX BANKING COMPANY

OF MIDDLETOWN, CONN.

DEBENTURES of Series E13, maturing October first, and Series E14, maturing November first, WILL BE PAID at par with interest to the date of payment.

OUR NEW INVESTMENT PROPOSITION

is as

Sound and secure as a good bank and pays large dividends.

First class representatives wanted; must be men of good standing in their community

SECURED INVESTMENT TRUST

92 STATE STREET, BOSTON

6%

NEW YORK CENTRAL REALTY BOND

A Good Investment

To investigate is the six per cent Realty Bond of the New York Central Realty Company issued in denominations of $1,000. $500. and $100.

It offers a high grade of security, a liberal cash availability and an interest earning of 6%.

WRITE for booklet illustrating the methods of the Company, describing its bonds, their redemptive privileges and advantages over other Realty securities. Everybody knows us.

New York Central Realty Co.

Suite 1190, 1328 Broadway, Cor. 34th St., New York City

CAPITAL AND SURPLUS, $1,464,588.34

Corporation Organizers

Delaware charters are inexpensive and perpetual, and permit stockholders and directors to hold meetings anywhere. The law is more stable, and grants greater powers than other states. $1,142,434,400 of capital organized in Delaware during 1910—double that of New Jersey or elsewhere. In selecting an agent to organize and represent your company, get the best—it will be cheaper and safer in the end and will add prestige to your enterprise. Lawyers' and Brokers' business a specialty. Corporation Law and forms sent on request.

MERRICK SECURITY & TRUST CO.

Wilmington, Del.

---

6 PER CENT INTEREST PAID

By Coupon on Bonds Secured by Well Selected New York Real Estate.

"We Deal in No Other Securities"

THE DEBENTURE CORPORATION OF NEW YORK

334 Fifth Avenue New York City

SIX NUMBERS FREE

Financial Converse (published every two months) answers more questions on mines than any periodical published. S. F. Campbell, of Chicago, says: "This paper is worth more than any other mining publication in the United States." Cut this out and send for six copies free covering the next year

FINANCIAL CONVERSE

339 M[illegible] Block, Chicago, Ill.

MONATON REALTY INVESTING CORPORATION

Pays

6% COMPOUND INTEREST

On Money Invested in

Its Accumulative Certificates

Running terms of 10, 15 or 20 yr

Payments may be made annually semi-annually, quarterly or monthly

SECURITY

OWNERSHIP OF NEW YORK INCOME PROPERTY

Affording

Immediate returns on investments and Opportunity for increase of valuation

For Illustrated Booklet, inquire:

Publicity Department

Times Building

Broadway & 42nd Street, New York City

GIROUX TONOPAH BELMONT

Our weekly market letter mentions the above, also Mines of America, Nevada Douglas, Ohio, Ray Central, Bradin, Nevada Hills, Cobalts and "Coppers" and "Curb" stocks in general. Mailed free upon request.

"Coppers" and Curb Stocks bought and sold for Cash or Carried on Margin

---

H. A. BROWN & CO.

Members Boston Curb Exchange

60 State St. Boston — 74 Broadway New York

First Mortgage Bonds

For Small Investors

WEEKLY OR MONTHLY PAYMENTS

Government, State and Municipal Issues, also Standard Railroad, Public Service and Industrial Bonds sold in any amount for Cash or on Weekly or Monthly Payments. **Best, Easiest and Safest way to provide for your future.**

Circulars 104 on request; Correspondence invited

Resident Representatives Wanted

FUNDING COMPANY OF AMERICA

40 EXCHANGE PLACE, NEW YORK

5% PROFIT SHARING BONDS

Protected by carefully selected NEW YORK CITY REAL ESTATE

The profit Additions for the past 9 years have averaged over

12% Per Annum

making present Book Value of a $1,000 Bond $2,087.20 after having received $450 in interest

SOLD AT PAR

Denominations, $10 to $1,000 and upwards

Can you afford to overlook this safe investment opportunity?

INTER BOROUGH REALTY COMPANY

(Assets Over $1,105,000.00)

10 WALL STREET, NEW YORK CITY

WANTED

Austin, Tex. 4s
Cater-Crumie Stock
Peoria Water Works Co. 4s
Alfred Light & Power 5s
York Haven Water & Power 5s
St. Joseph Water Co. 5s

H. C. SPILLER & CO.

Specialists in Inactive Bonds

27 STATE STREET BOSTON

BENNETT'S

INFORMATION AGENCY

INVESTMENT DEPARTMENT

The wisest men in the United States are those who never make a new investment which they consider good, and never get rid of an old investment which they considered bad, until they have made an investigation of the merits of the investment through BENNETT'S INFORMATION AGENCY.

CONGRESSIONAL INFORMATION

We attend to business at the Treasury Department as well as before Congress, the Courts, and all departments of the United States government, through our Washington office, 315 Corcoran Building, and through our staff of Washington correspondents. If you desire any information from Washington, or any business transacted at the National Capital, we shall be pleased to perform the desired service for our subscribers.

PROBATE DEPARTMENT

Information respecting probate matters, in any town or city of the United States, is furnished to our subscribers gratuitously. If the inquiry is answered through the columns of the INVESTOR, or for $2.00 if the reply is by private letter.

LEGAL DEPARTMENT

Questions answered by prominent attorneys upon any desired subject for $2.00 each.

MERCANTILE DEPARTMENT

A report regarding the standing and reliability of any firm or individual in the United States furnished for $1.00. Our information goes into the character and individuality of members of a firm and the methods of doing business.

MISCELLANEOUS QUESTIONS

Inquiries of any sort answered for $1.00 each. Send for descriptive pamphlet of the agency.

REAL ESTATE DEPARTMENT

A report upon any piece of property in the United States furnished for $2.00

Conducted by

Frank P. Bennett & Co., Inc.

530 Atlantic Ave., BOSTON.
308 Chestnut St., PHILADELPHIA.
2 Rector St., NEW YORK.

Digitized by Google

United States Investor

Copyright 1911, by Frank P. Bennett & Co., Inc.

Volume XXII. BOSTON, NEW YORK AND WASHINGTON, OCTOBER 7, 1911 Number 40

Who Should Be President

There are those who argue that the presidency of the American Bankers' Association ought always to go to the chief executive of some New York, Chicago, or other very large and widely known bank. One can appreciate their point of view, even though one may take issue with their contention. This association holds in its hands at this very moment a means for usefulness that cannot be overestimated. The most important issue before the people of the country to-day happens to be one upon which the bankers of the land ought to be able to cast an abundance of light. They and they alone are rightly to be classified as a body of experts on this intricate and highly important issue. If they could be brought into a substantial harmony of opinion and if, with faces set steadfastly in a single direction, they would apply to their suggestions for reform all of the tremendous power for moulding public opinion which they possess, they would be invincible. Before their united front, opposition would crumble away like snow before a summer sun, and the currency question, fallen into their hands, might easily be so admirably handled that it would be severed from politics as completely as the currency problems of other nations have been removed from the partisan arena by their sane solution. To bring about this powerful union of the American bankers is, therefore, one of the most desirable achievements which can fall to the lot of any man to strive to attain.

The difficulty of bringing such a union about gives the undertaking a considerable part of its zest, and that difficulty is no slight one. Very likely, it seems to many insurmountable. The task is not adapted for any except men of very large calibre. Even they may well hesitate to assume the burden unless their associations and their prestige are such that large numbers of bankers will flock to their standard just because of the standing of the men who are undertaking to lead the way. Is it possible for any banker not connected with the country's very biggest banks to obtain that numerous body of rooovers which is required as a nucleus for the movement? Those who answer this question in the negative are they who insist that the chief official of the association must needs be a New York city banker, or one associated with the big institutions of Chicago or St. Louis or other great banking centre.

Three Big Bankers

Of course, the weak link in their chain of argument is to be found in their premise. They assume that to align the bankers of the country who compose the association in a solid phalanx for currency reform or other big and useful undertaking one must be president of the body. This is not necessarily the case. The harmonizing and enthusing influence can be spread from a committee quite as effectively as from the president's chair. The chairman and vice-chairman of the Currency Commission of the American Bankers' Association or the chairman of the Executive Council, can quite as effectually rally the bankers of the land as can the chief officer of the organization. The association is very fortunate in having now as each of these three major officers, bankers who have the respect of the whole body of American bankers, and the mere mention of whose names is sufficient to give any movement an abundance of prestige. As good luck will have it, these three come respectively from New York, Chicago and St. Louis banks. There could not be a year when this happy conjunction of three of the biggest bankers of the country in these three posts of supreme importance would be more timely. Those of us who long for a large improvement in our currency laws and who fervently desire that the foundations of an abiding and serviceable paper currency will be laid deep at the New Orleans convention expect to see the debates and votes there epoch-making. Of course, there is need that they shall have enthusiastic associates. It is especially desirable that the president of the body shall be avowedly and determinedly with them. That condition does exist, as the recent letter of personal appeal to southern bankers which President F. O. Watts has just sent out conclusively shows. Some friendly comment about his personal appeal is in order, therefore.

On to New Orleans

Mr. Watts has clearly proven in this letter that he has a sound sense of proportion. He suggests five ways in which members of the American Banker's Association can help to make ours the best banking system in the world. He places first of all the suggestion that the bankers of the South attend the New Orleans convention. To our mind, he thus lays stress upon the most eminently practical aid which bankers can render. There never was a convention of bankers to which its members should come with more determination to represent their craft fitly or with more preliminary study and thought. One may almost say that it is "now or never", with the proposition for a National Reserve Association. Soon after Congress next assembles, it will be in possession of the report of the National Monetary Commission, for before Congress adjourned a few weeks ago, it demanded that this early report be forthcoming.

The temper of that next session toward the National Monetary Commission and its project has already been revealed. No one has any basis for hope that the project will be given even sober consideration. Unless some powerful influence shall force Congress to a considerate regard for the report of the National Monetary Commission, it is safe now to predict that the report and all its recommendations will be given short shrift and speedy death. If the convention at New Orleans shall either be non-committal or adopt hostile resolutions toward the plan, the fate of the plan is sealed before it is reported. If, however, the bankers at New Orleans shall engage in sincere deliberation, shall work out amendments to the plan if they are needed, and shall then throw the prestige of the association behind whatever plan they adopt, the next Congress will hesitate to treat the whole matter with levity or with anything less than honest and sober consideration. It may even be possible to wring from Congress some helpful legislation.

So, the New Orleans convention is freighted with a great responsibility. Perhaps, within its power is given the making or the undoing of the whole project of currency reform. President Watts' plea, therefore, that the bankers of the country regard attendance at New Orelans as a duty of primary im-

Digitized by Google

portance should be emphasized by bankers in letters to their correspondents, and every banker should take it home to his own heart.

Bankers Are Ready

A series of visits by one of our representatives to several of the banks in each of the larger reserve cities reveals a determination everywhere to make the attendance at New Orleans record-breaking. In Pittsburgh, in Philadelphia, in Baltimore, in Cleveland and in New York, banks which have usually been content to have only their regular traveling men attend the annual convention of the American Bankers' Association are planning this year to have two representatives there. In numerous cases, the president himself will go for the first time in many years. Best of all, the presidents appear to have the best of motives for going. Neither the trip to Panama, nor the pleasant prospect of an ocean voyage back to New York, nor the widely famed hospitality of New Orleans is to their minds the major inducement. The prospect of meeting other bankers from whom accounts may be solicited is also not the bait which tempts them. They are going to New Orleans to do business.

They are genuinely anxious that some sort of currency reform shall be agreed upon and shall then be urged upon Congress as the deliberate recommendation of the whole body of American bankers. They are tired of the shilly-shallying way in which the elected representatives of the American people have for years dealt with problems of currency, finance and banking. The financial arrangements of this country are of too intimate concern to all of our people to be left to be whirled about in the maelstrom of politics, and the bankers purpose to snatch them out of this present unfortunate plight which they are in. If Congress must have some big problem to debate and wax eloquent upon, the bankers desire that Congress confine itself to the tariff.

And so, the bankers are going to New Orleans to confer, to listen to what Mr. Forgan and Mr. Hepburn and numerous others have to say, and then to vote according to the best light they have been able to obtain. Therefore, "On to New Orleans" is a popular cry in every part of the country just now, and President Watts' plea to the bankers to meet at New Orleans in overwhelming numbers is likely to be fruitful beyond even his sanguine expectations.

Mr. Watts is also quite right in his other suggestions. He would have bankers use their influence toward making currency reform the topic of public and private discussion everywhere. He would have them strive to make these discussions non-partisan. He would even have bankers begin writing to their senators and representatives at Washington, urging them to delve into the subject, and try to deal with it without thought of previous personal prejudice, or hope of partisan advantage. In no other contention is Mr. Watts more convincing than in that which presents his conception of the importance of the part which southern bankers can have in the whole currency reform movement. The South has even more at stake in the whole matter than have other parts of the country. No part needs such legislation more. Mr. Watts does not amplify his assertion to this effect, but anyone can imagine what was passing his mind, when he penned this statement. The South is a section which needs development, and to obtain that development, it must be constantly assisted with capital from outside. From the reservoirs of capital in the northeast portion of the country must Mr. Watts' portion of the land continue for many years to come to draw a large part of the means for making its farms give the best possible account of themselves, and its manufactories have the resources necessary for their enlargements and extensions. Consequently, if this nation is to continue to be subject to such dislocations of exchanges between banks, as happened in 1907, no section of the land stands to suffer more than the South.

What Southerners Can Do

With all they have at stake, the southern bankers are blessed beyond the bankers of most portions of the country with a power to aid the currency reform movement. "No section could do more than the South toward making and keeping the subject non-partisan", is the emphatic and unequivocal declaration of Mr. Watts, and in so declaring, he departs in no way from the plain, unvarnished truth. In affairs political the South holds, as every one knows, a place of a unique nature. Two of the political habits which it has are rather conspicuously absent from the makeup of other parts. It has a way of continuing men in Congress year after year, until they have acquired balance and real training in statecraft. It does not retire them merely to satisfy the ambition of other aspiring politicians. Thus, it always has at Washington a numerous body of men who can discuss big questions intelligently, and to whom other congressmen listen with respect.

Have Power to Aid

In the second place, it has shown a fealty to one of the political parties which has persisted quite as resolutely when that political party has been under the onus of overwhelming defeat as in those shorter periods when that party had held the reins of power. It has exacted from that party no favors in return; has asked no legislation for its advantage. If, therefore, the South shall now demand of the party it favors, which happens to be the party in power, that it shall handle the currency question without thought of partisan advantage, and shall deal with it along lines that the American Bankers' Association approves, this demand from a section not hitherto given to making demands cannot fail to give a profound impression. The bankers of the South, therefore, who are unexcelled in ability to form public opinion by any of the other business men of the South, have an opportunity for service that they must not leave unused. We do not believe they will. Certainly they will not, if the energetic and capable president of the American Bankers' Association can arouse them to a sense of their power.

Boston in 1912

And while we are on the subject of the discussions of the next convention of the American Bankers' Association, may we proffer one suggestion in the name of many eastern bankers. The convention city for 1912 is yet to be selected. Has it occurred to you what an admirable place for the bankers' annual convocation Boston would be? It is a matter of no small regret to many of us that the convention did not meet in Boston this year. The invitation from that city's banks appears to have been sent too tardily, although it was no less heartfelt than if it had been more prompt. Every convention which has met in Boston this year has been a conspicuous and unusual success. To the bankers of the rest of the land, a visit to Boston would be profitable as well as enjoyable.

Of course, some of the glory of Boston's present financial eminence is a reflected glory. The Boston bankers of a generation ago were no abler than those who now dominate the Boston banking institutions, but the rest of the country was more dependent upon them than the rest of the country is now upon the Boston bank-

Digitized by Google

ers of to-day. Interior banks don't come now to Boston to rediscount paper as they used to do. Once upon a time, Boston bankers were able to exact 7 per cent for rediscounts, and were able to get a big volume of business at that figure. To-day, interior banks come no further east for financial aid than New York, and some of them do not get by Chicago or Philadelphia. Nevertheless, the bankers of Boston know some things well enough to give instruction upon them, and they have a fondness for some of the tenets of good sound banking that the bankers of other parts can emulate to advantage.

We have a selfish interest, too, in urging the rest of the banking profession to look with favor on the suggestion that in 1912 they convene at Boston. The bankers of New England have not that enthusiasm for the American Bankers' Association, and for their state associations which they ought to have. The presence of a body of bankers, gathered together from all over the country, in Boston, would operate upon the bankers of New England much after the fashion that a transfusion of good, healthy blood affects the anæmic human being. Their lassitude, their lack of enthusiasm for bankers' associations would be cast off. Their sympathies would be enlisted, and their zeal aroused. Once they are inspired to some genuine fondness for bankers' associations they will constitute as loyal and efficient a backing for the American Bankers' Association as it can find in any part of the country. By all means, let an American Bankers' Association convention assemble in Boston, and may the date of its assembling be not postponed any longer than is unavoidable!

MARYLAND NATIONAL BANK.

Mr. Frank McC. Leeke, who has recently been chosen assistant cashier of the Maryland National Bank, of Baltimore, Maryland, comes to his new work with the hearty good wishes of his large circle of Baltimore acquaintances. For the past ten or twelve years Mr. Leeke has been paying teller at the Merchants' National Bank of Baltimore, the same institution from which the Maryland National Bank also obtained its cashier, James C. Fenhagan, and its assistant cashier, G. Harry Barnes. Mr. Leeke is not the only member of his family active in banking circles, his brother, Howard N. Leeke, being assistant secretary of the Baltimore Trust Company.

CORRECTION.

In our recent issue containing the bank tables, we printed the earnings on capital of the Atlas National Bank, of Cincinnati, as being 12½ per cent. This figure should have been 15 per cent.

OLDEST BANK IN AMERICA
Chartered by Congress, 1781.

The
Bank of North America
(NATIONAL BANK)
PHILADELPHIA, PA.

Capital ..... $ 1,000,000.00
Surplus 2,250,000.00
Undivided Profits..... 371,000.00
Deposits 16,075,000.00

HARRY G. MICHENER.....President
SAMUEL D. JORDAN.....Cashier
WILLIAM J. MURPHY.....Asst. Cashier
RICHARD S. McKINLEY.....Asst. Cashier
Accounts Solicited
Correspondence Invited

THE
German National Bank
PITTSBURGH, PA.

Capital and Surplus, - $1,200,000

Can offer you the personal service of officers who regard no account as unworthy their utmost skill.

CAPITAL, SURPLUS AND PROFITS
$8,800,000
THE NATIONAL BANK
of the
REPUBLIC
OF CHICAGO
offers to conservative bankers its facilities developed and perfected by twenty years of close personal relations with correspondents in all parts of the country
JOHN A. LYNCH, President,
W. T. FENTON, Vice-President,
R. M. McKINNEY, Cashier,
O. H. SWAN, Assistant Cashier,
JAMES M. HURST, Assistant Cashier,
WM. B. LAVINIA, Assistant Cashier,
W. H. HURLEY, Assistant Cashier.

CAPITAL $1,800,000.00
SURPLUS $2,000,000.00
Second National Bank
OF
PITTSBURGH, PENN'A.

HENRY C. BUGHMAN, President
WILLIAM McCONWAY, Vice President
THOMAS W. WELSH, JR., Vice President
JAMES M. YOUNG, Cashier
BROWN A. PATTERSON, Ass't Cashier

Western National Bank
PHILADELPHIA

Capital - - - - - - $800,000.00
Surplus and undivided profits - 234,136.92

GEORGE E. SHAW, President
EDWARD J. DURBAN, Vice-President
SIDNEY LABE, Vice-President
E. E. LINDEMUTH, Vice-President
CHARLES F. WIGNALL, Cashier
JOHN BAUMGARTNER, Asst. Cashier

A conservatively managed bank invites your correspondence.

Franklin
National Bank
PHILADELPHIA

Capital $1,000,000.00
Surplus and Undivided Profits. 2,730,181.17
INCORPORATED 1900.
OFFICERS:
J. R. McALLISTER, President.
J. A. HARRIS, JR., Vice-President.
E. P. PASSMORE, Cashier. L. H. SHRIGLEY, Assistant Cashier.
J. W. HARDT, Assistant Cashier.
Foreign Exchange Department.
WILLIAM WRIGHT, Manager.

Chartered 1836
GIRARD TRUST CO.
PHILADELPHIA
Capital and Surplus, $10,000,000
OFFICERS
E. B. MORRIS :: :: :: President
W. N. ELY :: :: :: Vice-President
A. A. JACKSON :: :: Vice-President
C. J. RHOADS :: :: Vice-Pres. & Treas.
E. S. PAGE :: :: :: Secretary
C. H. STUART, 2d. :: :: Asst. Treas.
S. W. MORRIS :: :: Asst. Secretary

First National Bank
San Francisco, California

Capital - - - $3,000,000.00
Surplus and Profits - 1,865,492.48

OFFICERS
RUDOLPH SPRECKELS, President
JAMES K. LYNCH, Vice President
J. K. MOFFITT, Cashier
J. H. SKINNER, Asst. Cashier
C. H. McCORMICK, Asst. Cashier
GEO. A. KENNEDY, Asst. Cashier
Invites your business and places at your disposal facilities developed and perfected during forty years of successful banking.

Chase National Bank
NEW YORK

Capital .....$ 5,000,000
Surplus and Profits (earned) ... 8,382,871
Deposits 118,846,799
A. BARTON HEPBURN,
Chairman of the Board
ALBERT H. WIGGIN, President
SAMUEL H. MILLER, Vice-President
HENRY M. CONKEY, Cashier
CHARLES C. SLADE, Ass't Cashier
EDWIN A. LEE, Ass't Cashier
WILLIAM E. PURDY, Ass't Cashier
ALFRED C. ANDREWS, Ass't Cashier
DIRECTORS
Henry W. Cannon
James J. Hill George F. Baker
Grant B. Schley Albert H. Wiggin
A. Barton Hepburn George F. Baker, Jr.
John I. Waterbury Francis L. Hine
FOREIGN EXCHANGE DEPARTMENT

THE
SEABOARD
National Bank
of the City of New York
Capital - - - $1,000,000
Surplus and Profits (Earned) $2,075,000
Accounts Solicited
S. G. BAYNE.....President
S. G. NELSON.....Vice-President
C. C. THOMPSON.....Cashier
W. K. CLEVERLEY.....Assistant Cashier
L. N. DEVAUSNEY.....Assistant Cashier
J. C. EMORY.....Assistant Cashier
O. M. JEFFERDS.....Assistant Cashier

Digitized by Google

MELLON NATIONAL BANK, PITTSBURGH, PA.

Offers perfect service on attractive terms to other banks and bankers

CAPITAL $6,000,000 **SURPLUS $1,300,000**

Among New England Banks

Our Travelling Correspondent Is Visiting the Banks and Trust Companies of Maine.

My travels this week have been more among the Maine banks than those of any other New England state. I have, however, covered several cities in Massachusetts, also several in New Hampshire. In all of them I find the New England bankers a congenial and courteous class, with a keen interest in general banking matters and showing that sane, business sagacity, for which not only our New England merchants but our New England bankers as well are known throughout the world. They are alive to banking topics of the day, and carry on their business along progressive lines.

One of the questions which many of our country bankers seem to be especially interested in at this time, and it is only right that they should be just now, is in regard to

THE NEW RULE

which the Philadelphia national banks put into practice on September 1. This is the rule by which the banks of that city defer interest for three, five or seven days respectively, according to the localities in which the banks are situated on which the checks are drawn. The New England bankers want to know how this rule is being taken in other parts of the country. When I asked whether it would make any difference in the connections which their banks may have with Philadelphia banks, I found that the majority, in good old New England fashion, were rather non-committal. They wanted to find out just what difference in actual dollars and cents it was going to make in the accounts which they were carrying with their Philadelphia reserve agents before saying much about it.

Only one of the cashiers whom I saw said that he had actually withdrawn his account from Philadelphia. He did not say, however, whether in the analysis of this account the Philadelphia bank was shown to be making or

LOSING MONEY.

It is very probable, however, that the latter was the case. As I have said before, this is the only bank which I found had actually withdrawn its account from the city in question.

As a matter of fact, I find from my visits to the bankers of several large cities in the East recently that the opinion is growing that the banks of all the reserve cities will presently put some such rule into effect. In fact, in several places it is openly stated that the Philadelphia rule is not as severe as it might logically have been, that Philadelphia bankers would really have been justified in putting on a ten-day rule for some of the more distant centres.

During the week, I visited one fairly good-sized New England city in which there are located several large shoe manufacturing plants and several large industrial plants. I found in this city the same disposition among manufacturers to refrain from asking their customers for New York exchange I have so often met before. They prefer to shift the expense of collecting their checks upon their bankers. An interesting incident was told me of a shoe manufacturer who, as a matter of fact, was actually not a depositor with any national bank of that city, but who one day handed in a check for

$1,300 ON ST. LOUIS,

or some other equally distant western city, and was very much surprised when told that the bank could not pay over to him at once the amount of the check, and that he would have to wait until it had been collected. Not only was he surprised when told this, but he was really indignant, saying that the check on this particular bank was certainly good, and that if he could not receive his money right off, there was something the matter with the currency problem of this country of ours. This would seem to me as a case in point of how more or less ignorant are some of our merchants and manufacturers as to the expense that bankers sometimes are put to in collecting their checks.

Several bankers told me of the

Bonds to Secure Postal Savings Deposits

The regulations of the Postal Savings System provide that the bonds of any State will be received as security for postal savings deposits at 90% of their market value, such value not to exceed par, while municipal bonds are received at only 75% of such value.

We offer and recommend for this purpose the State of New York Canal Improvement 4s at market price to net about 3.85%, and will be glad to furnish full particulars to banks intending to apply for postal savings deposits.

Ask for Circular P—740.

Guaranty Trust Company
of New York
28 Nassau Street

Capital and Surplus, - $23,000,000
Deposits - - - - 163,000,000

The National Park Bank
OF NEW YORK
Organized 1856.

Capital ..... $ 5,000,000.00
Surplus and profits 12,947,463.12
Deposits, Sept. 1, 1911..... 105,550,902.43

MARINE NATIONAL BANK BUFFALO

Capital and Surplus Earnings, - - - $3,500,000.00
Resources, - - - - - - - - - $33,000,000.00

Accounts of Banks, Corporations and Individuals Invited
Collections Given careful and prompt attention.

Utah National Bank SALT LAKE CITY UTAH

CAPITAL AND SURPLUS $240,000.00

W. S. McCORNICK, President. T. R. CUTLER, Vice-President.
R. T. BADGER, Cashier. C. H. WELLS, Asst. Cashier.

UNUSUAL FACILITIES FOR COLLECTING ITEMS IN THIS TERRITORY.

Atlantic National Bank, Providence, R. I.

Direct connections with every Town in R. I.

SEND US YOUR COLLECTIONS. MINIMUM RATES.

FIRST NATIONAL BANK, Denver

Capital and Surplus ..... $2,000,000.00 Resources $26,125,124.89
OLDEST BANK IN COLORADO.

A. V. HUNTER, President
THOMAS KEELY, Vice President — J. C. HENDRIE, Asst. Cashier
F. G. McFEAT, Vice President — P. J. DENISON, Asst. Cashier
GERALD HUGHES, Vice President — D. R. PLATT, Asst. Cashier
C. S. HAUGHWOUT, Cashier — G. M. HAUK, Auditor

Digitized by Google

UNION EXCHANGE NATIONAL BANK, NEW YORK
CLEARING HOUSE No. 100
CAPITAL AND SURPLUS $2,000,000 Organized 1903 DEPOSITS $10,000,000
SITUATED IN THE NEW COMMERCIAL AND MANUFACTURING DISTRICT, 5th AVE. AND 21st STREET
Banks that can handle to advantage the items payable in their locality are invited to correspond with us

unique method which one of our large Boston banks employs in order to get nice new currency for its customers, and at the same time,

ADD TO ITS ACCOUNTS

with the country banks. This plan is, of course, well known to many of our subscribers, but perhaps it would be news to some and be of general interest outside New England at the same time. The bank in question asks the country banks to let it receive their incomplete currency as it comes back from Washington, credit it to their balance, stamp it with signatures and put it in circulation. In return for this new paper money it gets, it grants certain favors to the country bankers which are, of course, valuable to the latter. Some of the bankers with whom I talked, however, were not heartily in favor of this plan. They said that in this way they do not get the use of their new notes and still have to replenish their 5 per cent fund at Washington.

TRUST COMPANY COLLECTS.

Among the Maine national banks and trust companies I learn that a certain trust company in one of the large cities of that state is making quite a business, and has been for years, of collecting the foreign items of these national banks. The national banks keep a substantial balance with this trust company, of course, but they get two per cent upon it just as they would from any national bank in a reserve city. In return, the trust company in question collects all their foreign items at par, whether on Canada or United States points.

It is true, of course, that the balance which they carry with this trust company does not count as reserve, but they say that they are handling their items to better advantage and with less expense than by having them collected by either a Boston, New York, Albany or Philadelphia bank. They tell me that this trust company gives them credit for a check and it goes on interest upon the very day that it is received by them. Were they to send it to Albany, they would lose the interest during the period in which the check was in transit, and were they to send it to Philadelphia, they, of course, would be under the deferred interest rule which the banks of that city have recently put in force. The business is more or less reciprocal, as every bank which keeps a balance for this particular trust company

COLLECTS THE LATTER'S CHECKS

in the particular city in which they may be situated.

Just how this trust company does this is not made clear by the bankers to whom I was speaking. They state that the former has told them, however, that they have some kind of an arrangement with one of the national banks in the city in which the trust company is situated, keeping, I suppose, some balance with this national bank which probably gives its foreign business over in turn to some national bank either in Albany or Philadelphia. An item in this way goes through three or four different banks before reaching the bank upon which it may have been drawn. It would seem as if there might be some objection to this devious method of collecting such items.

MAINE SAVINGS BANKS.

A few years ago it was the custom of our Maine savings banks to purchase a good amount of national bank stock. They were usually pretty well secured by such stock, and the return in many cases was very good. For some reason or other, however, the Maine savings banks are not buying as much national bank stock as they once did, but are buying more into railroad and corporation bonds and stocks. A Maine savings bank, in addition to other investments which it may make, may invest its profits in the stock of any company incorporated under the authority of Maine and actually conducting in that state the business for which such corporation was created and paying a regular dividend of not less than 5 per cent a year. An analysis of the resources of the Maine savings banks will show that in the order of investments which they have made, the railroad bonds hold a much higher

THE
Chatham and Phenix
National Bank
NEW YORK

Capital and Surplus
$3,000,000

All business under direct supervision of the officers.

LOUIS G. KAUFMAN, President.

GEO. M. HARD, Chairman of the Board.
F. J. HEANEY, Vice-President.
W. H. STRAWN, Vice-President.
A. M. BULL, Vice-President.
BERT L. HASKINS, Cashier.
H. L. CADMUS, Assistant Cashier.
N. P. GATLING, Assistant Cashier.
W. B. BOICE, Assistant Cashier.
H. C. HOOLEY, Assistant Cashier.

Your Account Solicited.

The Merchants National Bank Indianapolis Indiana
ESTABLISHED 1868
CAPITAL :: :: $1,000,000 SURPLUS FUND AND PROFITS, $900,000
Superior facilities for handling items on Indianapolis and State of Indiana.

New York State National Bank
ALBANY, N. Y.
Capital, $500,000 Deposits, $13,000,000 Surplus, $500,000
LEDYARD COGSWELL, President
LEDYARD COGSWELL, JR., 2nd Vice President LAURENCE H. HENDRICKS, Cashier
GEORGE A. WHITE, Asst. Cashier.
OVER 800 BANK DEPOSITORS IN THE UNITED STATES.

NATIONAL METROPOLITAN BANK
OF WASHINGTON, D. C.
Oldest National Bank in the District of Columbia
GEO. W. WHITE . . . President
CUNO H. RUDOLPH . . Vice-President GEORGE O WALSON . . . Cashier
O H. P. JOHNSON . . . Vice-President I. GALES MOORE . . . . Asst. Cashier

FIRST NATIONAL BANK
EUCLID AVENUE
CLEVELAND
CAPITAL $2,500,000 Surplus and Profits $1,250,000
ACCOUNTS OF BANKS AND BANKERS, MERCHANTS AND CORPORATIONS, SOLICITED
SPECIAL ATTENTION TO COLLECTIONS
DEPOSITS :: :: :: :: :: $25,000,000

Planters National Bank RICHMOND VA.
ORGANIZED 1865.
Capital $300,000 Surplus and Profits (earned) $1,160,000
Deposits $5,500,000
SUPERIOR FACILITIES FOR COLLECTING VIRGINIA ITEMS.

Digitized by Google

place. A good many of the banks, however, will be noticed to have made substantial investments in some of the strong manufacturing companies of the state, and in fact, the savings banks of several cities show

A MUCH LARGER AMOUNT

invested in such stocks than they invest in public funds. The reason for this is, of course, that such stocks give a good return and are especially well secured.

It will be noticed in all of these cases, however, that such stocks appear on the books away below the estimated market value, and in many cases appear below the par value, regardless of the fact that few of them sell below par. This tendency is especially noticeable in cities in which the textile plants are located themselves, although the bankers themselves know conditions pretty well in the particular plants and are able to size up the investment in good shape.

Particularly fortunate, it seems, are all banks located in cities in which large manufacturing establishments are operating. Biddeford and Saco, Maine, are so located, for in those places are operated the great Pepperell Manufacturing Company and the York Manufacturing Company, the former in Biddeford and the latter in Saco. By having these two establishments located in these cities, the national banks are enabled to use up their silver and have to do little or no transportation of such. These plants, having as they do a heavy payroll, are in a position to use up a great deal of silver for which they

PAY IN BOSTON EXCHANGE,

with which the banks in return can pay their obligations to Boston. Thus, the banks save at the rate of fifty cents per thousand on the silver which would have to be transported and thirty-five cents per thousand on paper money.

In fact, it is interesting to note in this connection that this very situation has enabled one of the banks of these two cities "to get back" at the express company. The express company has an office in one of the cities. Formerly, the Saco banks had to carry any money which they wanted to send out over to Biddeford to the express office. The express company would deliver currency which may have been coming to the bank, but refused to come over after currency it wished to send away. The bank then rebelled and for some time has been sending the money out by registered mail, insured. They can easily do this for they can work off the silver or bullion to the York Manufacturing Company, and thus have only notes and bills to send out. The manager of the express company finally came over to see the cashier and wanted him to ship his currency by way of the express company, as in the past. The cashier, however, had been indignant about the way he had been treated before, and so refused.

TO PAY AN EXTRA.

One Maine savings bank which for years has been paying its depositors four per cent per annum is going to pay an extra of one per cent this fall. This is the Saco & Biddeford Savings Institution, which was established away back in 1827 and which through the careful and conservative banking methods of its officers, both past and present, has built up a surplus according to its statement of last year, greater in proportion to its deposits than any other savings bank in Maine. After paying 2 per cent on the deposits for the first half of the year, the bank had a surplus of $15,000 left out of the earnings for that half. As it will only take about $8,000 to pay the extra one per cent, the dividends will undoubtedly be made up out of the earnings for the year, and the officers probably will not be obliged to touch the surplus in order to pay this dividend. Perhaps this extra of one per cent will assuage in part the feelings of some of the depositors of the other savings bank which failed in this city within the past year or two.

The last statement of the Saco & Biddeford Savings Institution is, of course, an old story now, having been made on September 15, 1910, and the new statement will not be out, possibly, for three weeks.

The last statement, however, showed

The Fourth National Bank

OF THE CITY OF NEW YORK

OFFICERS

JAMES G. CANNON, President
SAMUEL B. CAMPBELL, V. Pres.
CHARLES H. PATTERSON, V. Pres.
DANIEL J. ROGERS, Cashier.
E. W. DAVENPORT, Asst. Cashier.
CHARLES E. MEEK, Asst. Cashier.

DIRECTORS:

James G. Cannon	L. F. Loree
Cornelius N. Bliss	Eugene Delano
Robert W. Stuart	M. Orme Wilson
William S. Opdyke	Elbridge G. Snow
T. Frank Manville	Wolding Ring
Thos. H. McKittrick	Morton F. Plant
Mortimer L. Schiff	Samuel S. Campbell

CAPITAL AND SURPLUS - $10,000,000

ORGANIZED 1838 NATIONALIZED 1856

THE AMERICAN EXCHANGE NATIONAL BANK

NEW YORK

Capital, Surplus and Profits,
$9,496,000

LEWIS L. CLARKE, President

EDWARD BURNS, Vice-President
A. K. de GUISCARD, Asst. Cashier
ELBERT A. BENNETT Asst. Cashier
WALTER H. BENNETT, Vice-Pres. and Cashier
ARTHUR P. LEE, Asst. Cashier
GEORGE C. HAIGH, Asst. Cashier

ACCOUNTS OF MERCANTILE FIRMS, CORPORATIONS, BANKS AND BANKERS INVITED
We Offer Every Facility Consistent With Sound Banking

Depositary of the United States, State of New York and City of New York

BANKERS TRUST COMPANY

7 Wall Street · NEW YORK · 120 Broadway

Capital, $5,000,000 Surplus, $10,000,000

Deposits over $155,000,000

DIRECTORS

STEPHEN BAKER,
President Bank of Manhattan Co., New York
SAMUEL G. BAYNE,
EDWIN M. BULKLEY,
JAMES CANNON,
GEORGE F. BAKER,
Vice-President First National Bank, New York
THOMAS DE WITT CUYLER,
President Commercial Trust Co., Philadelphia
HENRY P. DAVISON,
J. P. Morgan & Co., Bankers, New York
CLEVELAND DODGE,
E. HAYWARD HARRIS,
Vice-President Importers' National Bank, New York
WALTER E. FREW,
President Corn Exchange Bank, New York
FREDERIC C. HAMILTON,
A. BARTON HEPBURN,
Chairman of the Board, Chase Nat'l Bank, N. Y.
FRANCIS L. HINE,
President First National Bank, New York
THOMAS W. LAMONT,
J. P. Morgan & Co., Bankers, New York
EDGAR L. MARSTON,
President Blair & Co., Bankers, New York
JOSEPH B. MARTINDALE,
GATES W. McGARRAH,
President Mechanics & Metals Nat'l Bank, N. Y.
CHARLES D. NORTON,
Vice-President First National Bank, New York
GEORGE W. PERKINS,
New York
WILLIAM C. POTTER,
Vice-President, New York
DANIEL G. REID,
WILLIAM H. [illegible],
J. P. Morgan & Co., Bankers, New York
DANIEL G. REID,
President Liberty National Bank, New York
HENRY [illegible],
Vice-President, New York
EDWARD T. [illegible],
President First National Bank, Kansas City
[illegible],
EDWARD T. TOWNSEND,
ALBERT H. WIGGIN,
President Chase National Bank, New York
SAMUEL [illegible],
President Corn Exchange National Bank, New York

an estimated market value of its resources of $4,773,385, or an amount equal to $1,024,654 above liabilities for deposits, earning dividends, state tax and bills payable. This bank, as do most Maine savings banks, marks its investments away down

BELOW TRUE VALUE,

or intrinsic worth. For instance, its Pepperell stock, of which it has a par value of $42,700 and which has a market value of $128,100, it places at $40,550; its Great Falls Manufacturing Company, of which it has a par value of $16,200 and has a market value of $32,400 down to $16,200; and its York Manufacturing Company, of which it has $66,600, with a market value of $93,240, down to $46,840. Of this bank, Sumner C. Parcher is president and Walter G. Goodale is treasurer, both good bankers and the former cashier of the New York National Bank also.

In one regard, at least, I find that those banks and trust companies which are situated in the smaller cities close to Boston, have considerable of an advantage over banks which are situated farther distant. I suppose as a matter of fact, the same statement would apply to those banks which are situated close to any of the larger centres where close tabs are kept upon the general market for securities. The fact I have in mind was brought home to me by the president of a trust company within twenty miles of Boston, who said that he made about three trips a week into Boston, visited some of his broker friends, and in this way kept in particularly close touch with the situation. This man, by the way, is especially well fitted for the position which he holds; for he was formerly connected with one of the oldest and strongest banking and brokerage houses in Boston, and in this way he got a good experience in that end of the business. He then became connected with a national bank in the city in which he is now located, and when this bank with several other banks was merged with the trust company in question, he became its president.

I find that there is a very distinct tendency among our New England bankers to use more and more the Unlisted Supplement of the United States Investor. Several of them told me that there were a number of cases in which they had helped out depositors and had found a market for securities which they were investigating within the files of the Supplement, and that

THIS SERVICE IS VERY VALUABLE

indeed to them. In fact, the treasurers of several of the savings banks and the presidents of several of the trust companies said that they would not be without it for a good deal.

I find in this part of the country, too, that many of the bankers are making good use of the Inquiry Department of the United States Investor, and several showed me a number of cases in which they had saved a great deal more than the small amount of the subscription cost.

BANK VISITOR.

Charles S. Sargent, Jr., of Kidder, Peabody & Company, has been elected a director of the Mechanics and Metals National Bank, of New York, to succeed Horace E. Garth, deceased.

NEW ENGLAND CASUALTY CO.

The New England Casualty Company, whose stockholders recently voted to engage in fidelity and surety bonds and burglary business, in addition to liability, automobile property damage, health and accident lines, which it has been writing, was duly licensed this week by the Massachusetts Insurance Department to transact these additional branches of insurance. The entire new capital of $400,000 was paid in at $150 per share, which gives the company an additional capital of $400,000, and an additional surplus of $200,000.

The company's departments are now well organized, and President McDowell plans an active campaign for business.

The New England Casualty Company is the first company incorporated under Massachusetts laws to actively engage in casualty, fidelity and surety, and burglary insurance.

GUARANTY TRUST COMPANY.

The directors of the Guaranty Trust Company, of New York, have declared the usual quarterly dividend of 8 per cent, payable October 2. This is at the rate of 32 per cent annually on the capital of $5,000,000. The surplus and undivided profits of this company, according to the latest statement, exceed $21,000,000, and the deposits are over $163,000,000.

Ernst & Ernst, certified public accountants, Cleveland, New York and Chicago, have opened up a new office in the Union Trust Company Building, Cincinnati, in order to handle more expeditiously their central southern business throughout Tennessee, Alabama and Kentucky, which is growing rapidly. During the past year they have doubled the size of their offices in New York and Chicago, and tripled their main office in Cleveland.

Below Normal

Present conditions in the Investment Market offer the Small and Large Investors an unusual opportunity to purchase bonds and preferred stocks of the very highest class *at a figure we consider well below normal.*

We have prepared a special list of Class "A" securities now intrinsically cheap, to yield

5½% to 7%

Folder "A" on request.

GEORGE H. BURR & CO.
Bankers, 35 Wall Street, New York
Chicago-Boston-Phila.-St. Louis-San Francisco

Windsor Trust Company

STATEMENT—SEPTEMBER 29, 1911.

ASSETS		LIABILITIES	
Cash	$2,912,652.10	Capital	$1,000,000.00
Loans and Bills Purchased	3,616,302.39	Surplus	1,000,000.00
N. Y. State & City Bonds	849,097.58	Undivided Profits	9,291.35
Other Securities	1,126,925.61	Reserved for Taxes, etc.	15,311.51
Bonds and Mortgages	680,553.31	Accrued Interest Payable	23,706.89
Real Estate	353,395.57	Checks Outstanding	632,068.40
Accrued Interest Receivable	38,744.50	Deposits	6,897,292.91
	$9,577,671.06		$9,577,671.06

ASSETS		DEPOSITS
$5,949,956.36	June 7, 1911	$4,496,537.81
9,577,671.06	Sept. 29, 1911	6,897,292.91
An increase of over 60%		An increase of over 50%

DIRECTORS

AUGUST BELMONT, JR.
August Belmont & Co.
FRANK O. BRIGGS
Treasurer Redding Construction Co.
STEPHEN N. BOND
Lord & Goodwin
VERNON C. BROWN
Vernon C. Brown & Co.
ALONZO BURBANK
President International Paper Co.
JAMES A. BURDEN
President Burden Iron Works
EMORY W. CLARK
Vice-President First National Bank, Detroit, Mich.
FREDERICK L. ELDRIDGE
Vice-President of the Company
H. WARD FORD
Pres. First National Bank, Morristown, N. J.
JAMES GAYLEY
New York
AUGUST HECKSCHER
New Jersey Zinc Company
ALFRED W. HUDSON
Vice-President of the Company
CHARLES MAC VEAGH
Stetson, Jennings & Russell
ROBERT H. McCURDY
McCurdy, Henderson & Co.
A. GORDON NORRIE
New York
HENRY T. OXNARD
American Beet Sugar Co.
ROBERT P. PERKINS
President Hartford Carpet Corporation
WILLIAM LOWELL PUTNAM
Putnam, Putnam & Bell, Boston
JORDAN J. ROLLINS
Rollins & Rollins
JOHN H. STORER
Treasurer Wood-Harrison Trusts
ARTHUR TURNBULL
Post & Flagg
CORNELIUS VANDERBILT
New York
CHARLES D. WETMORE
Warren & Wetmore
EGERTON L. WINTHROP, JR.
Winthrop & Stimson
CLARK WILLIAMS
President of the Company

Digitized by Google

SAVINGS BANK SECTION.

The programme of the Savings Bank Section of the American Bankers' Association is now complete. The session will be held on Thursday, November 23, and will open at 9.30 sharp. As is rather fitting, one of the addresses will be by a representative of the city, where the convention will meet, New Orleans. After the invocation and the President's address, the reports of the executive committee, the secretary, the law committee and the membership committee will be presented. Then will follow the helpful report of the Committee on Methods and Systems. The addresses of the convention will follow in this order:

Address.—"The Ethics of the Savings Bank", William E. Knox, comptroller, Bowery Savings Bank, New York.

Address.—"Banks and Bankers; their ways and by-ways as they appear to Jack Lafalence"; J. J. McLoughlin, attorney, New Orleans, La.

Address.—(Topic to be announced.) J. F. Sartori, president, Security Savings Bank, Los Angeles, Cal.

Address.—"The Public and the Savings Bank Idea"; E. St. Elmo Lewis, advertising manager, Burroughs Adding Machine Company, Detroit, Mich.

Address.—"Efficiency or Supervision"; Hon. Arthur B. Chapin, Bank commissioner for Massachusetts.

Symposium.—"The Internal Audit of a Savings Bank"; conducted by Mr. Chapin.

Business Session—12.30.

Report of Nominating Committee.

Elections:—President, First Vice-President, Chairman of Executive Committee, three members of Executive Committee to serve three years, State Vice-Presidents.

Installation of Officers.

Adjournment at 1 o'clock.

Meeting of the Executive Committee immediately after adjournment.

NEW YORK CLEARING HOUSE.

At the annual meeting of the New York Clearing House Association, last Thursday, Frank A. Vanderlip, president of the National City Bank, was elected chairman of the Clearing House Committee, to succeed William A. Nash. Walter E. Frew, Richard Delafield and Otto T. Bannard were elected members of this committee.

Joseph B. Martindale, Samuel S. Conover and Pierre Jay were elected to the committee on admissions. This is the first time that trust company officers have been made regular members of the committees. Mr. Bannard is president of the New York Trust and Mr. Conover of the Fidelity Trust.

For the year ended September 30, clearing house exchanges were $92,420,120,691, against $102,553,999,069 in 1910; balances $4,388,563,113, against $4,195,292,966 in 1910. The average daily exchanges were $305,016,897, and balances $14,483,706. The largest transactions on any one day of the year were on January 4, 1911, $618,918,688.

BONYNGE VISITS SPOKANE.

Robert W. Bonynge, of Denver, a member of the National Monetary Commission, was greeted by more than 200 representative business and professional men in the assembly hall of the Spokane Chamber of Commerce the evening of September 22, when he delivered an address on the proposed national reserve plan under the joint auspices of the Spokane Clearing House Association and the Chamber of Commerce. Edwin T. Coman, president of the Exchange National Bank and head of the commercial organization, presided and presented the speaker, and Charles M. Fassett, commissioner of public utilities and acting mayor, extended a cordial welcome in behalf of the people of the city. Mr. Bonynge's address was primarily a summary of the plan, calling attention to the fact that it is of as vital importance to the business man and the wage earner as to the banker. He also pointed to the defects of the existing system and showed the needs for the new regulation. J. Grier Long, president of the Clearing House Association and the Washington Trust Company, entertained at

A DINNER

at his residence earlier in the evening, when Mr. Bonynge met D. W. Twohy, president of the Old National Bank; Edwin T. Coman, A. F. McClaine, president of the Traders' National Bank; Thomas H. Brewer, president of the Fidelity National Bank; J. L. Mohundro, state bank examiner; R. Lewis Rutter, secretary of the Spokane & Eastern Trust Company; R. B. Paterson, president of the Spokane Dry Goods Company; Robert E. Strahorn, vice-president and general manager of the Oregon-Washington Railroad & Navigation Company; O. M. Greene and R. L. Webster.

With the present market conditions below normal, unusual opportunities are offered investors for the purchase of bonds and preferred stocks of the very highest class at prices extremely attractive. When we say "of the highest class" we mean industrial securities, which furnish stability of income, marketability, with a promise of appreciation in market value based on intrinsic worth and earning capacity, and yielding from five and a half to seven per cent.

In this class, could be included such stocks as Brunswick-Balke-Collender Company, McCrum-Howell Company, American Radiator Company, National Biscuit Company and numerous other preferred issues having no bonded indebtedness. All of these stocks are dealt in by George H. Burr & Company, bankers, 25 Wall street, New York, specialists in high-class industrials.

Moody's Manual of Railroad and Corporation Securities, in the twelfth annual edition, bearing the date of the current year, has strengthened itself in an already enviable position as a standard work of ready reference relating to corporation affairs, and to securities, listed and unlisted. The growth of the manual during the past three years may be judged from the fact this issue contains nearly 4,000 pages of information respecting corporations of all descriptions, as compared with only about 2,500 in the 1908 issue. Each of the three sections, dealing respectively with steam railroads, street railways and industrial corporations, has been revised and extended, the balance sheets of the principal railroads having been corrected to correspond with existing conditions. The volumes are published by the Moody Manual Company, of 35 Broadway, New York City.

WINDSOR TRUST COMPANY, N. Y.

Elsewhere in this issue appears the statement of the Windsor Trust Company, of New York, as of September 29, 1911, showing total assets of $9,577,671.-96, as compared with $5,949,956.36 as per the statement of June 7, 1911, an increase of over 60 per cent.

The total deposits of the Windsor Trust Company on September 29, 1911, were $6,897,292.91, as compared with $4,496,537.81 June 11, 1911, an increase of over 50 per cent.

The board of directors of this company has been greatly changed since the new management came into control, and is composed of very strong and successful bankers and business men, many of whom are of national reputation. The company has added $1,000,000 of new surplus, and is rapidly assuming a position, under the presidency of Hon. Clark Williams, former superintendent of banks and afterward comptroller of the state of New York, among the foremost trust companies in the country.

AMERICAN LIGHT & TRACTION COMPANY.

40 Wall Street, New York City.

The Board of Directors this day declared from the net earnings of the Company the regular quarterly dividend of ONE AND ONE-HALF (1½%) PER CENT on the PREFERRED Stock of this Company, payable November 1, 1911.

The Board also declared from the undivided profits of the Company a quarterly dividend of TWO AND ONE HALF (2½%) PER CENT on the COMMON stock of the Company, payable November 1, 1911, to stockholders of record of Common stock at the close of business October 16, 1911.

The Board also declared from the undivided profits of the Company a dividend of TWO AND ONE-HALF (2½) Shares of COMMON stock on every One Hundred (100) shares of Common stock outstanding, payable November 1, 1911, to stockholders of record of Common stock at the close of business October 16, 1911.

The Transfer Books for both Preferred and Common stock will close October 16, 1911, at 3 o'clock P. M., and will reopen November 1, 1911, at 10 o'clock A. M.

C. N. JELLIFFE, Secretary.

October 3, 1911.

DAYTON POWER & LIGHT CO.

Preferred Dividend.

A quarterly dividend of $1.50 per share for the three months ending Sept. 30, 1911, has been declared on the Preferred Stock of the Dayton Power & Light Co., payable Oct. 16, 1911 to stockholders of record at the close of business, Sept 30, 1911. Knickerbocker Trust Co., New York city, and Dayton Savings & Trust Co., Dayton, Ohio, transfer agents.

C. L. CAMPBELL, Treasurer.

UNITED STATES RUBBER COMPANY

42 Broadway, New York, Oct. 5, 1911

The Board of Directors of the United States Rubber Company has this day declared from its net profits a quarterly dividend of Two per cent on the First Preferred Stock (including all outstanding old "Preferred" Stock), a quarterly dividend of One and one-half Per Cent on the Second Preferred Stock and a quarterly dividend of One per cent on the Common Stock of the Company, to Stockholders of record at 3 P. M. on Monday, October 30th, 1911, payable without closing of the Transfer Books, October 31st, 1911.

JAMES B. FORD, Treasurer.

UNITED FRUIT COMPANY

DIVIDEND NO. 40

A quarterly dividend of two per cent on the capital stock of this company has been declared payable October 14, 1911, at the office of the Treasurer, 131 State Street, Boston, Mass., to stockholders of record at the close of business, September 23, 1911.

CHARLES A. HUBBARD, Treasurer.

UNITED STATES WORSTED COMPANY

100 Fifth Avenue, New York

A quarterly dividend of 1½% on the Preferred Stock has been declared by the Board of Directors, payable Oct 15th, 1911, to Stockholders of record Oct 1st 1911. Books close Oct 1st, 1911, and reopen Oct. 15th, 1911.

P. ROEERT G. SJOSTROM, Treasurer.

Digitized by Google

The United Shoe and Its Patrons

Shoe Makers and Shoe Wearers Likely to Feel Ill Effects of a Government Victory in the Pending Anti-Trust Suit, Rather Than the Company's Stockholders.

Anyone who follows the government suit against the directors of the United Shoe Machinery Company and notes also its after effects, whatever they may be, is going to learn some things that he does not know now. The government is plainly undertaking to break out new ground. The mere fact that it has brought suit against individual directors instead of against the corporation itself is not particularly significant. What is worth noting is the character of the corporation indicted.

This company is not the product of the conspiracy of several competitors. At no stage in its history has its existence resulted from a determination by several contesting groups of shoe machinery manufacturers to cease fighting each other and to join in plucking the public. Instead, those who have united to create this corporation have been the manufacturers of machines that were complementary

NOT COMPETITIVE.

The machine of the one maker needed for its raw material that which was the finished product of the other manufacturer's machine. In brief, the United Shoe Machinery Company is a union of the consecutive steps of a flight of stairs. Its purpose is to assist the shoe maker by making available to him a complete system of machinery of the highest character.

The purchase by the company of the business of Thomas G. Plant was no more the absorption of a competitor in the strict sense of the word than were the previous alliances the company had made. Mr. Plant had never sold a machine. It is the contention of well-informed observers that he never could have sold any quantity of machines, although he had equipped his own factory with the "Wonder Worker" system. Since the factory in which he made his money and in which he had installed his system has become vested in the United Shoe Machinery Company, thorough study has been made of what he had, and it seems to be true beyond a doubt that such patents as Mr. Plant owned would have proven of relatively inferior value except when attached to machines of the United Shoe Machinery Company's system, which no one could have used in this way without infringement of patents. All of the useful inventions of Mr. Plant are now being attached to the United Company's machines, thus placing in the hands of shoe manufacturers better machines than ever before without any increase in expense to them.

So the query arises whether or no the government will meet with a gratifying degree of success from

THIS NEW VARIETY

of anti-trust suit. In short, can it establish its contention that the Sherman law is being violated when the indicted group of men were not heretofore competitors and have come together for the sake of affording the shoe industry an efficient system of machinery? This is a question which captains of industry generally wish answered. They wish to know how far business men may go in affiliating themselves with other business men. They have assumed that this is an age of co-operation, and have thought that if they do not absorb competitors, they break no law by co-operating with other business men. They wonder if, perhaps after all, they have been wrong.

This isn't the only question which will be answered, considerably to the world's enlightenment. Another question is raised by the plan the United Shoe Machinery Company has followed of housing all its manufacturing under the roofs of

A SINGLE PLANT.

If this corporation must be dissolved into its erstwhile parts, how are those parts to be identified and segregated when all of the original marks of individuality, like separate factories, separate sets of books and separate managements have been obliterated? Mr. Taft is reported to have declared that he sees no insuperable difficulty in such a situation, and that even now he has some fairly well-defined ideas for the correct procedure in such an event. If, therefore, the dissolution of the companies shall be determined, the world is likely to witness a trial of Mr. Taft's suggestions for the cure of a situation, the mere thought of which has baffled almost everybody else. Altogether, the world seems likely in the next few months to see some astonishing new lesson which applications of Mr. Sherman's rather clumsily drafted law can teach.

THE UNIQUE FEATURES

of the suit are not, however, the only fair topics for discussion. Its after effects, if the government shall win, are quite as worthy of the most sober reflection. If it be assumed that a victory for the government means the dissolution of the company, a very reasonable question is at once presented. What shape will the benefits of such dissolution take? Will the benefits inure to shoe makers and thence to the consumer of shoes in a substantial way? Will a more wholesome tone be felt throughout the boot and shoe industry? As for the stockholders who have confided their means to the present management of the shoe machinery company, will the resulting dissolution mean material loss to them, or will they come through the ordeal little scathed?

Let it be admitted that sub-divided into several companies the business of the present company would be less lucrative because less economical of operation. Let it be agreed among us that much of the attractiveness of the United Shoe Machinery stock has in the past sprung from its earning power, and that, in the event of dissolution, this earning power must be diminished and only the intrinsic value of the property back of their shares will remain to the stockholders. Under this condition, will their lot be unenviable?

The last of these two groups of questions, that which has to do with the plight of the stockholder, presents an appealing interest to us. The stockholders of the United Shoe Machinery Company are numerous. They include a very large number of investors who have bought into the business because of its power to earn. If the corporation shall be found guilty of violation of the Sherman Act, these entirely innocent investors must take their quota of the punishment meted out to the corporation just as if they were among the parties culpable. When the innocent must suffer with the guilty in this fashion one always has a sympathetic curiosity as to the extent of the punishment decreed them.

Our impression is that with the stock of the company down to its present level, there is little reason for stockholders feeling otherwise than comparatively serene. It is true that with the corporation subdivided and the genius which has been its guiding spirit prevented from having that full play which it is now allowed,

THE EARNING POWER

of the subdivisions will hardly aggregate quite what the earning power of the present single corporation amounts to. In liquidating the "conspiracy" out of the business, the government prosecutors may liquidate more brains out of it than can well be lost to the boot and shoe business. Nevertheless, there should be no belittling the value of the actual tangible assets of the corporation. The millions of cash and the more numerous million dollars' worth of machinery out on lease should be appraised by stockholders at their real value.

There are those who ought to know who assert that these tangible assets have an intrinsic value very near if not quite equal to the present market value of all the stock outstanding, common and preferred. If you suggest that the balance sheet does not indicate anything like so happy a condition, you may find it somewhat helpful to remember that New England corporations, generally, are prone to carry their assets on their books at valuations ranging from ultra conservative to ridiculously low. The United Shoe Machinery Company is a typical New England corporation in this respect.

There is the figure at which it carries the machinery it has out in the shoe factories of the country on lease The maker of the company's balance sheet sets a value of approximately $20,000,000 on this. That figure is not entitled to be classified as even

A GOOD GUESS.

Just how much these machines are worth, we do not venture to suggest. That they are worth vastly more than that we have no hesitancy in declaring. Figures in recent annual reports of the company throw some light on this subject. On March 1, 1909, the company had 70,353 machines out on lease. Twelve months later it had 80,734. Here was an increase of about 15 per cent. On its balance sheet, however, the company marked the value of

Digitized by Google

the machines it had out on lease up less than 7 per cent. And it appears to have been a habit of the company to write up the value of its leased machinery on its books each year much less than the value could have been raised. For instance, on March 1, 1907, with 57,777 machines out, it assigned these a value on its books of $17,580,617. The increase in the number of machines between that date and March, 1910, was almost 40 per cent. The increase of the value at which the whole number of machines is carried on the books, however, has been but about 10 per cent. If the other items on the latest balance sheet of the company are carried at similarly

CONSERVATIVE FIGURES,

the prospect is remarkably good that in the event of subdivision the present stockholders stand to lose little from the present market value of their securities.

But the most lamentable aspect of the whole situation is the probability that all the labor which the government expends on the present suit and all the bother to which it and the officials of the company will be put if dissolution is decreed, will redound to the benefit of almost nobody. No one but the most rancorous critic of the United Shoe Machinery Company will contend that the shoe maker will come out better, or the buyer of the shoes be able to get larger value for his money. Let us not deny that the lease under which the company deals with its customers does not read prettily. It sounds formidable. The outsider not familiar with the shoe industry who first gazes upon one of these instruments recoils from

ITS DRASTIC LANGUAGE,

much as the innocent housewife stands back appalled at the rigorous language of the ordinary lease of an apartment. Like the housewife, the outsider does not realize, as one familiar with such things does, that the conditional clauses of the apparently formidable document are put in for protection of the lessor against the lessee who means to deal dishonestly with the lessor, and in actual practice are never brought into play against the honest lessee.

It is only the practical application of the terms of a lease that concerns either the customer of the United Shoe Machinery Company or the tenant who intelligently hires a flat. The facts of the case appear to be that in practical operation, the lease of this company has been as little a source of annoyance to customers as any lease possibly can be. We understand that in all the 20 years these leases have been in existence, there have been only two or three instances when the company or its predecessors have removed machines, because, contrary to his agreement, the lessee has used machines of other makers. In no one of these instances was the lessee left helpless by such removal. Without the removed machines, he still had a complete system of machinery in his factory. Practically all the company accomplished or sought to accomplish was to take the machines from the factory where they were being given such little use that they earned almost nothing for the United Shoe Machinery Company, and to put them in some other factory where they would be made to give a satisfactory account of themselves.

An immediate effect of a dissolution of the United Shoe Machinery Company must be to

RAISE THE COST

of very many of its machines to the shoe maker. Take, for example, the machines, in what is known as the metallic department of the company. The entire income of the company from that department is from the material, the wire and the like, which it sells those who lease these machines. There has never been an increase in the price of this material since the company took over this business from the original McKay corporation. With all the increase in the price of metal, which goes to make these supplies, the company has maintained a steady price for its output. At the time when it absorbed this company, it was everywhere known that the McKay Company was not making any money, and that it must operate at a loss, unless it raised the price of its output. The United Shoe Machinery Company took over the business, and did not raise the price of the output, but absorbed this loss in other departments of the business which could be run on a basis of commercial profit. Let that business be segregated, and an instant

RISE IN PRICE

of the output must be made and collected from purchasers.

That is not the only department which is operated under conditions that cannot continue if the department be made a business by itself, and compelled to assume its own losses and earn its own profits. The maker of shoes will in these other instances also have to pay larger sums every year. The company has numerous machines it puts out in connection with its welting and stitching machines, on which it charges an insignificant rental so small that it actually doesn't offset the annual depreciation, and imposed simply in order to deter manufacturers from asking for the free use of more of these machines than they really need. To purchase these devices which no up-to-date manufacturer will care to be without, must be a source of heavy expense to the shoe maker far in excess of present cost to him. It is, as we have said, a by no means remote possibility, but on the contrary, the most distinct probability, if not absolute certainty, that the effects of a disunion of the component parts of the shoe machinery company must be to make conditions more onerous for shoe manufacturers than ever before.

We are, therefore, inclined to look for a popular clamor for some modification of the Sherman Act if it shall be found really to have application to a corporation like this one, which isn't a union of former competitors, and isn't housed under numerous roofs. The people of this country are presently going to judge corporations in

A DIFFERENT SPIRIT

from that which prevails now. They are going to classify them according to the net effects they have upon the consumer, and the treatment they accord their customers, rather than according to the fraction of the industry they control, or the device by which they market their product Nothing will do more to hasten the day when the public will be in this more rational mood than for the government to demonstrate that the Sherman Act can have ultimate effects that are distinctly detrimental to the welfare of the great body of people.

P. DE MEDICI.

WATERLOO, IOWA.—The Security Savings Bank and the Citizens Savings Bank have consolidated. W. F. Curtiss, president of the Security Savings Bank, is president of the consolidated institution, the name of Mr. Curtiss' bank being retained and its capital will be $100,000, with $25,000 surplus.

When You Lend Money

to a Public Utility Corporation, as you do when buying its bonds, you do not look alone to the value of its property for the safety of your principal and the prompt, continuous payment of your interest. You want to know that the company is intelligently, economically and honestly managed.

You have assurance of this when you buy the Public Utility bonds that we offer, because we are co-investors with you and devote our ability and experience as engineers to the operation and development of the companies which we absolutely control.

Write for Circular

Meikleham & Dinsmore
ENGINEERS & BANKERS
25 BROAD STREET, New York City
437 Chestnut Street, Phila.
60 State Street, Boston

7% PREFERRED STOCK AT PAR
with bonus of 25% common of the
Moisant International Aviators, Inc.

Foremost aeroplane manufacturers on the North American continent. Now an established, **producing**, growing concern. From Jan. 1 to July 15, receipts from cash prizes, bonuses and percentage of gate receipts amounted to $144,339.65.

For full particulars address

GILBERT H. CARR
50 Congress St., Boston.

American Industrials Co.
Broad Exchange Building, New York.
INVESTMENT SECURITIES.
6% Twenty Year First Mortgage Gold Bonds.
7% Preferred Stocks.
9% Preferred Stocks.

Baker, Ayling & Co.
50 Congress street, Boston
INVESTMENT BONDS
Philadelphia Office, Land Title Building

CONSIDERING SECURITY
high grade industrial bonds pay the *highest income* and offer the best chance for rising profits. Send for circular "M".
BEARDSLEY AND COMPANY
Henry Shadd Beardsley, President
Pullman Building, Madison Square New York

Digitized by Google

Atchison Earns $5,729,916 Over Dividends

Annual Report For Fiscal Year Ending June 30, 1911, Shows Largest Gross and Net Earnings, as Well as Largest Per Mile Expenditure For Maintenance of Equipment in the History of the Company—After Paying $9,932,460 in Dividends on the Common Stock, $5,729,916 Was Left For Appropriations to Betterment, Reserve and Surplus Accounts—July and August Earnings of the Current Year, However, Show a Decrease of $1,234,190, Which Rate, If Continued During the Balance of the Year, Will Leave Company $1,700,000 Short of Amount Necessary to Pay 6 Per Cent Dividends on the Common.

The Atchison, Topeka & Santa Fe Railroad Company, according to its annual report made public this week, for the fiscal year ending June 30, 1911, earned $5,729,916 in excess of dividend requirements. The amount required to pay the 6 per cent dividend on the common stock last year was $9,932,460, so that almost 60 per cent more than the amount necessary to maintain the 6 per cent rate on the common was earned. In comparison with reports of other roads in its class, the Atchison made a very favorable showing. The final balance for dividend distribution amounted to $21,371,067, which was the largest amount of net available surplus income for any year in the company's history, and was $945,283 larger than in the fiscal year ending June 30, 1910.

After the payment of operating expenses, fixed charges and preferred and common dividends, there remained a balance of $5,729,916, of which $5,000,000 was appropriated for additions and betterments; $414,139 was appropriated for the fuel reserve fund and the balance of $315,777 was added to the undivided profit account.

There have been a number of other railroad reports which showed that either the dividends paid had not been earned or that there had been considerable straining in order to show in final figures that the dividends paid had been earned. In the case of the Atchison, however, there was a very

SUBSTANTIAL SURPLUS EARNED

above the 6 per cent common dividend, and if it was assured that the road would be able to do as well this year, there could be no possibility of questioning the continuance of the Atchison dividend. Unfortunately, however, net revenues during the first two months of the current fiscal year have shown a tendency to slump, which, if continued throughout the balance of the year, is likely to jeopardize the present 6 per cent dividend rate. For the months of July and August of this year, net operating revenues have decreased $1,234,190, and if this rate continues throughout the year, there will be a shrinkage in results for the current year of a little over $7,400,000, so that instead of earning $5,700,000 more than the 6 per cent common dividend, the dividend would not be earned by about $1,700,000.

It should, therefore, be borne in mind that while Atchison did very well last year, it has made a poor start for the current year, and conditions will have to improve, or else the common shareholders must prepare for a reduction in their income.

The mileage of the road increased 439 miles during the year, and the average of mileage operated increased 433 miles, as compared with 1910.

There was an increase in the capital stock during the year of $2,912,000 all in common, resulting from the exchange of convertible bonds.

THE FUNDED DEBT

of the company shows an increase for the year of $27,096,867. $967,750 of the convertible fours of 1909 were sold, and $29,307,617 of the convertible fours of 1910 were disposed of, or total sales of $30,275,367. Against this, however, there was purchased by the treasury $3,178,500 of various issues of bonds, so that the net increase in

UNLISTED & INACTIVE ISSUES

We are prepared to quote actual trading markets on unlisted or inactive investment issues.

Correspondence Solicited

E. BUNGE & CO. 20 BROAD STREET, NEW YORK

Cable Address, "Ernestus, New York" Long Distance 'Phone 4735-4736 Rector

Assets Realization Company

Capital $10,000,000

Purchases Estates in Liquidation at any point in the United States

NEW YORK PHILADELPHIA CHICAGO

Hodenpyl, Hardy & Co.

BANKERS

7 Wall Street, New York

6% PREFERRED STOCKS A SPECIALTY

BODELL & CO.

PROVIDENCE, RHODE ISLAND

Boston Office, 38 Congress St.

Bonds and Preferred Stocks of Proven Value

GEO. D. COOK & CO.

BANKERS

71 BROADWAY, NEW YORK

We make a Specialty of Mexican Government and State Bonds

McCOY & COMPANY

Municipal and Corporation Bonds

181 LA SALLE STREET CHICAGO

Boody, McLellan & Co.

111 BROADWAY, NEW YORK

MEMBERS OF NEW YORK STOCK EXCHANGE

Orders Executed for Investment or on Margin

We Have For Sale

Bank Stocks—Paying Dividends of 6%, 8%, 10%, 20%.

WM. D. PERKINS & CO., Bankers
No. 211 Cherry St., Seattle, Wash.
Established 1893
Oldest Bond House In Washington.

DOMINION BOND COMPANY
LIMITED

MONTREAL TORONTO OTTAWA
LONDON, ENGLAND

Dealers in HIGH-GRADE CANADIAN BONDS

List on Application

5% BONDS

Guaranteed by

National Light Heat and Power Co.

A. H. BICKMORE & CO.,
30 PINE ST., NEW YORK

6% Timber Bonds

Carrying With Them An Exceptionally Attractive Feature

American Finance & Securities Co.

5 Nassau Street New York

H. C. Gibbs & Co.

Gas and Electric Light Bonds

To yield 5% to 5 1-2%

60 State Street BOSTON

CIRCULAR ON MISCELLANEOUS UNLISTED MILL AND MANUFACTURING SECURITIES

SENT UPON REQUEST

HORNBLOWER & WEEKS, 60 Congress St., Boston

Digitized by Google

the funded debt for the year was only $27,096,867.

In maintenance of equipment, the company spent last year the largest aggregate amount, as well as the largest amount per mile in its entire history. The disbursement for maintenance of equipment was $16,686,145, or an increase of over $1,100,000 over the preceding year. The largest disbursement on this account in previous years was in 1908, when $14,246,621 was spent. On a per mile basis, last year's expenditure for equipment was $1,612 per mile, as compared with $1,569 in 1910, and the largest prior expenditure on this account was $1,515 per mile in 1908.

In maintenance of way and structure, the expenditure last year was $16,059,786, which was a considerable decrease from 1910, but was, nevertheless, larger than in any preceding year. In 1910, $17,807,136 was spent on maintenance of way, or $1,747,350 more than in 1911. The per mile figures show relatively the same result, as in 1911, $1,551 per mile was spent, as compared with $1,795 in 1910. The 1911 expenditures per mile, however, have only been exceeded twice in the history of the company; that is, in 1910 and in 1907, in which latter year $1,648 per mile was spent. In this connection, it is worthy of note that the average expenditure per mile for maintenance during the past ten years has been $1,372, so that last year the company spent on this account $179 per mile more than its average disbursement during the past decade.

THE MAINTENANCE FIGURES

on both equipment and on way and structure, therefore, show very clearly that there has been no skimping in the upkeep of the property during the past year, regardless of the fact that the Atchison has made a better relative showing for the period than any other system in its class. Both the company's gross and net operating income for the last year reached record high figures. The gross was $109,772,481, as compared with $107,543,250 in 1910, and $95,424,091 in 1909.

In the matter of gross operating revenue per mile of road, the company made a very favorable showing, as the figures for the past year were $10,392 per mile. This was a small decrease from the results in 1910, when $10,587 was earned per mile, but with the single exception of 1910, this was the largest per mile revenue result ever accomplished. In 1909 and 1908, the returns were $9,624 per mile, and it was only in 1907 that the $10,000 mark had previously been reached, in which year the gross per mile was $10,102.

The company's treasury position was very satisfactory at the time of closing its books on June 30, 1911. Cash on hand amounted to $36,204,747, and there was also available in the treasury for corporate purposes $3,780,000 of the company's general mortgage bonds. The company

HAS NO FLOATING DEBT,

with the exception of current accounts payable, consisting of pay rolls, vouchers and traffic balances, all of which items amounted to only $9,960,438, which are offset to a considerable extent by accounts receivable, amounting to $5,441,084. In addition, the company had on hand a matter of $16,256,770 in cost value of material and supplies, so that if the accountants had been inclined to make up as big a statement as possible about the company's working capital as has recently occurred several times in the case of railroad reports, a very formidable exhibit could have been made, showing well up towards $50,000,000 in net working capital; that is, the difference between current resources and current liabilities. Material and supplies are, of course, a current asset, but the Atchison accountants very properly did not include this item in a summary which might argue that this was almost the same as money in the bank.

The company has been making progress in its Texas extensions. On the line between Culman and Lubbock, 17 miles were completed and opened for traffic. Rails have been laid for the balance of the line, and it is expected that it will be open for traffic on November 1 of this year. A branch line from Slaton Junction to Lamesa, a distance of 54 miles, was opened for traffic on October 1, 1910, and on the line from Lometa to Eden, the completed portion of 66 miles was opened for traffic on September 11 of this year. The work of reducing grades on the Angelo branch of the Gulf, Colorado & Santa Fe, between Temple and Coleman, is rapidly approaching completion. The improvement of this branch will greatly facilitate the handling of traffic between the Gulf of Mexico and the Pacific Coast, for which traffic the present lines of the Atchison, completed and under construction, will constitute

A NEW TRUNK LINE.

This is a new and very important territory, which is as yet almost entirely undeveloped.

There was an addition, during the year, of 160 miles of main track mileage, and second track work in progress amounts to 89 miles.

P. De Medici.

SUMTER, S. C.—The Sumter Savings Bank, capitalized at $150,000, has been converted into the City National Bank of Sumter.

TAFT, CAL.—A charter has been issued to the First National Bank, with a capital of $25,000. C. E. Worden, president; J. J. Wilt, vice-president, and C. S. Crary, cashier.

MONATON
REALTY INVESTING
CORPORATION

Pays
6% COMPOUND INTEREST
On Money Invested in
Its Accumulative Certificates
Running terms of 10, 15 or 20 yr.
Payments may be made annually semi-annually, quarterly or monthly.

SECURITY
OWNERSHIP OF NEW YORK INCOME PROPERTY
Affording
Immediate returns on investments and Opportunity for increase of valuation
For illustrated Booklet, inquire:

Publicity Department
Times Building
Broadway & 42nd Street,
New York City

THE CONCHO VALLEY LOAN AND TRUST CO.
OF
SAN ANGELO, TEXAS.

Capital stock $200,000.00. Organized and operating under the Texas Banking Laws, offer to investors some high grade paper, netting from 6 to 7%. Secured by first Mortgage on improved farm and ranch lands. Our paper carries our endorsement and guarantee of payment of principal and interest. Write for information.

T. C. WYNN, Pres. C. J. KIRKPATRICK, Sec. & Treas.

YOUR INVESTMENT SHOULD EARN YOU MORE MONEY
Boston Real Estate Carefully Selected and Scientifically Managed

The United States Investor in its issue of Sept. 16, 1911, says of this company "Both the preferred stock and the bonds are well worthy of the consideration of our readers."

Address for prospectus and other information
COMMONWEALTH REALTY COMPANY, Chas. E. Jeffrey, Prest.
Room 407, 53 State St., Boston.

INVESTMENTS
Bonds and Stocks
WM. F. CROSBY,
Tel. 4090. 311 Main St.
WORCESTER, MASS.

Digitized by Google

$200,000

Territory of Hawaii

4s

Having sold the bulk of the $1,325,000 bonds awarded us, bonds being dated Aug. 1, 1911, we offer the remaining portion at

104 1-2 and accrued interest.

To yield about 3.70% income.

These bonds are accepted as security from banks for Postal Savings Bank deposits at **90% of par as against 75% for municipals.**

The Secretary of the Treasury announces they will be accepted at 90% as security for United States deposits whenever further deposits are made from the treasury with national banks.

These bonds are issued **under authority of Act of U. S. Congress** and are **approved by the President of the United States,** which fact is specifically set out in each bond.

Opinion of Messrs. Dillon, Thomson and Clay, of New York, as to legality and as to the bonds being **tax exempt in all parts of the United States.**

Denominations, $1,000. Maturity, Aug. 1, 1941. Callable, Aug. 1, 1931. Interest and principal payable in New York or Honolulu at holder's option. Each bond certified by U. S. Mortgage and Trust Company of New York.

Delivery made to any bank in the United States payable in metropolitan funds.

Gavin L. Payne & Company
Government & Municipal Bonds
Indianapolis, Ind.

Fletcher American National Bank
W. H. Wade, Mgr. Bond Dept.
Indianapolis, Ind.

A. O. Hassensall & Co.
Government & Municipal Bonds
Evansville, Ind.

Digitized by Google

Municipal Bond Sales

MUNICIPALITY.	Date of sale.	Class & purpose of bonds.	Amount.	Rate of Interest Per cent	Maturity.	Sales price.	Purchaser.	Income basis
Niles, Ohio	Sept. 5	Street Imp.	$16,000	4	22	100.40	Seasy & Braun, Toledo	3.86
Pleasant Ridge, Ohio	Aug. 16	Sidewalk	2,000	4	1911	100.50	Provident S. B. & T. Co., Cincinnati	2.73
Albany County, N. Y.	Sept. 26	Road	5,000	4	*'18 1-2	par	Albany City Savings Bank	4
Albany County, N. Y.	Sept. 26	Road	10,000	4	*'18 1-2	par	National Savings Bank	4
Albany County, N. Y.	Sept. 26	Road	27,000	4	*'18 1-2	par	Albany County Savings Bank	4
Albany County, N. Y.	Sept. 26	Road	10,000	4	*'18 1-2	par	Albany Trust Company	4
Albany County, N. Y.	Sept. 26	Road	5,000	4	*'18 1-2	par	Home Savings Bank	4
Albany County, N. Y.	Sept. 26	Road	10,000	4	*'18 1-2	par	Union Trust Co.	4
Albany County, N. Y.	Sept. 26	Road	20,000	4	*'18 1-2	par	Albany Savings Bank	4
Albany County, N. Y.	Sept. 26	Road	10,000	4	*'18 1-2	par	Mechanics & Farmers Sav. Bank	4
Anoka Co., Minn., Sch. Dist. No. 66	Sept. 20	Building	13,000	4		par	State	4
Beltrami County, Minn., Sch. Dist. No. 97	Sept. 20	Building	400	4		par	State	4
Beltrami County, Minn., Sch. Dist. No. 81	Sept. 20	Building	3,000	4		par	State	4
Carlton County, Minn., Sch. Dist. No. 6	Sept. 20	Building	18,400	4		par	State	4
Carver County, Minn., Sch. Dist. No. 32	Sept. 20	Building	3,500	4		par	State	4
Charleston, S. C.	Sept. 25	Sewer	25,000	4	1929	par	Gould & Co.	4
Clay Co., Minn., Sch. D. No. 32	Sept. 20	Building	400	4		par	State	4
Fillmore County, Minn., Sch. Dist. No. 15	Sept. 20	Building	8,000	4		par	State	4
Fillmore County, Minn., Sch. Dist. No. 112	Sept. 20	Building	10,000	4		par	State	4
Kenosha, Wis.	Sept. 14	School	25,000	4	**1-10	par	First Nat. Bank, Kenosha	4
Mower Co., Minn., S. D. No. 21	Sept. 20	Building	2,000	4		par	State	4
Morrison Co., Minn., S. D. No. 56	Sept. 20	Building	900	4		par	State	4
New Philadelphia, Ohio	Sept. 1	Sewer	50,000	4	*'17	par	Exch'ge Nat. Bk., New Philadelphia	4
New Philadelphia, Ohio	Sept. 1	Sewer	60,000	4	*'12	par	Exch'ge Nat. B'k, New Philadelphia	4
Pipestone County, Minn., Sch. Dist. No. 33	Sept. 20	Building	20,000	4		par	State	4
Cleveland, Ohio	Sept. 26	Paving	17,500	4½	'12	100.18	Farmers Bank, Creteville	4.10
Hamilton, Ohio	Sept. 25	Street Imp.	1,188	5½	*'12	101.73	Hamilton Home Savings Bank	4.11
Hamilton, Ohio	Sept. 25	Street Imp.	15,000	5½	*'12	101.73	Hamilton Home Savings Bank	4.11
Hamilton, Ohio	Sept. 25	Street Imp.	3,000	5½	*'12	101.73	Hamilton Home Savings Bank	4.11
Hamilton, Ohio	Sept. 25	Street Imp.	2,506	5½	*'12	101.73	Hamilton Home Savings Bank	4.11
Wooster, Ohio	Sept. 25	Gen'l St. Imp.	17,500	4½	*'21-'25	101.33	Hayden, Miller & Co., Cleveland	4.12
Ottawa, Ont.	Sept. 14	Parks	10,000	4	1951	97.55	Brouse, Mitchell & Co., Toronto	4.13
Ottawa, Ont.	Sept. 14	Fire Alarm	3,000	4	1951	97.55	Brouse, Mitchell & Co., Toronto	4.13
Ottawa, Ont.	Sept. 14	Property Office	7,000	4	1951	97.55	Brouse, Mitchell & Co., Toronto	4.13
Ottawa, Ont.	Sept. 14	Relief sewer	1,000	4	19	97.57	Brouse, Mitchell & Co., Toronto	4.13
Ottawa, Ont.	Sept. 14	Fire Stations	30,000	4	1951	97.55	Brouse, Mitchell & Co., Toronto	4.13
Ottawa, Ont.	Sept. 14	Hospital	2,500	4	1951	97.55	Brouse, Mitchell & Co., Toronto	4.13
Ottawa, Ont.	Sept. 14	Park	25,000	4	1951	97.55	Brouse, Mitchell & Co., Toronto	4.13
Ottawa, Ont.	Sept. 14	Park	5,000	4	1951	97.55	Brouse, Mitchell & Co., Toronto	4.13
Ottawa, Ont.	Sept. 14	Water works	50,000	4	1951	97.55	Brouse, Mitchell & Co., Toronto	4.13
Ottawa, Ont.	Sept. 14	Driveway	15,000	4	1951	97.55	Brouse, Mitchell & Co., Toronto	4.13
Ottawa, Ont.	Sept. 18	School	75,000	5	1951	97.55	Brouse, Mitchell & Co., Toronto	4.13
Ottawa, Ont.	Sept. 18	Drain	25,000	4	1951	97.55	Brouse, Mitchell & Co., Toronto	4.13
Mercer County, Ohio	Sept. 12	Pike	15,000	5½	*5	101	First National Bank, Celina	4.99
Erie County, N. Y.	Sept. 26	Road	20,000	4½	*'12	100.32	Wm. A. Read & Co., New York	4.47
Erie County, N. Y.	Sept. 26	Road	90,000	4½	1912	100.32	Wm. A. Read & Co., New York	4.47
Irvington, N. J.	Sept. 19	Water main	2,000	4½	**'22	100.61	Wm. A. Read & Co., New York	4.21
Irvington, N. J.	Sept. 18	School	80,000	4½	1961	100.67	Wm. A. Read & Co., New York	4.24
Bourbon Tp., O. Sch. Dist.	Sept. 13	Building	5,000	5	*'11-'14	101.14	A. T. Leach & Co., New York	4.254
Bowling Green, Ohio	Sept. 12	Street Imp.	6,916	6	*'13	101.07	Otis & Hough, Cleveland	4.296
Niles, Ohio	Sept. 5	Sewer No. 3	24,000	6	*'13	101.58	Otis & Hough, Cleveland	4.223
Bowling Green, Ohio	Sept. 12	Sewer	2,000	6	*'13	101.58	Seasy & Braun, Toledo	4.20
Coal Grove, Ohio	Sept. 11	Sewer	3,000	6	*'13	101.58	Otis & Hough, Cleveland	4.305
Camden, N. Y.	Sept. 19	Pike Imp.	3,000	6	1-10	101.50	Barto, Scott & Co., Columbus	4.213
Newburgh, Ohio	Sept. 11	Light	15,000	4½	*'27	101.34	Otis & Hough, Cleveland	4.388
Newburgh, Ohio	Sept. 12	Street Imp.	1,000	6	*'13	101.17	Otis & Hough, Cleveland	4.35
Newburgh, Ohio	Sept. 12	Street Imp.	1,000	6	*'13	101.17	Otis & Hough, Cleveland	4.35
Newburgh, Ohio	Sept. 12	Street Imp.	4,208	6	*'13	101.17	Otis & Hough, Cleveland	4.435
Newburgh, Ohio	Sept. 12	Street Imp.	4,208	6	*'13	101.17	Otis & Hough, Cleveland	4.442
Newburgh, Ohio	Sept. 12	Street Imp.	6,000	6	*'13	101.17	Otis & Hough, Cleveland	4.447
Bowling Green, Ohio	Sept. 12	Street	1,000	6	*'13	101.17	Otis & Hough, Cleveland	4.447
Bowling Green, Ohio	Sept. 12	Street	1,455	6	*'23	100.128	Otis & Hough, Cleveland	4.402
Steuben County, N. Y.	Sept. 25	Highway	60,000	4½	*'27	101.07	Otis & Hough, Cleveland	4.409
Jamestown, N. Y.	Sept. 18	Paving	2,000	4½	*'11-'15	100.116	Otis & Hough, Cleveland	4.45
Clarksville, Tenn.	Sept. 19	Water works	10,000	5½	*'41	101.02	Otis & Hough, Cleveland	4.49
Canal Fulton, Ohio	Aug. 15	Street Imp.	11,000	6	*'13-'16	102.22	Otis & Hough, Cleveland	4.49
Los Angeles County, Cal.	Aug. 21	Building	1,000	4½	**'41-'51	101.87	Wm. A. Read & Co., New York	4.39
New Richmond, Wis.	Sept. 5	Improvement sewer	4,000	5	1921	100.25	Harris Trust & Savings Bank, Chicago	4.50
Pensacola, Fla.	Sept. 12	Sewer & Well	10,000	6	*'13	101.07	Otis & Hough, Cleveland	4.40
Newton, Kan.	Sept. 14	Street Imp.	6,000	6	*'13	101.07	Otis & Hough, Cleveland	4.40
Marysville, Cal.	Aug. 7	Fire Dept. Bldg.	5,000	5	1941	100.75	Wermer, Moore & Morse, Chicago	4.73

Bond Certification

Modern conditions make the registration and certification of municipal and corporate obligations desirable and convenient. We have a department maintained exclusively for this purpose.

First National Bank of Boston
70 Federal Street

UNITED STATES SMELTING, REFINING & MINING CO.

The Directors of the United States Smelting, Refining & Mining Company have declared a quarterly dividend of 1 3-4 per cent (87 1-2 cents per share) on the **Preferred Capital Stock**, and a quarterly dividend of 1 per cent (50 cents per share) on the **Common Capital Stock**, payable October 14, 1911, to stockholders of record at the close of business September 30, 1911.

F. W. BATCHELDER, Treasurer.

THE ATCHISON, TOPEKA & SANTA FE RAILWAY COMPANY.

Coupons No. 52, due October 1, 1911, from The Atchison, Topeka and Santa Fe Railway Company GENERAL MORTGAGE FOUR PER CENT BONDS will be paid on and after October 2, 1911, upon presentation at the office of the Company, No. 5 Nassau Street, New York City.

C. K. COOPER, Assistant Treasurer.

AMERICAN MALT CORPORATION
15 Exchange Place, Jersey City, N. J.

The Board of Directors have declared a dividend of FOUR PER CENT on the Preferred Stock of the Corporation, payable in two instalments, namely, 2% on November 2, 1911, and 2% on May 2, 1912, to stockholders of record at the close of the transfer books respectively on October 19, 1911, and April 19, 1912.

HENRY EGGERKING, Treasurer.

September 27, 1911.

OFFICE OF
THE UNITED GAS IMPROVEMENT COMPANY.
N. W. CORNER BROAD AND ARCH STREETS,
Philadelphia, September 13, 1911.

The Directors have this day declared a quarterly dividend of two per cent ($1.00 per share), payable October 14, 1911, to stockholders of record at the close of business, September 30, 1911.

Checks will be mailed.

LEWIS LILLIE, Treasurer.

THE EDISON ELECTRIC ILLUMINATING COMPANY OF BOSTON

Dividend No. 90

A quarterly dividend of three (3) per cent has been declared payable November 1st, 1911, to stockholders of record at the close of business October 16th, 1911.

T. K. CUMMINS, Treasurer.

Boston, October 3, 1911.

MASSACHUSETTS GAS COMPANIES

Dividend on Common Shares

A dividend of 1% has been declared upon the Common Shares of the Massachusetts Gas Companies, payable November 1st, 1911, to shareholders of record thereof, on October 14, 1911. WALLACE S. DRAPER, Treasurer.

Walpole Rubber Co.

The quarterly dividend of 1¾% on the Preferred stock and 1% on the Common stock has been declared payable Oct. 16, 1911, to stockholders of record Oct. 2, 1911. Books close Oct. 2, 1911, and reopen Oct. 16, 1911.

A. T. BALDWIN, Treasurer.

Walpole, Mass., September 30, 1911.

American Telephone & Telegraph Co.

A dividend of Two Dollars per share will be paid on Monday, October 16, 1911, to stockholders of record at the close of business on Saturday, September 30, 1911.

WM. R. DRIVER, Treasurer.

SALE OF

King County Harbor Bonds

NOTICE IS HEREBY GIVEN, that the Board of County Commissioners of King County, Washington, will receive sealed bids up to 12 o'clock M of October 31, 1911, for the sale of King County Harbor Bonds as herein directed:

1st. Bids will be received upon the sale of 875 of said bonds, or upon $875,000.00 worth thereof, being one-half of the total issue authorized.

2nd. Bids will also be received upon 1750 of said bonds, or $1,750,000.00 worth thereof, being the total issue authorized.

These bonds cannot be sold for less than par and shall not bear interest at a greater rate than 4½ per cent per annum, interest payable annually. The bonds shall bear date of November 1, 1911, and the interest thereon shall be due and payable on the 1st day of November in each and every year thereafter; said bonds to run for twenty years, and are in denominations of $1000.00 each.

The Board of County Commissioners reserve the right to reject any and all bids.

Bids will be opened at the office of the Board of County Commissioners in the Court House at Seattle, King County, Washington.

Dated at Seattle, Washington, this 19th day of September, 1911.

OTTO A. CASE,

County Auditor and Clerk of Board of County Commissioners of King County, Washington.

By N. M. WARDALL, Deputy.

FIRST MORTGAGE BONDS

How to Test Them:
FREE OF CHARGE

For more than 29 years the **HOUSE OF STRAUS** has been gathering the investment experience which is now offered to you without cost or obligation.

If you have $100 or more now lying idle or drawing only the usual 2 to 3 per cent interest, you are entitled to a more substantial earning on your money.

And there are a number of opportunities to enjoy the maximum 6% interest rate with security and protection equal to or better than that any modern savings bank could possibly offer.

This data is now

Placed at Your Disposal Absolutely Without Cost

During 29 years of business in the sale of first mortgage bonds on improved, income-producing, selected Chicago real estate, with a margin of security in no case less than 100 per cent, no investor has ever lost a dollar of principal or interest on securities purchased of us.

If you are interested in a type of investment so secure as this, quickly convertible and subject to our repurchase proposition at any time, we will gladly send you without expense the Investor's Magazine—a dependable and highly valuable investment guide, which every conservative investor should write for. Address Dept. 166.

S. W. STRAUS & CO.
Mortgage and Bond Bankers
Established 1882
STRAUS BUILDING CHICAGO

INTERNATIONAL PAPER COMPANY.

A dividend of one-half of One Per Cent on the Preferred stock has been declared, payable October 16th, 1911, to preferred stockholders of record at the close of business at 3 P. M October 4th, 1911, at which time the transfer books close for the annual meeting, to be held October 25th, 1911, 12 o'clock noon, at Corinth, N. Y., and re-open on the morning of October 26th, 1911. Checks mailed.

E. W. HYDE, Secretary.

NOTICE OF BOND SALE

Notice is hereby given that sealed bids will be received by the undersigned, the city auditor of the City of Mobridge, South Dakota, up to 12 o'clock, noon on the 16th day of October, 1911, for the purchase of duly authorized bonds of the said city as follows:

$7000.00 waterworks bonds payable as follows: $1000.00 on January 1st, 1925, and $1000.00 annually thereafter.

$3000.00 city hall and jail bonds payable as follows: $500.00 on January 1st, 1916, and $500.00 annually thereafter.

$7500.00 sewer bonds payable as follows: $500.00 on the 1st day of January, 1922; $1000.00 on January 1st, 1923, and $1000.00 annually thereafter.

All of said bonds bear interest at the rate of 5% payable annually, and will be sold in separate sets, and each bid on each set must be accompanied by a certified check in the sum of $200.00 as a bond of good faith in the event the bid is successful.

The city council reserves the right to reject any and all bids.

M. T. WOODS, City Auditor.

Digitized by Google

United States Investor

Published Every Saturday Morning by

FRANK P. BENNETT & CO., Inc.

SUBSCRIPTION RATES

$5.00 per annum in United States and Mexico; $6.50 per annum in Canada.

$7.00 per annum in England, the Continent, Australia and Countries in the Postal Union.

$10.00 per annum for Investor and Inactive Securities Supplement, including privilege of inserting quotations in the Supplement.

ADVERTISING RATES

Twenty-five cents per agate line. There are fourteen agate lines to the inch.

PUBLICATION OFFICE,

620 Atlantic Avenue, Boston.

NEW YORK OFFICE,

2 Rector Street, New York.

JOSEPH L. BARKER, Manager.

Washington Office, 306 Corcoran Building; Philadelphia Office, 308 Chestnut Street.

Entered at the Post Office at Boston, Mass., as second class matter.

Distinct market gains have been a notable feature of the past week. Naturally, the most marked rise has been that in United States Steel shares which have had a very satisfactory recovery from their former depressed position. Other shares have also rebounded to some extent. The question whether this recovery can be maintained seems to be a complex problem, depending in part upon the absence of disturbing factors, and in part, upon the development of better investment demand for stocks. The investment demand has not been as active as had been hoped since the recovery in prices, although it was fairly strong at the low points. This indicates the continued existence of one of the fundamental troubles which has prevented improvement for a long time past—the absence of strong interest on the part of investors in the shares of concerns listed on the exchanges. The development of buying power in the way indicated will be the surest indication of real soundness.

Unusually important freight rate changes are to be considered by the Interstate Commerce Commission during the fall season now opening. The coke rates from the Connellesville district to Chicago and Indiana points, the question of rates on steel and steel products from points along branch railroads owned by the United States Steel Corporation to practically all places of delivery, and the coal rates covering transportation from the Pittsburgh district Great Lake ports in competition with coal moving from West Virginia points to the Great Lakes, are only a few of the issues to be dealt with. The coal rate question is of particular importance to consumers and buyers in New England, as it affects the movement of coal from the West Virginia region to tide-water for shipment up and down the coast.

Repeated reports of the probable retirement of Attorney-General Wickersham from the Department of Justice have been a feature of the past week in the financial market. Mr. Wickersham some time ago stated in positive terms that he had not considered the question of a resignation, but the rumors have apparently not been reduced by that utterance in the slightest measure. It is evidently true that great dissatisfaction with the attorney-general exists nearly everywhere. This dissatisfaction is attributed by some to the fact that his anti-trust efforts have been injurious to the stock market, but there is much more basis for the complaint than is thus suggested. The criticism rests fundamentally upon the carelessness and apparent recklessness with which, many feel, the Department of Justice has been conducted. Even President Taft admitted, in his opinion in the Wiley case, that the attorney-general had acted hastily and without all the facts before him. This was a severe criticism of the chief law officer of the government, but represents the feeling of many persons. The opinion in the National City Company case and numerous other outgivings afford a basis for attacking the work of the Department of Justice with a considerable show of reason.

THE PRESIDENT AND THE TRUSTS.

President Taft's' speeches on his western tour continue to express the earnest and honest wish of the Executive for a fair treatment of business enterprise. Hearers and readers of the addresses can entertain no reasonable doubt of the desire of Mr. Taft that unfair and purposeless attacks upon large enterprises shall cease, and that the service performed by commerce and industry to the community shall be rated at its full value. He would be an extreme disbeliever in the sincerity and single-mindedness of public men who was unwilling to believe in the President's good faith, or who should continue to charge "political" motives as the reason for persistence in a course of policy, which is producing so much unpopularity as the attempt to enforce the Sherman law.

But there is a good reason why Mr. Taft's evident honesty and fairness are not producing the results in the way of quiet and reassurance that their author has clearly hoped. Mr. Taft has had the fortune, good or bad, to bring out more clearly than his predecessors that the business development of the country is at a critical and decisive point. He has rightly noted that there must be either a closer approach to monopoly with government control or oversight in all lines, or else an attempt to restore and protect competition. With equal clearness and certainty, he has determined that the former course is out of harmony with our ideas of individualism, and that nothing can be expected of persistence in it, save a practical approach to state socialism. This is a distasteful situation; yet the accuracy of the President's setting forth can scarcely be questioned. The situation has been developing for years past, but it has fallen to Mr. Taft's lot to hold office at a time when the Supreme Court has interpreted the law more definitely than heretofore, and when, therefore, the task of applying it has been more urgent and inevitable.

The point at which many observers equally sincere and honest as the President, will probably take issue with him is reached, when the question of deciding upon a course of immediate action is broached. A reading of the Supreme Court's decisions in the Oil and Tobacco cases, does not afford a test of the reasonableness of combinations so clear and distinct as to permit an undoubted choice of conduct in any given case. Under these decisions, the question may fairly be raised, whether it is not very doubtful in any such case what the government should do, and whether it is not really to be desired that the benefit of the doubt shall be given to existing concerns, save where their efforts have been unquestionably unfair, oppressive, and intended to attack the public interest. Mr. Taft's attitude hardly concedes this view at any point, and frequently appears to imply the direct opposite, since it is plainly his idea of the law that its terms as now interpreted are mandatory, uniform, and permissive of little exercise of executive judgment.

Since the President himself admits the need of additional legislation on the trust question, and expresses an intention of asking for it, he concedes that existing provisions are incomplete and inadequate. Might he not, therefore, fairly await the action of Congress in response to his recommendations before taking measures under legislation, which in his own view, fails to afford adequate protection to existing corporate enterprise? Any other line of action amounts to the enforcement of laws which are in the President's own sight, partial, in-

Digitized by Google

complete and unsatisfactory. Moreover, the decisions of the Supreme Court are so recent that there has been no opportunity for the completion or modification of existing legislation, as now explained and interpreted. Congress has not had a chance to act since the decisions. It must, therefore, be concluded that to carry out the terms of the Sherman Law, as now understood, rigidly or uniformly, would be a hasty, or unwise policy not demanded by the ethics or commercial requirements of the situation.

BANKING AND BUSINESS.

In publishing the usual bank statement showing the combined condition of national institutions for September 1, Comptroller of the Currency Murray has again called attention to the position of the banks in relation to current business. Mr. Murray's statement shows that the banks themselves are in an unquestionably sound condition. True, there has been a falling off in loans and discounts at many points, and a considerable decline in cash held since the date of the last call. There are two reasons for this decline—the decrease in the general volume of business the country over, and the natural crop movement. The effect of the crop movement would ordinarily be to increase loans and discounts and deposits, and at the same time to decrease cash on hand. Instead, both have declined, but the former much more greatly, relatively speaking, than the latter. This means that, although the crop movement is proceeding, it is not at its full tide, while general business is also slack. The whole situation tends toward the reduction of business at the banks.

There are some parts of the country in which the conditions thus sketched do not hold good. In the cotton states there has been an increase of practically all loan items, and the same is true in some other quarters. This is characteristic of the prosperous regions where large crops have been the rule, and shows that the banks are in a more nearly normal condition there than elsewhere. In other sections where crop shortage has occurred, this general condition does not prevail, but a decline in bank items has been noted just as elsewhere. In the industrial centres and commercial cities, the situation is even more marked. There is a slackness of business all around, and this slackness is due to the lack of extensions of enterprise and the consequent relative shortage of demand for loans. The falling off of cash in some cities must not, however, be taken as solely attributable to general business conditions. The movement of actual currency to the West and South has proceeded as usual. In fact, it has been rather more pronounced in some cases than in others. Ordinarily, the banks want funds for use in market operations, but this year the lack of activity in stocks and bonds has been such as to cut off this source of demand. The result has been that city banks have been much more ready to finance crop moving operations liberally, rediscounting the paper presented to them by country customers and sending currency to fill up the otherwise depleted reserves of the local institutions. This has been a decided feature of the later summer and early fall movement of funds.

There seems to be little reason to doubt that the present situation among the banks will continue for some time. There is every reason to look forward to a slack year in business. Those who have been intimately among the banks report that the institutions are finding considerable difficulty in liquidating the loans of borrowers when they fall due. This difficulty is much more pronounced than for a great while past. The depression in business is quite general, and will continue until uncertainty about governmental action has been more fully dispelled. That is a task which cannot be fulfilled until after the presidential election, an event more than a year distant. The banks will have to share with general business in the loss of trade resulting from political agitation and general lack of confidence.

TOBACCO REORGANIZATION.

Tentative plans have been worked out for the reorganization of the American Tobacco Company, and will shortly be announced in detail. As yet, there is no official information on the subject, but merely a general outline of what is proposed has been allowed to reach the investing public. It is designed to break up the American Tobacco Company into at least three subdivisions, to take over certain branches of the business, and do away with the monopolistic features of the concern. The stock and bonds of these three are to be distributed among the holders of the old securities in due proportion, so that they will be protected, presumably, in their property rights. The new arrangement is said to take care of the old security holders in a very satisfactory manner, and that they will be quite as well off under the new type of organization as under the old one. The court, it is stated, will see to that.

How does the contemplated arrangement deal with the public? That appears to be a matter about which there has been very little worry thus far. Presumably, the three new concerns will do business on the same lines as the old one, and will be guided by similar principles. There is no indication of greater reasonableness in prices, nor is there apparent ground for believing that competition in any ordinary sense of the word will be restored. That being the case, the question whether the community has at all profited by the operations of the government against the Tobacco trust may fairly be raised. It would be hard to make out any direct case in behalf of such a supposition. About the utmost that can be said is that the proceedings against the Tobacco Company, like those against Standard Oil, have had a deterrent effect upon persons who might otherwise be disposed to establish combinations. Whether this deterrent effect will go to the extent of preventing a single combination from being formed in actual fact may be doubted. It is likely that the chief result of the undertaking will be to warn would-be promoters against a certain kind of enterprise in form, although not in practical working. Few persons will believe that the control of the chief factors in the oil business is the less because of the disintegration of Standard Oil, and few will expect conditions to be much easier for competing tobacco enterprises, because of the diminished centralization of the American Tobacco Company.

No argument is needed to show that this outcome in the anti-trust proceedings is wholly unsatisfactory. The managers and chief factors in the two concerns that have been under fire have been put to trouble, annoyance and expense. The quotations of shares affected by the suits and resulting reorganization have been disturbed and fluctuating. But the operations of the government, it may be presumed, have not been intended for the purpose merely of disturbing the market, but for that of aiding consumers and the public generally. From that point of view, there has been little or no success. The outcome now promised in the American Tobacco Company case is simply another item of proof going to show that the present anti-trust situation is unsatisfactory, and needs reform. Some real control of monopoly prices is called for, and at the same time, it is very desirable to change or repeal a law that merely disturbs the business community, hampers enterprise, and produces uncertainty, without doing any permanent good. No one wishes to see a diminution in the degree of vigor shown in controlling trusts, but everyone must desire to see a change in the direction of such efforts that they may produce some result proportionate to the outlay of energy with a minimum of disturbance to the community.

Digitized by Google

MUNICIPAL SHORT TERM LOANS.

BOSTON MASS.—City Treasurer Chas. H. Slattery has negotiated a temporary loan to the amount of $1,000,000, at 2¾ per cent. This makes a total of $5,600,000 borrowed this year.

GEORGIA.—The state treasurer has negotiated a temporary loan to the amount of $200,000, with Atlanta and Macon banks, at 2 per cent. Notes become due December 20, 1911.

MELROSE, MASS.—Blake Bros. & Company, of Boston, were the successful bidders for the 9½-month (average) temporary loan to the amount of $40,000, at 3.64 per cent discount and a premium of 50 cents.

QUINCY, MASS.—F. S. Moseley & Company, of Boston, were the successful bidders for the 4½-month loan to the amount of $50,000, at 3.91 per cent discount and $1.35 permium.

WALTHAM, MASS.—Geo. A. Fernald & Company, of Boston, were the successful bidders for the 7-month temporary loan to the amount of $15,000, at 3.60 per cent discount.

BANK ITEMS.

ARKADELPHIA, ARK.—A charter has been issued to the Citizens National Bank with a capital of $50,000. R. W. Hule is president.

ASHIPPUN, WIS.—The State Bank of Ashippun has been organized with a $15,000 capital. G. A. W. Ganerke, F. Knikel and John Masen are interested.

CLARKESVILLE, GA.—The Farmers & Traders Bank has been organized with John Martin as president, and J. A. Robertson, vice-president. The capital is $25,000.

COPENHAGEN, N. Y.—The Copenhagen National Bank has been chartered with a capital of $25,000. H. L. Grant is president; A. M. Seymour, vice-president, and D. A. Timerman, cashier.

CORNWALL, N. Y.—A charter has been issued to the Cornwall National Bank, with a capital of $25,000. C. E. Mallier, president; F. C. Wassells, vice-president; J. M. Cocks, vice-president, and J. S. Holloran, cashier.

CRYSTAL CITY, TEXAS.—The Zavalla County Bank has increased its capital to $25,000.

DANVILLE, ARK.—The officers of the Citizens Bank, recently organized here, are: Sam Bondi, president; H. A. Towers, vice-president; O. L. Clement, secretary and treasurer. The bank has $25,000 capital.

DONGOLA, ILL.—A charter has been issued to the First National Bank, with a capital of $25,000. J. H. Morris, president; C. A. C. Parker, vice-president, and R. A. Anderson, cashier.

DOS PALOS, CAL.—The Bank of Dos Palos has been organized with $25,000 capital. E. W. Heston, John Morton, N. H. Bennett, E. A. James, J. H. Flory and C. A. Livesay are interested.

HAMPTON, GA.—A charter has been issued to the First National Bank, with a capital of $30,000. W. M. Harris, president; A. M. Henderson, vice-president, and E. A. Harris, cashier.

LAKEWOOD, OHIO.—The Lakewood Savings Bank has incorporated with $25,000 capital. Louis Weigard, C. R. Cross, P. A. McCaskey, Abelgard Hansen and R. E. Batholomew are interested.

LYLE, WASH.—The State Bank of Lyle is organizing with $12,500 paid-up capital. C. O Steberg, Sylvester Peterson, C. F. Hendrickson and Anthon Eckern are interested.

LYNN, MASS.—The Fidelity Trust Company is organizing with $10,000 capital. D. W. Basker, M. Mark, Thos. F. Porter, James Grady, J. W. Sullivan, Josiah Grossman and others are interested.

MARION, S. C.—A charter has been issued to the Marion National Bank, with a capital of $10,000. S. W. Norwood, president and A. J. Williams, cashier.

MEGGETT, S. C.—W. F. Carr, F. E. Fowles, W. B. Searson and J. W. Geraty are organizing the Peoples Bank.

OSHKOSH, NEB.—A charter has been issued to the First National Bank, with a capital of $25,000. W. R. Rondebush, president; G. L. Melvin, vice-president; R. A. Day, cashier, and C. M. Emerson, assistant cashier.

PASADENA, FLA.—A charter has been issued to the National Bank of Commerce, capital $100,000. H. W. Chynoweth, president; Mac D. Snowball, vice-president; E. D. Tyler, vice-president; T. J. Stocks, cashier.

PORTLAND, ORE.—The Westlyn Trust Company has been organized with a $50,000 capital.

RICHFIELD, KAN.—The Morton County State Bank has been organized with $10,000 capital. Mayo Thomas, Milton C. Combs, W. W. Martin, Katie E. Thomas and Wm. D. Thomas are interested.

Wall Street to New Orleans

Five Special trains de Luxe to

Thirty Seventh Annual Convention

American Bankers Association

New Orleans, Nov. 20-24, 1911

Via

NEW YORK CENTRAL LINES

Four specially chartered steamships

NEW ORLEANS to PANAMA CANAL

For delightful 12 day cruise

For illustrated itinerary, reservations and complete details, address

CHARLES ELLIOT WARREN, Chairman.
Transportation Committee, Lincoln National Bank, New York or

L. F. Vosburgh, General Passenger Agent or
W. R. Barnet, Asst General Passenger Agent
Grand Central Terminal, New York.

E. J. O'Hayer, General Eastern Passenger Agent,
1216 Broadway, New York.

NEW YORK CENTRAL LINES

LB

Ideas
Workmanship
Materials

The best in these, based on more than 35 years of practical experience in filling the requirements of every business for standard systems for keeping records.

'Phone for Representative
Fort Hill 366

"Price List" catalogue on request.

Library Bureau

Organized in Boston 1876

43 Federal St., Boston

Manufacturers and distributors of office, library and bank furniture, in wood and steel, cabinets and supplies.

DIRECTORS.

Costello C. Conner — Jesse P. Lyman — William V. Kellen
Grant Walker — A. N. Parlin — Lyman P. Gordon
Samuel P. Savage
Samuel T. — A. N. Parlin, Vice President — W. E. Parker, Treas.

Digitized by Google

That Am. Beet Sugar Dividend

Company Will Earn From 15% to 20% This Year on the Common Stock and the Initial Dividend Declaration Is Expected in December—Company's Existence Depends on Tariff on Imported Raw Sugar, So Dividend Action Will Be Conservative—American Sugar Refining Company Has Sold Its Holdings and Company Can No Longer Depend on Havemeyer Who Played Both Cane and Beet Sugar and Successfully Worked For a Tariff Which Best Suited His Personal Ends.

The American Beet Sugar Company is beyond question the only corporation whose shares are listed on the New York stock exchange, in the management of which the most important trouble at the present time is an embarrassment of riches. About 11 per cent was earned on the common stock last year, and the earnings this year have been variously estimated at from 15 to 20 per cent, and even yet the directors, for obvious reasons, have not made up their minds as to when they ought to begin the payment of dividends on the common stock, or at what rate, notwithstanding the fact that the company has no debts and a large and steadily increasing surplus of earnings available for a common dividend. The company has no other use for its surplus funds except acquisition of more property, and even though it represents at the present time only about 25 per cent of the beet sugar industry in this country, the directors are properly disinclined to materially increase this percentage.

American Beet Sugar common is, nevertheless, the most likely candidate of any listed security for an initial dividend this year. In the fiscal years ending March 31, there was earned on the common stock in 1908, 4.26; in 1909, 6.98; in 1910, 7.31, and in 1911, 10.96. During this period all of the company's floating

INDEBTEDNESS HAS BEEN PAID

off, and during the current year the corporation is one of very few in this country which will not only report the highest net earnings in its history, but also make a greater percentage of increase in net earnings for the year than has heretofore occurred.

From these facts it might be assumed that an incontrovertible case had been made out in favor of the payment of a dividend of at least 4 or 5 per cent when the directors hold their regular meeting in December for the declaration of the preferred dividend. There are some interesting facts and possibilities, however, which very properly make the directors hesitate on this point, and which, in any event, will assure very conservative action on their part whenever they decide that common dividends shall be begun.

The capitalization of the company is $20,000,000, of which $5,000,000 is in preferred 6 per cent stock and $15,000,000 of common stock. For the fiscal year ending March 31, 1911, the company's gross receipts were $8,357,012 and operating expense and depreciation charges $6,413,353, leaving a balance in net income of $1,943,659, from which $540,000 was disbursed in dividends on the preferred stock, leaving $1,643,659 to be credited to surplus account. In the company's operating expenses there has always been included very liberal charges for depreciation, so that the total amount of surplus earnings for the year were used to increase what the company terms its reserve for working capital.

Since the death of Mr. Havemeyer, the sugar king, and the sale by the American Sugar Refining Company of all its holdings of American Beet Sugar stock, the company has been in an entirely

DIFFERENT STRATEGIC POSITION.

The holdings of the sugar trust in the company represented about 40 per cent of the stock outstanding, and the stability of the enterprise was very well demonstrated by the fact that during the time this very large interest was being disposed of in the market, the stock continued to advance, and it has been said that present prices of the company's securities are about 50 per cent higher than the figures which were probably realized in the liquidation of this very substantial minority interest.

The Havemeyer system with reference to the beet sugar industry was a very simple one. He had the American Sugar Refining Company hold a very substantial minority interest in the leading companies, and then he personally held enough additional stock, which was generally bonus common, to put him in a position to control. The American Sugar Refining Company invested the money and took the chance of loss, but whenever there were large profits they, of course, found their way into the Havemeyer treasure box. It was not strange, therefore, that after Mr. Havemeyer's death it was discovered that he had disposed of practically all of his holdings of stock of the American Sugar Refining Company, and that outside of his very large real estate investments the most of his stock certificates were in outside sugar companies.

Havemeyer very successfully

PLAYED BOTH SIDES

of the sugar game, so far as the tariff was concerned. Beet sugar required tariff protection of over a cent and a half a pound to make possible successful competition with cane sugar. If his interest had been solely that of a cane sugar manufacturer, he would have opposed the protective tariff on raw sugar which made the competition of the sugar beet possible. He had, however, money coming both ways, and always supported the duty on raw sugar.

Hence, it was only natural that the new management of the American Sugar Refining Company should proceed to dispose as rapidly as possible of its minority holdings in beet sugar companies. This policy was adopted not only because they wanted to be in a consistent position with reference to the tariff, but also because they wanted to refute in every way possible the assertion that they were endeavoring to monopolize the sugar industry. It has not been announced as to what extent the American Company has disposed of its holdings in beet sugar companies, although it is generally understood that very substantial progress has been made along this line.

The differential between beet sugar and cane sugar is about ten cents per hundred pounds. No one has been able to discover any difference in appearance or quality between beet and cane sugar, but this difference in the selling price has always existed. It originated from the fact that cane sugar was sold in barrels which had a small salvage value, while beet sugar was sold in cotton bags which were practically of no value.

Now it does not matter in what form beet sugar is shipped, the price is always ten cents, and sometimes twenty cents per hundred pounds less than that of cane sugar. In this connection, a beet sugar man recently told me he knew of several instances in which cane sugar manufacturers

WANTED TO CUT THE PRICE

to disease of their stock on hand, and in order to do so without disturbing the market, labelled their sugar as the product of the beet and sold it with the differential off.

While the earnings of the American Beet Sugar Company during the current fiscal year, of which six months have elapsed, will be the largest in the company's history, they will not be as great as has frequently been estimated on the basis of current sugar prices. A year ago, granulated sugar was selling at about five cents, while the price at the present time is six and three-quarters cents. This price has been forced by a shortage in the supply of raw sugar throughout the world, and cane sugar manufacturers are now paying over a cent and a half a pound more for their raw material than they did a year ago.

The Beet Sugar Company, on the other hand, is getting its raw material at practically the same cost as last year, because it makes all its contracts for a year in advance, agreeing to take the entire product from the number of acres agreed upon with farmers at a fixed price. With

THE ORDINARY PROFIT

in making sugar but a small fraction of a cent a pound, if the Beet Sugar Company could get an additional cent and a half on its output this year, its earnings would be enormous. As a matter of fact, however, the company's net selling price up to this time has been just about the same as last year, because on recent high prices, transactions have been very small. An official of the company told me one day this week that it was impossible to sell a carload of sugar for 30-days' delivery at the prices now ruling. Everyone in the sugar trade apparently believes that present prices are temporary, and that there will soon be a reaction to around former figures.

The company has made much progress in the improvement of its plants for beet sugar making, as well as in assisting the farmers in the successful cultivation of sugar beets. The point, however, is still considerably distant at which the industry could exist without the benefit of the present protective tar-

Digitized by Google

iff which averages about 1.65 cents per pound on imported raw sugar. In these days of assault on every large corporation which has even the semblance of being a trust, and with such an effective remedy at hand in the tariff, the managers of the American Beet Sugar Company can hardly fail to be very careful in their payment of dividends, as well as the reporting of any extravagant amount of earnings, so that if a smaller dividend is declared in December than is expected, or no dividend at all is paid, the shareholders can understand that there are the best of reasons for this procedure.

The company's factories are located in California, Colorado and Nebraska, and have a capacity of grinding over 5,000 tons of beets per day. The company also owns over 24,000 acres of land and has several irrigating canals.

One of the

NEW SOURCES OF EARNINGS

of the company is from the utilization of the dried pulp as cattle feed. Until a comparatively recent time, this was entirely waste, but it is now about to become an important and profitable by-product. From this dried pulp the company expects to make a profit of about $20,000 this year, and earnings from this source will steadily increase until the amount reaches $150,000 when all the factories are equipped with pulp-drying facilities.

P. De Medici.

U. S. FINISHING REPORT.

Company Maintains Its Strong Financial Condition With a Net Working Capital of Over $1,700,000—Common Stock Sells Well Up Towards Highest Price of Any Industrial Common Stock.

The annual report of the United States Finishing Company for the fiscal year ending June 30, 1911, shows gross earnings of $4,941,966, a decrease of $180,235 over last year, and a net income after all charges of $561,753, a decrease of $192,250 from 1910. After depreciation charges, and the payment of 7 per cent dividends on the $3,000,000 of preferred stock outstanding, and 4 per cent dividends on the $3,000,000 of common, there remained a surplus of $59,252, which was carried to the undivided profit account, making the total of this account, as of June 30, 1911, $1,626,880.

One of the significant features of the company's report is with reference to the rapidly progressing operations of its bond sinking fund. Under the provisions of the mortgage, $50,000 each year must be provided for the retirement of bonds. All the bonds so retired are kept alive to the extent that their income is used to buy additional bonds. As a result, last year, the sinking fund received $28,214 from interest on bonds held in addition to the stipulated appropriation of $50,000, so that $75,000 in par value of the company's first mortgage 5 per cent bonds were retired at an average cost of 104.

During the year, improvements and additions were made to the company's various plants to the extent of $380,172, of which only $60,167 was charged up to property account, the balance of $264,671 being charged to operating expenses. The company has a very consistent record of being liberal in including betterments in its expense account, and last year's appropriation, it is worthy of note, was $68,288 more than the previous year.

That the company could have very well

INCREASED ITS INCOME

account for the year, had it been so disposed, is indicated not only by the increased appropriation out of earnings for improvements, but by the figures on its subsidiary Queen Dyeing Company. The Finishing Company owns all of the $750,000 of common stock of the Dyeing Company, and after paying a 7 per cent dividend on its preferred stock, there was a balance of net earnings amounting to $64,381. From these earnings, a 6 or 8 per cent dividend could have easily been declared, but instead, the entire amount was carried to depreciation, and surplus account, raising the previous surplus from $37,930 to $95,923.

According to current reports in the textile trade, the Finishing Company has continued to make progress in developing the efficiency of its plants, but in view of depressed conditions in that trade, it has been a matter of comment that a larger decrease in both gross and net income was not reported by the company.

It was only a year or so ago that the company declared a 50 per cent stock dividend, amounting to $1,000,000, and the fact that the 4 per cent dividends on this common stock, as well as a higher relative market price, have been maintained ever since, would seem to indicate that the company continues to prosper by having a management of exceptional ability.

BORROWING ON POLICIES.

A reader calls our attention to the possibility that one of the paragraphs in the article on "Borrowing on Policies", in our issue of September 30, may be misunderstood. It is the paragraph in which reference is made to the proposed law advocated by Commissioner Preus, of Minnesota.

The law suggested is not quite so arbitrary as might be imagined. It would compel each life insurance company to insert a deferring clause in the cash value and loan paragraphs of its policy. Under the terms of it, companies would be able to defer payment on loans, and frequently would act wisely in taking advantage of this possibility. If policyholders found the power to borrow a much less expeditious means of getting money than now, as they might under such a law, they would be less apt to take advantage of that power. Between the time when they made application and the time when they might take the money, they would have opportunity, for sober second thought.

But, as our reader points out, the law, as suggested by Commissioner Preus is

NOT ABSOLUTELY COMPULSORY.

It has a permissive aspect. Although the company is forbidden to promise to pay the applications for loans, and for cash surrender values on demand, it is not forbidden to pay on demand if it elects to do so. It is against the promise, not the performance, that the commissioner takes ground. That is, although he would give the companies the right to pay on demand, he would give them the right also to refuse to do so. He would not have the policyholder have a contract right to insist on his money forthwith.

The demand for bonds of the government type for Postal Savings Bank depository purposes among banks over the country has led to a rapid sale of the new Hawaiian 4s, which were issued less than two months ago. Gavin L. Payne & Company, of Indianapolis; the Fletcher-American National Bank, of Indianapolis, and A. O. Hassenzahl & Company, of Evansville, Ind., are offering in the United States Investor to-day the remaining $300,000 of a $1,325,000 block awarded them by the Hawaiian government recently. These houses state that the larger portion of the issue was placed in the middle West by banks qualifying as Postal Savings Bank depositories. About one-fifth of the issue was placed with eastern banks. These bonds are accepted at 90 per cent by the Postal Savings Bank trustees as against 75 per cent for municipals. The market is practically bare of Philippine and Porto Rican bonds and this has been partly responsible for the rapid absorption of the new Hawaiians, which are offered on a 3.70 per cent basis, while the Porto Ricans are now selling around a 3.40 per cent basis.

Before All Else

there is found in every Union Mutual Policy the first and strongest Purpose of Life Insurance.

Protection

Clear, Faithful Reasonable Contracts. Ask for Particulars.

Union Mutual Life Insurance Co.
Portland, Maine

Fred E. Richards, President.

JANUARY 1, 1911
Insurance in force more than $140,000,000
ASSETS - $38,327,078.03
LIABILITIES 35,371,841.25
SURPLUS - $ 2,955,237.78
1910 MOST PROSPEROUS IN HISTORY OF THE COMPANY

HARTFORD LIFE INSURANCE CO.

Chartered 1866 Hartford, Conn.

OFFERS SPLENDID OPPORTUNITIES UNDER DIRECT CONTRACTS.

All Forms of Policies.

THE BOSTON MUTUAL LIFE INSURANCE COMPANY
141 MILK STREET, BOSTON, MASS.

HERBERT O. EDGERTON, Pres. FRANK H. VIELE, Sec'y and Treas

A corporation operating under the stringent Insurance Law of Massachusetts.
All desirable forms of up-to-date policy contracts issued.
All weekly premium policies in full immediate benefit.
CORRESPONDENCE SOLICITED.

Digitized by Google

Financial Summary of the Week

Amalgamated Copper.—Specialists in Amalgamated Copper continue to assert their belief that this stock is worth considerably more than the present market price of $50 to $51 a share, and that some recognition of the fact that it is selling too low, in view of its actual value, will soon have to be made. According to these specialists, the income of the Amalgamated Copper Company now amounts to $4.20 a share, as the dividends from the Anaconda, the Butte Coalition and United Metals Selling Company business aggregate $7,314,000 a year, and from this income, there is deducted only $800,000 for interest on the parent company's notes, leaving a net income from dividends of subsidiaries of $6,514,000, which is equivalent to the amount per share stated above, although the Amalgamated company pays only $2 on its shares. The stock holdings of the Amalgamated Copper Company, at the present market prices, amount to $107,560,000, and its cash on hand to $4,000,000, making a total of $111,560,000, from which there is deducted annually $16,000,000 in notes payable, leaving a net total of $95,560,000, which is equivalent to $62 a share, outside of the company's physical assets. The specialists who have compiled the foregoing figures, therefore, are convinced that the stock will soon command a much higher figure than it is now selling for.

American Beet Sugar Co.—The fiscal year of the American Beet Sugar Company does not close until March 31, next, and it is too early as yet to make an accurate forecast of the year's result. However, a large beet crop in this country is now a certainty, and because of the failure of the crop abroad, which has resulted in an increase in the price of sugar, profits of the American Beet Sugar Company will be materially strengthened. An increase of a cent a pound means an addition of $1,500,000 to the earnings of the company. It is estimated in good quarters that net profits in the current fiscal year will approximate 14 per cent on the common stock, as compared with 11 per cent in the fiscal year ended March 31, last.

Arizona Commercial Copper Co.—The protective committees of the Arizona Commercial Copper Company, of which N. J. Miller and Harry M. Stonemetz are the chairmen, the former for the stockholders and the latter for the bondholders, have agreed upon a reorganization plan practically as heretofore outlined, namely, the formation of a new company with a capitalization of 300,000 shares; an assessment of $3 per share on the present outstanding stock, for which new stock will be given, and an exchange of the present bonds into new stock, 140,000 shares for the present $1,000,000, and the retention of 40,000 shares of stock in the treasury. Deposits of both bonds and stocks, in accordance with this arrangement, have been called for, and the time set for making the same will expire on October 9.

Atchison, Topeka & Santa Fe Ry. Co.—In the month of August, the Atchison, Topeka & Santa Fe showed a loss in gross earnings of $201,719, and a loss in net of $882,625, comparison being made with the same time in the preceding year. The decline in net was due to heavy expenditures upon maintenance and improvement work, and not to an increase in transportation expenses, the latter showing a decrease.

Denver, Northwestern & Pacific Ry. Co.—The stockholders of the Denver, Northwestern & Pacific Railway Company, commonly known as the "Moffat road," will meet on October 14 to authorize an issue of $10,000,000 5 per cent bonds, $5,000,000 6 per cent income bonds and to vote on a proposed increase in the capital stock from $20,000,000 to $40,000,000, one-half of which is to be preferred stock. The new security issues are to be authorized for the reorganization of the company, and will be used in part to take care of the present outstanding bonds and the floating debt. The remainder will be held in the treasury, it is said, to be disposed of from time to time, as money is needed for construction or other purposes.

Diamond Match Co.—Profits of the Diamond Match Company in the current fiscal year are largely in excess of 1910, and according to official figures, the increase in the first half of the current year amounted to about 13 per cent. Many economies in operation have been inaugurated during the past year or more, and there is no reason for supposing at this time that this ratio of increase in profits cannot be maintained during the balance of the current year. It is fully expected that beginning with the distribution of March, 1912, the company's stock will be placed on a 7 per cent basis. Dividends are now at the rate of 6 per cent.

General Electric Co.—Although the General Electric Company is well fixed in the matter of surplus, it is not expected that there will be any change in the dividend rate for some time. This has been assured by an interest identified with the company. The next dividend of 2 per cent is payable October 14, and will be the last for the current year. The January dividend will be declared about the middle of November.

Goldfield Consolidated Mines Co.—Goldfield Consolidated in August, produced 30,582 tons, the largest monthly tonnage ever reported by the company. In July, the output was 29,253 tons, and in May, 29,410 tons, the latter being the previous high record for the current fiscal year. The gross value of the ore produced was $29.77 a ton, while the profit was $20.75 a ton, or $634,658 for the month.

Great Northern Ry.—Great Northern's annual report shows 8.34 per cent earned on the stock, or practically the same as in 1910. A feature of the balance sheet is the cash item of $21,460,918, or $15,000,000 more than in the year previous.

Illinois Brick Co.—After the regular quarterly meeting of the directors of the Illinois Brick Company, it was announced that business conditions do not warrant the payment of its dividend at this time. The company passed payment of its dividend three months ago, having formerly paid 2 per cent quarterly. Dividends are not likely to be resumed until the floating indebtedness has been materially decreased. Inability to sell stock at par as required by the terms of the charter forced the company to borrow heavily to install new machinery when the Penfield patents were taken over. Business is about up to normal, with building outlook promising.

Illinois Central Railroad Co.—The Illinois Central Railroad Company reports gross earnings for the fiscal year ending June 30, 1911, of $60,977,031, as against $57,881,721 for the preceding year. The surplus available for dividends aggregated $11,315,344, an amount that is equivalent to 10.2 per cent on the company's outstanding stock, as compared with 7.17 per cent earned in the 1910 fiscal year. The actual balance over and above all dividend requirements and other deductions was $5,009,114, and the total profit and loss surplus as of June 30, 1911, was $6,783,964.

Intercontinental Rubber Co.—Directors of this company have omitted the usual dividend on the common stock, which has paid four quarterly dividends of one per cent each, explaining that unsettled conditions in Mexico might affect the cost of operation, and that it seems to be the best policy to hold a surplus for future developments.

International Harvester Co.—Current business of the International Harvester Company is of unprecendented volume, the report of the fiscal year to end December 31, next, is expected to show the largest gross and net earnings in the company's history. It is not unlikely that total sales will reach $105,000,000, as compared with $101,166,000 in 1910, an increase of $3,834,000, and that the dividend balance will equal more than 15 per cent on the common stock after deducting preferred dividends. In the 1910 year, the balance for common dividends amounted to 14.8 per cent on $80,000,000 of stock now outstanding.

International Paper Co.—For the fiscal year ended June 31, last, the balance of $1,186,256 available for dividends was equal to 5.3 per cent on the $22,406,700 outstanding 6 per cent cumulative preferred stock. But for a depreciation charge of $484,760, which was charged out of earnings last year, in addition to the amount charged into operation account as in previous years, the report would have shown 7.5 per cent on the preferred stock. This compares with 4.5 per cent earned in 1910 and 2.6 per cent in 1909. Despite the fact that last year's gross established a high record, and that current business is good, there is no immediate prospect of an increase in the disbursement on the preferred stock. Directors aim to place the company in the strongest possible financial position before paying a higher rate on the stock. Back dividends on the preferred now total 13 per cent or $2,912,871.

Massachusetts Electric Co's.—A trustee of the Massachusetts Electric Companies is authority for the assertion that the preferred stockholders will shortly be informed as to the intentions of the management regarding the provision to be made for the payment of the 17¾ per cent of accumulated dividends. The forthcoming annual report will have something to say on the subject, and the directors will, in all probability, at their December meeting, take definite action thereon. Incidentally, he calls attention to the fact that the company's present income exceeds its preferred dividend requirements by over $500,000, and that the issue of approximately $3,000,000 of new preferred stock, as against the accumulated dividends, would call for less than $150,000.

National Lead Co.—National Lead's earnings at the present time are running at about the same rate as a year ago, when a balance of $1,705,732, or 4.3 per cent on the common stock was shown. While the margin above the present common rate is sufficient to warrant the continuance of that rate, it is not enough to justify any expectations of an increase in dividends. In fact, the management state frankly that no increase in the common rate is in prospect and that none is likely for some time to come.

New York, New Haven & Hartford R. R. Co.—The New York, New Haven & Hart-

Crucial Times for Corporations

The following news item was sent out by one of the Ticker Services to their subscribers during the height of the excitement on the Stock Exchange last Monday:

"Moody's Manual could not be borrowed even for a minute in the commission houses doing a big speculative business. In every such firm some one was busy going over the book which had furnished Mr. Wickersham with his evidence of the existence of 100 Trusts."

Moody's Manual of Railroads and Corporation Securities is used by the Government Departments because they demand the best. Can you afford to get along with anything less?

You should have this edition. Send your order today.

$12 United States and Canada Delivered

MOODY MANUAL COMPANY

33 BROADWAY :: :: :: NEW YORK

Digitized by Google

ford Railroad Company failed to earn its dividends from railroad operations in the fiscal year ending June 30, 1911, by $1,267,540. Its combined statement of earnings, however, including the income of its various steamship and other companies, shows that the actual deficit was only $315,288, and this, too, notwithstanding the fact that the year's dividend requirements were $2,695,771, in excess of those for the preceding year.

Otis Elevator Co.—Business of the Otis Elevator Company is larger than at any previous time. The increase in orders over this time a year ago amounts to about 5 per cent. The outlook is highly favorable, and indications now point to earnings equal to over 10 per cent on the $6,375,300 common stock outstanding.

Pennsylvania R. R. Co.—The Pennsylvania system's report for August showed a decrease in net for lines East and West of $456,831. Gross was $1,101,952 smaller, while operating expenses were curtailed $615,120. For the eight months ended August 31, gross earnings of the system show a shrinkage of $9,510,815. Operating expenses were $5,075,648 smaller, so that net showed a contraction of $4,435,171.

Pope Manufacturing Co.—This company reports as follows for the year ended July 31, 1911: Income from operation, $169,310; other income, $107,928; total income, $277,238; miscellaneous losses and expenses, $63,119; net income, $214,119; preferred dividends, $137,892; surplus, $76,227; total surplus, $936,430.

Southern Ry. Co.—The directors of the Southern Railway have declared a semi-annual dividend of 1 per cent on the preferred stock, the same as last February, when dividends on this issue were resumed. From October, 1902, to April, 1907, the company paid dividends at the rate of 5 per cent a year. In October, 1907, the payment was reduced to 1½ per cent, which was the last declaration until February of the current year.

Tennessee Copper Co.—Directors do not meet for consideration of dividends, which are declared annually, until December. According to present indications, shareholders are likely to receive $2 a share on their holdings this year, an increase of 50 cents a share over last year's distribution. There is talk of placing the stock on a 2 per cent, or 50 cent quarterly basis, and it may be that the directors will decide to follow such a course when they meet for dividend action.

United States Finishing Co.—This company reports for the year ended June 30, 1911, as follows: Receipts from products, $4,941,866; costs of production, $3,535,221; net, $1,406,745; other income, $51,131; total income, $1,457,876; maintenance and general expenses, $896,123; balance, $561,753; charges and preferred dividends, $282,500, common dividends, $120,000; surplus, $59,253. Profit and loss surplus as of June 30, 1911, was $1,626,880.

United States Steel Corporation.—The net earnings of the United States Steel Corporation for the quarter just closed, it is said, are likely to be in excess of earlier estimates. In July, net earnings reached $11,000,000, and allowing for deliveries of steel at lower prices, it is likely that the income for the whole quarter will run between $31,000,000 and $31,500,000. This would mean that the common dividend for the quarter had been earned twice over. In this connection, however, it is not likely that the last quarter will show up as favorably, as shipments of steel will be made on an even lower price average than in the quarter just ended.

Western Electric Co.—From incorporation, the company has distributed to its stockholders in the form of extra dividends the amount of nearly $13,000,000 par value, all except 6 per cent being stock dividends. As the business of the company so far in 1911 has been at the rate of $66,000,000 for the year which would make it the second largest year recorded, and as the company has provided financially for development for some time to come, it would seem that the prospects for some sort of an extra distribution to the shareholders this year are unusually good.

BOISE, IDAHO.—A charter has been issued to the Pacific National Bank, with a capital of $200,000. H. B. Eastman, president; E. W. Wilson, vice-president; F. H. Parsons, cashier; J. H. Black, assistant cashier, and E. W. Tucker, assistant cashier.

What Bank Examiners Say

The Deputy Bank Examiner of the State of Washington and the Deputy Bank Examiner of Missouri Give Helpful Information to Their Fellow-Craftsmen.

Mr. A. V. Hayden, who holds the post of deputy bank examiner for the state of Washington, recently accepted the invitation of Comptroller Murray to contribute a paper for the meeting of the national bank examiners which Mr. Murray had summoned to meet at Spokane. The paper which he prepared was in itself evidence that as time progresses the quality of the instruction which examiners receive at these conventions is steadily improving. With especial pleasure we print that paper this week, in order that it may have the far wider circulation to which it is entitled than it could obtain by mere presentation to those gathered at Spokane.

It deals with that

PRACTICAL SUBJECT

on which bankers as well as bank examiners can always receive aid with advantage, the common law. No other topic deserves such emphasis or can bear more frequent repetition. Especial provisions of statute found in the banking code of each state are almost certain to be more familiar to bankers for they have had part in shaping the code. The common law, with its ancient and honorable origin, is less frequently a topic of discussion. It is fitting, too, that the one selected to present the paper should have been from our most northwesterly state, for in no part of the country is enthusiasm for good banking law more in evidence.

The other paper which we present this week is from the pen of W. G. Planck, deputy bank commissioner of Missouri. It is a heart-to-heart talk on some of the essentials of examinations, and lauds very highly examinations by clearing house examiners.

Common Law As a Necessary Part of the Equipment of a Bank Examiner.

[By A. V. Hayden, Deputy Bank Examiner for the State of Washington.]

Our modern negotiable instruments law is based upon the old English Common Law, first enforced by Justinian, after the Roman conquest, and compiled, in a form called Year Books, during the reign of Charles II; as times have changed, and we have changed with them, these laws have been made to fit the times, and the needs of a people living under a more enlightened civilization; even in our great commonwealth, we have many different interpretations of the same clause in the negotiable instruments act.

I shall try to present to you some of the more

PERTINENT LEGAL PROBLEMS

which come before us in our daily walk and conversation as examiners.

Up to the last six months, it was unnecessary to assign a mortgage. If the mortgage note was duly endorsed, in blank, or assigned, the holder of such mortgage note was protected in his equity, as against the property. It became a common practice not to demand an assignment; or, if obtained, it was seldom put on record; a recent decision of our Supreme Court holds that the innocent holder must be protected in case of a fraudulent transfer of the property, the mortgage having been released, also fraudulently; the bank still has recourse, as against the endorser of the note, but only as against his responsibility generally, the bank's equity in the property having been lost.

This makes it necessary for a bank taking a mortgage note and mortgage as collateral, to be sure and take an assignment of the mortgage, and to at once put such assignment on record; of course, a mortgage itself need not be put on record as between the parties at interest; but in case of fraud, the property having been re-mortgaged, and this later one being on record, the first one is of no value. I have taken the stand that all mortgages

MUST BE DULY RECORDED,

or I mark the paper as unsecured. I shall now insist upon an assignment of the mortgage, when a bank has taken a note secured by a mortgage as collateral. I was recently asked if I thought the cashier of the bank then under examination could, as trustee for the creditors of a failed corporation, set aside a mortgage for $25,000, the commission on which had been $20,000. I am of the opinion that it could be set aside, even though the company obtaining the loan shows full consent, as they accepted the $5,000. The case will be tried soon, unless settled out of court, and it will be of some interest to see how it is decided.

I have a case where a bank has foreclosed a chattel mortgage, and has possession of the property, notwithstanding the good faith clause was not in the instrument; it would be manifestly most unfair to the bank to have to give up the property, as the loan was made, and the chattel given many months before the company was in financial deep waters; there can be no quesiton at all as to any

INTENTION TO DEFRAUD

any other creditors, and I think the court should give judgment accordingly.

This suggests a question—should the court be always governed absolutely by the law in the case? Where a bank has shown entire good faith, as in the case above, and the date of the instrument shows good faith in intent, should the bank have to lose frome a mere oversight? Ignorance of the law is presumed to excuse no man, but there may be extenuating circumstances which the court should not ignore.

The question of the proper signature on corporation notes, and a copy of the minutes giving such officer of a corporation authority to sign, and the amount to which he is lim-

Digitized by Google

ited for such signature, is perhaps the most common one we find; the courts of the various states are full of cases where the banks have been derelict in this matter, the dishonest officer having used the money for his own speculations, and the bank being loser in the amount so used. It is just as essential for a bank to have an authorization as to checks cashed at the window, for while the checks or drafts may be properly endorsed, the bank may be held if it pays them, if the dishonest messenger has been sent to the bank to deposit the money. I say "may" be held, as I know of one case where the properly recognized agent of a company, who was duly authorized to sign notes, make deposits, sign checks, and generally run the business, used checks and other demands for money, to a large amount, and the court held that the

BANK HAD BEEN REMISS

in not having obtained authority in writing from the head of the concern giving the local manager the right to cash checks for them.

It is a bad practice. I always advise that the bank demand, or insist upon all checks being deposited, the depositor then giving a check on his account for what cash he may need.

Metes and bounds descriptions of property for mortgage or collateral purposes are most unsatisfactory, and if there was any way to get all property surveyed, it would be a most excellent thing. In one particularly mountainous district, I had one young man forestall the copying of such a description by telling me that I did not want to take it, as it was described "in leaps and bounds"—considering the character of the country around about, I thought it very apt.

This brings up the question of the fitness of the man who is to be

THE ACTIVE MANAGER

of the destinies of a bank. He should have a working knowledge of legal requirements in given cases, or he will make some sad mistakes, and at the expense of his dividends. I found one cashier who had a bill of lading marked "bill of reading"; another had a statement of a customer, showing the liabilities to be blank amount, with "credibilities" to balance. In this particular statement the "credibility" had to be on the part of the cashier. I find notes taken for security not endorsed; stock taken as collateral, not assigned—it is poor security, but it should at least be assigned; and other careless things. If a borrower is good without security why take it? If he gives the security, it should be in condition to meet all the legal requirements if the bank has to look to it; and the man in charge should keep it that way, and know when it is.

Our corporation law says that the books of the company must show the transfer of stock; in the case of a failed bank the assessment would then be levied against the name found in the stock certificate book, notwithstanding it might have been sold, and the transfer not completed on the books of the bank. This is of interest, as banks will fail occasionally, in spite of the "ounce of prevention" here assembled. I would like to hear this question discussed.

Our department closed a bank some time since, and during the 30 days I was in charge, some interesting points arose concerning the

RIGHT OF "OFFSET".

Here was one: The bank owed some $30,000 to its correspondent, the president and a director having given a note, for the use of the bank, to build up its reserve; as security, they had given to the out-of-town bank notes in equal amount, duly cancelled on the books of the bank; when the correspondent presented the notes over the counter for the credit due from monies on deposit, I refused to allow it, taking the ground that I would be remitting part of the trust fund belonging to the depositors of the bank. We would have been paying out of this fund good money for a more or less problematical return, for unless the bank would pay dollar for dollar, which, of course, we had no way of knowing at that time, we would have been short the amount between the balance and that eventually recovered by the receiver for each account; this view, after advisement, was accepted by the attorneys for the correspondent.

We allowed no offsets for drafts; it was too complicated; the identity of the buyer was to be considered; the endorsement without recourse of the payee, or the lack of endorsement of the same; the time it had been bought, and how long held; the question of title—a railway company had accepted for years the draft of this bank from its agent, and sent it back to him—could they hold him personally responsible? He also had a note in the bank—was it a deposit, and should I have allowed the offset? All of these things came up, and I took

THE EASIEST WAY,

and now the receiver is no doubt struggling with them.

I am asked many times about the stop payment of checks, drafts and certificates of deposit. A recent decision, about a year ago, in New York was to the effect that the innocent holder of a check, in due course and for value must not be made a party to the quarrel between John Doe and John Smith, and held for him. I know of a bank in Seattle which has adopted this as a precedent to be followed, and when in the hurry of a busy day, one of its tellers pays such a check, it is returned to the depositor, with other canceled vouchers at the end of the month; in three cases, the depositor has insisted upon an immediate credit of the amount on his pass-book; the bank has made the credit, but has within the half hour notified the depositor of its intention to bring suit for recovery of the amount; and in three cases the attorneys for the depositor have come to the bank with the check, asking that the suit be not brought, and that the account be again charged with the check; there is no question as to the check presented directly by the payee; the bank, of course, will do all it can for its depositor, and refuse payment, but the innocent holder should be protected.

The innocent holder in the case of forged paper, loses; a draft with a forged endorsement, a check, a certificate, any negotiable instrument, is a loss to the one who first accepted the forged name; but fraud is much different from the quarrel which usually precedes the stopping of a check; and I believe the

NEW YORK COURTS'

finding will be generally adopted.

To stop payment on a check after certification is a dangerous thing; if passed over to the again innocent holder, the bank must pay; if the instrument is a certificate of deposit, the bond should be made large enough to cover any possible suit for damages brought by another innocent holder.

Too many banks allow some officer or clerk to protest items; any negotiable instrument executed and transferred within the confines of any given state does not require protest, even if a letter advises protest, it is not necessary; the custom makes bad feeling, and loses deposits for a bank, and the officers of the bank should frown upon it. The endorsers of an inland bill of exchange are held without protest of the item, or instrument.

The old Law Merchant requires that notice of non-payment be sent to each party at interest, in the case where the note is a simple promise to pay, with no waivers of notice, presentment and so forth; this is found quite frequently in a bank, and the attention of the cashier should be called to the note, that the bank may be saved a possible loss. I think the

LAW A VERY POOR ONE;

it must be one from the Year Books referred to before. The endorser on a note writes his name, because he expects to pay it if he must. It is a technicality which has survived since King Edward's time, and should be stricken from our laws. I had a case where the endorser had asked the assistant cashier of the bank to witness upon the back, just beneath her endorsement, the purpose for which the bank had discounted the note—the man receiving the money duly acknowledging the payment as for the purpose described. On the due date the endorser did not come in, and the maker also forgot to call—he was not good, and the bank had looked to the endorser. She denied receiving any notice of non-payment, and the note must be sued for; upon advice of attorneys, she refuses payment on grounds set forth above.

The term "a reasonable time" causes a lot of litigation. In the case of a failed bank, this comes to the front noticeably. The old Law Merchant describes a reasonable time for the immediate town or city as tweny-four hours; but I am of the opinion that most courts take into consideration all of the circumstances—the daily, semi weekly or weekly deposit day of the holder; the date of the check, draft or certificate; and any physical reason which might keep one from presenting the check.

A RECENT DECISION

by a Seattle court is of great interest to us, and to banks. The case was a criminal one, brought against two partners, who had given to the bank a false statement, upon the strength

Digitized by Google

The Best Purchases on the Industrial List

As Indicated by the Two Standards of Comparison: of Present Investment Yield on Basis of Current Dividends and Prevailing Market Price, and on Basis of Present Earnings on Prevailing Market Values

The average net yield of the 50 industrial stocks quoted in the following table was 6.35 per cent on October 3, as compared with 6.49 per cent on September 26, 6.30 per cent on January 3, and 5.76 per cent on January 2, 1910.

Holders of the shares of industrial companies are naturally very much interested in the general trade situation, since upon the movement of business depends, in many instances, at least, the maintenance of current dividend rates, while in other cases stock issues which appear to be in line for initial payments, may have to continue in the unproductive class for an other year or more, should industrial activity give evidence of a turn for the worse. The United States Steel Corporation is attracting a greater degree of interest than any other industrial corporation at the present time, because of the insane manner in which it has been attacked recently. The frenzy, however, so far as this issue is concerned, appears to have passed its climax, and there is a marked disposition at the present time to take a sauer view of the outcome.

According to present intimation, the net earnings of the United States Steel Corporation for the September quarter are likely to be better than was expected and predicted a short time ago. In the month of July, it was stated, net earnings amounted to about $11,000,000, and allowing for deliveries of steel at lower prices, it is likely that the income for the entire quarter will run between $31,000,000 and $31,500,000. Such a showing as this would mean that the common dividend for the quarter had been earned twice over. In this connection, however, it is only fair to point out that unless price conditions show an early change for the better, the current quarter is not likely to make as favorable a showing, as shipments of steel will be made on an even lower price average than in the quarter just ended. However, if the results for the last quarter are as good as this prediction would indicate, they should go a long way toward reassuring those timid holders of the common stock who have seen in recent market developments a threat against the permanence of the present 5 per cent dividend rate.

There are a number of other industrial corporations which are showing better results than is suspected by the average uninformed outsider. One of these is the American Beet Sugar Company, which for the current fiscal year, which does not close until March 31, next, is likely to show better than 15 per cent earned on the common stock, as compared with about 11 per cent in the last fiscal period. The company is favored by a large beet crop in this country, coupled with a failure of foreign crops, a combination which will mean a larger margin of profit to the company. It is pointed out that an increase of a cent a pound in the price of sugar means an addition of $1,500,000 to the corporation's earnings.

Stocks.	Present dividend	Price.	Yield on present price.	Present rank	Stocks	Price	Earnings on present price	Year ended	
Am. Cotton Oil, com.	5%	50	10.00	1	Inter. Merc. Marine, pref.	17	6.47	Dec. 31, 1910	
Republic I. & S., pref.	7%	84	8.33	2	Bethlehem Steel, pref.	56	22.76	Dec. 31, 1910	
U. S. Steel, com.	5%	61	8.20	3	Ry. Steel Spring, com.	47	7.40	Dec. 31, 1910	
United Dry Goods, com.	8%	98	8.16	4	Am. Beet Sugar, com.	52	21.60	Mar. 31, 1911	
U. S. Leather, 2d, pref.	6%	74	8.11	5	Pressed Steel Car, com.	38	21.05	Dec. 31, 1910	
Am. Woolen, pref.	7%	87	8.05	6	Westinghouse, com.	61	20.77	Mar. 31, 1911	
Am. Writing Paper, pref.	8%	95	8.00	7	Am. Locomotive, com.	38	26.53	Jne. 30, 1911	
Union Bag & Paper, pref.	4%	53	7.55	8	Am. Ag. Chem., com.	47	28.05	Jne. 30, 1911	
U. S. Realty & Imp.	5%	67	7.46	8	Allis-Chalmers, pref.	37	18.70	Jne. 30, 1911	
Ry. Steel Spring, pref.	7%	94	7.45	10	Sears, Roebuck, com.	156	16.13	Dec. 31, 1910	
Nat. Enam. & Stpg., pref.	7%	94	7.45	11	Am. Car & Fdy., com.	45	17.78	Apr. 30, 1911	
Central Leather, pref.	7%	94	7.45	12	Am. Ice Sec. Co.	27	14.90	Oct 31, 1910	
Inter. Steam Pump, pref.	6%	81	7.41	13	Inter. Harvester, com.	103	13.75	Dec. 31, 1910	
Pressed Steel Car, pref.	7%	95	7.37	14	United Fruit	188	11.25	Sept 30, 1911	
Va.-Carolina Chem., pref.	8%	114	7.02	15	U. S. Realty & Imp.	67	13.05	Apr. 30, 1911	
Am. Smelt. & Rfg., pref.	7%	101	6.93	16	Am. Cotton Oil, com.	50	13.00	Aug. 31, 1910	
Laclede Gas	7%	102	6.86	17	Am. Woolen, com.	70	13.50	Dec. 31, 1910	
Peoples Gas	7%	104	6.73	18	Colo. Fuel & Iron, com.	47	11.90	Jne. 30, 1911	
Corn Prod. Rfg., pref.	5%	75	6.66	19	General Electric	168	11.25	Dec. 31, 1910	
Am. Locomotive, pref.	7%	105	6.66	20	Nat. Enam. & Stpg., com.	15	11.25	Jne. 30, 1911	
Corn Prod. Rfg., pref.	5%	75	6.66	21	Republic I. & S., com.	37	13.05	Jne. 30, 1911	
National Lead, pref.	7%	105	6.66	22	Inter. Paper, pref.	78	11.00	Jne. 30, 1911	
National Lead, com.	30	46	6.52	23	Union Bag & Paper, pref.	52	10.45	Jan. 31, 1911	
Distiller's Sec. Corp.	20	31	6.45	24	Am. Steel & Wire, com.	93	7.00	Apr. 30, 1911	
U. S. Steel, pref.	10	106	6.42	25	Am. Linseed, pref.	37	6.80	July 31, 1911	
Am. Beet Sugar, pref.	5%	85	6.31	26	U. S. Cast Iron Pipe, pref.	40	9.70	May 31 1911	
Westinghouse, 1st pref.	7%	111	6.30	27	Distillers Sec. Co.	11	9.50	Jne. 30, 1911	
Am. Smelt. & Rdg., com.	10	61	6.25	28	U. S. Steel, com.	61	9.40	Jne. 30, 1911 (3 mos.)	
Am. Tobacco, pref.	6%	96	6.25	29	National Lead, com.	46	9.40	Dec. 31, 1910	
Am. Sugar, com.	7%	114	6.14	30	Corn Products Rfg., pref.	75	9.40	Feb 28, 1911	
Va.-Carolina Chem., com.	40	49	6.12	31	Western Union	77	5.20	Sept. 30, 1911	
Am. Sugar, pref.	7%	115	6.09	32	United Dry Goods, com.	80	7.10	July 15, 1911 (6 mos.)	
Am. Can, pref.	5%	83	6.02	33	Pressed Steel Car, com.	104	8.05	Dec. 31, 1910	
Mathay Conserves, com.	5%	83	6.02	34	Am. Can, pref.	83	8.25	Dec. 31, 1910	
Am. Car & Foundry, pref.	7%	117	5.98	35	Lead, Com'l	4	8.15	Jne. 30, 1911 (6 mos.)	
Inter. Harvester, pref.	7%	117	5.98	36	N. Y. Air Brake	55	8.15	Dec 31, 1910	
Am. Tel. & Tel.	8%	134	5.97	37	American Smelting & Refining Copper	79	8.00	Apr 30, 1911	
Pacific Coast, com.	6%	102	5.88	38	National Lead, com.	120	7.85	Jan 31, 1911	
Am. Ag. Chem., pref.	6%	105	5.88	39	Am. Tel. & Tel.	134	7.40	Jne. 30, 1911 (6 mos.)	
Sears, Roebuck, com.	7%	126	5.55	40	Tennessee Copper	73	6.75	Dec. 31, 1910	
National Lead, com.	7%	126	5.55	41	Am. Malt Corp., pref.	43	6.65	Aug. 31, 1910	
General Electric	8%	148	5.41	42	Va.-Carolina Chem., com.	49	6.65	May 31, 1911	
Inter. Harvester, com.	5%	103	4.90	43	Am. Sugar, com.	114	6.59	Dec. 31, 1910	
Am. Malt Corp., pref.	2%	47	4.26	44	Mackay Companies, com.	83	6.29	Jan. 31, 1911	
Consolidated Gas	5%	126	4.11	45	Standard Oil, com.	66	5.60	Nov. 30, 1910	
Am. Car & Fdy., com.	2%	45	4.11	46	Corn Products Rfg., com.	137	5.50	Dec. 31, 1910	
Underwood Typewriter	4	90	4.44	47	U. S. Leather, com.	44	3.00	Mar 31, 1911	
Inter. Paper, pref.	2%	48	4.17	48	Am. Steel Foundries	39	4.85	Mar. 31, 1911 (8 mos.)	
Amalgamated Copper.	4%	95	4.21	49	Central Leather, pref.	94	4.80	Dec 31, 1910	
Western Union	5%	77	6.49	50	Int. Steam Pump, com.	70	2.65	Jne. 30 1911 (3 mos.)	

Digitized by Google

of which they had been given an extended credit. Shortly after the placing of the credit to their account, they failed, and an examination of their banks and methods revealed a particularly bad condition. The usual form of statement in this state was largely made up by our State Bankers' Association, and begins with the declaration that the statement is given for the purpose of obtaining credit. The criminal charge was based upon this clause, and the judge, in passing sentence, said that as it was a practically unknown law, and this the first conviction, he would forego the penitentiary sentence the crime warranted, but would fine them each $1,000 and costs. This is a move in the right direction—may it have the effect it should upon any false statements now among the files of the banks.

This judge looks at it very differently from an Oregon one. In this case, a Tacoma wholesale house had, upon a statement rendered showing a good condition, and having in it the clause as to the purpose of obtaining credit, granted the $2,000 credit asked for, and shipped goods in that amount. Within less than a month, the firm went into voluntary liquidation. The Tacoma firm brought criminal suit; the Oregon judge held that the clause did not betray any criminal intent; that the condition described was what they thought they might be worth; that the credit had been advanced upon the showing made, and not because they were afraid that they would go to jail if it was not true—or words to that effect. I have this from the secretary of the Tacoma firm, but may not have it worded in the best manner.

He was also telling me of the corporation law in his state—former state, I mean. He said that nearly all corporations had the double liability, and some particular manufacturing plants had a triple one; this would make it a lot easier for the banker to do business. As it is, an

EXAMINER MUST INSIST

upon the personal endorsement of all corporation paper. The larger ones do not object; the paradox is here, as they most generally have a responsibility; but the small one, with the minimum of capital, with several times the capital borrowed—its trustees will consider it a personal affront if we ask for the personal guaranty of paper which they expect the bank to carry without question. One secretary of a corporation told me that they had incorporated to evade the very thing I was asking them to do, and it is needless to say that the paper became very fully endorsed within the next few minutes.

An Ohio court has of late made an important decision regarding lake telegraphic transfers; the court held that the bank could recover, the telegraphic transfer of funds having been made as usual, the bank having taken the ordinary precautions as to identifications, receipts, and so forth, and the duly accredited agent of the company, in uniform, having delivered the message; this is good news.

Bills of lading and assignments of invoices for lumber and shingles shipped are elusive things; I

BOSTON STOCKS AND BONDS

For the Week Ending Thursday Evening, October 5, 1911.

Names.	RANGE FOR WEEK		Last Sale	Sales for Week	RANGE FOR YEAR OF 1911.						RANGE FROM JAN., 1879, TO JAN., 1911.			
					Lowest			Highest			Lowest		Highest	
Railroads.	Low	High												
Boston & Albany	220	221	220	92	219	Sept		226	Feb	15	139	1879	*280	1906
Boston Elevated	124½	125	125	197	124½	Oct	3	130½	Aug	2	52¾	1898	190	1907
Boston & Maine	100¾	100	100	246	99	Sept	15	122¾	Feb	15	108¾	1879	230	1837
do. pref.	...	...	148	.....	148	Sept	5	154	June	5	134¾	1891	180	1902
Cent. Verm't 4s	88½	89½	88¾	600	82½	Sept	20	92	Mar	22	75	1904	98½	1899
C. B. & Q. Jt. 4s	95¾	96	96	9,000	95½	Jan	5	98¼	June	2	82½	1907	102	1896
Chic. Junc. R...	...	...	158	.....	156	Apr	29	165	Aug	23	50	1893	182	1904
do. 5s	...	...	101½	.....	101¼	Sept	23	102	Aug	21	89¾	1891	116	1899
Fitchburg pref..	125	125¾	125¾	35	125	Sept	20	130	Jan	9	63½	1879	141	1906
K.C.,Ft.S.&M.6s	116½	116½	116½	.....	115	Mar	22	116¾	Jan	.	76	1895	128	1902
K.C.M.&B. new6s	...	...	92	.....	91½	Jan	19	93½	Jan	.	425%	1894	3102	1905
do. inc. 5s....	...	...	89	.....	88	Apr	6	90	Mar	14	8	1895	104	1902
N.Y., N.H. & H.	131½	132¾	132¾	500	128¼	Sept	14	151¾	Feb	22	127	1907	279	1899
Old Colony.....	187	187	187	31	183	Mar	15	199	June	14	96	1879	221	1893
Rutland pref....	33½	33½	33½	10	32	Jan	26	45	Aug	4	6¼	1879	125¾	1902
West End.....	85	85½	85¾	467	85	Oct	4	95	Feb	6	48	1894	102	1905
do. pref.	100	100½	100¾	15	100	Sept	26	105	June	22	78	1888	118¾	1901
Miscellanc's.														
Am. Agri. Chem.	47	48	47¾	125	46½	Sept	26	60½	May	19	6	1903	50¾	1909
do. pref.	100	100½	100¾	578	99	Jan	6	105¾	Mar	1	75½	1903	105	1910
Am. Pneu. Ser..	3½	3¾	3½	375	3½	Oct	4	6¼	Jan	31	-	1903	29	1906
do. pref.	14	14½	14	90	12¾	Sept	1	19¾	Jan	31	8¼	1908	46	1906
Am. Tel. & Tel.	132¾	134¼	134¾	2,622	131¾	Aug	30	153¾	Jan	3	88	1907	186	1899
do. 4s	90¾	90¾	90¾	65,000	89¼	Mar	22	92	May	23	71	1907	101½	1901
do. cons. 4s...	106	106¼	106¼	21,000	104	Aug	25	111¾	June	19	80¾	1908	107¾	1899
Am. Woolen.....	...	...	28½	.....	27½	Sept	19	36¼	Mar	20	7¼	1908	48	1899
do. pref.	87¾	88	88	359	86¾	Sept	26	96½	June	15	45	1903	110¾	1901
B. & Wor. Elec.	9	9	9	10	6	Feb	15	13	July	13	3	1910	39¼	1901
do. pref.	50	50	50	50	38½	Jan	27	58	July	1	26	1910	90	1900
Cumber'd Tele..	...	...	150	.....	146	Jan	13	158	June	2	93¼	1907	153½	1911
Dom. Coal 6s....	98	98	98	500	90	Jan	4	98½	Sept	22	90	1908	101½	1902
E. Boston Land.	9¾	10	10	150	7¼	Jan	1	12	May	1	3¾	1893	187¾	1899
Edis. Elec. Ill..	280	283	280	49	275	Sept	9	293½	Feb	3	10	1893	310	1900
Gen'l Elec. Co...	149	150	148	198	142	Sept	22	167¾	May	29	20½	1896	258½	1901
Mass. Elec.....	17½	19¾	19¾	1,300	16	Apr	24	24	June	3	6½	1907	45¾	1902
Mass. pref.....	87	89¼	89½	1,510	83¾	Jan	9	96	July	11	37	1907	99	1902
Mass. Gas.....	88¾	90¾	90¾	790	87¾	Sept	28	96¾	Aug	4	30	1903	91¾	1910
do. pref.	96¾	97	97	754	91¾	Apr	13	98	Aug	24	74½	1902	97	1914
Mergenthaler ...	227½	226	226	4	211	Jan	3	250	July	31	118¾	1897	226	1911
N. E. Cot. Y'n.	103½	104	103¾	49	103¾	Oct	4	119	Mar	14	60	1908	135	1900
do. pref.	106	107	106	25	106	Oct	5	116½	Mar	15	34¾	1908	118	1900
do. 5s	99	99	99	11,000	99	Oct	4	101	June	20	93	1908	105¾	1901
N. E. Telephone.	144¾	145	145	32	137	Jan	17	150½	June	10	78¾	1879	270	1900
Portland Elec...	65	66	65½	235	63¾	July	29	65¾	Sept	5	.....	.....	.....	.....
Pullman Car....	154	155	155	173	153	Sept	25	163	Jan	30	58	1901	231½	1906
Reece But. H...	13	12	12	20	12	Jan	5	16¾	May	22	7¼	1884	168	1901
Torr'g'n Co.Cl.A	29	29¾	29½	158	29	Sept	30	36	Jan	7	13	1905	37	1910
do. pref.	29	29	29	10	27	Sept	6	30	July	26	20	1907	35	1909
U'ted Fruit Co..	183	189	188	511	180	Aug	28	197	June	12	73	1901	200	1910
U'ted Fruit 4½s.	...	...	96¼	.....	95¾	Apr	17	97¼	Jan	6	85	1910	97½	1911
Un. Shoe Mac'y.	42	43	42	2,713	40¾	Aug	23	58¾	Feb	18	*28	1900	95½	1905
do. pref.	28¾	27	27	187	26½	Sept	22	29¼	Mar	7	23	1900	89¼	1905
West. Tel. & T..	19¾	20	20	1,700	15	Sept	26	23¼	Feb	6	4	1908	23¼	1902
do. pref.	87½	86¼	95¾	20	88	Jan	24	100	July	22	50	1907	108¾	1902
do. 5s	94½	90	96¼	8,000	90¾	Jan	3	100	July	25	74	1907	106¼	1902
Mining.														
Adventure	4	4¼	4	100	4	Oct	4	7¼	May	18	† 63½	1907	33	1901
Allouez	24	25	24¼	181	21	Aug	26	39	Jan	6	9c	1894	74¼	1907
Amalgamated ..	48¼	51¼	49¾	6,973	44½	Sept	25	71½	June	28	33¾	1902	129½	1899
Am. Zinc.....	19¾	22¼	20¾	3,965	19¾	Oct	5	30¾	June	14	5	1901	67	1899
Arizona Com....	50	.90	.55	2,300	.55	Sept	9	18¾	June	14	7¾	1907	51¾	1900
Bos. & Corbin...	4½	5¼	4¾	810	3¾	Aug	24	15½	June	6	6	1907	25	1900
Butte Bal'k'la...	4	4¼	4	385	3¾	Aug	29	6¾	Jan	4	4½	1910	18¼	1910
Butte Coalition..	14¼	15	14½	1,020	14	Sept	26	20¼	May	24	10	1907	42	1900
Calumet & Ariz.	47¾	50¾	48¾	1,701	46	Sept	25	62	June	14	44¾	1910	198	1,407
Calum. & Hecla.	390	396	392	87	360	Sept	25	545	Jan	4	124	1884	1000	1907
Centennial	...	...	8	.....	8	Sept	27	11	Jan	3	10c	1896	61	1899
Copper Range..	50	51	50¾	925	46½	Sept	25	69¾	Feb	2	37	1908	105	1907
Daly-West	5¼	5½	5¾	515	3	Feb	15	6¼	June	21	3¼	1910	58	1903
East Butte.....	9¼	10	9¾	1,952	8¾	July	24	14¾	June	26	3½	1908	18¾	1907
Elm River.....	...	...	.10	.....	.10	July	14	20	Jan	6	.05	1910	7	.90
Franklin	6¼	6¾	6¾	745	5¼	Aug	24	14	June	14	4	1879	30	1899
Giroux	3¾	4	3¾	2,251	3¾	Sept	26	8¼	Feb	6	2¾	1907	13¾	1902
Granby	27½	28	28	220	26	Aug	25	43½	June	21	20	1910	151	1907
Greene Cananea.	5¾	6	5¾	1,435	5 5-16	Feb	9	8	June	26	5	1907	18	1907
Hancock, Con...	18½	19	18¾	170	17	Sept	26	30¼	June	19	1¾	1907	26	1910
Helvetia	95	1	1	350	.75	Sept	25	3	Mar	6	1¾	1910	38	1900
Isl'd C'k Coal&c.	33	33¾	33½	377	29¼	May	9	40¾	June	3	30¾	1910	33¾	1910
do. pref.&c ...	82½	84	83¾	101	82¼	Sept	25	91	June	13	84¼	1910	90¼	1910
Isle Royale.....	12¾	13¼	12¾	290	11¾	Aug	24	19¼	June	13	5¼	1903	75	1900
Kerr Lake.....	3¾	3¾	3¾	557	3¼	Sept	18	7¾	Jan	23	6	1910	35	1907
Keweenaw	2	2	2	10	1¾	May	10	3¾	June	14	2½	1910	7¾	1900
La Salle.....	3¾	3¾	3¾	115	3	Aug	18	6	Jan	3	3	1908	23¼	1906
Lake Copper....	27½	28	27¾	2,072	23¾	Aug	26	40	June	12	4	1907	94¼	1910
Mass. Cons.....	5	5	5	50	4¾	Aug	23	13	June	19	2¼	1903	37¾	1901
Miami	16¾	17	17	65	16¾	Oct	3	22¾	June	21	4¾	1908	29	1910
Michigan	...	...	1¾	.....	1¾	Sept	22	4¾	May	6	3	1909	34¼	1907
Mohawk	56	59½	59	55	56	Apr	24	83	June	15	11¼	1909	*97	1907
Nev. Cons.....	16	16¼	16¼	1,172	15	Sept	22	21¾	June	15	6¼	1907	30	1899
New Arcadian...	2	2¼	2¼	410	2	Sept	29	4¾	May	17	1¾	1907	19	1900
Niplssing	7¾	8	7¾	279	7¼	Aug	26	11¼	Feb	17	5	1906	195½	1900
North Butte.....	24½	24½	24	4,500	20	Sept	25	36	June	13	13¾	1910	120	1907
North Lake.....	4½	4¾	4½	494	3¾	Aug	23	9¾	June	3	4½	1909	11¾	1900
Old Dominion...	26	26¾	26	365	24¾	Sept	25	49	June	19	9¼	1904	66¾	1900
Osceola	82	86	83	4,507	81	Sept	22	124	Jan	4	7½	1889	281	1907
Parrot	35¾	35¾	35¾	117	33¾	Sept	22	43¾	May	22	8¾	1907	72¼	1899
Quincy	58	60	60	74	55	Sept	22	74	July	24	30	1879	190	1899
Ray Consol'ted..	13½	13¾	13¾	520	13	Sept	25	18¾	Jan	.	7¼	1908	27¼	1906
Santa Fe.....	.90	.90	.90	100	.75	Apr	26	1¾	June	13	1	1903	22	1900
Shannon	7	7¾	7	1,561	7	Oct	4	12¾	Feb	6	3½	1904	24¾	1907
Superior Copper.	21¾	21¾	21¾	125	21	Aug	17	34½	June	14	7	1907	69¾	1910
Sup. & Boston..	3	3	2¾	200	2¼	Sept	13	8¾	June	15	18¾	1908	1¾	1899
Tamarack	23½	23	21	177	20	Sept	26	52	Jan	3	45¼	1910	262	1907
Tennessee	...	...	34¾	.....	34¾	Aug	9	43½	June	12	9½	1907	55½	1907
Trinity	3¾	3¾	3¾	400	3¾	Oct	5	6	June	20	2¾	1904	42¾	1907
U. S. Smelting..	31¾	32¾	31¾	725	30¾	Sept	27	40¼	June	14	24¾	1907	70	1907
do. pref.	40	46	40	300	45¾	Aug	30	49¼	June	26	27¾	1907	54¼	1909
Utah Cons.....	11¾	12	11¾	50	9¾	Jan	20	20	June	26	12¾	1910	*79	1907
Utah Apex.....	2	2 1-16	2	1,150	2	Oct	3	3¼	June	15	1¾	1907	104¾	1905
Victoria	...	...	1 15-16	.....	1	Aug	19	2¼	Feb	7	1	1900	12	1901
Winona	...	...	4¼	.....	4¼	Aug	21	9¼	Feb	6	1	1902	22	1899
Wolverine	88	90	90	200	88	Oct	3	122	Feb	10	75c	1883	200	1907

* Ex-dividend. † Assessment paid. ‡ Rights off. ‖ Auction. § Old securities. ¶ Old stock.
** Temporary certificates.

believe that not one cashier in a hundred has these verified in any way. Suppose the cunning broker or shipper wants to add on fifty or a hundred dollars to the invoice—how many banks have a man who will know the price of lumber or shingles? And most of the invoices will only say "Cedar shingles" or so many feet of lumber. I do not say at all that this is done, but it could be. The point I wish to make is that the mill loading the car should send to the bank a complete description of the car and contents. The bank might go further, and have the agent of the railway company fill in a card sent to him, setting forth the car number. This is not a law point, unless the bill of lading has been forged, and the invoice likewise. I had an instance of this where the bank lost $2,500.

Insurance policies as collateral, I find some of these without the consent of the beneficiary appended, and without an acknowledgment from the issuing company—utterly valueless as collateral, is poor security at best unless fully paid up. We have a case where the bank has taken over one of these, and has now paid out more than the original loan in premiums, and the man is hale and hearty.

I was told by the cashier of one of our state banks of

AN INTERESTING CASE

in which his bank is deeply interested. It seems that they had to take over a mill property for a debt. They cancelled the notes; charged the property to real estate account, and held it for a year or so, after which time they made a conditional sale of it, under the following terms: The bank was to, and did, receive $1,000 in cash, the subsequent payments to be made monthly at the rate of $150 per month, the deed to the property to be delivered upon the final payment, and the bank to take back the mill at any time the buyer should default in a payment. The buyers made one or two payments, and went into the hands of a receiver in San Francisco, it being a California firm which had bought the mill. The buyers being in default, according to the terms of the contract, which had been put on record, took possession of the mill, and are holding it now. In due course of time, the Washington bank received a summons from a San Francisco court to appear within ten days, and show cause why this property should not be taken from them, and put into the receiver's hands for the benefit of all the creditors. Upon advice of counsel, the bank ignored the order of the court, and have since heard nothing further. I have had the opinion expressed that the local people should have appeared, as the conditional contract of sale, being of record, was a cloud upon the title. I am of the opinion that it was not necessary to appear, and that it would take a Washington court to have jurisdiction. I would like to hear this discussed.

There are many other things one could take up your time with, but my time is limited. It is all of interest to me, and while it is of course trite, we see that we have to know something about it, or our work will suffer

Copper Holds at 12 1-4 Cents

A Slackening of the European Demand, With Excessive Caution on the Part of Domestic Consumers, Weakens the Situation—Big Men Still See Signs of Brighter Days Ahead—Advice to "Stick Tight" in Holding Good Copper Shares—Renewed Talk of a Twelve-Cent Market, and Its Probability—Its Effect Upon Earnings and Dividend Payments—A Fantastic Merger Story At an Inopportune Time—Economical Operation Vs. Lower Prices—Big Possibilities in Lake Superior Tailings.

With electrolytic copper commanding a price of 12¼ cents per pound, the metal market for the time being appears to be about as much in need of a twentieth century Moses as is the share market itself, for present conditions convey emphatic hints of a lack of positive leadership, as far as the constructive side of the situation is concerned. Between its own troubles and the influence of less direct disturbances, copper is having an uneasy time of it indeed, a state of affairs which is reflected in the decline of one-half cent per pound, which has taken place within the last two months since Wall street began to prove itself such an unhealthy place for those possessed of sufficient bravado to attempt a stand against the rising flood of gloom and depression. The most direct influence in the metal situation which has exerted a powerful influence in the weakening of prices, has been a noticeable falling off in the foreign demand, but stock market demoralization has run a close second as a bear battering ram.

EUROPEAN DEMAND SLACKENS

My recent comments regarding the importance of the demand for copper from European sources, have received unfortunate confirmation within the last few weeks, for with growing evidences of a trade reaction in Germany consumers who have been buying very freely in the American market during the past year or more have shown a disconcerting tendency to follow the hand-to-mouth buying policy, which has long been the favored method among domestic consumers, who are now particularly cautious in their commitments, and who are not likely to evince any pronounced degree of abandon in their operations during the next few months with a Presidential election confronting the country. Of course, the flaming up of the war spirit in Europe, has not strengthened the present situation or improved the outlook for the future, but the actual underlying influence in this spreading pessimism has been uncertainty, rather than positive knowledge of bad tidings. I have no doubt that if the waiting copper world knew the worst, it would be in a much more pleasant frame of mind than it now is, for the danger which is but dimly seen, is after all the more puissant in its ability to wrack the market to its very foundations.

A CLEARER VIEW

of the situation than is obtainable by the small holder of copper shares, is, of course, to be had by the "men higher up" in the trade, and it is therefore encouraging to find many of the leading authorities expressing themselves optimistically as to the future of the copper metal and copper share situation, even though they admit that immediate prospects are none too rosy. From time to time, I have laid particular emphasis upon the views of these big men, because they are by no means unreasonable in their conclusions as to an era of greater production, more than offset by a greater growth of consumption, with an accompaniment of higher prices for both metal and shares.

I know of more than one instance where such men whose opinions are much sought after, and with reason, have replied to the questionings of anxious shareholders in copper companies by advising the pursuance of a "stick tight" policy. Of course, this advice cannot be given in every instance, for among the listed copper shares, there are a number which are not particularly cheap, except as gambles, even in the face of the "adjustment" of the past few weeks.

TWELVE-CENT COPPER?

The talk of a twelve-cent metal market, which was abandoned for a few months, has cropped up once more, since the advance in prices toward the thirteen-cent mark was temporarily abandoned some few weeks ago. Of course, a half cent per pound means a great deal to the producers, and a 12-cent market, if maintained for any length of time, would mean a further curtailment of production, for the simple reason that in these cases continued operations at this level would simply result in an impoverishment of ore resources, without any material advantage in the form of profits, big or little. It will be seen, therefore, that any decline in quotations below the 12¼-cent level is bound to act as an automatic check upon the market by re-establishing a better balanced relation between supply and demand. This savors of the old proposition of lifting one's self by one's boot straps, to be sure, but it is easy to see that there would be no extensive decline in values of the metal, but for a gain in production over consumption, or, at least, apprehension of some such development.

As to the effect of lower prices on the operations of the country's producers, it has been stated that of the sixty mines which are entitled to a place in this list, including the United States, Mexico and Canada, but thirteen are in a position to earn dividends on a 13-cent metal market, and it has been further claimed that, of this relatively small number, but four, namely, Utah Copper, Nevada Consolidated, Calumet & Hecla and Old Dominion could maintain their present dividend rate. Of course, this list

(Continued on page 1702.)

Digitized by Google

This Week and Next

Market Steadies At the Expense of Activity—Good Railroad Reports and Cheering Opinions By Big Men Lend Strength, While Bears Keep Guard —"Political Ghost Dancing" Still a Factor to Be Reckoned With—A Hopeful Attitude Among Bond Men, Despite a Slow Movement—St. Paul and New Haven and Their Similar Predicaments—St. Paul Common As a Prospective 5 Per Cent Issue—An Object Lesson in New York Central's Recent History—Western Union Comes to Life—No More Gould Valuations For a Bell Management.

Compared with previous movements, this week's stock market has been a demonstration of sanity and order, although it has been by no means lacking in traces of the hurly-burly of a fortnight ago. The publication of the annual reports of several of the country's leading railroads, reports which have been far from unfavorable in the amount earned over and above current requirements, has doubtless assisted in the dissipation of some of the almost fathomless gloom which stamped the last half of the month of September as a period of pessimism run riot. Then, too, some of our greatest authorities in corporation affairs have expressed themselves in more optimistic terms than for some time past, thereby bringing much needed aid to a market which was certainly due for a recovery. James J. Hill's apt comments regarding "political ghost dancing", describe the present situation accurately, so accurately that his words of cheer, in decided contrast to his earlier prophecies of trouble, have carried with them much weight among those weary speculators and investors who have been awaiting in vain for some time past some such utterance as this.

BEARS STILL FIGHTING.

The bear campaigners have not given up their fight, by any means, but are still ready to press any advantage which may be presented them, but it is obvious that their following is neither as extensive nor as all-powerful as it was a fortnight ago. Sentiment is not cheerful, by any means, but it is hopeful, and that is more than could be said of it at that time. There has been no rush on the part of investors to get aboard, but there has been a fair amount of odd-lot buying in a quiet, unassuming way, despite predictions that new low levels will be scored before the real advance comes. The real spectre, of course, is the coming year of political turmoil, for it is difficult for the average trader to see how any lasting improvement can be expected, as long as the outlook retains its present uncertainty as to how the fight will be waged in the coming thirteen months. The extreme caution exhibited by investors in their commitments has naturally militated against new capital issues, which have been decreasing month by month, until those of September showed the most insignificant total recorded in any single month for several years. The Erie, following the presentation of

SATISFACTORY REPORT

for the last fiscal year, has sold to bankers $4,550,000 of three-year 5 per cent notes, which will not increase the outstanding indebtedness, being intended simply to take care of maturing obligations.

A more radical step is indicated in the news that the merger of the Minneapolis & St. Louis, and the Iowa Central will be accompanied by the creation of a $75,000,000 bond issue by the former road, in addition to a liberal increase in its share capital. Apparently, these Hawley roads are making plans for a policy of aggressiveness, a feature which has not been as much in evidence as it should have been within the past year or two. Under this proposed new financing, there lies an elaborate scheme of construction and extension, looking to the establishing of an important link in one of the shortest routes from Canada to the Gulf.

BOND HOUSES HOPEFUL.

In no quarter of the investment market is sentiment so generally hopeful than among the bond houses, who do not hesitate to say that in their opinion, conditions are shaping themselves for a much better market. Probably this attitude, so markedly in contrast with the attitude of a considerable number of still gloomy stock specialists, arises largely from the fact that the bond market, except in

PHILADELPHIA STOCKS

For the Week Ending Wednesday Evening, October 4, 1911.

Names.	RANGE FOR WEEK Low	High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911. Lowest		Highest		RANGE FROM JAN., 1879, TO JAN., 1911. Lowest	Highest
Amer. Cement..	...	...	10	.....	10 Sept 19		17½ Jan 4		8¼ 1906	46 1899
Amer. Railways.	43⅝	44	43⅝	31	42 Jan 10		48⅝ Aug 5		21½ 1900	56¾ 1902
Bell Telephone..	...	...	116½	.....	.....		.....		45 1907	124⅜ 1906
Cambria Steel...	43	43½	43¼	629	40⅜ Sept 22		48⅜ Feb 13		12½ 1908	49¾ 1909
do. Iron	43	44	44	73	42 Oct 2		46 Mar 27		42 1907	133 1883
Elec. Co. of Am.	11½	11⅝	11⅝	1,557	11½ Oct 2		12¾ Jan 14		5⅝ 1902	25 1899
Elec. Storage....	50	51	51	271	48½ Jan 3		56¼ June 15		15 1894	194 1899
Gen'l Asphalt...	32	34	33⅜	1,195	28½ Aug 28		34⅜ Jan 10		3 1907	34⅜ 1910
do. pref.	73	73	73	210	68 Aug 28		83⅞ Jan 30		11 1906	84¼ 1910
Hunt. & B. T...	...	...	8	.....	8 June 13		8 June 19		7 1910	42 1899
do. pref.	14	14	14	8	11 Oct 4		27 Feb 1		7⅜ 1860	58⅜ 1902
Lake Sup. Corp.	22	22⅜	22½	181	21½ Sept 25		31⅜ Feb 4		3⅜ 1908	33⅜ 1909
Lehigh Valley...	78⅜	79¾	78⅞	880	76 Sept 12		90½ Feb 3		17½ 1897	121¼ 1910
Lehigh Navig'n.	86⅛	86¼	86½	269	*84½ Sept 12		93⅛ July 29		35 1898	131½ 1904
Maxeden	...	...	1⅝	.....	.....		.....		⅝ 1907	25⅝ 1899
Penn. Steel.....	...	...	60	.....	.....		.....		5 1894	100 1881
do. pref.	...	...	108	.....	104½ May 4		108½ Apr 13		10 1897	117½ 1906
Phila. Co.....	50	50	50	108	48¾ Sept 21		59¼ June 5		23⅜ 1907	55¼ 1905
do. pref.	42½	42½	42½	140	42 Sept 25		45 Feb 8		34 1909	52 1906
Phil. Elec.....	16½	16⅝	16⅝	1,310	16 Sept 26		18 July 17		2 1900	16⅝ 1910
Phil. Rap. Trans	21⅜	21⅝	21½	1,165	16⅝ Apr 18		24⅛ Aug 4		12 1907	37⅞ 1909
Phil. Traction...	82	83	83	50	82 Oct 2		87½ July 14		5 1895	102½ 1905
Tonopah Min'g..	5⅝	6¼	5⅝	1,661	5 3-16 Aug 23		8⅝ Jan 17		3 3-16 1907	21⅛ 1906
United Gas Imp.	84¼	85	85	642	84¼ Sept 29		89¾ Jan 9		50 1893	175 1899
Union Traction..	49	50	49⅜	971	43 Jan 4		52⅝ July 10		8⅜ 1897	65¼ 1906
Warwick Steel..	10	10	10	84	9¾ Jan 10		11¾ Feb 28		2½ 1903	13 1899
W'stm'l'd Co'l.	...	...	79	.....	78 Sept 19		91½ Mar 20		45½ 1879	114 1906

* Ex-dividend. † Trust certificates. ** Temporary certificates.

CHICAGO STOCKS

For the Week Ending Wednesday Evening, October 4, 1911.

Names.	RANGE FOR WEEK Low	High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911. Lowest		Highest		RANGE FROM JAN., 1879, TO JAN., 1911. Lowest	Highest
Am. Can.....	9⅛	9⅜	9⅜	150	8⅜ Jan 27		12⅛ May 23		2⅜ 1903	31¼ 1901
do. pref.	83⅛	83⅝	83	635	76⅛ Jan 7		88⅝ May 23		25⅝ 1902	86 1900
Am. Radiator...	...	...	265	.....	265 Jan 9		265 Feb 18		30 1900	280¼ 1910
do. pref.	...	...	120	.....	120¼ Mar 9		121 Aug 29		98 1899	136 1900
Am. Shipbldg...	...	...	50	.....	50 Sept 27		78 Feb 6		19 1904	84½ 1910
do. pref.	...	...	110½	.....	110¼ Jan 16		113 May 18		82 1904	113 1910
Chic. City Ry...	...	...	180	.....	165 Mar 23		190 Apr 26		140 1906	476 1882
Chic. Pneu. Tl.	45½	46½	45½	485	39½ Sept 22		55½ Feb 22		18 1904	107½ 1902
Chic. Subway...	1⅜	2¼	2¼	1,000	1½ Sept 26		6 Mar 1		2⅛ 1910	87⅜ 1905
Chic. Telephone.	120	120	120	30	115 Jan 25		124¼ May 17		85 1907	286 1901
Cm'nw'th Edis.	132½	133½	135	1,588	113 Jan 24		137⅜ July 15		77 1907	128 1910
Diamond Match.	98¾	101	101	295	90 Jan 16		105½ July 11		82½ 1910	168 1899
Kan. City Light.	...	...	15	.....	15 Sept 26		25 May 22		20 1910	63¼ 1906
do. pref.	...	...	69	.....	69 Sept 26		72¼ Feb 25		68 1908	93½ 1908
Met. El.	...	...	27	.....	19½ Feb 1		26⅝ June 28		12 1899	43 1902
do. pref.	...	...	75	.....	84 Mar 16		***75 July 17		32 1899	93¼ 1901
Nat. Carbon.....	...	...	101	.....	100 Sept 12		120 June 3		15 1899	145 1910
do. pref.	...	...	117	.....	106¾ Aug 22		120 Apr 12		72 1900	124 1908
No. West. El...	...	...	29½	.....	20½ Apr 27		29½ June 30		13⅜ 1908	55 1901
do. pref.	...	...	68½	.....	60 Mar 1		67 Mar 20		44 1904	97 1901
Quaker Oats....	...	...	190	.....	165 Mar 17		193 June 29		35½ 1904	198 1910
do. pref.	105½	105¾	105½	50	102¾ Feb 8		107½ July 24		73 1903	109¾ 1905
So. Side El.....	...	...	80	.....	68 Feb 16		80 June 30		40¾ 1897	199 1901
Streets' Car.....	8¾	8⅞	8⅝	75	8 May 31		13¾ Feb 24		10⅞ 1910	54½ 1909
do. pref.	...	...	50	.....	40 June 2		50 Aug 11		40 1910	111⅞ 1906
Swift & Co.....	99⅜	100⅛	100	1,170	97⅜ Sept 25		104 June 8		75¼ 1907	177½ 1902
Un. Box Board..	1½	1⅝	1⅝	52	1½ Sept 29		7 Jan 5		⅝ 1903	17¼ 1902
do. pref.	...	...	7⅝	.....	.....		.....		1⅝ 1903	71 1902
Western Stone..	...	...	19½	.....	19⅛ July 27		24⅜ Jan 24		14 1903	50 1906

* Ex-dividend. † New. *** Receipts. ‡ Assessment paid.

Digitized by Google

rare instances, has naturally lacked the jumping-jack propensities of the share list. It is pointed out that while stocks have been falling 10, 20 and 30 points, representative railroad bonds during the month of September showed a decline of only a fraction of a point. Money is easy, and is likely to be still easier before the close of the year, a condition which, in the very nature of things, should make for betterment in the investment demand.

COMING DIVIDEND CHANGES.

Wall street is not now divided in opinion as to whether the St. Paul will be compelled to reduce its dividend, or not; the matter has long since passed that stage, and the point of difference just at present is whether the dividend will be set at 5 per cent or 6 per cent per annum. The most unfortunate phase of the situation is that multiplying evidences of the wisdom of such a cut affect the position, not only of the shares directly concerned, but also those whose dividends are in no apparent danger. Critics do not stop to think that conditions, such as have affected St. Paul and New Haven, are not general throughout the railroad world, at least not in such aggravated form; they only see that two issue which for a considerable term of years occupied an enviable investment position, have taken on an appearance of relative poverty, which is in decided contrast to the affluence of former years, and they jump to the conclusion that the country is retrograding rapidly, as far as the prosperity of its wonderful railroad enterprises is concerned.

FORESTALLING COMPETITION.

The present difficulties of both the New Haven and the St. Paul are the result of "biting off more than they could chew" for the present, in taking aggressive action in the competitive war for traffic in their respective territories. They have built for the future, rather than for the present, and only the future can be counted on to prove whether this policy was one of wisdom or not. My own opinion is that, in years to come, the financial world will look back, and comment sarcastically upon those who had no good word to say for this policy of expansion, over-rapid though it may have been. Of course, mistakes have been made in the affairs of both roads, but they will probably appear much less glaring as time goes by.

Neither the St. Paul nor its New England companion in misery have begun to reap the benefits of their enormous expenditures in extending lines to the coast, in the case of the former, or acquiring other properties and making extensive improvements, as in the case of the latter. The St Paul's Puget Sound extension runs through a country possessed of wonderful possibilities for future development in the matter of population and industry, and it requires no great stretch of the imagination to foresee the time when the parent road will enjoy a substantial gain in its transportation receipts from the new business that will be created by the growth of the country that will be opened up by its

NEW COAST EXPENSION,

which has not yet been afforded an op-

NEW YORK STOCKS AND BONDS

For the Week Ending Thursday Evening, October 5, 1911.

Names.	RANGE FOR WEEK		Last Sale	Sales for Week	RANGE FOR YEAR OF 1911				RANGE FROM JAN., 1879, TO JAN., 1879, TO			
	Low	High			Lowest		Highest		Lowest		Highest	
Atch. & T. & S. F.	104⅛	104⅜	1 4⅜	27,200	99⅞	Sept 27	116⅝	June 5	3 1-16	1894	162½	1899
Atch. & Top. pf.	103½	103⅞	1	1,100	100⅜	Jan 3	105½	June 12	14	1896	107½	1901
Atch. & Top. 4s.	98⅜	99	98⅜	115,000	92⅜	Sept 28	99⅝	Jan 4	61	1894	105½	1902
do adj. 4s....	94⅛	94⅞	9⅜	47	90⅜	Mar 29	92½	Jan 26	26	1896	99¾	1906
Atlic C'st Line.	130⅜	131½	131	700	117	Jan 3	132½	July 22	56	1900	170	1905
B. & O. Gold 4s.	94½	94⅝	94⅛	25,000	87½	Sept 30	99¼	Feb 21	83	1900	108⅜	1905
B & O.S. W.3½s.	89½	90⅛	89⅛	5,000	85½	Sept 29	97	Mar 11	80	1900	95	1899
Balti & Ohio...	93⅜	93⅞	93⅜	14,400	89⅜	Sept 29	109¾	July 22	9	1897	125¼	1906
do. pref.	87	87½	87½	200	85½	Aug 30	91	Jan 4	67½	1888	140	1906
Brooklyn R. T..	71½	72	71½	6,700	72	Sept 25	85¾	July 20	18	1896	127	1899
B.R.T.conv't 4s.	82⅜	83⅜	83⅜	26,000	82⅜	Oct 2	88⅜	Jan 26	56	1907	102½	1906
Canadian Pac...	230⅜	230⅝	227½	34,300	196⅜	Jan 3	247	July 21	33	1896	202⅜	1910
Canada South...	...	...	63	.....	62	Mar 2	68	May 12	23	1896	97	1902
Cen. of Ga. Con. 5s.	...	...	106½	.....	107¾	Jan 12	110	July 26	85	1907	130½	1901
do. 1st inc....	97	97	97	1,000	96	July 25	114¾	Apr 18	20	1890	102	1910
do. 2d inc.....	93½	93⅝	93½	5,000	93½	Oct 2	108⅜	Apr 5	9	1892	101	1910
do. 3d inc.....	...	...	98	.....	85	Feb 24	102	Apr 4	4	1888	100	1910
Central N. J....	...	...	260	.....	260	Sept 14	295	June 2	31	1885	312	1910
Cent'l Pac. 1½s.	90	90	90	1,000	90	Sept 29	92	Mar 8	25	1897	91	1910
Ches.O. gen.4½s.	103⅜	103⅝	103⅜	7,000	100⅛	Sept 25	102	May 15	61	1892	111	1908
Chesapeake & O.	70½	72⅜	71½	7,200	69⅜	Sept 25	86⅝	Feb 10	1	1888	123⅞	1881
Chic. & Alton...	...	...	17	.....	15	Aug 25	31⅝	May 22	8¼	1907	74⅜	1900
do. pref.	...	...	40	.....	40	Aug 30	63	Jan 27	67	1908	85⅜	1902
Chic. Gr't West.	17⅜	18⅛	18	1,100	17¼	Sept 14	25½	June 5	3⅝	1897	37⅜	1900
do. pref. A....	37	37⅜	37½	1,000	36	Sept 27	49¼	Feb 6	15½	1898	90½	1901
Chic. M. & St.P.	105⅜	106⅜	105⅞	74,000	105⅜	Oct 4	123½	Feb 7	34⅜	1879	199⅜	1906
do. pref.	140	142	147	20,000	141	Sept 14	158½	June 15	74⅜	1879	218	1906
Chic. & N. W....	141⅜	142	142	82	128¼	Sept 22	150½	June 12	49⅜	1879	271¼	1902
do. pref.	...	...	197	.....	197	Aug 30	201¾	Aug 9	128	1890	274⅜	1902
Chi.,St.P. & Om.	...	...	144	.....	130½	Apr 20	144	June 12	18½	1880	225	1905
do. pref.	...	...	150	.....	152	Feb 18	152	Feb 18	66	1885	220	1905
Chic. Un. Trac..	1⅜	1⅝	1⅜	100	1⅜	Sept 30	5	June 2	⅜	1908	23	1902
do. pref.	...	...	5	.....	5	Aug 23	7¾	Feb 6	3	1908	60	1902
C.,C.,C. & St. L.	57½	57⅞	57¼	100	65⅝	Sept 15	68	Jan 15	13½	1890	111	1906
do. pref.	...	...	94½	.....	94½	Aug 22	98	Feb 1	63	1897	124¼	1902
Colo. & South'n.	44	45⅛	45¼	200	43	Sept 23	60	Jan 18	4⅜	1889	68⅜	1900
Col. & So. 1st pf.	75	75	75	100	73⅜	Sept 13	84⅜	July 10	35	1899	96	1908
do. 2d pref....	...	...	69⅜	.....	66	Sept 15	75	Aug 8	12⅛	1899	84½	1908
Del. & Hudson..	161	161½	161	200	159¼	Sept 27	175⅞	June 8	23	1879	240⅜	1905
Del., L'ck & W.	...	...	305	.....	305	Sept 25	360	June 5	48	1879	480	1909
Den & Rio G'de	22¾	22½	22½	410	21½	Sept 14	35	Feb 21	4⅜	1885	108½	1890
do. pref.	46	47⅛	46	1,000	44	Sept 14	74	Feb 21	24	1894	103¾	1901
Dul.,So.Sh.& Atl	...	...	10	.....	9½	Sept 6	15⅝	May 1	2½	1898	24	1902
do. pref.	19½	20	20	300	19½	Sept 27	28⅜	Apr 4	5	1898	46⅜	1905
Erie 1st gen. 4s.	75	76⅛	76⅛	29,000	73½	Jan 3	79⅜	July 19	65	1908	95	1905
Erie	30⅜	30⅝	30⅜	6,137	27⅛	Jan 11	38⅜	June 30	3⅜	1894	53⅞	1881
Erie 1st pref....	45⅜	50	49⅜	4,200	45⅜	Jan 12	61⅜	July 1	16	1893	85	1881
Erie 2d pref....	40⅜	41⅜	41	1,800	35	Jan 13	49⅛	July 1	13	1896	78⅜	1906
Ev's'le & T. H.	...	...	82½	.....	80	Feb 1	88	July 24	30	1897	153	1892
do. pref.	...	...	90	.....	85	June 5	90	July 24	72	1904	104⅜	1908
Gr'nelB&WdebB.	11½	11½	11½	2,600	11	Sept 25	15¼	Jan 28	3½	1896	27⅜	1908
Gt. Northern pf.	122	124	123½	1,500	119	Sept 25	140	June 8	44½	1899	348	1906
Hock'g Valley**.	...	...	128⅜	.....	128	May 24	134	Apr 25	22	1899	140	1910
do. pref.	...	...	128	.....	.....	.....	.....	.....	53½	1889	101⅜	1910
Illinois Central..	135	137	137	1,000	132	Jan 3	147	July 20	79⅝	1879	184½	1906
Inter-Met (w.i.).	15	15⅜	15	12,600	13½	Sept 25	20⅜	Feb 15	4⅜	1907	55⅜	1906
do. pf. (w. i.)	41¼	45⅜	45⅜	11,400	39⅜	Sept 25	55⅜	Feb 10	14	1907	87⅜	1906
Iowa Central....	18	18	18	100	15	May 12	22	Sept 8	2	1888	51⅜	1902
do. pref.	...	...	28⅜	.....	28	Apr 27	39	Sept 8	12	1898	90⅜	1902
Kan. City & So.	25½	25½	25⅜	100	25¼	Sept 25	35⅜	June 16	7	1900	50⅜	1909
do. pref.	63	64	64	200	61½	Sept 25	70	May 26	37½	1900	75⅜	1909
K.C.,Ft.S.&M.pf	...	...	75	.....	75	Aug 7	76	May 3	68	1908	88	1902
L'ke E. & West.	12	12	12	200	10	Sept 25	16⅝	Feb 1	3⅜	1885	78½	1901
do. pref.	...	...	25	.....	25	Sept 5	40	Jan 13	24	1899	138	1902
Louis. & Nashv.	140	141½	140	3,400	136½	Sept 14	158½	July 19	22	1885	162¼	1909
Manh'ttan Elev.	...	...	132	.....	131½	Sept 27	142⅜	July 19	64½	1884	175	1905
Minn. & St. L...	33⅜	33¾	33⅜	100	31½	Apr 26	34½	Aug 22	3½	1899	115	1902
do. pref.	...	...	60	.....	55	Mar 13	64	Sept 18	7⅜	1899	127⅜	1902
M.St.P. & S.S.M.	126	126	126	100	124⅜	Sept 22	152¾	Mar 30	6	1897	164	1906
do. pref.	147	147	147	100	145⅜	Aug 26	156⅛	July 21	10	1897	192⅜	1906
M.,K.&T. 1st 4s.	97¼	97⅜	97¼	20,000	87⅜	Sept 8	98	Jan 21	50	1893	104⅜	1905
do. 2d 4s.....	84⅜	85	85	3,000	83½	Jan 5	86½	Feb 17	27	1893	92⅜	1906
M.K. & T. 1st 4s	99½	103	99½	5,000	99¼	Oct 4	100⅝	July 10	72	1896	114⅜	1909
Mo., K. & Tex..	27⅜	28⅜	28¼	2,600	27	Sept 26	39⅜	June 14	6⅜	1879	56	1881
do. pref.	61	65	64	200	62⅜	Sept 25	69	June 12	13⅜	1907	78⅜	1908
Missouri Pacific.	38	38⅞	38⅜	14,100	37⅛	Sept 11	63	Feb 15	10	1897	125⅛	1902
N. Y. Central...	104⅜	104⅝	104⅜	10,300	99⅞	Sept 27	115½	Feb 3	31⅜	1885	174⅛	1901
N.Y.,C. & St. L.	...	...	48	.....	45	Sept 25	65	Jan 30	9	1896	72⅜	1905
do. 1st pref....	...	...	98⅝	.....	98⅝	Sept 25	101⅝	Mar 30	4	1885	124⅜	1902
do. 2d pref....	...	...	82⅜	.....	82⅛	Aug 25	90	Jan 30	15	1892	100	1902
N.Y., Ont. & W.	28½	28⅝	28½	600	27¾	Sept 25	46⅞	July 22	6⅜	1885	84	1905
No.& W Con. 4s.	98½	98⅜	98½	2,000	96½	Aug 29	99⅜	Feb 3	74	1898	105	1905
Norfolk & West.	101½	102⅝	101⅞	3,400	98⅜	Sept 27	110¼	June 26	¼	1896	108⅜	1910
do. pref.	...	...	89	.....	88⅜	Apr 27	91	May 22	4⅛	1896	98	1902
N. Pac. prior 4s	98⅜	99	100	46,000	96⅜	Sept 22	100⅜	Feb 6	80⅛	1896	100	1990
do. gen. 3s....	69⅜	69	69⅜	1,000	68	Sept 25	71⅜	Aug 4	57	1896	79	1905
North'n Pacific.	118	119⅜	117⅞	17,600	111⅝	Sept 27	137⅞	June 8	11	1896	1900	1941
Pacific Coast....	...	...	101	.....	100	Jan 11	102	Jan 10	24	1896	142	1906
do. 1st pref....	...	...	130	.....	.....	.....	.....	.....	65	1896	105	1910
do. 2d pref....	...	...	101	.....	101	Jan 11	101	Jan 11	56½	1896	105	1906
Penn. R. R.....	130⅝	131⅜	131⅜	19,100	118⅜	Sept 25	130⅜	Feb 1	27½	1896	150	1902
Peoria & East'n	...	...	20	.....	.....	.....	.....	.....	2	1896	50	1907
P.,C.,C. & St. L	93	87	87	300	90⅜	Sept 26	100	Jan 17	10½	1888	108⅛	1902
do. pref.	...	...	103⅜	.....	103⅛	Sept 25	112	Feb 17	40	1896	125	1902
Reading gen. 4s.	97⅜	97⅝	97⅜	47,000	96⅜	Mar 27	99½	Aug 7	77	1895	104⅛	1997
Reading	139⅜	140⅛	139⅜	448,900	101	Sept 25	161⅝	June 2	17⅜	1896	215⅜	1909
do. 1st pref....	...	...	90	.....	88	Sept 20	92	July 14	51⅝	1896	81	1909
do. 2d pref....	87	87	87	100	86⅜	Sept 25	101	May 2	28⅜	1896	91⅝	1908
R.I. Island, new	23⅜	24	23⅜	4,700	22⅜	Sept 25	34⅜	June 14	6⅝	1887	96⅛	1901
do. pref.	44⅜	44⅝	44⅜	400	41	Sept 25	68⅜	June 14	9⅜	1879	120	1907
St L.& S.F.1st 4s	77	78½	77	15,000	77	Oct 3	87	May 4	4⅜	1879	81⅜	1947
St. L.& S.F.1st pf.	...	...	79	.....	79	Sept 19	89	July 27	20	1896	110⅜	1908
St L.& S.F.2d pf.	73⅜	73⅝	73⅜	300	70	Apr 27	85¼	July 24	12	1896	98⅜	1902
St. L.&S.W. 1st 4s	90½	91	90	12,000	87⅜	Jan 24	97⅜	Aug 22	4⅜	1896	122⅜	1989
do. 2d gen. 4s	81	81	81	10,000	78	Jan 24	87⅜	June 29	26	1896	97	1996
St. L. Southw....	...	...	14	.....	14	Jan 11	34	Feb 4	1	1897	99⅛	1994
do. pref.	68	68	68	.....	65	Jan 3	72	June 27	25⅞	1900	90	1992
S.Del.& I.	...	...	76	12,000	74⅜	Sept 25	82	July 19	69⅜	1900	97⅜	1910
San A....	...	...	69⅜	1,100	68	Sept 11	88	May 16	45	1896	81⅜	1910
So. P.	...	...	107⅜	20,000	104⅜	Sept 25	126⅜	June 26	12	1896	179⅛	1909
Southern	...	...	25⅜	.....	.....	.....	.....	.....	9¼	1896	137	1909

NEW YORK STOCKS AND BONDS

For the Week Ending Thursday Evening, October 5, 1911.

Names	RANGE FOR WEEK Low	High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911 Lowest		Highest		RANGE FROM JAN., 1870, TO JAN., 1911. Lowest		Highest	
Southern	25¾	26⅛	26¼	8,400	24⅝ Sept 25		32⅜ July 22		12	1894	283	1892
do. pref.	63½	65	64⅜	2,200	61⅛ Jan 11		75⅛ July 20		113	1894	108	1906
Texas & Pacific	23½	24½	24½	1,200	22⅛ Sept 21		30½ June 9		4⅝	1885	73⅝	1881
Third Avenue	8	9⅝	9½	2,700	7⅝ Sept 25		36 Mar 3		5½	1910	242	1833
Tol.Rys.& Light	...	...	3	.....	6½ Aug 16		8¼ Jan 17		5½	1910	38	1902
Tol., St. L. & W	18½	18⅞	18⅝	600	17 Sept 11		34⅜ Feb 8		10⅜	1901	64⅜	1903
do. pref.	40½	41⅜	41⅜	2,400	38 Sept 1		57⅜ Feb 8		22⅜	1903	74⅜	1909
Twin City R. T.	...	...	104⅝	.....	104 Sept 15		111 Feb 8		9⅜	1897	129	1902
U.P.cvt. 4s, 1927.	100⅜	101¼	101	226,600	100 Sept 25		100⅜ June 27		78¼	1907	124¼	1900
Union Pacific	158¼	161⅜	160¼	441,300	153⅝ Sept 25		193⅜ July 22		2	1896	204⅜	1910
do. pref.	90	91	90	1,700	89 Sept 21		96 July 24		47	1896	113⅛	1900
Wabash 1st 5s	106½	107½	107	15,000	99½ Aug 26		110 Mar 20		93	1890	121	1902
do. deb. B's	...	...	101	.....	.....		.....		19	1893	101	1909
Wabash	10	11¾	11¼	3,000	10 Sept 30		18⅝ Feb 22		2	1885	60	1881
do. pref.	20½	22⅜	22⅝	2,850	19 Sept 27		40⅜ Feb 22		9	1884	90¼	1881
West. Md., pref.	...	...	77	.....	.....		.....		67	1910	77	1910
Wheel. & L. E.	2⅝	3	2⅝	620	2½ Sept 25		6⅜ Feb 3		½	1897	63⅝	1887
do. 1st pref.	...	...	8	.....	7½ July 22		17⅝ Feb 3		2⅜	1897	80⅝	1891
do. 2d pref.	...	...	3	.....	3 Sept 5		8 Feb 23		4	1910	42⅜	1902
Wis. Central	50	50⅝	50⅜	450	48 Sept 21		73¾ May 1		4c	1889	64	1910
do. pref.	...	...	88½	.....	.....		.....		46c	1897	91⅝	1909
do. 1st 4s	92¼	93¼	92¾	41,000	92 Aug 28		93⅝ July 5		137	1896	90½	1890
Miscel. St'ks.												
Adams Express	...	...	100	.....	226 Jan 20		343 June 12		97¼	1886	315	1907
Allis Chalmers	6	6	6	200	6 Oct 4		9⅜ May 31		4	1907	27⅜	1906
do. pref.	...	...	16⅜	.....	16½ Sept 21		34 Feb 3		14	1908	87½	1903
Amal. Cop.	48¼	51⅛	50⅛	78,900	44⅜ Sept 25		71⅝ June 19		33⅜	1909	120	1901
Am. Beet Sugar	50⅜	53½	53½	20,200	25⅜ Jan 13		56⅜ Aug 12		5½	1908	49½	1909
Am. Car & Fd.	43⅛	46⅝	46⅝	3,400	42½ Sept 25		58⅛ July 19		10⅝	1899	76⅛	1909
do. pref.	115	115	115	100	114⅝ Mar 15		120 May 23		61	1899	124⅜	1908
Amer. Cot. Oil	48½	50⅛	49⅛	3,600	46⅜ Sept 26		62⅜ Feb 28		8	1896	79⅛	1909
do. pref.	...	...	100	.....	100 Sept 7		106⅜ Mar 21		27⅜	1890	107⅜	1909
Amer. Express	210	210	210	100	201 Sept 26		245 Mar 27		109	1893	301	1910
Am. H. & L.	2½	3½	3¼	200	3½ Oct 2		5 July 21		2⅛	1903	57⅜	1899
do. pref.	...	...	19	.....	18 Sept 25		36⅜ June 14		10	1907	83⅛	1899
Am. Ice Sec.	17⅜	17⅜	17⅜	100	16½ Aug 28		25⅜ July 12		8⅛	1907	98	1907
Am. Linseed Co.	8⅝	8⅝	8⅝	200	8 Aug 11		12⅜ Feb 14		5	1908	30⅜	1901
do. pref.	28½	27	27	300	26½ Oct 4		34 Feb 14		16½	1907	88	1901
Am. Loco.	34⅛	35⅝	35	1,100	34 Sept 20		43⅛ May 22		11⅜	1903	78⅛	1906
do. pref.	105	105⅛	105	300	101 Aug 10		110⅜ Mar 1		67½	1903	122½	1905
Amer. Malt Co.	...	...	3⅜	.....	3 Sept 25		5⅜ July 11		2½	1907	90⅜	1898
do. pref.	42	42⅜	42⅜	400	31½ Mar 8		43⅜ July 24		14½	1903	59	1909
Am. Smtl. & Ref	61¼	64⅝	63⅜	67,100	56⅝ Sept 25		83⅜ June 15		30	1899	114	1906
do. pref.	100⅞	101	101	500	98⅝ Sept 27		108¼ June 15		77⅜	1899	137	1905
Am. St'l F'dry.	29½	31⅜	31⅜	700	25 Sept 25		53½ Feb 9		2½	1904	68⅝	1909
Am. Sugar Ref.	114⅝	116½	115	400	112¼ Sept 25		121⅞ June 14		65	1889	133	1899
do. pref.	116	116	116	140	111 Jan 5		119½ Feb 14		66½	1893	143	1905
Am. Tob. pref.	96	98¼	98¼	18,100	87 Aug 24		102 May 23		60	1907	151½	1902
Anaconda|||	31½	32⅛	32	1,300	29 Sept 25		41⅛ June 20		15	1907	303⅜	1907
Br'k Un'n Gas.	130	133	133	400	129 Sept 15		145⅛ June 8		80	1907	253	1902
Central Leather.	20⅝	21⅜	21⅛	3,520	15⅜ Sept 25		33⅜ Feb 2		11⅜	1907	51⅜	1909
do. pref.	92	92	92	100	91⅜ Sept 25		105 Feb 10		68	1907	111	1909
Chino Copper	17¾	17⅞	17⅝	5,700	16⅛ Sept 25		25⅜ May 19		2⅛	1910	13	1909
Colo. Ind. Sa.	74	74	74	6,000	73 Aug 12		79½ Feb 23		35	1907	88½	1906
Colo. F'l & Ir'n.	28	27	26⅝	400	25 Sept 25		35⅝ Feb 4		14	1907	136½	1901
do. pref.	...	...	110	.....	110 Aug 5		110⅛ Jan 9		30	1907	142½	1901
C.&H.V.Co'l&Ir.	...	...	14½	.....	4 Feb 9		4 Feb 9		⅝	1896	92½	1910
Consolid't'd Gas.	132⅜	137⅜	137⅜	8,900	129 Sept 25		148½ June 6		67	1887	241¾	1897
Con. Tobacco 4s.	87⅜	88⅜	87⅜	13	81¼ Jan 11		88¼ July 10		51¼	1908	95⅜	1911
Corn Prod'ts R.	11⅜	11⅝	11½	1,100	10⅝ Sept 25		15⅝ May 17		5	1907	38	1906
do. pref.	74⅜	75⅜	75⅛	600	71 Sept 27		86 May 22		46	1907	95¼	1909
Dist. Secur.	30½	31½	30½	900	29 Sept 26		38¼ June 6		19½	1904	75	1907
Fed. M. & Smelt.	...	...	15⅝	.....	15¼ Sept 25		26 Feb 16		48¼	1904	190	1906
do. pref.	50	50	50	100	47⅜ Sept 14		66⅛ May 19		47	1907	112⅜	1906
Goldfield Con.	5¼	5½	5⅜	12,500	5⅜ Oct 4		7⅜ Jan 3		3⅜	1907	10	1910
Internat. Paper.	9½	9½	9½	100	9 Sept 9		13⅝ Feb 3		7⅜	1907	63¼	1899
do. pref.	46⅞	46⅝	46⅝	500	44⅜ May 15		56⅜ Jan 21		47	1909	95	1899
Int. Harvester.	100⅛	103	102⅛	2,000	99⅜ Sept 20		129⅜ May 5		52	1908	125⅜	1910
do. pref.	117	117	117	100	115 Sept 22		125½ May 4		90	1908	129	1910
Inter. Stm. P'mp	27	29	27½	700	27 Sept 30		44 Feb 10		7⅜	1907	60	1906
do. pref.	81½	82	81⅜	300	80½ Sept 27		90½ June 12		50	1907	96	1902
Laclede Gas.	102¼	102⅜	102⅜	500	101⅜ Sept 25		114½ Jan 21		93⅜	1910	116½	1910
Mackay, pref.	72⅜	72⅝	72⅜	100	72 Aug 11		77 Mar 7		60	1907	78⅝	1910
Nation'l Biscuit.	125	126½	125	500	117¼ Jan 16		141 Apr 4		23	1900	130	1909
do. pref.	...	...	130	.....	124 Jan 20		130 Feb 4		79¼	1900	130	1909
Nat. Enam. & St'p.	...	...	14	.....	14 Sept 25		23 July 24		8½	1907	36	1903
do. pref.	92	93	93	200	85 Jan 6		100⅜ July 22		70	1908	99¼	1899
Nat. Lead.	46	46⅝	46	700	42½ Sept 25		53⅝ Mar 15		10¼	1908	96⅝	1906
do. pref.	...	...	105	.....	104 Sept 27		109⅝ Aug 15		48	1893	115	1899
N.Y. Air Brake.	...	...	55	.....	51 Sept 20		76 June 19		14	1893	168⅜	1905
North Amer. Co.	65⅛	67⅜	67⅜	900	64 Jan 10		76⅛ May 22		3½	1892	134	1902
Pacific Mail.	30	31⅜	31⅜	3,100	23¼ Apr 24		31 Sept 13		8½	1893	70	1895
P'ple's G.L.& C.	104	104	104	300	101½ Aug 25		109 Jan 19		39	1893	129½	1899
Pressed St'l Car	28½	28⅝	28⅝	300	25 Sept 25		37⅝ July 22		15⅝	1907	65⅜	1903
do. pref.	95⅜	95⅝	95⅜	100	91 Sept 22		102⅜ June 16		52½	1907	111⅜	1909
Ry. Stl. Spring.	...	...	37⅜	.....	34⅝ Aug 26		39 June 14		15⅞	1894	63⅛	1905
do. pref.	...	...	94	.....	88⅝ Aug 30		102⅛ May 24		67	1903	109	1909
Rep'b Ir. & St'l.	22½	23⅜	23½	1,700	21⅛ Sept 25		35⅛ Feb 6		5	1904	49⅛	1909
do. pref.	83	85	83	600	81⅜ Sept 22		99⅜ Mar 14		38⅜	1903	111⅛	1909
Sloss-Sh. S. & I.	38	38	38	100	34 Sept 25		56⅛ Feb 6		17½	1900	118⅛	1905
do. pref.	...	...	112	.....	112 Feb 15		112 Feb 15		59⅜	1900	120	1905
T. Fac. Ld. Tr.	...	...	84	.....	84 Sept 11		92 Jan 24		5	1898	95	1910
Texas Company.	87	87½	87	200	84 Aug 31		136½ Feb 1		134½	1910	144	1910
Underw'd Type.	90	91	90	400	63 Mar 29		111 June 26		44	1909	44	1909
Un. Bag & Pap.	6	6	6	300	5½ Sept 22		9 Feb 10		3⅜	1904	45	1899
do. pref.	53	53	53	200	55 Oct 3		69½ Jan 30		26	1909	89	1899
U.S.Cast IP & P	11½	13	11⅝	1,000	11 Sept 25		19 Feb 24		6	1903	53	1906
do. pref.	...	...	40½	.....	40½ Sept 25		59⅜ Feb 24		22	1903	97⅜	1905
U. S. Express.	...	...	87	.....	85 Sept 25		104 Feb 1		25	1896	160	1902
U.S.R'lty & Imp	68	66	66	110	65½ Jan 27		79⅝ May 25		28	1907	98¼	1905
U. S. Rubber.	36¾	44⅜	43⅝	19,800	20½ Sept 27		47⅜ Mar 1		7	1905	60⅝	1893
U. S. Rubber pf.	105	109	109	500	101 Sept 25		115⅝ July 7		30¾	1903	123⅛	1909
U. S. Steel.	58⅜	62⅜	60	105,700	51⅝ Sept 25		82⅜ Feb 6		8⅝	1904	91	1910
do. pref.	110⅜	110	109	35,400	103 Sept 25		120⅞ Feb 4		49⅝	1901	128⅝	1910
do. 5s	101⅛	101⅜	101⅜	5,000	100 Sept 25		106⅛ May 27		65	1901	106⅛	1910
Utah Copper.	39⅝	41⅜	41	63,900	38 Sept 25		52 June 14		13	1907	67⅛	1909
Virg. Car Chem	45	48½	47	6,000	43½ Sept 27		70⅜ Feb 28		12⅜	1907	72	1901
do. pref.	111⅜	114½	114½	200	114 Sept 25		126½ Mar 15		75	1907	133⅜	1902
West. Un'n Tel	75	81	80⅛	25,600	71⅜ Mar 20		84½ May 24		41	1907	177⅜	1881
West. Mfg. Co.	62	62⅞	62⅜	700	58⅝ Sept 25		79 May 29		20⅝	1898	154	1907
do. pref.	114	114	114	100	110½ Aug 16		122 Jan 5		48¼	1898	160	1907

* Ex-dividend. ** New. † Assessment paid. ‡ Ex-rights. § Price bid. ‖ Price asked. ¶ Old securities. ‡ Certificates. x Ex-interest. ||| Par value basis. *** Receipts.

portunity to show what it can do. The common stock is already selling many points lower than such 6 per cent issues as Pennsylvania and Atlantic Coast Line, and about on a parity with Southern Pacific. On the other hand, more positive evidence that the dividend would be cut to 5 per cent per annum would probably lead to a further decline, for not even the best of the junior 5 per cent issues, with one or two exceptions, are selling within several points of St. Paul's present position, even after its long continued decline.

On the other hand, St. Paul common at or near par ought to be an unusually good buy for a patient waiter, for there is nothing, so far as I can determine, in the underlying financial position of the company or in its physical position and prospects that warrants the belief that ultimately the road will not be able to earn well in excess of its current dividend requirements. As a 6 or 5 per cent issue, this stock would probably win friends in much greater number than it has been able to do as a 7 per cent stock at any time within the last few years, since the difficulty of earning the 7 per cent rate first became apparent. Certainly, New York Central's name has undergone a change for the better since the management gave up its foolish endeavor to earn and pay 6 per cent. For the first time in years, the Central is being actively discussed in conservative quarters as an attractive investment opportunity, now that economical management is resulting in a substantial expansion in net returns at a time when the general trend is in the other direction.

WESTERN UNION'S ADVANCE.

Western Union, the stock which for a long time has been selling at a Gould price under a Bell management, has at last come to life, if we are to judge from the movements of the past week. The new management has shown a disposition to let the stock take care of its own market career, and so, despite evidences that it was one of the most attractive long-pull propositions on the entire list, there has been nothing at all sensational in the movement. This, of course, has been perfectly satisfactory to those who have been accumulating the shares in a quiet, unassuming way. Indeed, so far has this week's movement been at variance with the previous apathy, that there is reason to suspect that a speculative clique has taken hold of the issue and is trying to "start something". It is, of course, only a question of time before the dividend rate will be increased from its present level of 3 per cent per annum. At 80, this issue is selling 20 points or more above United States Steel common, the net yield being 3.75 per cent for the former and 8.30 per cent for the latter. This difference is explained, of course, by the fact that Wall street believes that Western Union's troubles are behind it, while those of the Steel Corporation, if one is to believe the wild rumors now afloat, are just beginning.

THE FORECASTER.

TARNOV, NEB.—A state bank is organizing here. P. J. Ternus, G. H. Gray, J. W. Hutchison and G. P. Bissell are interested.

Digitized by Google

COPPER HOLDS AT 12¼ CENTS.

(Continued from page 1698.)

would probably be changed as soon as some of the newer low-cost producers, and a few others about to enter the select list, are in a position to earn and pay dividends.

THAT MERGER AGAIN.

There is nothing new in the suggestion that combination is needed to correct the weakness of the market's position, but there is something particularly foolhardy in the suggestion that some of the big copper men have been in conference, within the past week or two, for the purpose of drawing from the pigeon-holes to which they were relegated some months ago the plans for a country-wide merger of producers. Indeed, this story is generally regarded by local copper interests as being absolutely ridiculous, the product of a Rip Van Winkle brain which has been so soundly asleep during the past six months of Federal investigation, that no notice has been taken of the plight of other combinations, or a strange piece of fiction emanating from someone who is possessed of a peculiar sense of humor, which had best be kept under cover at such a time as the present. According to this improbable tale, a general merger is to be arranged, organized in London and headed by the Rothschilds, with such shining lights as Messrs. Ryan and Corey actively interested in this country in the negotiations. It is possible that there will be a further grouping of certain copper properties in the Southwest for the sake of inaugurating economies in mining and treatment methods, but even in these minor combinations, great caution will be needed if the sharp probe of the Department of Justice is to be avoided.

IMPORTANT ECONOMIES.

This matter of economy of operation is an all-important subject, for in many cases, large producers have found it absolutely imperative within the past four years, since the boom in metal values was punctured, to cut costs very materially, in order to show any profit whatever. The Amalgamated properties have met with marked success in this line of endeavor, and have done better than would have been predicted of them in 1907, had it been known that within two or three years there would be a 50 per cent decline in prices from the crest of the boom. The Lake properties have not done so well, and so have been especially susceptible to the shafts of criticism aimed against them of late. Yet, even this seeming failure to adjust operating conditions to market exigencies is explained in more than one instance by the fact that in this district costs have been reduced to a minimum for a number of years, because of the low grade of the ore. Until recently, holders of the shares of the Michigan coppers have been consoling themselves with the thought that the paucity of the rock in copper contents was counterbalanced by the fact that reserves were large, larger probably than those of any other district, except in the case of the porphyries. The Finlay report which I have commented upon at some length in these columns, would remove even this consolatory opinion.

TREATING THE TAILINGS.

It is suggested with apparent reason that there is room for profitable operation among the accumulated tailings of the Lake Superior district, which amount, it is thought, to something like 30,000,000 tons. Modern methods of treatment would probably pay in the handling of these tailings, which would, it is believed, yield about 25 pounds of copper to the ton, or a total of about 750,000,000. It is by no means improbable that this material could be treated at a cost of from 5 to 6 cents per pound, so that at the larger figure, and with the metal selling at 12 cents, there would be an apparent profit of between $45,000,000 and $50,000,000, an amount which is not to be disregarded by an means, least of all by companies which are seemingly put to it to make both ends meet.

P. De Medici.

AFTER NORTHWEST BANK.

Chicago Banks Are Keen For Business in the Pacific States.

Banks in Chicago, as a whole, are ready to offer the Northwest an almost unlimited amount of capital each year for the movement of crops, or at any time when capital is needed for commercial and industrial undertakings, according to F. A. Crandall, vice-president of the National City Bank, and Wilbur Hattery, assistant cashier of the Continental and Commercial Bank of Chicago, who were in Spokane recently on a tour of the Inland Empire and other parts of Washington, Oregon, Idaho and Montana.

"We have never placed money in this part of the country to help move the enormous crops, although we are lending assistance to other parts of the United States", Mr. Crandall said. "The seasons are so fortunately arranged that our loans to the South and Southwest are becoming due and being paid about the time that the West and Northwest ought to need money for harvest.

CHICAGO HAS AWAKENED

to the bigness of the Northwest and we want to do a bigger volume of your business out here, and that is why I am spending so much time in the Northwest."

The awakening of Chicago to the Northwest's imposing position in the commercial life of the country has aroused a keen competition, and while Mr. Crandall would not say that a friendly war is being waged among the Chicago bankers themselves in the Northwest invasion, he admitted that the competition promises to become extremely interesting, and as bearing directly upon the situation, he pointed to the recent trip of many senior officers of the prominent Chicago banks to the Northwest.

"I do not want to presume to say that Chicago will ever become a

GREATER FINANCIAL CENTRE

in the United States than New York", Mr. Crandall continued, "but I do desire to say that the Chicago banks are making much progress in that way. It used to be that the middle west and western firms carried big accounts in New York and small checking or accommodation accounts in Chicago. Now it is being reversed, as these banks are carrying big accounts in Chicago and checking accounts in New York. We look with a lot of pride upon this situation, as it means that the bankers realize it is as easy and perhaps quicker to deal through Chicago.

"Chicago is willing to accept the northwest accounts on a borrowing basis, and we are simply starting to tell the northwest bankers that Chicago is more than ready to send out the necessary millions to care for your crops of fruit and grain and for whatever other legitimate business needs you have out here.

YOUR BANKS

are supremely strong for a community of this size and population, and perhaps the reason we have not invaded the territory before is that your banks did not need help. However, it will serve to give the local banks throughout the entire Northwest an opportunity to extend their own personality into other lines. The point of my visit out here is to convince the bankers that Chicago can send out millions of dollars to the Northwest in the fall without hampering their facilities for operating and caring for the needs in other parts of the country."

Speaking of the development of the Northwest, Mr. Crandall said: "The progress is marvelous. I have been through the country frequently, but seldom stopped. I have found a wonderful horticultural and

AGRICULTURAL DEVELOPMENT,

and your industries are in the first rank. They compare favorably in equipment, product, quality of output and completeness with those similar ones in Chicago. I saw industries here that are not excelled in quality any place, although they are yet small and comparatively limited in output". Mr. Crandall will visit various cities and districts in eastern Washington and Oregon and central Idaho before returning to Chicago.

Regarding the United States Rubber Company, President Samuel P. Colt, says: "Notwithstanding the fact that for some years past, the surplus net earnings of the United States Rubber Company has been considerably in excess of the sum required for dividends upon its preferred stocks, the directors have felt it for the best interests of the company, for reasons from time to time stated, to defer the payment of dividends upon the common stock of the company.

"While thus far in our present fiscal year, there has been a falling off in certain lines of business of the company, owing to general conditions, other lines show a substantial gain, thus insuring from the entire business of the United States Rubber Company, and its subsidiary companies, not less than an average product and profit for the year.

"This being so, the board of directors have felt justified in resuming, at this time, quarterly dividends upon the common stock, and have declared a dividend of one per cent, payable October 31, 1911."

CHALLOTTE, N. C.—A new bank is being organized at this place.

Digitized by Google

The Best Purchases on the Railroad List

As Indicated by the Two Standards of Comparison: of Present Investment Yield on Basis of Current Dividends and Prevailing Market Price, and on Basis of Present Earnings on Prevailing Market Values.

The average net yield of the 50 railroad stocks quoted in the following table was 5.49 per cent on October 4, as compared with 5.51 per cent on September 27, 5.34 per cent on January 4, and with 4.71 per cent on January 2, 1910.

The increase in the Southern Railway preferred divdend rate, which was looked upon as a probability at this time, is still held in abeyance, the directors having failed to declare a 2 per cent disbursement at their meeting held a few days ago, as it was believed they might do. A few days prior to the meeting, when speculation was rife as to the probable action to be taken, an interest in the company intimated that in view of the recent developments the board might decide that a 2 per cent dividend payment at this time was inadvisable. Subsequent developments have shown that this view was accepted by the majority of the directors.

This action, or rather lack of action, on the part of the directors in this direction may be accepted simply as an acknowledgment of present unsettled conditions in the commercial and railway operating fields, generally, rather than as an evidence that the road's earnings and finances are such as to make it unwise to inaugurate a higher rate at this time. In the last fiscal year the company earned a balance after all charges in excess of $6,000,000, or better than 10 per cent on the $60,000,000 of preferred stock outstanding. It is pointed out that the surplus earned in the fifteen months from the close of the 1910 fiscal year up to the time of this last dividend meeting was sufficient to provide for the 1 per cent dividend paid on April 24 last, to take care of a 2 per cent payment at this time, to wipe out the $4,800,000 of bond discount now standing on the books of the company, and still leave a considerable margin to spare. Evidently, therefore, the directors in withholding sanction of a more liberal dividend return upon the preferred shares at this time are acting from motives of conservatism rather than of necessity.

The Southern Railway occupies a somewhat unique position at the present time, inasmuch as its preferred stock issue is one of a very small number which are believed to be in line for increased disbursements or initial payment in the near future. Wall street in its present state of mind is much more inclined to look upon the darker side of the picture and to discuss the possibility of reduction from rates which have prevailed for many years. This possibility has been discussed in the cases of the New Haven, St. Paul, Northern Pacific and others, and in the case of the St. Paul especially, no surprise would be occasioned if the directors were to reduce the common dividend rate at any time. Indeed, the most active discussion in this direction just now is whether the new rate will be set at 6 or 5 per cent. Of course, such a reduction has already been discounted to a very great degree, at least, by the continued decline in the stock. It is by no means inconceivable that as a 5 per cent issue St. Paul common might make more friends in conservative circles than it has been able to do within the past three or four years as a 7 per cent stock.

STOCKS SHOWING BEST INVESTMENT YIELD

Present rank.	Stock.	Present dividend	Price.	Yield on present price.
1	Toledo, St. L. & W., pref...	4%	41	9.76
2	Detroit United	5%	57	7.46
3	Chesapeake & Ohio	5%	73	7.04
4	B. R. T.	5%	78	6.85
5	St. L. & San F., 1st pref...	4%	59	6.78
6	St. Paul, com.	7%	107	6.54
7	Colo. & Southern, 2d pref.	4%	68	6.35
8	Lehigh Valley	10%	158	6.33
9	K. C. Southern, pref.	4%	64	6.25
10	Union Pacific, com.	10%	166	6.25
11	M., K. & T., pref.	4%	64	6.25
12	Baltimore & Ohio, com.	6%	96	6.25
13	N. Y., C. & St. L., com.	2%	48	6.25
14	Northern Pacific	7%	114	6.14
15	N. Y., N. H. & H.	8%	132	6.06
16	St. Louis S. W., pref.	4%	68	5.89
17	Atchison, com.	6%	102	5.88
18	Twin City R. T., com.	6%	101	5.77
19	Colo. & Southern, 1st pref.	4%	70	5.71
20	Great Northern, pref.	7%	123	5.69
21	Southern Pacific, com.	6%	107	5.60
22	Delaware & Hudson	9%	165	5.50
23	M., St. P. & S. S. M., com.	7%	126	5.55
24	P., C., C. & St. L., com.	5%	93	5.38
25	K. C., F. S. & M., pref.	4%	75	5.33
26	C., C., C. & St. L., pref.	5%	94	5.32
27	C., St. P., M. & O., com.	7%	132	5.30
28	N. Y., O. & W.	2%	38	5.26
29	Illinois Central	7%	135	5.19
30	Western Maryland, pref.	4%	77	5.19
31	Pennsylvania	6%	120	5.00
32	Louisville & Nashville	7%	140	5.00
33	Buffalo, R. & P., com.	5%	100	5.00
34	Atlantic Coast Line	6%	121	4.96
35	Chicago & N. W., com.	7%	141	4.96
36	Norfolk & Western, com.	5%	102	4.90
37	Atchison, pref.	5%	102	4.90
38	St. Paul, pref.	7%	145	4.87
39	N. Y. Central	5%	104	4.81
40	M., St. P. & S. S. M., pref.	7%	140	4.86
41	Central of N. J.	12%	260	4.61
42	Baltimore & Ohio, pref.	4%	87	4.60
43	Colo. & Southern, com.	2%	44	4.54
44	Canadian Pacific	10%	225	4.44
45	Norfolk & Western, pref.	4%	90	4.44
46	Union Pacific, pref.	4%	90	4.44
47	Reading, com.	6%	139	4.32
48	Boston & Maine	4%	100	4.00
49	D., L. & W.	20%	505	3.96
50	Southern Railway, pref.	2%	67	3.08

STOCKS SHOWING BEST EARNINGS

Present rank.	Stock.	Price.	Earning on present price.
1	St. L. & San F., 2d pref.	37	32.20
2	Erie, 1st pref.	49	23.40
3	M., K. & T., pref.	64	21.03
4	Detroit United	67	19.46
5	Southern Railway, pref.	65	15.95
6	N. Y., C. & St. L., com.	48	15.80
7	Rocking Valley, com.	128	14.70
8	Buffalo, R. & P., com.	100	14.20
9	Louisville & Nashville	140	13.20
10	Norfolk & Western, com.	102	10.95
11	Union Pacific, com.	166	10.40
12	D. & R. G., pref.	46	10.30
13	Twin City R. T., com.	101	10.30
14	Atlantic Coast Line	121	10.10
15	Colo. & Southern, com.	44	9.70
16	B. R. T.	78	9.80
17	Great Northern, pref.	127	9.50
18	Canadian Pacific	225	8.90
19	Southern Pacific, com.	107	8.80
20	Reading, com.	139	8.70
21	Central of N. J.	260	8.45
22	Erie, com.	31	8.40
23	C., St. P., M. & O., com.	132	8.20
24	St. Louis S. W., pref.	68	8.10
25	Baltimore & Ohio, com.	96	8.10
26	Delaware & Hudson	161	7.90
27	P., C., C. & St. L., com.	93	7.25
28	Chesapeake & Ohio	71	7.25
29	Lehigh Valley	158	7.25
30	M., K. & T., com.	28	7.05
31	C., C., C. & St. L., com.	95	6.95
32	M., St. P. & S. S. M., com.	126	6.80
33	Northern Pacific	114	6.75
34	K. C. Southern, pref.	64	6.70
35	St. Paul, com.	107	6.65
36	Illinois Central	135	6.30
37	N. Y. Central	104	6.00
38	Atchison, com.	102	8.85
39	Pennsylvania	120	5.60
40	D., L. & W.	505	5.35
41	Rock Island, pref.	45	5.25
42	N. Y., O. & W.	38	5.20
43	Chicago Gt. Western, pref.	37	5.15
44	N. Y., N. H. & H.	132	4.75
45	Chicago & N. W., com.	141	4.70
46	Western Maryland, pref.	47	1.30
47	Toledo, St. L. & W., pref.	41	1.85
48	Iowa Central, pref.	38	1.80
49	K. C. Southern, com.	25	0.80
50	Boston & Maine	100	0.05

Digitized by Google

UPON PRESENTATION

at the Office of

THE MIDDLESEX BANKING COMPANY

OF MIDDLETOWN, CONN.

DEBENTURES of Series E13, maturing October first, and Series E14, maturing November first, WILL BE PAID at par with interest to the date of payment.

OUR NEW INVESTMENT PROPOSITION

is as

Sound and secure as a good bank and pays large dividends.

First class representatives wanted; must be men of good standing in their community

SECURED INVESTMENT TRUST

92 STATE STREET, BOSTON

6% NEW YORK CENTRAL REALTY BOND

A Good Investment

To investigate is the six per cent Realty Bond of the New York Central Realty Company issued in denominations of $1,000, $500, and $100.

It offers a high grade of security, a liberal cash availability and an interest earning of 6%.

WRITE for booklet illustrating the methods of the Company, describing its bonds, their redemptive privileges and advantages over other Realty securities. Everybody knows us.

New York Central Realty Co.

Suite 1190, 1328 Broadway, Cor. 34th St., New York City

CAPITAL AND SURPLUS, $1,464,586.34

Corporation Organizers

Delaware charters are inexpensive and perpetual, and permit stockholders and directors to hold meetings anywhere. The law is more stable, and grants greater powers than other states. $1,142,434,400 of capital organized in Delaware during 1910—double that of New Jersey or elsewhere. In selecting an agent to organize and represent your company, **get the best**—it will be cheaper and safer in the end and will add prestige to your enterprise. **Lawyers' and Brokers' business a specialty.** Corporation Law and forms sent on request.

MERRICK SECURITY & TRUST CO

Wilmington, Del.

---

6 PER CENT INTEREST PAID

By Coupon on Bonds Secured by Well Selected New York Real Estate.

"We Deal in No Other Securities"

THE DEBENTURE CORPORATION OF NEW YORK

334 Fifth Avenue New York City

SIX NUMBERS FREE

Financial Converse (published every two months) answers more questions on mines than any periodical published. S. F. Campbell, of Chicago, says: "This paper is worth more than any other mining publication in the United States." Cut this out and send for six copies free covering the next year.

FINANCIAL CONVERSE

339 Monadnock Block, Chicago, Ill.

6% BONDS

Certainty Adaptability Convertibility

NO element of an investment approaches in importance that of *certainty*—certainty that it will conserve and return principal intact, and pay the contract rate of interest. A-R-E 6's have done this for nearly a quarter of a century.

¶ They are adaptable, being issued to return interest on current funds or to provide for saving surplus earnings, returning the latter with interest compounded at 6%.

¶ Their *cash convertibility* safeguards the investor against temporary financial need.

¶ This Company is engaged solely in the business of investment and operation in New York real estate, a stable and profitable investment field, and offers its 6% Gold Bonds in these forms:

6% COUPON BONDS

For those who wish to invest $100 or more

6% ACCUMULATIVE BONDS

For those who wish to save $25 or more a year

Descriptive Booklets and map of New York showing location of properties sent on request.

AMERICAN REAL ESTATE COMPANY

Capital and Surplus, $2,011,247.80
Founded 1888 Assets $23,026,899.67

Room 502, 527 Fifth Avenue, New York

WANTED

Austin, Tex. 4s
Cater-Crume Stock
Peoria Water Works Co. 4s
Alfred Light & Power 5s
York Haven Water & Power 5s
St. Joseph Water Co. 5s

H. C. SPILLER & CO.

Specialists in Inactive Bonds

27 STATE STREET BOSTON

First Mortgage Bonds

For Small Investors

WEEKLY OR MONTHLY PAYMENTS

Government, State and Municipal Issues, also Standard Railroad, Public Service and Industrial Bonds sold in any amount for Cash or on Weekly or Monthly Payments. **Best, Easiest and Safest way to provide for your future.**

Circulars 104 on request; Correspondence invited

Resident Representatives Wanted

FUNDING COMPANY OF AMERICA

40 EXCHANGE PLACE, NEW YORK

HOLLINGER-BEAVER CONS. MASON VALLEY-INSPIRATION

Our weekly market letter mentions the above, also Live Oak, McKinley-Darragh, Tonopah, Rea, Porcupine and Cobalts. "Coppers" and "Curb" stocks in general. Mailed free upon request.

"Coppers" and Curb Stocks bought and sold for Cash or Carried on Margin

---

H. A. BROWN & CO.

Members Boston Curb Exchange

60 State St. Boston 74 Broadway New York

UNLISTED SECURITIES

A SPECIALTY

CASH PAID FOR ANYTHING

Get my prices before trading.

C. W. GILMOR, 50 Broad St., N. Y.

Phone 3750 Broad. Use the wire.

FOR

Oil and Gas Land Leases

WRITE

C. W. DEMING & D. C. ACOSTA, Inc.

Tulsa, Okla.

FOR HIGH GRADE OIL STOCKS

WRITE

EQUITY BOND & SECURITY CO.

37 WALL STREET, NEW YORK CITY

Almoloya Mining Co.

60 Wall St., NEW YORK

TINTICS AND OTHER UTAH STOCKS

Write for reports and for Weekly Market Letter.

WM. H. TIBBALS, Salt Lake, Utah.

EMNAHA COLD MINING COMPANY

Incorporated under the laws of the State of Idaho. Capitalization, $500,000, divided into 500,000 shares. Par value $1.00 per share. Of which 200,000 shares have been placed in the Treasury, for the development of the property.

This Company owns and controls nine claims on Battle Creek, Imnaha, Willows Co., Ore., on which there are three well defined parallel veins, carrying very rich gold quartz. A limited amount of the shares of the stock have been sold.

For full particulars, address

JOHN SENNETT, Treasurer

79 Milk Street, Room 602 Boston, Mass.

Digitized by Google

United States Investor

Copyright 1911, by Frank P. Bennett & Co., Inc.

Volume XXII. BOSTON, NEW YORK AND WASHINGTON, OCTOBER 14, 1911 Number 41

A Maine Cashier

Not so very long ago, a traveling representative of this paper found himself one afternoon in one of the busiest and most attractive cities of the state of Maine. He had come by appointment with one of the bank cashiers of the place. In search of information of a more or less expert nature, the cashier had invited him, for the cashier realized that one who is constantly visiting the banks of the country cannot help becoming a considerable repository of information as to bank practices, as to new improvements which banks are installing, and as to all sorts of subjects, some of them only remotely connected with the banking profession. Indeed, in this very case, the information for which the cashier was searching was of political rather than banking nature, and it was the curiosity of one of his customers which he was anxious to satisfy rather than any genuine desire for knowledge.

The traveling man found the cashier indisposed, however, to stick to the topic which really had brought the two together on this occasion. Something else was weighing upon his mind, a matter forced upon his attention with increasing persistence of late months and upon that subject, too, he was anxious to discuss his impressions with his visitor. Light was what he was looking for, light upon a plan he had in mind for the future procedure of his bank. He wasn't enjoying his relations with his Boston reserve agent. There was nothing complex or unusual about his plight. His letters to his Boston bank contained every day a fair volume of checks and drafts upon which the Boston bank was charging him exchange. The aggregate expense of these charges reached a figure each month sufficiently formidable to cause him some concern. He actually could have paid the salary of another clerk with no more money than this, and in the course of a year the aggregate was sufficient to pay nearly, if not quite, 1 per cent upon his capital stock. To be sure, his is a bank of modest size, or the aggregate exchange cost would not disturb him, but when a cashier has been practicing every sensible economy, has been doing work himself that he could have unloaded upon some clerk if he were not trying to save money for his stockholders, he is hardly to be blamed when he feels a deep sense of dissatisfaction when he sees exchange charges eating into his earnings so appreciably.

Angry at Boston Banks

Then, too, although there was nothing unusual or complex about his situation, there were some factors about it which made any charge whatever by his Boston bank seem unreasonable. If ever a balance at Boston deserved particularly liberal treatment, the balance which he regularly carried there might fairly lay claim to especial consideration. His directors had set a veto upon his opening a reserve account in any other city than Boston. They still cherished that old New England notion, which, like so many other conservative New Englanders they have inherited as almost a tenet of their religion, that Boston is entitled to an affectionate regard among all people of northeastern United States and should be helped at all times to increase its standing in population, in business and in wealth. They had compelled him, therefore, to have at Boston all of the reserve which is not retained in the bank's own vault. Why, he asked, should the Boston banks be so determined to exact exchange charges from him, when their profit from his balance is at all times so considerable? They have never alleged that it is not ample on all occasions to afford them quite enough income to pay many times over all of the outlay they meet for collection of his items. He would not think for a minute of charging a customer exchange when he keeps so satisfactory a balance. Is there any logic, he asks, in putting him on a different plane and in according him a different treatment from that which he would mete out to a good customer? These questions he propounded to his visitor in the rapid-fire manner with which he always conducts his conversation. An Albany bank would treat him in more businesslike fashion. So would any Philadelphia bank. Banks in those cities, he declared, deal with his customers as a good merchant would do. They give each depositor such special facilities as his account warrants. Why should Boston banks do less?

A Letter

The visitor was neither shocked nor surprised at the attitude of the banker. The complaint he now heard was the same complaint which many New England cashiers had voiced before in his presence. Whenever the conversation lags in a New England bank, this topic is always a fruitful bone of contention. To defend Boston exchange charges in some banks is to destroy one's welcome utterly. Nor is this feeling among bankers confined to the state of Maine, although it was within that commonwealth that the traveling man now heard it. In New Hampshire and Vermont, too, in Massachusetts and even in Connecticut, cashiers are still ready to condemn the exchange charges which the Boston Clearing House exacts with the same intensity of feeling as when those charges first went into operation more than a decade ago. What did strike the vistor as an interesting coincidence was that just at the same moment he had in his pocket a letter from another Maine cashier which read almost as if it had been composed in the very presence of the cashier whom he was now visiting.

The writer of the letter was one who had been last to give up the hope that sooner or later the Boston bankers would turn back to the more liberal methods of old. He had patiently waited for the fruition of his hopes. Finding inactive waiting growing irksome, he had undertaken more active measures. He had tried to convince his Boston reserve agent and through it to convince the Boston Clearing House, that Boston banks were bound to lose business, and, what struck him as quite as important a consideration, were likely to lose the good will of a large number of New England bankers. He even compiled some figures in support of his claim, showing that the loss of business which Boston banks had suffered as the result of the clearing house rules, was too substantial for them to continue to endure the loss without taking active measures to prevent it. All of his work has been of no avail, and now reluctantly he

Digitized by Google

has transferred a substantial balance to Albany. His letter which follows expresses his disappointment keenly and voices his content with his new arrangement, since it is enabling him to save money and to use the savings as a means for adding to his deposits:

Bangor, Me., Sept. 14, 1911.

ED. UNITED STATES INVESTOR:

Yours of the 12th, received, and I remember with pleasure our conversation relative to the services offered by Albany.

Since that time the subject has been something of a hobby of mine and I have for several years been active in trying to bring about a better service from Boston. As you know, Aroostook county is the only section of Maine not remitting at par to Boston Clearing House, and if they had been willing to use even a little effort in Boston, about a year ago, that would have been brought into line.

Our efforts reduced the charges from a 1-10 to 1-20 and then we had to fight to get that concession from Boston.

Boston has been absolutely indifferent to our needs or our desire to keep our funds in New England, and from statistics which I compiled last December, I found that Boston at that time had just one-half of the reserve funds of our Maine banks, the other half being in Philadelphia, Albany and New York, and New York city having about one-eighth, while Philadelphia and Albany were getting the larger part outside Boston. Since that time Portland has made an effort to serve our Maine trust companies, and is also used somewhat by our National banks, and one Portland bank I know now has direct connections with many of our banks and handles also Chicago and the Provinces at par.

Had Boston adopted some such plan as Philadelphia now advances, I believe the Maine banks would have been loyal to them, but now there is a feeling and it is a very strong feeling, too, that we will use Boston only as we wish and look for little from them. This is a feeling that should not exist and need not have come into existence, but we are simply done with attempting to tease Boston, and what they get now they must either go after or take what comes from necessity.

The whole subject, with its various discussions, would fill a book. I have at least found it educational and have reduced my exchange charges from about $30 a month to about $15, and at the same time, very much increased our deposits, they being at the present time nearly double what they were two years ago, and all strictly mercantile deposits. I have used what I saved in exchange to advertise and it has been productive.

Sincerely yours,

(Signed.) F. W. ADAMS, Cashier.

Your publication I always read with interest and find it helpful in many ways.

This is a letter which, it seems to us, the Boston banks would do well to give thoughtful perusal. The writer is no village banker, schooled in a single point of view and unable to appreciate the outs about collecting the world at par as Boston banks used to do years ago. His reference with approval to the new rules of the Philadelphia banks shows that. When, therefore, he joins with other bankers in a determination to make Boston only a residuary legatee of balances, a custodian of what is left after other reserve agents have been given ample quotas, it is evident that the Boston banks should commence taking measures to restore the more cordial relation with some of the New England banks which are now somewhat embittered. The bankers of Boston should not be content to assure each other as they do frequently, some of them, that the Boston clearing house exchange rules are just and logical, or at least, rendered necessary by conditions. They should commence missionary effort, and endeavor by diplomacy to allay the disposition among country banks to regard them as too unyielding.

Missionary Work Needed

In brief, however much one may fairly say in favor of the Boston Clearing House rules, the above letter appears to show that one can say very little for the Boston policy of not trying to make those rules more palatable to New England banks. The Boston Clearing House has reduced the expense to Boston banks of collecting New England items to a figure so small as to be almost negligible. The saving, as compared with the expense which such collections used to involve, is immense. A portion of this saving the Boston banks might well employ in sending out men to cultivate the friendship of New England country bankers and to make them cherish better feelings toward Boston banks.

Our own idea is that an investigation might well be started in Boston, and right now, too, with a view to determining whether, after all, the exchange charges of the clearing house are not unduly drastic. If the Boston banks are to be placed as they are, by the country banks of New England, in position to offer astonishingly good terms to all the rest of the country for collection of New England items, the Boston banks can well afford to place the rest of the country at par for those New England banks which keep proper balances with the Boston banks. About the present status of affairs there is some conspicuous incongruity. A bank in Lowell, Mass., for instance, gives Boston banks daily remittance at par on checks received by the Boston bank from any source. If a bank in Pittsburgh sends a Boston bank a Lowell item, that item costs the Pittsburgh bank no exchange whatever. If the Lowell bank sends the Boston bank a Pittsburgh item, the Lowell bank must pay exchange. Why isn't "turn about" fair play? There are no reserve agents in the country treated so well by the country banks in the territory naturally subsidiary to them as the Boston banks are treated in the matter of remittances by the banks of New England. In return for their good fortune in this regard the Boston banks may fairly consider whether they should not do more for the banks of New England.

An Investigation in Order

The reference of the writer of the above letter to the activity of a bank in Portland, Maine, is worthy of comment. Portland is not a reserve city. No bank there is a natural collection agent for the other banks of the state. The opportunity the Portland bank has to become a collection agent for other banks of Maine is due entirely, of course, to the attitude toward Boston banks to which the letter above gives voice. That the Portland bank can afford to act in such capacity will be denied by many Boston bankers. That banks in other states of New England are doing just as this Portland bank is doing, notably a bank in Concord, N. H., and have done so for years, will not convince them to the contrary. We are not at all sure, however, that those Boston bankers are correct in their belief. Our contention would be that it ought not to be impossible for a Portland bank to act as a sort of syndicate manager for the banks of Maine, as a whole, in handling their collections and make money at so doing. Probably, those who doubt the value of this business to the Portland bank are quite right in their assertion that that bank has to make very liberal use of some Philadelphia or Albany bank, unloading upon it a great deal of the foreign items received by the Portland bank from its correspondents. Neither can it be denied that the Albany or Philadelphia bank requires the Portland institution to maintain with it the most substantial balance. Nevertheless, the conclusion of these doubters that this balance is so huge as to take all of the profit away from the Portland bank does not necessarily follow. We do not find it impossible of belief that the Portland bank is able to retain for its own use a portion of the balances given it by the Maine banks. We do not believe it has to turn all of these balances over to Albany or Philadelphia.

Portland Bank Active

Our impression is that the checks which the Portland or the Concord bank gathers in are not of an exceptionally undesirable sort. Of course, a considerable quantity of Canadian items are to be found in the mass, but Canadian

Not Bad Checks

Digitized by Google

IF YOU HAVE NO CORRESPONDENT
IN CINCINNATI
WE WILL WELCOME THE OPPORTUNITY OF PROVING TO YOU THE BENEFITS WHICH WILL ACCRUE FROM FORMING A CONNECTION WITH US.
RESOURCES
TWENTY-FIVE MILLION DOLLARS
And every facility for the satisfactory handling of Bank Accounts.
THE FIFTH-THIRD NAT'L BANK CINCINNATI O.

items are not so difficult of collection as some people believe. Just because New York banks have a clearing house rule which requires them to charge one-fourth of one per cent for collecting items on Canada, it doesn't follow that such items are not easier to collect than are some items for which New York banks charge only one-tenth. If the Portland bank can turn over a sufficient quantity of Canadian items, mainly on a few or comparatively few banking points in Canada, a very satisfactory arrangement for remittances can be made with the branches of some of Canada's great banks. As for the other items which the Maine banks give the bank at Portland, the probability is that they are not to any considerable extent little checks on remote and inaccessible points. Maine is not a great workshop state. It has a fair amount of manufacturing, but even its manufactories do not distribute their output all over the Union. Consequently, the checks which Maine's business men deposit with its banks are for the most part on banks in large cities, and, therefore, not of the most difficult nature for collection. On that account, if the banks of Maine unite to place all of their foreign items in one agent's hands for collection, and that is what they really have done when they have chosen the Portland bank as a depository, that agent should be able to handle the mass of checks very economically When it has sorted the mass over, and when it has divided it according to points on which the items are drawn, it should have enough items on each point to be worth handling. The Albany or Philadelphia bank to whom the Portland bank turns them over should find little difficulty in driving a bargain with some bank in each point to which the Maine checks will go to remit at the lowest possible figure. Consequently, the Albany or Philadelphia bank does not have to be very severe in the matter of balance with the Portland bank

Loyalty and Shrewdness

But why should the average Maine bank put a balance at Portland when it can use a bank in Albany or Philadelphia for a reserve agent, and deal with it direct, instead of through a Portland bank as intermediary? Probably the Portland bank will expect quite as large a balance from the individual Maine bank as the Albany bank would expect. We imagine the answer is that the Maine banks like to have their balances at work near at home, instead of in some other state. The above letter lays stress upon the fact that if the New England balances now at Philadelphia were in Boston, they would be at work upbuilding New England, instead of assisting Pennsylvania and New York State to advance. This isn't mere sentimentalism. What builds up Portland helps build up Maine. The prosperity of Maine's metropolis must radiate to Maine's other centres. That, therefore, there should be among Maine bankers some enthusiasm for use of a Portland bank, rather than a bank in other commonwealths as collection agent, is not only creditable to their sense of loyalty to the state, but is also an evidence of a feeling on their part that Maine needs all of its balances as near home as possible.

PHILA. TRUST COMPANIES.

Details of the plan to open the doors of the Philadelphia Clearing House to wider participation by trust companies had not been completed sufficiently to admit of formal action at the meeting of the association, October 9, and it was left in the hands of a special committee, consisting of Levi L. Rue, Howard W. Lewis and Joseph Moore, Jr., which has been working upon it for some time. Francis B. Reeves, president of the Clearing House, said that there would probably be developments along that line at an early date.

PROPOSAL FOR BONDS.

SIOUX FALLS, S. D.—The board of commissioners of this city will receive sealed bids until November 7, 1911, for the purchase of $200,000 sewerage bonds and $100,000 water bonds of the city of Sioux Falls, South Dakota. These bonds bear interest at the rate of five per cent and are in the denomination of $500, each to run twenty years from date of issuance. Each bid must be accompanied by a certified check for $500, payable to the city treasurer. The board reserves the right to reject any or all bids. For further information, write Walter C. Leyse, city auditor.

CLENDENIN, W. VA.—The Clendenin State Bank has been organized by V. A. Cobb, A. W. Cox, M. F. Hoofer and D. H. Stephenson.

Franklin National Bank
PHILADELPHIA
Capital $1,000,000.00
Surplus and Undivided Profits. 2,730,181.17
INCORPORATED 1900.
OFFICERS:
J. R. McALLISTER, President.
J. A. HARRIS, JR., Vice-President.
E. P. PASSMORE, Cashier. L. H. SHRIGLEY, Assistant Cashier.
J. W. HARDT, Assistant Cashier.
Foreign Exchange Department.
WILLIAM WRIGHT, Manager.

Chase National Bank
NEW YORK
Capital .....$ 5,000,000
Surplus and Profits (earned) 8,382,871
Deposits 118,846,799
A. BARTON HEPBURN, Chairman of the Board
ALBERT H. WIGGIN, President
SAMUEL H. MILLER, Vice-President
HENRY M. CONKEY, Cashier
CHARLES C. SLADE, Ass't Cashier
EDWIN A. LEE, Ass't Cashier
WILLIAM E. PURDY, Ass't Cashier
ALFRED C. ANDREWS, Ass't Cashier
DIRECTORS
Henry W. Cannon
James J. Hill — George F. Baker
Grant B. Schley — Albert H. Wiggin
A. Barton Hepburn — George F. Baker, Jr.
John I. Waterbury — Francis L. Hine
FOREIGN EXCHANGE DEPARTMENT

Ladd & Tilton Bank
PORTLAND, OREGON.
Established 1859.
Capital $1,000,000.
Surplus & Undivided Profits $700,000.
OFFICERS
W. M. LADD, President
EDWARD COOKINGHAM, Vice Pres.
W. H. DUNCKLEY, Cashier
ROBERT S. HOWARD, Asst. Cashier
J. W. LADD, Asst. Cashier
WALTER M. COOK, Asst. Cashier
DIRECTORS:
EDWARD COOKINGHAM — J. WESLEY LADD
WILLIAM M. LADD — S. B. LINTHICUM
HENRY L. CORBETT — FREDERIC B. PRATT
CHARLES E. LADD — THEODORE B. WILCOX

OLDEST BANK IN AMERICA
Chartered by Congress, 1781.
The Bank of North America
(NATIONAL BANK)
PHILADELPHIA, PA.
Capital .....$ 1,000,000.00
Surplus 2,250,000.00
Undivided Profits..... 371,000.00
Deposits 15,075,000.00
HARRY G. MICHENER.....President
SAMUEL D. JORDAN.....Cashier
WILLIAM J. MURPHY.....Asst. Cashier
RICHARD S. McKINLEY.....Asst. Cashier
Accounts Solicited
Correspondence Invited

The National Park Bank
OF NEW YORK
Organized 1856.
Capital .....$ 6,000,000.00
Surplus and profits 12,947,463.12
Deposits, Sept. 1, 1911.....106,560,902.48

Digitized by Google

THE NATIONAL CITY BANK OF CHICAGO

CAPITAL :: :: $2,000,000.00
SURPLUS & PROFITS 500,000.00
RESOURCES :: :: $29,300,000.00

United States Depositary — *Accounts of Banks and Bankers solicited. Correspondence invited.* — Organized 1907

WHAT MR. WISE SAID.

New York's District Attorney Did Not Charge That Bankers Are Black Balling Clerks Who Testified.

At a meeting of the Savings Bank Section of New York Chapter of the American Institute of Banking, New York City, Wednesday, October 4, an address was delivered by United States District Attorney Henry A. Wise, the garbled version of which has created a sensation in banking circles. The newspaper reports of this address made it appear that Mr. Wise had charged that there was an understanding among bankers that no employe giving evidence in cases against bank officers shall thereafter obtain employment in any bank. Mr. Wise made no statement from which any such inference could be drawn. Unfortunately, he spoke extemporaneously, and there was no official report made of the address. He has been compelled, therefore, in justice to the bankers of New York to make the following

EXPLICIT DISAVOWAL

of the misleading utterances that have been attributed to him. Mr. Wise's statement is as follows:

"In reporting my remarks before the meeting of the American Institute of Banking some of the morning papers have made it appear that I had insinuated or charged that there exists or had existed some understanding among the bankers of this community whereby employment should be denied to those bank employes who might give evidence for the government in the prosecution of bank officials.

"Without retracting anything that I said, I desire most positively and emphatically to state that I had no such idea in mind and that I did not desire to be understood as expressing any such idea.

"The sole purpose of my remarks was to point out to men employed in banks that by allowing themselves to be used by unscrupulous bankers they were liable to deprive themselves of their own positions, and as

A STRIKING ILLUSTRATION

of this fact I called attention to the fact that in the case of the witnesses in the Morse prosecutions this had been the fact.

"I regret that I had no prepared manuscript and that there is no stenographic transcript of my remarks. Some of the newspaper accounts of my speech have entirely failed to quote my remarks to the effect that the percentage of dishonest bank officials and employes was extremely small and that on the whole the bankers of this community are a very high type of men. This statement was made by me and it is highly incredible that in the face of such a remark I would have intentionally insinuated or asserted that such a body of men could be guilty of a contemptible conspiracy."

Equally baseless are the implications that there is a movement among the bank clerks of the city associated in the American Institute of Banking to form a

UNION OF BANK CLERKS.

To make it clear that no such project exists, a special meeting of the board of governors of New York Chapter was called on October 5, at which the following self-explanatory resolution was unanimously adopted:

"New York, October 5, 1911.

"At a special meeting of the board of governors of New York Chapter, American Institute of Banking, representing 1,800 banking men, held this date, it was unanimously resolved to define the principles and objects of our organization as being primarily and entirely for education in banking and kindred subjects.

"It seeks to uplift

THE PROFESSIONAL STANDARD

of our vocation and to make efficiency and capability the sole reasons for reward and promotion, and directs its constant endeavors to establish a harmonious and practical co-operation between all persons engaged in the banking profession, regardless of grade or position, and the board of governors desires to declare a most successful result as having been established.

"Further, that the chapter is opposed to the formation of any association as a protective union, and that the board of governors do not know of nor do they believe that any man or set of men has been discriminated against by the banks of New York City because of their telling the truth in court or anywhere else."

GOSHEN, IND.—The Salem Bank has increased its capital stock from $60,000 to $100,000.

RED BLUFF, CAL.—The Red Bluff National Bank has been organized by T. H. Ramsey, G. H. Kraft, E. P. Kraft, S. W. Murdock and L. L. McCoy. The bank has a capital of $100,000.

THE
OLD NATIONAL BANK
OF SPOKANE

OFFERS ITS CORRESPONDENTS
Better Banking Service

The Largest Number of direct connections of any bank in the Inland Empire.

Send us your Washington, Oregon, Idaho and Montana Items.

Portland National Bank
PORTLAND, MAINE
Union Mutual Life Insurance Co. Bldg.

Accounts received on the most liberal terms consistent with sound banking.
Collections receive prompt attention

WM. W. MASON ..... President
EDWARD W. COX ..... Vice-President
CHAS. G. ALLEN ..... Cashier
EDWARD L. PIPER ..... Asst. Cashier

Directors:
Fred E. Richards, Charles G. Allen,
Henry B. Cleaves, George F. West,
William W. Mason, George Westcott Bayer,
Lyman M. Cousens, Roswell C. Bradford,
Edward W. Cox.

RUEL W. POOR, President
JAMES McCUTCHEON, Vice-President — ARTHUR W. SNOW, Cashier
W. L. DOUGLASS, Second Vice-President — RALPH T. THORN, Asst. Cashier

The Garfield National Bank
OF NEW YORK CITY

Capital and Surplus - - - $2,000,000

Offers to Banks, Bankers, Corporations and Firms the services of a thoroughly equipped and conservatively managed bank.

YOUR BUSINESS SOLICITED

METACOMET NATIONAL BANK
OF FALL RIVER, MASS.

Capital, $750,000 — Surplus and Undivided Profits, $333,000

SIMEON B. CHASE, President
MILTON REED, Vice-President — CHARLES B. COOK, Cashier

Special attention given to the handling and collecting of cotton drafts, sent direct from the South

CITIZENS NATIONAL BANK
BALTIMORE, MD.

CAPITAL $1,000,000 — SURPLUS, $2,000,000

Digitized by Google

NATIONAL BANK 3rd OF ST. LOUIS

CAPITAL $2,000,000
SURPLUS $2,000,000
DEPOSITS $35,000,000

NATIONAL BANK 3rd OF ST. LOUIS

This Week and Next

Further Recuperation From Recent Over-Exertion—More Quiet Days in the Brokerage Houses—Bond Houses Report a More Active Business, Especially For Speculative Issues—Strong Money Market Conditions Prevailing—European War News and its Effect on Gold Imports—Viewing the Steel Statement From Two Sides—Independents Report Poor Earnings, With Signs of Better Things Ahead—Further Light Upon the Mellen Policy—Two More Lean Years, and Then the Reward—Southern Railway Headed For a 5 Per Cent Dividend—What is a Reasonable Dividend For the Reconstructed Western Union?

From the point of view of an investor, the most striking development of the past week, so far as the stock market as a whole, is concerned, has been that the average price level has held its own and a little more, from the viewpoint of the broker, who depends for his livelihood upon commissions received, the most noticeable feature, no doubt, has been the decline in activity, which has come with the higher level of prices, the daily sales at times showing a somewhat depressing resemblance to the very limited totals, which represented the transactions of the early summer, when the bull campaign was on, and was being forced, despite the apathy of the small investor. The general attitude is scarcely less cautious than it was two or three weeks ago, but that it is less panicky, cannot be denied.

There is

NO SCRAMBLE TO BUY

stocks to-day, either on the part of the odd lot buyer or any one else, with the possible exception of those professional profit scalpers, who may have been nipped in the sudden price movements, which still materialize from time to time. There has been, however, a steady picking up of bargains in a manner which will be shown some time hence, in addition to the list of stockholders of railroads and industrial corporations. If one were to judge from the testimony of some croakers, one would have to believe that we have passed through two months or more of almost continuous selling, with no offsetting buying operations, which is, of course, an impossibility. One prime reason for the present dissatisfaction of pool operators is to be found in the fact that the public refused to play the part of a "come-on", while prices were ascending, thereby violating all the traditions held by these trusting operators, regarding their ability to attract the public at the top, and frighten it out at the bottom of every important market upheaval.

BOND HOUSES PROFIT.

I referred last week to the optimism of representatives of New York bond houses in the eastern financial centres. I have made further inquiries along these lines during the last few days, the result of which indicates that the optimistic expectation of these bond men are more than likely to be realized. As a matter of fact, this department of the investment market is just now giving signs of greater life than it has shown since the beginning of the summer. This buying, of course, is a logical accompaniment to the odd-lot purchases of stocks which have been made since the reactionary movement set in some ten weeks ago. Investors who have been affected by recent unsettling developments to the point of losing their confidence in stock investments have compromised by going into the bond market, and making their selections there. All classes of bonds have shared in the inquiry, although those of the so-called speculative variety have been picked up most actively. This of itself is a feature which points to the activities of investors, who, under ordinary conditions, would be buying stocks and looking for the largest possible return consistent with reasonable security. I would also call attention to the fact that the increased activity of the bond market has begun, coinci-

THE
Chatham and Phenix
National Bank
NEW YORK

Capital and Surplus
$3,000,000

All business under direct supervision of the officers.

LOUIS G. KAUFMAN, President.

GEO. M. HARD, Chairman of the Board.
F. J. HEANEY, Vice-President.
W. H. STRAWN, Vice-President.
A. M. BULL, Vice-President.
BERT L. HASKINS, Cashier.
H. L. CADMUS, Assistant Cashier.
N. P. GATLING, Assistant Cashier.
W. B. BOICE, Assistant Cashier.
H. C. HOOLEY, Assistant Cashier.

Your Account Solicited.

The MECHANICS and METALS NATIONAL BANK
OF THE CITY OF NEW YORK

OFFICERS

GATES W. McGARRAH, President
ALEXANDER E. ORR, Vice-Pres.
NICHOLAS F. PALMER, Vice-Pres.
FREDERIC W. ALLEN, Vice-Pres.
FRANK O. ROE, Vice-Pres.
WALTER F. ALBERTSEN, Vice-Pres.
JOSEPH S. HOUSE, Cash.
ROBERT U. GRAFF, Ass't Cash.
JOHN ROBINSON, Ass't Cash.
CHARLES E. MILLER, Ass't Cash.

Capital, Surplus and Undivided Profits, $14,000,000

The Commercial National Bank OF WASHINGTON D. C.
Capital $500,000 Surplus and Undivided Profits $296,000

ASHTON G. CLAPHAM, President
ELDRIDGE E. JORDAN, First Vice-pres. N. H. SHEA, Second Vice-pres.
T. K. SANDS, Third Vice-president
JOHN POOLE, Cashier HERBERT V. HUNT, Asst. Cashier.

THE DEXTER HORTON NATIONAL BANK of Seattle
maintains a department organized for the especial care of the accounts of banks and bankers. Our officers will be pleased to correspond with bankers contemplating the establishment of relations in the Pacific Northwest.
CAPITAL & SURPLUS $1,440,000

Digitized by Google

ANGLO & LONDON PARIS NATIONAL BANK
SAN FRANCISCO
Capital, Surplus and Profits, $5,700,000.00 Deposits, $23,500,000.00 Cash and Sight Exchange, $10,300,000.00
Issues Travelers' Letters of Credit, available in all parts of the world; buys and sells Foreign Exchange, and issues Drafts and Cable Transfers
ACCOUNTS OF BANKS, BANKERS, CORPORATIONS, FIRMS AND INDIVIDUALS INVITED

dent with the unmistakable lessening of the

PRESSURE TO SELL

the standard stocks that had been distinctly visible in the exchange operations during the latter part of September.

A saner view of the situation has served to convince more than one doubting Thomas that the situation is a long ways from being as bad as it was painted a month ago. The money market carries no menace at the present time, nor is there anything to indicate that it is at all likely to do so for a long time to come. While call money has shown some increasing strength, the financial situation generally is about as far removed from stringency as it has been for months past, which is saying a good deal. Of course, it is simply in line with precedent to look for a reduction in the bank surplus within the next few weeks, as a result of large shipments of money to the West and South for crop moving. The bulk of the financial requirements for this particular purpose will be amply provided for within the next six weeks, and there is no reason to fear any real money disturbance in the meantime. We are exporting gold to Europe, and the movement, to tell the truth, is larger than some recent reports would indicate Doubtless, local bankers would view with equanimity active withdrawals for interior account, and further gold exports to Europe. Trans-Atlantic politics, of course, will be an important factor in determining the extent of this export movement. This squabble between Italy and Turkey is not disturbing the financial markets seriously, and is not likely to, unless it spreads beyond its present proportion. This struggle is so much less serious than the predicted Franco-German affair, with which the bears did such effective execution a few weeks ago, that it appears to be a mere flea-bite from this distance.

MIXED TRADE CONDITIONS.

The general impression is that business is bad, but there are some authorities who insist that in their particular lines at least conditions are better than the average. The truth of the matter is that while the country's business is certainly a considerable distance from boom-day levels, it is by no means as bad as it has been pictured. The tendency has been to pick out the dark spots and pass over the lighter ones. The statement of unfilled orders of the United States Steel Corporation may be construed as either bad or good. The decidedly pessimistic prediction which was a part of the market raid of three weeks ago failed of realization, which means that the statement was better than generally looked for.

ESTIMATES OF EARNINGS.

I heard it predicted that the Steel Corporation's earnings for the September quarter will be in the neighborhood of $31,000,000, although the official figures will not be available for another fortnight or more. Last year, in the third quarter net earnings were $37,300,000, and in the same months of 1907, $43,800,000. Therefore, if the results are as anticipated, they will furnish unmistakable evidence of trade reaction, without pointing to demoralization by any means. It is interesting to recall that in the second quarter of 1903, the company's net receipts were $36,600,000, from which they fell to $15,000,000 in the December quarter, with a further shrinkage in the first three months of 1904 to $13,400,000. In 1907, earnings were $45,500,000 in the second quarter, $43,800,000 in the third quarter, and $33,500,000 in the last quarter. At this point the results of the panic began to make themselves unmistakably evident, with the result that in the first three months of 1908, net earnings were but $18,200,000. The estimate for the past three months, if borne out by the results actually reported, would show an actual increase over the $23,500,000 earned in the March quarter, and only a moderate decrease from the highest of 1910. Of course, it is to be considered that the Steel Corporation and its independent competitors are making aggressive efforts to secure new business at prevailing low quotations, with the result that the margin of profits on transactions is extremely small. Such a condition of affairs, of course,

SUGGEST LIGHT EARNINGS

in the last quarter of the year.

The American Steel Foundries Company has already reached the point where, as far as any equity for the stock in the returns actually reported is concerned, conditions could hardly be any worse. The company showed a net income for the 11 months to the end of June last of $1,794, or .0091 per cent for the 11 months' period, as compared with 6 per cent earned on the stock for the 12 months ended July 31, 1910. This company depends for its business very largely upon the railroads, and it is encouraging to note

The Fourth National Bank
OF THE CITY OF NEW YORK

OFFICERS
JAMES G. CANNON, President
SAMUEL S. CAMPBELL, V. Pres.
CHARLES H. PATTERSON, V. Pres.
DANIEL J. ROGERS, Cashier.
E. W. DAVENPORT, Asst. Cashier.
CHARLES E. MEEK, Asst. Cashier.

DIRECTORS:

James G. Cannon	L. F. Loree
Cornelius N. Bliss	Eugene Delano
Robert W. Smart	M. Orme Wilson
William S. Opdyke	Elbridge G. Snow
T. Frank Manville	Welding Ring
Thos. H. McKittrick	Morton F. Plant
Mortimer L. Schiff	Samuel S. Campbell

CAPITAL AND SURPLUS - $10,000,000

THE
National Commercial Bank
of ALBANY, N. Y.

Capital - -	*$1,000,000*
Surplus and Profits	*1,726,745*
Deposits - -	*21,276,797*

OFFICERS

ROBERT C. PRUYN, President
JOHN E. WALKER, Vice-Pres. EDWARD J. HUSSEY, Cashier.
JAMES H. PERKINS, Vice-Pres. WALTER W. BATCHELDER, Asst. Cash.
JACOB H. HERZOG, Asst. Cash.

your New York and New England items

the official statement that the company's business is now picking up, as is shown by the presence on its books of a considerably larger number of orders, than was evident two months ago. Evidently, not all of the railroads are so near pauperism that they are unable to buy equipment material.

LACKAWANNA STEEL COMPANY also reports relatively poor earnings for the nine months to the end of September, being also dependent for the bulk of its business upon the demands of the railroads. The increased car buying reported by independent trade authorities during the past few days ought to be of assistance to this company, also in holding its head above water until the last ripples of the tidal wave of depression have passed safely by. President Mellen, of the Boston & Maine, looking ahead for three years over an intervening period of "hard work" with not over-satisfactory results, sees the possibility of a return to the old 6 per cent dividend rate, which ought to reassure those who have been fearful of the need of another reduction in the present 4 per cent rate, in view of the ridiculously inadequate surplus shown as the result of the last fiscal year's operations. Presumably, the Mellen vision is capable of seeing the turn in the tide in the New Haven's affairs within that three-year period, also

FURTHER DIVIDEND PROMISES.

The annual report of the Southern Railway bears out previous indications that the fiscal year was one of remarkable prosperity, and is in itself a promise that the continued delay in putting the preferred stock on a 5 per cent basis will not be extended much longer. In the industrial list, a fillip has been given to the general dividend outlook in the Western Union report through the official expression of confidence in the ability of those in charge of its destinies to restore the shares to a "reasonable dividend basis". Some of the recent accumulation of the stock has, no doubt, been based on a belief that in due course of time, it would be quite "reasonable" to expect an 8 per cent dividend to make Western Union a fit running mate for American Telephone. Beyond the fact that Western Union's earnings are on the increase, while those of most other industrial corporations are evincing an unfortunate tendency to move in the other direction, the anticipation of a return to the former 5 per cent rate would not serve as an adequate explanation of the recent rise, for the shares are already from 13 to 29 points higher than such 5 per cent issues as United States Steel common, American Cotton Oil common and United States Realty.

THE FORECASTER.

TRADESMEN'S TRUST RECEIVER.

Percy M. Chandler, of the banking firm of Chandler Brothers & Company, Philadelphia, has been appointed permanent receiver of the Tradesmen's Trust Company of that city. Mr. Chandler is of Philadelphia birth, and received his early education in the Friends Central School. He has a reputation as a discriminating advisor in investment securities, having become a member of the local stock exchange in 1899.

CURRENCY REFORM LEAGUE.

A branch of the National Citizens' League for the Promotion of a Sound Banking System, which had its inception in Chicago, is about to be established at Philadelphia, through the efforts of C. Stuart Patterson, president of the Western Savings Fund Society.

Mr. Patterson states that the society is still in an embryo state, and no details were at hand, but it is his ultimate object to see the organization established. He said that the local branch would consist of prominent business men, whose sole object would be to devise some plan whereby the present financial system can be improved.

The National Citizens' League for the Promotion of a Sound Banking System already has branches in Buffalo, Rochester, Syracuse, Utica and Albany, and there are other state leagues in Connecticut, New Jersey, Delaware and Maryland. Following the organization of the Philadelphia society, it is believed a state branch will soon be established in Pennsylvania.

ERNST & ERNST

CERTIFIED PUBLIC ACCOUNTANTS

AUDITS — BUSINESS SYSTEMS

ANNOUNCE the opening of their Cincinnati Office at 827-828-829 Union Trust Building. A permanent staff of trained accountants will be maintained at this office.

NEW YORK: HANOVER BANK BUILDING
CHICAGO: FIRST NATIONAL BANK BUILDING
CLEVELAND: SCHOFIELD BUILDING
CINCINNATI: UNION TRUST BUILDING

For Profitable Investment

Parker Transmission and Appliance Co.

SPRINGFIELD, MASS.

A Massachusetts Corporation

Capital $1,000,000.00 All Common Stock
Par Value $100.00. Full Paid and Non-Assessable
Controlling Patented Invention of Vital Importance to the entire Automobile Trade

NOW MANAGED BY

THE HUNTER BROTHERS, Of Fulton, New York

Who Control the Following Enterprises:

THE HUNTER ARMS—
Manufacturing the L. C. Smith Guns and are by far the largest shotgun manufacturers in the world.

THE HUNTER FAN AND MOTOR COMPANY—
Are large and successful manufacturers of the Tuerk Ceiling and Desk Fans.

THE BATTLE ISLAND PAPER COMPANY—
Manufacturers of Paper Sulphite—represents an investment of over a million dollars, is very successful and highly rated.

The success, ability and integrity of the Hunter Brothers is well known in their respective lines in every part of the globe.

Pres., JOHN HUNTER Vice Pres., CLARK W. PARKER
Treas., THOMAS HUNTER Clerk, JOHN F. MALLEY

DIRECTORS

John Hunter, Thomas Hunter, R. B. Hunter, S. C. Hunter,
J. C. Hunter, William Hunter, Sherman D. Porter,
Clark W. Parker, James H. Dunn.

All other information desired may be obtained from

JAMES H. DUNN, Fiscal Agent.

Carr Building, 25 Harrison Ave., Springfield, Mass. Telephone 1586

Digitized by Google

CRITICISES ALDRICH PLAN.

Mr. James J. Hill Declares It to Be Uneconomic, and Therefore Unsound in Some of Its Features.

The Address of James J. Hill, of the Great Northern Railroad, at the Illinois Bankers' Association Convention, at Springfield, Ill., on October 11, was in the main a plea for agricultural reform, but what Mr. Hill said about the Aldrich plan for currency reform excited considerable comment. Coming from so successful a captain of industry as Mr. Hill, it is worthy of serious thought, and the Illinois bankers are to be praised for presenting this reverse side of the picture when other bankers' associations have been so disposed to have only advocates of the Aldrich plan speak at their convention.

Mr. Hill said, in part:

I want to make one earnest suggestion about this so-called Aldrich plan to the bankers of the country. Take it up for yourselves, perfect it by the light of your business experience, and make it

YOUR OWN ENTERPRISE,

under your own initiative and subject to your own control, instead of a creation of Federal law. Shape your own association for yourselves, and ask Congress for authority under wise legislative regulations, where such may be necessary, to do this thing, instead of surrendering your rights as well as your obligations for all time to a political power. There is no part of the scheme outlined which you cannot plan and execute for yourselves better than any Congress can do it for you. Your State associations and the American Bankers'Association furnish all the necessary machinery.

It is doubtful if any plan created by law a centralized financial system can pass Congress. At the best, it must wait for years. Popular prejudice and our own history tell too strongly against it. But the associated banks are free to go ahead and adjust the details of their business in accordance with the workings of commercial evolution. Legal permission to do this would be less difficult to obtain, because the act would not be irrevocable, the organization would not be intrenched behind the law creating it, and the contemplated voluntary association would be and remain always subject to the supervision and open to check or modification by law, if at any time this appeared advisable.

Our monetary system has always been, and for more than a generation has been acknowledged by all well-informed persons to be profoundly unsatisfactory. Yet, little has been done to improve it. The initiative should be taken by the bankers. It is in a special sense their problem. They are more familiar with its difficulties and with the methods by which it must be solved than any others. It is probable that the public necessity will not wait much longer for the remedy which public opinion deems to be necessary. If currency reform is not undertaken and carried through under the leadership of the bankers of the country, it will be taken up by Congress and suffer the same fate that has befallen every other great economic issue after it became the football of party politics.

If the bankers do not do this work not in a self-seeking way, but as

A PATRIOTIC ACT,

performed in the true scientific spirit, the opportunity to control it may be taken away from them. Changes made not directed by intelligence and experience, but by political considerations, may be as disastrous to the banking interest as they would be injurious to the country. The present may be the last opportunity that the bankers will have to perform this signal public service.

The bankers of the country are now studying and discussing the plan proposed by Senator Aldrich to the Federal Monetary Commission for its reform. He and his associates have done a memorable work. They have made the first comprehensive and scientific study of the currency ever completed in this country. Their conclusions should be received with great respect, but they should also be studied with great care. Every defect that wins endorsement, every weakness that it might develop in operation, will react unfortunately by opening the way for demagogic amendment in answer to popular discontent. Your recommendation should have great weight. It is desirable, therefore, for you bankers to digest thoroughly and scrutinize minutely this scheme. While it has been constructed with great care and obvious sincerity, there are details in which it seems to be unsatisfactory and

POSSIBLY DANGEROUS.

It is declared by everybody, by none more earnestly than by Senator Aldrich himself, that the great national organization of banks which it is proposed to create, the Reserve Association, must be made and kept free forever from control by politics on the one side and powerful combinations of capital on the other. It is doubtful if either could be done by the method laid down in this plan. The political connection is inherent in the constitution of the proposed Reserve Association. Its Governor and two deputy Governors are to be appointed by the President of the United States. These

(Continued on page 1741.)

JAMES J. HILL.

Digitized by Google

Republic Ry. and Lt. Pays First Dividend

Consolidation of 28 Street Railway, Gas and Electric Light Properties in Ohio and Pennsylvania in Its First Earnings Statement Indicates Bright Prospects For Future Results—Company Is the Latest of Many Successful Groupings of Scattered Public Utility Corporations—Management Includes Officials of the National City Bank of New York, the General Electric Company as Well as Members of Several Large Banking Houses—Progress of This Idea of Central Management of Isolated Properties Likely to Be a Feature of the Investment History of the Next Few Years.

The new Republic Railway & Light Company, now a little over three months old, is an interesting enterprise, not so much because it was able to promptly declare an initial quarterly dividend at the rate of 6 per cent on its $5,200,000 of preferred stock outstanding, by using only about 60 per cent of its net earnings available, but because it is typical of a new development in the financial world, which is likely to be the most striking feature of investment history in the next few years.

It is hardly necessary to call attention to the fact that many investors have become weary of the increasing vicissitudes of securities listed on the New York Stock Exchange, which are subject to assault by interstate and state commissions, and generally speaking, by our whole harrassing group of politicians. The man with a little money to invest who also likes peace of mind has in consequence, been diverting his attention to the rapidly increasing number of public utility securities which, serving rapidly growing communities, and having established earning power, efficient management and

THE PROTECTION

against competition afforded by liberal long-time franchises, give satisfactory assurance of a continued good return on the investment, and steady appreciation in market value.

The Republic Company is a consolidation of 28 different corporations, furnishing gas, electric light, power and street railway service to a rich territory in southeastern Ohio and northwestern Pennsylvania, the principal cities in which territory are Youngstown, New Castle, Sharon and Warren. The total population served by these consolidated companies is over 200,000. The Republic Company is not unlike other similar companies which are now in successful operation, but it is of particular interest at this time, because it is the most recent. All other companies of this character have been surprisingly successful, and in every instance the original purchasers of their securities have made

VERY SUBSTANTIAL PROFITS.

The pioneer corporation in this line of central management of widely scattered properties is the United Gas Improvement Company, of Philadelphia. What the actual profits of this company have been will probably never be known, because the dividends paid both in stock and cash in the early days have never been made public. A later company, however, the American Light & Traction, has told its story, which may be best summarized by the statement that its bonus common stock, which sold at less than $40 per share in 1903, was seven years later receiving the equivalent of $40 per share a year in dividends.

To the uninformed, the assertion might sound preposterous, that from a desk in Wall street a dozen or a hundred gas, electric light and street railroad properties scattered from Maine to California can be operated much more successfully than if operated personally by their owners at isolated plants. Such is the fact, however, as is supported by an abundance of proof.

One of these holding companies which I have in mind recently proved the case very eloquently. The Federal Light & Traction Company was a consolidation of eleven different companies, the gross earnings of which during the year prior to consolidation were less than $750,000. At the end of the first year of the new management, gross earnings of subsidiaries were over $1,500,000, or more than double. This was accomplished by improved methods, the expenditure of needed additional capital and purchase of new properties. The necessary additional capital was secured without increase in the stock capitalization of the company. A matter of $2,000,000 was borrowed on the company's notes at 6 per cent interest. The stockholders in consequence, had the benefit of $750,000 in increased gross revenue, or, say, $350,000 in net earnings without incurring anywhere near a proportionate increase in fixed charges.

All

THESE WHOLESALE OPERATIONS

without exception show increases in gross and net revenue, and it is noteworthy that these increases continue from year to year with uniform regularity.

The reason for these results is really very simple. When a single management owns 25 or 100 different plants, large economies can be effected in buying both equipment and supplies. A specially trained expert in any line is a matter of economy for a group of companies, while such an expert could not be afforded by any one, two or three individual plants.

One of the interesting details of the monthly reports which are required by these concerns, is as to the amount of electric current, gas or power unaccounted for. Theoretically, so much energy has been produced, but actually and necessarily a smaller amount has been sold. The discrepancy reported is one of the many efficiency tests which are in constant use.

Standardization of equipment is another vital factor in the economy of operation of these centrally controlled properties. There are 30 or 40 different kinds of motors, gears and other varieties of equipment which are generally found in the various plants of one of these consolidated companies. It obviously makes a considerable difference in original outlay for equipment on hand, as well as storehouse expense, whether parts are kept for 40 different kinds of machines, or for one machine, so that one of the first moves of the wholesale operator is

TO STANDARDIZE EQUIPMENT,

and have all the plants use the same kind of machine, and hence, require the same parts for replacement.

The elaborate system of accounting which these companies have perfected also tells an important part of the story. Without going into details, I will say that the central management of any one of these syndicate operations can even tell what the cost of lubricating oil was per car mile, per foot of gas or per electric kilowatt of output in any one of his plants for any month. Every other one of the forty odd items of cost is also figured out to the last decimal. With these figures at hand, comparison is made with the previous operations of each particular plant, as well as with the operations of every other plant owned by the syndicate, and further comparison is made with the figures of all other similar plants throughout the country. Each branch manager gets a report every month, showing in full detail and analysis his results, as compared with those of every other manager.

Another interesting feature is that

THE CONSUMPTION PER CAPITA

of both gas and electricity in every locality is very closely watched. Statistics are now available as to the average consumption of gas and electricity in almost every section of the country, and the ratio of increase in this consumption. With these statistics at hand, the central executive can require all his local managers to come very closely to maximum possibilities, or know the reason why

The Republic Railway & Light Company is not only utilizing all of these possibilities of central management which have heretofore demonstrated their worth, but is originating new devices of its own, looking toward greater efficiency in local management. One of these features is that the manager of each local plant from time to time is required to make an examination, and an exhaustive report on every other local plant, and from this consequent friendly rivalry in achievement very satisfactory results are being recorded.

The new company's 28 subsidiaries furnish power, light and street railway service in a very prosperous and steadily developing section where the population has nearly doubled in the past ten years. Youngstown, Ohio, the largest city in the group, has an annual pay roll of $24,000,000 a year, which is larger than Detroit and Buf-

Digitized by Google

falo. The post office receipts in Youngstown have increased from $115,000 to $197,550, and its bank clearings from $33,000,000 to $53,000,000, within five years.

THE OPPORTUNITIES

for development by the new company may perhaps be best indicated by a recital of the fact that the cost of production of power per kilowatt hour in the most efficient plant was but one-third that in the least efficient plant at the time the properties were acquired. To reduce all power costs to a uniform basis, even lower than the minimum, and to provide for extensions, the company expects to spend in 1911, $300,400; in 1912, $294,950; in 1913, $445,000; in 1914, $707,000, and in 1915, $980,000.

In these central management enterprises, an important source of economy is in the prompt installation of larger units. Ordinarily, in a plant with a 2,000-horse power generating unit, a 6,000 unit can be profitably installed, as is being done by the Republic Company, and the 2,000 unit kept in service by re-installing it in the next smaller city. This programme can, of course, be most effectively and economically carried out where a single company covers a group of cities ranging in population from 5,000 at 100,000.

THE SURPLUS EARNINGS

of the Republic Railway & Light Company over and above operating expenses and fixed charges for the past three years, as well as the conservatively estimated figures for the next three years, are as follows:

Year.	Surplus net earnings.
1908	$163,156
1909	375,916
1910	415,688
1911	488,128
1912	562,511
1913	641,933

To pay the 6 per cent dividend on the $5,200,000 of preferred stock outstanding calls for only $312,000, so it will be noted that the surplus earnings on the common stock will in 1911 be $176,128; in 1912, $250,633, and in 1913, $329,883. As the past experience of these consolidations has been that the net surplus available for dividends has generally increased at the rate of 25 per cent a year, the above estimate must be regarded as conservative.

Another feature which is very important in considering the earning possibilities of the Republic Company is in reference to what is technically termed the distribution of load, by which is meant that if a power generating plant with a capacity of 10,000-horse power can sell its capacity output during every hour of the twenty-four the maximum of earning possibilities can be realized. Neither a street railroad, an electric light company nor a commercial power plant individually can come very close to this maximum, because at different hours in the day and night each one has its so-called peak load, and during the balance of the time, there is a disappointing lack of opportunity to sell the product. The ideal proposition along this line, therefore, is a single company which furnishes light, power and street car service, and this is one of the

MOST ATTRACTIVE FEATURES

of the Republic Company.

One of the important advantages of these public utility consolidations is in the matter of financing. It would be obviously impossible for the Sharpsville Electric Light Company, for example, in a town of less than 4,000 population to borrow money on its unsecured notes, or to sell bonds at satisfactory prices, but when this company, with 27 others, is grouped in a single company under able management, organized by Mr. Harrison Williams, with such well-known bankers on the board of directors as Samuel McRoberts, vice-president of the National City Bank, of New York; Thomas A. Reynolds, of the National City Bank, of New York; Myron T. Herrick, president of Society for Savings, Cleveland, Ohio, there can be no question about the ability of the company to secure all the funds it may need. The company's board of directors also includes members of such

WELL-KNOWN BANKING HOUSES

as Henry H. Wehrhane, of Hallgarten & Company, New York; Ray Morris, of White, Weld & Company, New York; J. J. Bodell, of Bodell & Company, Providence, R. I.; and DeForest Candee, president of Federal Utilities, Incorporated. The board of directors is equally strong in practical men, as it includes A. W. Burchard, of the General Electric Company; R. E. Breed, president, American Gas & Electric Company; James Parmelee, president, of the Cleveland Electric Illuminating Company; George A. Galliver, of the Springfield Railway & Light Company, and Harrison Williams, identified with the executive management of a large number of successful public utility corporations. In addition, there is an advisory committee, consisting of prominent financiers and business men.

P. De Medici.

A member of the reorganization committee of the Arizona Commercial Company states that a majority of the bonds and a substantial proportion of the stock have been deposited with the American Trust Company of Boston, under the depository agreement of the committee, who have formulated a plan to reorganize the company and operate it independently. The amount required for the assessment under the new plan has been fully underwritten by members of the New York and Boston stock exchanges.

Charles S. Smith, president of the Old Dominion, has agreed to accept the management of the property, and the time has been extended for receiving assenting deposits of the remaining stocks and bonds up to the close of business, October 19.

ST. MARY, MO.—The Peoples Bank has been organized with $15,000 capital. Herman Scheer, William Myers, J. M. Shirley and Henry Voelker are interested.

COGGAN, IA.—The Coggan State Bank has increased its capital from $25,000 to $50,000.

MERCEDES, TEX.—The Planters State Guarantee Bank has been organized with Thos. L. Jones, president; W. Lingenbrink, vice-president, and E. P. Gregg, cashier.

WASHINGTON, D. C.—The Security National Bank is being organized with James Trimble, late vice-president of the United States Trust Company, as president.

"In the Heart of Things"
HOTEL
MARTINIQUE
Absolutely Fireproof
B'way, 32d-33d Sts., New York City
ONE BLOCK FROM NEW PENN. R. R. DEPOT
and opposite
HUDSON TERMINAL
connecting with
Erie Lackawanna Lehigh Valley Pennsylvania Railroads
from which
BAGGAGE TRANSFERRED FREE TO AND FROM HOTEL

In the midst of leading Department Stores and Theatres
600 ROOMS 400 BATHS
Rooms with use of bath, - - $1.50 up
Rooms with private bath, - - $2.50 up
CHAS. L. TAYLOR, Pres. W. S. GILSON, Vice-Pres.
WALTER CHANDLER, Jr., Mgr.
Also Proprietors of St. Denis Hotel

THE ALBANY HOTEL IN THE HEART OF DENVER'S
SOCIAL AND BUSINESS LIFE AND ACTIVITIES.

Digitized by Google

The Wabash Needs Money

Annual Report Shows a Deficit of $403,421, As Well As a Weak Financial Condition—President Delano Admits the Necessities of the Company and Says That the Financial Difficulties Are Beyond the Power of the Management to Remedy—If the Goulds Were Eliminated, the Property Could Be Reorganized in a Way to Benefit All Security Holders—Company Charged Off $3,000,000 on Sale of Wabash-Pittsburgh Terminal Bonds, Instead of Keeping Them to Settle Its Repudiated Liability on This Enterprise.

The two facts which are most particularly emphasized in the annual report of the Wabash Railroad Company for the fiscal year ending June 30, which was made public last week, are that the Goulds should be eliminated and that the company is sadly in need of money. President Delano states the case very clearly from his viewpoint when he says:

"The necessity of having additional box cars is very pressing, but the directors have not seen their way clear to authorize the purchase of this equipment. However, with an increasing volume of business there seems to be no escape for the payment of a large sum annually for the use of equipment. The lack of facilities such, for example, as insufficient double track and car and locomotive equipment in large measure accounts for the higher ratio of operating expenses. Every investigation of Wabash conditions, and there have been many by both interested and disinterested parties, confirms the statement that the property as it stands has been well maintained, but that it might,

IF CASH WERE AVAILABLE

for needed betterments and improvements, greatly increase its earning capacity and decrease its operating ratio. With its short lines between St. Louis and Kansas City, Omaha, Chicago and Detroit, between Chicago and Detroit, as well as between Chicago and Toledo, Kansas City, Toledo, Kansas City and Detroit, the Wabash lags behind its competitors both in volume of business and in the cost of doing it, because it has not the adequate facilities. The difficulty is a financial one, and has been beyond the power of the management to run it."

In this official statement of a Gould president is told the whole story of inefficiency of the present Gould generation. When Jay Gould, the creator of the Gould fortune, died he left something like $100,000,000 to his children. One foolish daughter has played French dukes with her money, and almost everyone believed that the Gould family had thereby received a convincing dose of the foreign nobility game. George Gould, however, the recognized head of the family, turned over his prettiest daughter to an English nobleman, and has steadily devoted an increasing amount of his time to high society in this country and Europe, while his railroad properties continue their progress toward receivership with the single exception of those which have by circumstance had the benefit of a more intelligent management.

George Gould has proved himself to be

A WONDERFUL FINANCIER,

because since the death of his father he has as manager of the estate sold the Manhattan Elevated Railroad Company and the Western Union, the two best dividend payers, and his remaining properties, where Gould domination has not been modified or eliminated, have gone into the hands of receivers, or are apparently on the way.

In operating results, the Wabash last year showed a deficit of $403,421, although gross revenues amounted to $29,884,037, an increase of $997,991 over the previous year. Operating expenses increased, however, to the extent of $1,829,960. The large increase in operating expense is accounted for principally by $495,000 in increased wages, $480,000 in equipment depreciation charges, $150,000 for increased cost of

Dial Cash Register
Pay-As-You-Enter Car Co.
Columbia-Sterling Pub. Co.
Bought and Sold
C. W. GILMOR, 50 Broad St., N. Y.
Phone 3750 Broad. Use the wire.

UNLISTED & INACTIVE ISSUES
We are prepared to quote actual trading markets on unlisted or inactive investment issues.
Correspondence Solicited
E. BUNGE & CO. 20 BROAD STREET, NEW YORK
Cable Address, "Ernestus, New York" Long Distance 'Phone 4735-4736 Rector

Assets Realization Company
Capital $10,000,000
Purchases Estates in Liquidation at any point in the United States
NEW YORK PHILADELPHIA CHICAGO

Hodenpyl, Hardy & Co.
BANKERS
7 Wall Street, New York
6% PREFERRED STOCKS A SPECIALTY

BODELL & CO.
PROVIDENCE, RHODE ISLAND
Boston Office, 35 Congress St.
Bonds and Preferred Stocks of Proven Value

GEO. D. COOK & CO.
BANKERS
71 BROADWAY, NEW YORK
We make a Specialty of
Mexican Government and State Bonds

McCOY & COMPANY
Municipal and Corporation Bonds
181 LA SALLE STREET
CHICAGO

Boody, McLellan & Co.
111 BROADWAY, NEW YORK
MEMBERS OF NEW YORK STOCK EXCHANGE
Orders Executed for Investment or on Margin

We Have For Sale
Seattle Local Improvement 5 year 7% Bonds.
WM. D. PERKINS & CO., Bankers
No. 211 Cherry St., Seattle, Wash
Established 1893
Oldest Bond House In Washington.

DOMINION BOND COMPANY
LIMITED
MONTREAL TORONTO OTTAWA
LONDON, ENGLAND
Dealers in HIGH-GRADE CANADIAN BONDS
List on Application

5% BONDS
Guaranteed by
National Light Heat and Power Co.
A. H. BICKMORE & CO.,
30 PINE ST., NEW YORK

6% Timber Bonds
Carrying With Them An Exceptionally Attractive Feature
American Finance & Securities Co.
5 Nassau Street New York

H. C. Gibbs & Co.
Gas and Electric Light Bonds
To yield 5% to 5 1-2%
60 State Street BOSTON

CIRCULAR ON MISCELLANEOUS UNLISTED MILL AND MANUFACTURING SECURITIES
SENT UPON REQUEST
HORNBLOWER & WEEKS, 60 Congress St., Boston

Digitized by Google

coal. Taxes for the year increased $70,000, and the item of hire of equipment increased to the very high total of $1,024,390. This represented payment for the use of refrigerator and fruit cars, as well as the excess of per diem payments for the use of other cars of other roads.

In explanation of this large amount paid for the use of equipment, the annual report states that the company had, during the entire year, a large surplus of coal cars which could not be used on account of the stagnant condition of the coal business, but at the same time, it was always short of all other kinds of cars, which necessitated their being borrowed from other companies.

The hopeful note in the report is that the company last year reached its

MAXIMUM GROSS EARNING

capacity of practically $20,000,000, or about $12,000 a mile, which is almost double the figures of 12 years ago. This achievement is really remarkable when the extent of the handicap of a Gould mangement and no new money, or rather a ridiculously inadequate amount of new capital, is appreciated. The Wabash has a roadbed, some rails and some equipment, but nothing in comparison with its just necessities. A considerable portion of the line should be double tracked, and many more cars and locomotives are needed. If a Harriman could take possession of the Wabash there would be startling changes in the first year.

The financial exhibit is not very inspiring, even though on June 30, 1911, the company had $4,382,459 of cash on hand. In addition, there were traffic balances including individual accounts owed aggregating over $2,200,000. An entry in the report is that there is due from "sundry railroads and individuals $1,550,507". What the railroads owe of this amount must necessarily be credited at par, but it is impossible to pass judgment on this item without knowing how much "individuals" owe and who the individuals are. If they should happen to be the Goulds, this credit item could be

VERY LIBERALLY DISCOUNTED,

as investors had to do in the case of the Gould promise to guarantee Wabash-Pittsburgh Terminal bonds.

Another item in the current asset account is loans and bills receivable amounting to $5,773,810, which is not explained but, in all probability, can not be regarded in any sense as a quick asset. Assuming that the company actually has a matter of $7,000,000 in cash and current resources, this is more than offset by the single item of $9,807,958 which was entered as an "obligation to bankers on account of the Wheeling & Lake Erie Railroad note matter". Leaving this out of consideration, the company owes in interest and various accounts, bills and loans payable, including taxes, over $8,600,000.

The treasury position of the company can, therefore, hardly be regarded as either strong or hopeful, and it would surely have been very materially worse had the company not sold during the year its holdings of Wabash-Pittsburgh Terminal first mortgage 4 per cent bonds at a price which clearly reflected urgent necessity. It will be recalled that in its endeavor to enter Pittsburgh, the Wabash Company pledged 25 per cent of its exchanged traffic to the purchasers of the first mortgage bonds of the Wabash-Pittsburgh Terminal Company, which agreement was repudiated.

In connection with the Pittsburgh Terminal enterprise the company bought $6,600,000 of the first mortgage 4 per cent bonds at $6,000,000, or around 90. The profit and loss account for last year shows an item of discount on sale of treasury securities to the amount of $3,001,341, which presumably represents the loss to the company on the sale of these Terminal bonds and indicates that a price of around 45 was realized for them. In view of the fact that the company has yet to settle for

ITS REPUDIATED OBLIGATION

on this enterprise, it would seem that anyone but the Goulds would have retained the $6,600,000 in par value of terminal bonds instead of selling them for about $3,000,000 in cash.

The only conclusion from the transaction would, therefore, seem to be that the Wabash was in such financial straits that it had to get money from any source available, regardless of the future cost.

With the general mortgage bonds of the company now selling around 55, the best suggestion which occurs, to my mind, is that the Goulds should get out and a thorough reorganization be effected by a receivership. The present holders of the 4 per cent bonds had better have a 4 or 5 per cent preferred stock in a well-managed and amply-financed company. It is obvious that the company cannot secure needed new capital through the sale of these bonds at present prices, and the company is so exhaustively hypothecated that there is nothing else to sell.

Erie first preferred 4 per cent stock paying no dividend is selling around 50, so that in comparison with the Wabash 4 per cent bonds at 55, a complete story is told. In a reorganization, the present 7 per cent preferred stock, which is somewhat of a joke as it sells at around 22, could equitably be exchanged for a second preferred 4 per cent stock, and the holders of the $53,000,000 of common stock, which is quoted around 11, ought not to object to having a fewer number of shares to represent their now remote equity in the property.

THE TWO NECESSITIES

of the Wabash. Gould elimination and money, are really one, because if the Goulds were eliminated, there would be no difficulty at all in securing all the new capital the property needs. To accomplish this, a complete reorganization will probably be necessary, and the sooner this takes place the better it will be for all Wabash security holders.

P. DE MEDICI.

7% PREFERRED STOCK AT PAR
with bonus of 25% common of the
Moisant International Aviators, Inc.

Foremost aeroplane manufacturers on the North American continent. Now an established, producing, growing concern. From Jan. 1 to July 18, receipts from cash prizes, bonuses and percentage of gate receipts amounted to $144,259.48.

For full particulars address

GILBERT H. CARR
50 Congress St., Boston.

American Industrials Co.
Broad Exchange Building, New York.
INVESTMENT SECURITIES.
6% Twenty Year First Mortgage Gold Bonds.
7% Preferred Stocks.
8% Preferred Stocks.

JOHN P. DAVIS, President. WM. M. WELLCOME, Vice-President. BYRON H. DAVIS, Sec'y-Treas.

The Davis Wellcome Mortgage Co.
(Incorporated)
TOPEKA, KANSAS.

Gilt-edge first mortgage loans for sale at 5½% and 6% net to the investor. Security well-selected, improved farm lands, in no case to exceed 50% actual value of the farm. Every loan personally examined by one of our inspectors. No better or safer security for money anywhere.

We point with pride to a record of twenty-five years, loaned over $12,000,000, without foreclosing a mortgage or the loss of a dollar in either interest or principal.

Bank References:
BANK OF TOPEKA
CENTRAL NATIONAL BANK, TOPEKA

Correspondence Solicited

INVESTMENTS
Bonds and Stocks
WM. F. CROSBY,
Tel. 4090. 311 Main St.
WORCESTER, MASS.

Digitized by Google

Coal Roads On Trial

Government Has Renewed Its Endeavor to Break Up the Alleged Coal Trust, Involving the Reading, Erie, Lehigh Valley and Controlled Properties—The Lackawanna Two Years Ago Segregated Its Coal Properties, and Its Stockholders Have in Effect Received an Extra Dividend of 100%—The Reading Owns More Coal Land, But as the Stock Declined This Week, Shareholders Apparently Expect to Be Harassed, Instead of Receiving a Coal Company Dividend—Erie Has Made 50 Cents a Ton Out of Its Coal Operations, While the Reading Has Reported a Profit of Less Than a Cent a Ton.

The proposed dissolution of the so-called coal trust, which was scheduled for argument on appeal in the United States Supreme Court this week, presents many very interesting problems with reference to the railroads involved which include the Reading, Lehigh Valley and all railroads and coal companies controlled by them.

If it were likely that the attorney-general would be successful in securing an order of dissolution which would mean that these railroad companies would have to divorce themselves from connection with their coal companies, the stockholders of the Reading Company at least should not be apprehensive if it can be safe for them to regard the experience of the Delaware, Lackawanna & Western stockholders as a precedent. As a matter of fact, however, Reading stock declined this week to 135, or within one point of the lowest price of the year, comparing with the lowest figure of 130¾ in 1910.

The Reading stockholders, therefore, or perhaps it should be more properly said, the price-makers in Wall street, construed

THE COURT PROSPECT

as detrimental to the present value of Reading stock. This must have been because of the belief that the actual result will be psychological instead of actual. Or perhaps the idea might have been that the company would be put to considerable expense. In any event, if it had been believed that the Reading Company would be compelled to segregate its coal lands and could do so, Reading stock should have advanced in market value.

The experience of Lackawanna stockholders clearly sustains this view of the case. In 1909, on account of the government contention that railroads should not mine and sell as well as transport coal, it proceeded to technically and legally comply in a very clever manner. An extra dividend of 50 per cent payable in cash was declared One-half of this dividend, or 25 per cent, was apparently declared to assuage the disturbed feelings of the stockholders and the other 25 per cent was for the declared purpose of enabling each shareholder to subscribe for stock of the new Delaware, Lackawanna & Western Coal Company at par to the extent of 25 per cent of his holdings. The new Coal Company was capitalized at $6,500,000 or 25 per cent of the amount of Lackawanna stock outstanding. The practical result was that the stockholders secured a dividend of 25 per cent in cash and 25 per cent in stock. That they all believed that the stock was better than the cash was evidenced by the fact that almost without exception they exercised their privilege of subscribing for the new Coal Company stock.

The Lackawanna Coal Company stock is selling at about 200, and the Lackawanna Railroad Company stock is still selling at about the same range of value as it was before the coal company dividend was made. From the present viewpoint, therefore, the Lackawanna stockholders received as a result of the dissolution programme for each share of stock held $25 in cash and $25 in stock, which is now worth $75; so, in effect, the government assault meant an

EXTRA DIVIDEND OF 100%.

The holders of Reading common surely would not object to similar treatment, and it can hardly be doubted that if there was any practical possibility of the coal and railroad companies being separated, Reading stock would have advanced very materially this week. The insurmountable difficulty is that the Reading Company's general mortgage bonds, of which there are over $100,000,000 outstanding, are a lien on the companies' coal lands as well as the railroad property.

Courts cannot invalidate a mortgage and with any regard for the rights of holders of Reading first preferred and second peferred, to say nothing about the common stock, it can hardly be assumed that any court would undertake to say that a certain amount of the mortgage should be left on the coal lands when disposed of, and the balance should remain on the railroad property.

ANOTHER COMPLICATING FACTOR

is that the Reading Company, which, of course, means its stockholders, has advanced to the Coal Company on open account over $75,000,000. There is only $70,000,000 of Reading common outstanding, so that if the government could compel a sale of the coal lands, and at the same time require the payment of its unsecured debt alone, Reading common shareholders would have the pleasure of a 100 per cent cash dividend.

The Delaware, Lackawanna & Western was able to speedily, as well as profitably disassociate itself from its coal land, because it had no bonded indebtedness outstanding. All the other coal roads, however, have a considerable variety of mortgaged obligations in existence which involve not only bondholders but stockholders, and in some cases the holders of obligations guaranteed by the several companies.

The government suit broadly charges conspiracy in violation of the law, and alleges that the roads involved control and restrain the production, transportation and sale of anthracite coal. The purchase by the Erie of the Susquehanna & Western Railroad Company and the Pennsylvania Coal Company, as well as the purchase of the Jersey Central by the Reading, are particularly referred to in the government bill.

The purchase of the Erie Railroad Company can hardly be regarded as an attempt to restrain trade, since it is a well-known fact that it was a matter of necessity in order to enable the company to sustain its traffic revenue. For the coal land and properties of

(Continued on page 1731.)

A General Mortgage 5% bond of one of the largest public utility corporations in this country, earning over twice the interest charge on these bonds. Perpetual franchises. Liberal Sinking Fund.

Price and particulars upon application.

Write for Circular 337

Knauth, Nachod & Kühne

15 William St., New York City

I. M. TAYLOR & CO.

8 Congress Street, Boston

115 Broadway, New York

Members of New York, Boston and Chicago Stock Exchanges

THE CONCHO VALLEY LOAN AND TRUST CO.

OF

SAN ANGELO, TEXAS.

Capital stock $200,000.00. Organized and operating under the Texas Banking Laws, offer to investors some high grade paper, netting from 6 to 7%. Secured by first Mortgage on improved farm and ranch lands. Our paper carries our endorsement and guarantee of payment of principal and interest. Write for information.

T. C. WYKN, Pres. P. J. KIRKPATRICK, Sec. & Treas.

Baker, Ayling & Co.

50 Congress street, Boston

INVESTMENT BONDS

Philadelphia Office, Land Title Building

Digitized by Google

Municipal Bond Sales

MUNICIPALITY.	Date of sale.	Classification of bonds.	Amount.	Rate of interest. Per cent.	Maturity.	Sales price.	Purchaser.	Income basis.
Lowell, Mass.	Sept. 22	Municipal loan	$23,500	4	*5½	101.533	Adams & Co., Boston	3.60
Swampscott, Mass.	Sept. 20	Sewer	3,100	4	*3	102.349	Estabrook & Co., Boston	3.69
Swampscott, Mass.	Sept. 20	Fire dept.	5,800	4	*3 1-2	102.349	Estabrook & Co., Boston	3.69
Swampscott, Mass.	Sept. 20	Stone crusher	1,500	4	1914	102.349	Estabrook & Co., Boston	3.69
Swampscott, Mass.	Sept. 20	Sewer	3,500	4	*4¾	102.349	Estabrook & Co., Boston	3.69
Swampscott, Mass.	Sept. 20	School	88,000	4	*10	102.349	Estabrook & Co., Boston	3.69
East Hampton, Mass.	Oct. 3	High School	38,000	4	**1-19	102.347	R. L. Day & Co.	3.70
Harrisburg, Pa.	Sept. 25	Improvement	154,000	4	*8	100.26	Merchants Nat. Bank, Harrisburg	3.96
Norwood, Ohio	Oct. 4	High School	200,000	4	*26½	100.27	Provident S. B. & T. Co., Cincinnati	3.982
Atlantic City, N. J.	Sept. 23	Park	210,000	4	1946	par	Local Bidders	4
Franklin, Minn.	Sept. 27	Refunding	5,000	4		par	State	4
St. Paul, Minn.	Sept. 25	Pub. playgr'nd	15,000	4	1941	par	Sinking Fund Trustees	4
Zanesville, Ohio		Fire engine	9,000	4		par	Sinking Fund Trustees	4
Zanesville, Ohio		Street imp.	16,000	4		par	Sinking Fund Trustees	4
Highland Park, Mich., Sch. Dist.		Building	23,000	4½	1926	101.67	Geo. D. Conney, Detroit	4.10
Middletown, Ohio	Sept. 25	Street imp.	10,000	4½	*6½	102.10	A. E. Aub & Co., Cincinnati	4.13
Madison, Wis.	Sept. 22	Park	40,000	4	1931	97.38	N. W. Halsey & Co., Chicago	4.194
Yonkers, N. Y.	Sept. 28	Revenue	125,000	4½	1916	101.24	Yonkers Savings Bank	4.136
Newburgh, Ohio	Sept. 23	Water main	15,521	4½	*5½	101.50	Hayden, Miller & Co., Cleveland	4.20
Walworth County, S. D.		Crt h'se & jail	55,000	5	t5-20	103.57	Cutler, May & Co., Chicago	4.20
Nashua, N. H.	Sept. 28	Bridge notes	50,000	5	1912	100.77	Adams & Co., Boston	4.21
Trenton, N. J.	Oct. 3	School	49,000	4½	1941	104.291	Parkinson & Burr, New York	4.246
Etna, Pa.	Sept. 26	Borough	24,000	4½	*16½	102.78	J. S. & W. S. Kuhn & Co., Pittsburg	4.264
Orrville, Ohio	Sept. 27	Street imp.	56,300	4½	*5½	101.113	Tillottson & Wolcott Co., Cleveland	4.27
Payne, Ohio	Sept. 19	Electric light	9,000	4½	**2-9	101.11	Payne Bank, Payne	4.271
Payne, Ohio	Sept. 19	Water works	17,000	4½	*9½	101.70	Well, Roth & Co., Cincinnati	4.28
Jersey City, N. J.	Sept. 22	Water	6,833,700	4½	1961	102.328	A. B. Leach & Co., New York	4.285
Montclair, N. J.	Sept. 23	School	74,250	4½	1941	103.4713	First National Bank, Montclair	4.295
Newburgh, Ohio	Sept. 23	Sewer	9,086	4½	*3	100.51	Tillottson & Wolcott Co., Cleveland	4.32
Ramapo, N. Y., Sch. Dist. No. 2.		Building	60,000	4.35	*19 2-3	100.39	Harris, Forbes & Co., New York	4.33
Yonkers, N. Y.	Sept. 28	Assessment	100,000	4½	*5½	100.799	Ferris & White, New York	4.335
Lestershire, N. Y.	Sept. 5	Paving	20,000	4.35	*14½	100.065	W. N. Coler & Co., New York	4.343
Alliance, Ohio	Sept. 29	Street imp.	68,100	5	**1-6	101.91	Tillottson & Wolcott Co., Cleveland	4.35
Muskegon, Mich.	Sept. 25	W. w'ks. imp.	300,000	4½	*17½	101.833	Otis & Hough, Cleveland	4.35
Los Angeles, Cal., School District	Sept. 5	Building	280,000	4½	*20½	100.80	Jas. H. Adams & Co., Los Angeles	4.44
Pittsburg, Kansas		Water works	225,000	4½	1941	100.01	F. C. Werner	4.496
Iowa City, Iowa		Funding	20,000	4½	t7-20	par	Geo. M. Bechtel & Co., Davenport	4.50
North Yakima, Wash.	Sept. 18	Sewer system	50,000	4½	1931	par	E. H. Rollins & Co., Chicago	4.50
Roanoke, Va.	Oct. 2	Park	120,000	4½	1941	par	Terry Heirs, Roanoke	4.50
Los Angeles County, Cal., Miramonte Sch. Dist.	Sept. 18	Building	13,000	5	**22-34	104.82	Wm. R. Staats Co., Los Angeles	4.682
Tallmadge Tp., O., Sch. Dist.		Building	1,750	5	*7½	101.71	Local Investors	4.72
Los Angeles County, Cal., Whittier Sch. Dist.	Sept. 13	Building	20,000	5	**1-15	101.753	Wm. R. Staats Co., Los Angeles	4.734
Livingston, Mont.	Sept. 25	Funding	65,000	5	t10-20	101.846	King, Farnum & Co., Chicago	4.765
Juniata, Pa., Sch. Dist.	Sept. 25	Building	85,000	5	t15-30	102.23	J. S. & W. S. Kuhn, Pittsburg	4.78
Beaufort County, N. C.	Oct. 2	County	35,000	5	1960	103.62	Woodin McNear & Moore, Chicago	4.806
Cumberland County, Tenn.	Sept. 15	Road	40,000	5	1931	101.027	H. T. Holtz & Co., Chicago	4.92
Linndale, Ohio	Sept. 20	Street imp.	1,270	5	1916	100.33	Hayden, Miller & Co., Cleveland	4.93
Biloxi, Miss.	Sept. 15	Water works	70,000	5	t10-30	100.02	S. A. Kean & Co., Chicago	4.99
Burlington, N. C.		Improvement	35,000	5		par	Seasongood & Mayer, Cincinnati	5
Elizabeth City, N. C.		Street imp.	130,000	5	1941	par	A. B. Leach & Co., Chicago	5
Helena, Mont.	Sept. 25	Water works	400,000	5	t5-30	par	Local Banks	5
Lamar County, Texas	Sept. 28	Road	100,000	5	t10-40	par	Local Banks	5
Lewisburg, W. Va.		Street imp.	16,500	5	1931	par	Seasongood & Mayer, Cincinnati	5
McLennan County, Tex.	Sept. 22	R'd dist. No. 1	100,000	5	t10-40	par	Spitzer, Rorick & Co., Toledo	5
Merced County, Cal., Geneva Sch. Dist.	Sept. 19	Building	4,000	5	**1-5	par	First National Bank, Merced	5
Logan, W. Va.		Street imp.	15,000	5	t10-30	97.23	Cutler, May & Co., Chicago	5.18
Maysville, Ky.	Sept. 25	St. i. as. No. 7	9,600	6	t1-10	100.857	Carlyle Pav. Br'k Co., Portsm'th, O.	5.32
Des Moines, Iowa	Sept. 20	Dr. dist. No. 1	261,000	5½	*9	101.264	Harris Tr. & Sav. Bank, Chicago	5.321
Jellico, Tenn.	Sept. 23	W. w'ks & s'w.	75,000	5½	t10-30	par	John Nuveen & Co., Chicago	5.50
Portland, Oregon	Sept. 25	Improvement	516,670	6	1921	103	Various Investors	5.60
Osceola, Ark., Dr'n. Dist. No. 12.	Sept. 13	Drainage	30,000	6	*12½	102.50	Brinkerhoff & Co., Springfield	5.716
Libby, Mont.	Sept. 23	Sewer	15,000	6	1931	100.505	C. H. Coffin, Chicago	5.962
Libby, Mont.	Sept. 23	Refunding	5,000	6	1931	100.505	C. H. Coffin, Chicago	5.962
Lebanon, Oregon	Aug. 22	Sewer	70,000	6	1931	100.27	Union Tr. & Sav. Bank, Spokane	5.97
Broadwater County, Mont., Sch. Dist. No. 18.		Building	1,500	6	t5-10	par	State	6
Collinsville, Okla.	Sept. 18	Electric light	45,000	6	1926	par	C. A. Reece	6
Fresno Co., Cal., Cantua Sch. D.	Sept. 29	Building	2,000	6		par	First National Bank, Fresno	6
Hollis, Okla.		Water & sewer	72,000	6	1936	par	Kennedy & Fleming, Oklahoma City	6
Johnson County, Ind.	Sept. 4	Road	5,500	6	*5½	par	Citizens Nat. Bank, Franklin	6
Akron, Mich.	Oct. 3	School bldg.	10,000	5	1921		Bumpus-Stevens Co., Detroit	
Big Sandy, W. Va., Sch. Dist.		Building	30,000	6	t10-34		Fifth-Third Nat. Bank, Cincinnati	
Brandon, Manitoba	Sept. 22	School	45,000	6	1941		Nay & James, Regina	
Falconer, N. Y., Sch. D. No. 16.		Building	3,500	5½		100.20	Adams & Co., New York	
Fresno Co., Cal., Kutner S. D.	Sept. 29	Building	4,500	6		103.89	First National Bank, Fresno	
Fresno Co., Cal., Mill Cr'k S. D.	Sept. 25	Building	2,500				B. O. Eddy, Ukiah	
Lake Odessa, Mich.		Water	8,000	5	*9½		Hanchett Bond Co., Chicago	
Laporte County, Ind.		Road	65,000				W. B. Hutchinson	
Laporte County, Ind.		Road	53,000				W. B. Hutchinson	
Los Angeles County, Cal.	Sept. 18	Building	1,000			par	J. H. Bullard	
Marion County, S. C.	Sept. 28	High School	30,000	5	1961		Wodin, McNear & Moore, Chicago	
Marion Co., S. C., Sch. D. No. 36	Sept. 28	Building	30,000	5	1961		Wodin, McNear & Moore, Chicago	
McMinn County, Tenn.		Bridge	25,000				Wodin, McNear & Moore, Chicago	
New Concord, Ohio	Sept. 21	Deficiency	2,500	6		101.04	A. C. Dumond	
Park County, Wyo.		Court House	45,000	5	t10-30		Devitt, Trimble & Co., Chicago	
Plainville, Conn.	Sept. 25	School & f'd'g	70,000	4½	1931		Ætna Life Insurance Co.	
Redfield, Iowa	Sept. 25	Electric light	15,000	5½		100.16	Geo. M. Bechtel & Co., Davenport	
Rochester, Ind.		Refunding	12,000	4½	*3½		J. F. Wild & Co., Indianapolis	
Rutherford, N. J., Sch. Dist.		Building	19,200	4½	1951		N. W. Halsey & Co., New York	
Salina, Kansas		Sewer	10,000	5			Fidelity Trust Co., Kansas City	
Salina, Kansas		Paving	9,500	5			Fidelity Trust Co., Kansas City	
Seattle, Wash.	Oct. 2	Local Imp.	166,743				Unknown	
Smith's Falls, Ont.	Oct. 5	Sch. & Fe'l Imp	43,864	5	1931		Emilius Jarvis & Co., Toronto	
Stanton, Mich.		Water & light	20,000	4		96.50	Thos. J. Bolger Co., Chicago	
Ventnor City, N. J.	Sept. 21	Water	50,000	5	1941		Second Nat. Bank, Atlantic City	
Wayne, Neb.		Refg.	40,000	5	t5-20		Thos. J. Bolger Co., Chicago	
Wellesley, Mass.	Oct. 6	Loan	40,000	3.74			Livingston Davis	

* Year average. ** Year serial. t Year

Digitized by Google

MUNICIPAL SHORT TERM LOANS.

WELLESLEY, MASS.—Livingston Davis has been awarded a temporary loan to the amount of $10,000 at 3.74 per cent discount. Other bidders were: First National Bank, Boston, 3.98 per cent; Bond & Goodwin, Boston, 4.00 per cent.

BANK ITEMS.

STAUNTON, ILL.—The First National Bank of Staunton, capitalized at $50,000, was recently organized by C. F. Hockman, H. J. Burns, M. Aschbacher, H. G. Fritz and O. H. C. Miller.

VENICE, CAL.—The First National Bank of Venice has been organized with a capital of $50,000. J. W. Lawrence, A. McNally, R. A. Dallugge, R. A. Phillips and A. Kinney are interested.

SUMPKIN, GA.—The Farmers State Bank is organizing with $25,000 capital E. L. Carter is president and S. E. Beall, vice-president. The bank is organized by the Witham system.

TARPON SPRINGS, FLA.—The Greek-American Bank is incorporated with Ernest Meres, president; A. P. Beckett, vice-president, and R. H. Sammons, cashier.

CENTERVILLE, S. D.—The Bank of Centerville has increased its capital from $30,000 to $50,000.

STEELE, MO.—The Cotton Exchange Bank has been organized with the following officers: J. S. Goesom, president, Dr. J. W. Robbins, vice-president; S. E. Redman, second vice-president, and M. L. Kelley, cashier.

BARRIES CITY, IA.—The Farmers Savings Bank has been organized with $10,000 capital. M. D. Taylor will act as cashier

GREENFIELD, O.—The Peoples Savings Bank, capitalized at $50,000, has been converted into the Peoples National Bank of Greenfield.

Bond Certification

Modern conditions make the registration and certification of municipal and corporate obligations desirable and convenient. We have a department maintained exclusively for this purpose.

First National Bank of Boston
70 Federal Street

OFFICE OF THE
NEW YORK DOCK COMPANY.
New York, September 20, 1911.

The Board of Directors has declared a dividend of One Per Cent on the Preferred Stock of this Company, payable October 16, to stockholders of record at the close of business October 24, 1911.

GEORGE E. SPENCER, Treasurer

AMERICAN GLUE COMPANY

A semi-annual dividend of two dollars per share will be paid November 1st, 1911, to Common Stockholders of record October 23rd, 1911.

The Common Stock transfer books will close at end of business October 21st, 1911, and will reopen November 3rd, 1911.

JESSE P. LYMAN, Treasurer.

AMERICAN GLUE COMPANY

An extra dividend of one dollar per share will be paid November 1st, 1911, to Common Stockholders of record October 23rd, 1911.

JESSE P. LYMAN, Treasurer.

City and Town Treasurers

The Old Colony Trust Company is one of the largest and strongest banking institutions in the country. Its tremendous resources and its strong position in the confidence of the public make our services in the preparation and certification of Municipal Bonds of unusual value to city and town treasurers.

Our plan for handling this work is the safest and most systematic that experience can suggest, and it is so economical that the entire cost is within the means of the smallest municipality.

It affords absolute protection not only to the issuing community and its officials, but also to the banker and investor. It has already been adopted by many cities and towns throughout the country and has the unqualified endorsement of all bond dealers.

The marked preference shown by investors for bonds issued under our plan has resulted in a distinct enhancement of their market value. *Kindly send for descriptive pamphlet.*

OLD COLONY TRUST COMPANY

COURT STREET BOSTON TEMPLE PLACE

SALE OF

King County Harbor Bonds

NOTICE IS HEREBY GIVEN, that the Board of County Commissioners of King County, Washington, will receive sealed bids up to 12 o'clock M of October 31, 1911, for the sale of King County Harbor Bonds as herein directed:

1st. Bids will be received upon the sale of 875 of said bonds, or upon $875,000.00 worth thereof, being one-half of the total issue authorized.

2nd. Bids will also be received upon 1750 of said bonds, or $1,750,000.00 worth thereof, being the total issue authorized.

These bonds cannot be sold for less than par and shall not bear interest at a greater rate than 4½ per cent per annum, interest payable annually. The bonds shall bear date of November 1, 1911, and the interest thereon shall be due and payable on the 1st day of November in each and every year thereafter; said bonds to run for twenty years, and are in denominations of $1000.00 each.

The Board of County Commissioners reserve the right to reject any and all bids.

Bids will be opened at the office of the Board of County Commissioners in the Court House at Seattle, King County, Washington.

Dated at Seattle, Washington, this 19th day of September, 1911.

OTTO A. CASE.

County Auditor and Clerk of Board of County Commissioners of King County, Washington.

By N. M. WARDALL, Deputy.

UNITED STATES WORSTED COMPANY
100 Fifth Avenue, New York

A quarterly dividend of 1¾% on the Preferred Stock has been declared by the Board of Directors, payable Oct. 15th, 1911, to Stockholders of record Oct. 1st, 1911. Books close Oct. 1st, 1911, and reopen Oct. 15th, 1911.

P. ROBERT G. SJOSTROM, Treasurer.

THE ATCHISON, TOPEKA & SANTA FE RAILWAY COMPANY.

Coupons No. 32, due October 1, 1911, from The Atchison, Topeka and Santa Fe Railway Company GENERAL MORTGAGE FOUR PER CENT BONDS will be paid on and after October 2, 1911, upon presentation at the office of the Company, No. 5 Nassau Street, New York City.

C. K. COOPER, Assistant Treasurer.

AMERICAN MALT CORPORATION
15 Exchange Place, Jersey City, N. J.

The Board of Directors have declared a dividend of FOUR PER CENT on the Preferred Stock of the Corporation, payable in two installments, namely, 2% on November 2, 1911, and 2% on May 2, 1912, to stockholders of record at the close of the transfer books respectively on October 19, 1911, and April 19, 1912.

HENRY EGGERKING, Treasurer.
September 27, 1911.

American Telephone & Telegraph Co.

A dividend of Two Dollars per share will be paid on Monday, October 16, 1911, to stockholders of record at the close of business on Saturday, September 30, 1911.

WM. R. DRIVER, Treasurer.

Digitized by Google

United States Investor

Published Every Saturday Morning by

FRANK P. BENNETT & CO., Inc.

SUBSCRIPTION RATES

$5.00 per annum in United States and Mexico; $5.50 per annum in Canada.

$7.00 per annum in England, the Continent, Australia and Countries in the Postal Union.

$10.00 per annum for Investor and Inactive Securities Supplement, including privilege of inserting quotations in the Supplement.

ADVERTISING RATES

Twenty-five cents per agate line. There are fourteen agate lines to the inch.

PUBLICATION OFFICE,

530 Atlantic Avenue, Boston.

NEW YORK OFFICE.

2 Rector Street, New York.

JOSEPH L. BARKER, Manager.

Washington Office, 208 Corcoran Building; Philadelphia Office, 308 Chestnut Street.

Entered at the Post Office at Boston, Mass., as second class matter.

According to information which has come to Comptroller Murray from bank examiners in various parts of the country, there is a growing tendency to liquidate the obligations owed by regular borrowers to the smaller, and country banks. This tendency is being noted with considerable pleasure by Federal officials, because of the anxiety that has been felt at the apparent inability of banks in many regions to make collections satisfactorily. The banks had found that where crop failures occurred much paper was left on their hands which they were practically obliged to extend. A condition of this sort existed in a number of regions in the Northwest. The comptroller, of course, is not disposed to state the exact points at which the situation had become acute, but they were numerous enough to give ground for worry. The news that conditions are developing favorably to the loosening of this paper is, therefore, regarded as a very hopeful symptom by officers of the Treasury Department.

A reform of the export statistics of the government has been undertaken by a committee jointly representing the Treasury and the Department of Commerce and Labor. It is probable that before the inquiry is finished, it will be extended to include import figures as well. For some time past, it has been felt by men engaged in foreign trade that the figures as now published did not suffice to furnish adequate comparisons either between different periods or between domestic figures and those published by foreign countries. Some criticism was expressed last winter at the meeting of the Pan-American Congress in Washington. The consequence has been the reorganization of the present committee which is likely to turn in a report calling upon Congress for legislation extending and reorganizing the present statistical service of the government.

Joseph M. Logan, national bank examiner in Texas, has supplied to the examiner's association of his district a useful discussion of the problem of the southern banker in handling cotton accounts. He classifies cotton buyers in three groups and describes the problems which must be met by the banks in cotton raising sections in advancing capital to members of these groups. Mr. Logan thinks that there should be more direct co-operation between the bankers, railroads and compresses in handling the crop, in order to safeguard the business much more carefully than at present. The object to which he looks is that of rendering cotton a safer security for the extension of bank credit than it is at the present time. He believes that this can easily be done.

NATIONAL CITIZENS' LEAGUE.

John B. Claflin, the well-known merchant of New York, has recently given in an interview a clear statement of the purpose of the campaign for sounder banking now on foot. He says that the organization, known as the National Citizens' League, which was created last spring, with headquarters in Chicago, desires only to accomplish a better organization of banking, which will supply the means of providing against commercial crises, and at the same time, shall afford an adequate flow of commercial credit at all times, under conditions that will ensure equitable treatment to the commercial community.

The statement of Mr. Claflin does not specifically set forth the nature of the plan which is to receive the support of the National Citizens' League. Perhaps it has not fully formulated such a plan in the mind of its leaders. The League is, therefore, represented as simply aiming at certain objects, and as being not necessarily wedded to any particular means of attaining those objects. It is willing to support any desirable plan that may be offered. If such a plan shall be presented by the National Monetary Commission, it is understood that the Citizens' League will support it. That does not mean that it is an offshoot of the National Monetary Commission, or that it will not suggest changes and improvements designed to make the plan more workable. The League is a practical body, not an academic or theoretical organization. This is undoubtedly as it should be. If the Aldrich plan, when finally worked out, shall prove satisfactory from the standpoint of sound banking, it would be folly for any organization to look further. The mere name of Senator Aldrich ought not to condemn a proposition, if it has been examined and approved by experts of known standing and disinterestedness.

It is specially worthy of note that in this movement for sounder banking legislation, those who are assuming the most important places are figures in the commercial and business world, rather than bankers or financiers. This again is a desirable development. It indicates that the time has passed when the subject of currency reform was a purely technical matter, in which the banking profession was chiefly concerned. The business world now feels the necessity of getting action, and has aroused itself to the duty resting upon it in that connection. This also holds out a much more hopeful prospect than would otherwise be in sight. Many well-intentioned men suspect the bankers of the country of a certain amount of professional selfishness. It is, therefore, well that the prime movers in the demand for reform should be the consumers of bank credit, rather than those who furnish it. The list of those who vouch for and endorse the National Citizens' League includes many who have no close banking affiliations, and whose principal concern as business men is that of seeing that their interests receive fair treatment when extensions of credit are required.

The National Citizens' League will undoubtedly command the support of the country in a way that no other previous organization has been able to do. The opportunity for securing banking legislation is tolerably favorable. It may not be possible to adopt any comprehensive enactment at the coming session of Congress—in fact, it probably will not be—but this does not mean that legislation is out of reach. A great plan of the kind that is now talked of as a means of rendering banking reform effective cannot and ought not to be carried to completion except after the most mature deliberation in Congress and out of it. But the task of seriously consider-

Digitized by Google

ing such a plan ought to be deferred no longer.

THE COMMERCE COURT.

According to authentic information from Washington, efforts are already being planned for the disestablishment of the new Court of Commerce. This is not necessarily due to demonstrated inefficiency on the part of the court. The body has had only a very brief existence, and a considerable part of that existence has been occupied in getting installed in new offices. Only a few decisions have been handed down—a number of them but a short time ago. These decisions have been somewhat unsatisfactory, and most of them have been far from exhibiting either wide learning or deep insight into transportation questions. Nevertheless, probably every fair-minded man would recognize that the court has had no test whatever, and that on the basis of experience, no one could venture to say whether it would or would not prove a success.

The feeling that the Commerce Court is not likely to be a useful factor in our judicial system is not based on the question of efficiency, but is due to a growing feeling that the organization of such a court was unnecessary. It should be remembered that when Attorney-General Wickersham first prepared the bill in which the Commerce Court was provided for, it was not intended by the administration to broaden the powers of the Interstate Commerce Commission in any such degree as was afterward attempted with more or less success by the insurgent members of the Senate. When the provisions of the law increasing the authority of the commission had been reshaped, it was not thought best, or the critics did not feel the strength, to change those providing for the Commerce Court, and the consequence was that the statute provided for the commission powers somewhat antagonistic to those of the Interstate Commerce Commission. It is now the opinion of well-qualified observers that the Commerce Court is either a body which overlaps the commission, or else it is an unnecessary link in the judicial chain. The view which has been increasingly taken is that it will be able to concern itself only with questions of law, and that it cannot interfere with the commission in the exercise of the semi-executive functions of the latter body. If that view prevails, as it probably will, the court becomes merely a half-way house to the Federal Supreme Court. That then raises the question whether the Commerce Court can render a good service in relieving the Supreme Court of burdensome duties which it could not otherwise perform, owing to lack of time. There is, however, no particular reason to expect any such outcome. Most cases which involve important railroad issues will not stop with the Commerce Court. They will go on to the Supreme Court, and inasmuch as they will not have undergone any modification at the hands of the intermediate tribunal, the work will be as severe for the tribunal of last resort as it would have been had the appeal been taken direct. This fact seems to eliminate the possibility that the Commerce Court could serve a very useful purpose in aiding to relieve the congestion of cases.

The Commerce Court occupies a peculiar position in that its members are also regular members of the Circuit bench and may be assigned to duty there when the court itself is not in session. That bench is always heavily overburdened and the addition of several new judges would be a very welcome addition to its staff. There is, therefore, no question what to do with the members of the Commerce Court. Most of them were members of the Federal Judiciary before being appointed to the new court. They could be reassigned without trouble, and would perform a much needed service in enlarging the regular Federal bench.

FIGHTING THE TOBACCO TRUST.

An unexpected element of opposition has just appeared in connection with the reorganization of the American Tobacco Company, proposed by the managers of that concern to the Department of Justice and the court in charge of the matter. Independent tobacco producers allege that the plan is not sufficient to take care of their interests and those of the public. They allege that no useful purpose would be served by the reorganization, since it would merely create three distinct trusts, dealing with as many branches of the trade. In this they believe there would be no advantage. Therefore, they ask for further changes in the reorganization plan. There seems to be a certain amount of dissatisfaction among stockholders as well. Not a few of them complain that the reorganization proposed would fail to safeguard their interests, because it would not protect them sufficiently from the efforts of insiders to make a profit out of the manipulation of securities in the course of the reorganization. Thus are raised two important questions—whether this reorganization is intended to, or can, safeguard the stockholders of the concern, and whether it is intended to, or can, benefit the public.

Probably there are few or no persons who have followed the progress of this subject, who would not freely admit that a reorganization which accomplished neither of the ends just referred to would be so worthless as to bring the government and court that effected it into contempt. Manifestly, if the change in organization is of a character that allows insiders to gorge themselves with illegitimate profits as they did in the original organization of the trust, the stockholders of the concern would be the persons upon whom the penalty would descend, while the insiders would not only be penalized, but would actually be rewarded for what they had done, notwithstanding that they were the real source of the evil found in the organization. On the other hand, the proximate reason for attempting the changes sought by the government was the improvement of the relations between the buying public and the trust. If it should appear that the hold of the trust upon the market is as strong after the reorganization as before it, how could the government justify the action it took in carrying through this protracted and costly litigation?

There is every reason why the Department of Justice should exercise exceptional care in regard to the reorganization of the American Tobacco Company. If this reorganization shall turn out to be a farce, it will discredit all future attempts of the same sort. If it shall turn out to be a mere change in the technical form of the concern, the public will be repelled, rather than attracted or pleased by such a method of applying the anti-trust law. Undoubtedly, there is a danger that the Attorney-General will allow himself to accept a change in the form of organization which is nominal rather than real. Trust managers have been devising such schemes ever since the movement toward corporate consolidation began. Moreover, the situation is a very hard one. To introduce a real improvement of conditions in the industrial world implies a general transformation, which is perhaps beyond the power of the Federal government to compel. But if it cannot actually compel such a reorganization in fact as well as in theory, there is little use in adhering to a policy which frightens and disturbs stockholders and investors, and checks business enterprise without really helping the public.

Digitized by Google

Rubber Common On 4% Basis

While Boot and Shoe Business Is Poor, a Subsidiary Company With Record-Breaking Sales on Automobile Tires Is Expected to Pay in Increased Dividends Amount Necessary to Pay the Common Dividend—In a Few Years Company Will Grow All Its Own Rubber and Recent Slump in Crude Rubber Market Generally Regarded As an Anticipation of This Result—Most of the Company's Officials and Employes Were Enabled By the Company to Buy Stock at Low Prices, So That It Has a Most Loyal and Efficient Organization.

Wall street generally was surprised by the declaration of the quarterly dividend of 1 per cent on the common stock of the United States Rubber Company, placing that issue on a 4 per cent dividend basis, as the company represents a consolidation of a number of plants and must necessarily be included in that list of 100 or 1,200 corporations which must be subject to assault on the ground of violating the Serman anti-trust law. It was 11 years ago that a dividend was paid on the common stock so that, regardless of justifying conditions in the way of earnings and finances, it was regarded as strange that at this time a dividend should be declared.

The stock sold around 46 and subsequently reacted so that, regardless of the dividend, it has been selling on a basis to yield well up towards 10 per cent, which is naturally not regarded as a thoroughly healthy status of affairs. The price, however, on Rubber common, as well as on its first and second preferred stock, reflect a considerable amount of

SARCASM AND UNBELIEF

on the part of speculators as well as in and out-investors. The Rubber Company has never been managed to their exact liking. Several times they have thought that dividends on the common stock should be begun and marked up the price accordingly. The directors, however, did not coincide with their views, and in consequence, were accused of manipulating the stock in the market in order to collect dividends in this way which were beyond the reach of the ordinary shareholder.

Some months ago, there was considerable talk of a concerted movement on the part of common shareholders to demand a dividend. In reply President Colt in his annual report said that the matter had received much consideration on the part of the directors, and that a conservative policy had been adopted of thoroughly developing the property, accumulating an ample working capital, and waiting until all such troublesome problems as supply of raw material, etc., had been solved before any distribution of profits could be made to the common shareholders. President Colt

HELD OUT HOPE,

however, in the following statement in the annual report for the year ending March 31, 1911:

"Had the conditions of business and profits at the close of this last year been as flattering as at the close of the preceding year, and if uncertainties affecting the legal status of consolidations had been dissipated, your president would have had no hesitancy now with the present low level of crude rubber in recommending a dividend upon the common stock, and he believes that the day cannot be far distant when all the conditions will be such as to warrant some material recognition of our common shareholders."

No shareholder who read this statement with any ordinary degree of faith in an official announcement could have been surprised that the common stock of the company was put on a 4 per cent dividend basis a few days ago. Wall street forgets, however, and has been more inclined to sulk in its belief that the syndicate, including directors, made too much money in securing for the company the valuable Revere Rubber Company plant together with the services of its president, Elisha S. Williams, and has also been inclined to ignore the fact that the company has been making steady and noteworthy progress in every department.

With para rubber, representing the most important item of the company's raw material, making a skyrocket advance from $1 to around $3 a pound, vigorous measures for protection became necessary. The company accordingly arranged to produce on its own account in the shortest practical space of time the total amount of its annual requirement of crude rubber. This was accomplished by the acquisition of a concession for some 27,000 square miles in Brazil where wild rubber can be secured, and in addition purchased 50,000 acres of the cultivated rubber plantations in Sumatra, Borneo and Ceylon. As a result, it will not be many years before the company will

GROW ITS OWN SUPPLY

of crude rubber, and then soon after will be in a position to sell crude rubber.

The United States Rubber Company is the largest consumer of crude rubber in the world, and in view of this development it is not strange that there has been a big slump in crude rubber prices as well as in the shares of crude rubber companies. It is now calculated that the world's annual production of crude rubber, estimated at 75,000 tons, will be doubled in five years, and that the United States Company will be a very important factor in this result is well known. Instead of having to pay from $1 to $3 per pound, therefore, for its raw material, the time is not far distant when the cost may be down to around 25 cents a pound. This fact should be borne in mind by those who are inclined to think that the directors of the company have been too optimistic in putting the common stock on a 4 per cent dividend basis. As a matter of fact, I have talked with some of the officials of the company who have all of their money invested in its shares, and they say that Rubber common will inevitably sell higher than either the first or second preferred stock.

When the last annual report of the company appeared in April of this year, it was stated that although a surplus for dividends on the common of only $549,000 was shown, that if the earnings of subsidiary companies belonging to the parent company had been disclosed a much more favorable statement would have been made. In fact, it was frequently stated that the common stock was actually

EARNING AROUND 15 PER CENT,

although the last annual report showed earnings of only 2.19 per cent on the $25,000,000 outstanding.

In reference to the recent declaration of a dividend on the common stock President Colt says that, although surplus earnings for some years have been considerably in excess of the amount needed for dividends on preferred stock, the directors, for reasons heretofore announced, have up to the present time deemed it advisable to defer common dividends. He also

LB

Quality Production

s the chief aim in our 8 factories.

This is one reason why we are the largest manufacturers of card systems in the world.

In the creation of our widely adopted and standardized equipment the best in ideas, workmanship and material is assembled.

'Phone for Representative
Fort Hill 366

"Price List" catalogue on request.

Library Bureau

Organized in Boston 1876

43 Federal St., Boston

Manufacturers and distributors of office, library and bank furniture, in wood and steel, cabinets and supplies.

DIRECTORS

Costello C. Converse — Jesse P. Lyman — William V. Kelley
Grant Walker — A. N. Parkin — Lyman P. Gordon
Samuel P. Savage
Samuel T. Rumell, President — A. N. Parkin, Vice President — W. E. Parker, Treas.

Digitized by Google

stated that, while in the first six months of the present fiscal year there has been a falling off in some lines of business, owing to prevailing conditions, other lines have shown a substantial improvement, so that the final result of the year's operation is likely to compare very favorably with all preceding years.

This statement was interpreted as meaning that, while there had been a considerable decrease in the sale of rubber boots and shoes, the loss on this account had been more than made up by the record-breaking sales of tires by the company's subsidiary, Rubber Goods Manufacturing Company. It is estimated that the company will receive in the way of dividends this year from its holdings of stock in the Rubber Goods Manufacturing Company from $800,000 to $1,000,000 more in dividends than it did last year. It

ONLY REQUIRES $1,000,000

to pay the 4 per cent dividend on United States Rubber common, so that practically the directors have only planned to pay their common shareholders about what they expect to receive in additional dividends from securities held in the treasury.

This, of course, therefore, can hardly be made the subject of criticism in view of the company's large investment in improvement of its plants and assuring its supply of raw material, the carrying charge on all of which is being amply taken care of out of the regular sources of income.

Another fact which should not be lost sight of in considering the affairs of the United States Rubber Company is that almost all of its officials, branch managers, selling agents, and, in fact, all employes in any important position, were some years ago made partners of the company in a most substantial manner. At a time when Wall street had marked down the value of the company's shares to absurdly low figures the company bought on its own account substantial amounts of both the preferred and common stock, and gave its employes a chance to buy this stock on the installment plan spread over several years and guaranteed a satisfactory result to them if they continued in the employ of the company. The result was that almost without exception these employes kept all their stock and bought more, and to-day it is doubtful if in any corporation there can be found a more loyal or effective organization than the United States Rubber Company has the benefit of.

From the standpoint of the investor, the second preferred 6 per cent stock at 75 yielding 8 per cent

SHOULD BE MORE ATTRACTIVE

than the common stock, even though it yields over 9 per cent. There is only $10,000,000 of the second preferred stock outstanding, while $25,000,000 of the common has been issued.

Another significant fact to be borne in mind in connection with the United States Rubber Company is that although its position in every way has been materially improved, and its business has quadrupled during the past ten years, the amount of common stock outstanding has not been increased. I cannot recall another corporation of its size regarding which a similar statement can be made.

P. De Medici.

COAL ROADS ON TRIAL.

(Continued from page 1725.)

the Pennsylvania Coal Company, the Erie paid in 1901 $32,000,000 in 4 per cent collateral bonds, and $5,000,000 in its first preferred stock. This purchase

HAS BEEN PROFITABLE

to the Erie, as a substantial amount of revenue has been realized in addition to interest on the bonds, and the sinking fund of 10 cents per ton, which was provided to retire the bonds. As a matter of fact, the published reports would indicate that the Erie has realized a profit of about 50 cents per ton in this coal operation. The Lackawanna, as near as a conclusion can be arrived at, has made a profit of around 45 cents per ton.

The Reading Company, on the other hand, although the largest owner of coal lands, and the largest shipper of coal, according to its reports, has realized only a nominal profit, or something like a cent a ton.

It hardly need be suggested that if the Erie could make 50 cents per ton on coal under relatively adverse circumstances, the Reading Company actually has made much more. The presumption is that the Reading Company has been burying its earnings in its coal property or railroads, or both, and in any event, if they were separated and operated to their dividend capacity, there can be no question about the satisfactory result. The anthracite coal land, owned by the Reading Company is worth from $2,000 to $3,000 per acre. The company owns 160,000 acres, of which probably 60,000 acres may be disregarded, so far as its coal value is concerned. If its remaining 100,000 acres, however, are worth only $2,000 per acre, the aggregate value would almost be enough to pay par for all the bonds, preferred and common stock outstanding, leaving as free assets, the railroad property, and $14,504,000 of stock of the Central Railroad of New Jersey constituting control, which stock is earning

AROUND 30 PER CENT A YEAR.

The acquirement of control of the Central of New Jersey by the Reading Company does not appear to have been in any way along the line of an endeavor to monopolize the anthracite coal market. On the contrary, as in the case of the purchase by the Erie Company, it actually tended towards competition. In December, 1900, President Baer, of the Reading Company, was informed that control of the Jersey Central was in the market, and that the Baltimore & Ohio had made a bid. Both the Reading and Baltimore & Ohio roads reached New York over its terminals, and were entirely dependent on it to reach New York. It clearly might have been disastrous to the Reading if the Baltimore & Ohio secured the property, so that President Baer took prompt action by securing control for his company. The Baltimore & Ohio now gets into New York by way of its Staten Island terminal, so that constructively and actually, both roads now compete for business.

Summarizing the situation, it is very difficult to see the possibility of any material effect one way or the other, so far as stockholders are concerned, as a result of the government's revamped attack on the coal trust. There is, of course, no one who would not like to have his coal bills reduced, but I think that this had better be accomplished, and probably will have to be accomplished, if ever, by a government decree fixing prices, rather than by the impossible disintegration of the present coal carrying railroads.

P. De Medici.

SANDPOINT, IDAHO.—L. M. Tillotson, of Hartford, Conn., has become cashier of the Citizens' State Bank at Sandpoint, succeeding R. A. Grimes, resigned. Mr. Tillotson's uncle, J. R. Law, is a director of the bank.

Before All Else

there is found in every Union Mutual Policy the first and strongest Purpose of Life Insurance.

Protection

Clear, Faithful Reasonable Contracts. Ask for Particulars.

Union Mutual Life Insurance Co.
Portland, Maine
Fred E. Richards, President.

National Life Insurance Company
MONTPELIER, VERMONT.

Mutual. Organized 850.

This company has increased its dividend scale this year for the third successive year, and the increase applies to all participating policies in force from 1850 to date.

An attractive monthly income policy just placed on the market.

A good agency opportunity for the right man.

Correspondence invited.

UNUSUAL FEATURES
In Life, Accident and Health Insurance

New Methods of Compensation
Short Form Policies Clear—Terse
Easy to Read and Understand
Low Non-participating Rates

The Columbian National Life Insurance Company, Boston, Mass.
ARTHUR E. CHILDS, President
Wm. C. Johnson, Vice-Pres. and Gen'l Mgr

JANUARY 1, 1911
Insurance in force more than $140,000,000
ASSETS - $36,927,979.09
LIABILITIES $3,371,841.25
SURPLUS - $ 2,865,237.78
1910 MOST PROSPEROUS IN HISTORY OF THE COMPANY

North American Accident Insurance Co.
CHICAGO

Net Surplus & Capital..$ 500,000.00
Income 1910 ..... 1,151,000.00
Will add good men in Establishing Agencies.
Best Policies — Largest Commissions or Profit Sharing Contract.
A. R. Forrest, Vice-Pres. & Sec'y
Chicago

Digitized by Google

Recuperating Copper Properties

Utah Consolidated and Granby in Their "Coming Back" Specialties—Both Rank As Market Mysteries, With the Possibility of Regaining Much Lost Ground—Utah Consolidated Resumes Dividend Payments As a Proof of Recuperative Ability—A New Income Account Needed to Shed More Light—Granby Consolidated Seems Headed Towards New Financing—$400,000 Cash Available, $1,000,000 Needed For Development and Construction, and Mines Shut Down.

Copper share market observers who have noticed the almost uncannily peculiar manner in which Granby Consolidated and Utah Consolidated, those two spectacular "in and outers" of the mining world within recent years, accompany each other through the extremes of prosperity and adversity, see a further illustration of this peculiar coincidence in the present performances of the two companies, and in their vigorous efforts to "come back" to a point approximating their former positions of material well being, as reflected in earnings and dividend payments. Some months ago, I commented upon these two companies at some length, referring to them as the mysteries of the copper share market, and while the element of uncertainty and mystery is still present in pronounced form, there are to be seen vigorous efforts on the part of those in control to bring about a process of rehabilitation, and the re-establishment of the shares in popular favor as those of well-managed and prosperous concerns. In this attempt, they will carry with them the best wishes of many who gave no direct concern in the affairs of either corporation, but whose interest is much broader, namely, the welfare of the copper share list generally, for there is no doubt but that, justly or not, the ground and lofty tumbling performances indulged in by these shares did a great deal to undermine public confidence in copper securities, even the most meritorious.

UTAH CONSOLIDATED DIVIDEND.

The most striking demonstration of the apparent success of ground-regaining policy is found in the declaration, at a special meeting of the directors of the Utah Consolidated a few days ago, of a dividend of 50 cents per share, out of the earnings of the 1911 fiscal year, payable November 14, to stock of record of October 21. It will be recalled by many of my readers, with some of whom the recollection my be too tender a spot to be touched, except with due care, that dividend payments were discontinued after 50 cents a share, had been distributed in January, 1910, the detailed dividend record by years being as follows: 1903, $3; 1904, $3; 1905, $3.50; 1906, $5; 1907, $7; 1908, $2; 1909, $2; 1910, 50 cents. Fifty cents per share is equivalent to 10 per cent on par, the company's $1,500,000 authorized and issued stock being divided into 300,000 shares, which, by the way, are now selling at 14¼, as compared with a high price for the year of 15, and a low price of 9¾. From four to six years ago, when the company was paying from 70 to 140 per cent per annum in dividends, and earning two or three times those percentages, the market valuation ran for the greater part of the time between $60 and $80 per share, but with the arrival of the panic and the accompanying decline in the copper metal boom, there was an almost unbroken decline to last year's low level, from which there has been a

5-POINT RECOVERY,

so that in this respect, at least, Utah Consolidated has done better than the great majority of its more prosperous fellows.

For some months past, there have been evidences that Utah Consolidated was steadily improving its position under more aggressive management than it had enjoyed for years, the contest for control which took place last April having apparently borne fruit, despite the re-election at that time of the retiring directors. Development work has been pushed most energetically in promotion of the endeavor to prepare the property to produce a large tonnage of ore. More important still, correspondents in Salt Lake City have heard that development at depth has uncovered large copper reserves, although of low-grade tenor. The company has been steadily, if gradually, increasing its shipments, with the expectation, I am told, of bringing them up to 1,000 tons per day.

SHIPPING 3½ PER CENT ORE.

I have also been informed that the company has been shipping considerable quantities of 3½ per cent ore, in addition to high-grade lead ore. I do not believe, however, that the management is counting on an average of 3½ per cent ore for its 1,000 tons daily shipments, that figure being too high, probably, by a considerable margin The rehabilitation of the property, so far as it is now apparent, has more to to do with the quantity than with the quality of the ore reserves. The rich ore that made possible the payment of such large dividends years ago has been taken from the mines, and is not at all likely to be duplicated. Therefore, future results depend upon the uncovering of additional ore bodies, a diligent economy of operation, and, last, but not least, an improving metal market.

MORE LIGHT NEEDED.

It seems to me that it would be well for the management, in its endeavor to regain popular favor, to issue a statement, showing just what the company is doing at the present time, in respect to earning ability. The declaration of the 50 per cent share dividend, mentioned above, is accompanied simply by the statement that it is declared "out of the earnings of the 1911 fiscal year". Inasmuch as the fiscal year does not come to a close until December 31, it is evident that there is a good deal left to the imagination of the shareholder and of the general public. If the management could present figures, showing that the company has earned this 10 per cent dividend, with even a small margin to spare, it will be generally considered that the company has accomplished about everything that could be expected of it in reason in view of generally unfavorable conditions. However, the declaration of this dividend indicates that the company has done considerably better than last year, when there was earned only 22 cents per share on the capital stock, and at least as well as in 1909, when 51 cents per share was earned. The one ground for criticism in my opinion is to be found in the fact that the dividend has been declared in the face of a weak metal market, and in the absence of official figures, showing it to be justified by earnings.

In the case of

GRANBY CONSOLIDATED,

the other member of this interesting pair of copper properties, there has been no dividend declaration since last December, when 1 per cent was paid. In certain other respects, however, there are evidences of a genuine determination on the part of the insiders to show a suspicious public that the property is of greater value than present market conditions would indicate. In addition to a reduced copper yield per ton, and the somewhat sickly condition of the metal market, Granby Consolidated had to contend throughout its last fiscal year with fuel and labor troubles and a visitation of fire. President Luther says that the property at the present price of copper would be able to operate at a fair profit under normal conditions, but it seems to me that the closing down of the property was by no means inimical to the best interests of the shareholders in view of continued fuel troubles, which were adding materially to the costs. Certainly, there is nothing to be gained by forcing producing at present prices, when there is every reason to believe that within two or three years, at least, copper prices will show

A MATERIAL IMPROVEMENT

over the present levels.

As I have pointed out before, the future of Granby Consolidated depends very largely upon the development of its new property. At the present time it has about $400,000 in cash available for the development of its Hidden Creek holdings in British Columbia President Luther says that he estimates the cost of putting this property on a 2,000-ton-a-day basis, to be somewhere in the neighborhood of $1,000,000, which sum would provide for the construction and installation of a smelter. This condition of affairs is emphatically suggestive of the need of new financing for the Granby, especially if active operations are not resumed, and if copper prices fail to show a substantial recovery, as it is hardly likely they will do for a few months at least.

NEW PROPERTY ACQUIRED.

Further proof of the activity in the

Digitized by Google

Granby management, despite the closing down of the old properties, is found in the announcement from Spokane that the company has taken a bond for $50,000 on the Copper Queen mine at Shewelah, Stevens county, Washington, with the intention of putting it on a shipping basis as promptly as possible. Granby Consolidated is no less a mystery than it was when I counted upon its affairs in detail last spring, but at least, there seems to be a greater desire on the part of those in control to do less excavating in the stock market, and more under the surface of the earth.

P. De Medici.

MINING INQUIRY.

South Utah Mines & Smelters.

21316. (New York City). Please inform us as to the present status of the stock of the South Utah Mines & Smelters.

Ans.: The South Utah Mines & Smelters is a Maine corporation, incorporated in October, 1909, as successor under foreclosure to the property of the Newhouse Mines & Smelters. The plan of reorganization provided that the depositing holder of one share of stock, upon payment of $1, received a share of new stock, and each holder of $1,000 par value of bonds received $1,000 par value in new income bonds.

The present company owns the Cactus and 12 other patented claims in Beaver county, Utah, 241 acres; also the Midvale placer containing 158 acres, and agricultural lands, townsite, milling and power plant and water system. The amount of ore in sight has been estimated at 1,127,083 tons, with average copper contents of 1.8 per cent. The amount of partly developed and probable ore is estimated at 1,000,000 tons with average copper contents of 2 per cent. Equipment consists of a railroad from the mines to the mills, an underground electric mine railway, a reduction plant, crusher-house and concentrating mill, the capacity of which has been recently increased by the installation of three classifiers, although there is reason to believe that recent operations have fallen short of expectations.

The company has an issue of $1,300,000 6 per cent convertible incomes, which are entitled to 6 per cent interest only if earned and are convertible in stock at par. Of the $4,300,000 authorized capital, $3,000,000 has been issued, the remaining $1,300,000 being held in the treasury to provide for the conversion of the bonds. These shares, which have a par value of $5, have never paid a dividend. In 1910 they sold between $3.75 and $1, and have now declined to 60 cents.

Last week we announced the opening of a branch office in Cincinnati, of Ernst & Ernst, the well known certified public accountants. This move was prompted by the firm's increasing business in the territory tributary to Cincinnati, and the desire to give clients the maximum of service through the maintenance of a permanent staff of experts in their immediate vicinity.

Ernst & Ernst, through their New York, Cleveland and Chicago offices, are recognized as accountants of the highest standing. Their success in handling intricate accounting problems, and their work as production and efficiency engineers, have brought them much favorable attention. At present they number among their clients many of the largest manufacturers and most prominent financiers in this country.

Financial Summary of the Week

Allis-Chalmers Co.—The severe slump in Allis-Chalmers securities has caused Vice-president W. W. Nichols to issue the following statement: "For some time past, the volume of new business has been unsatisfactory. Our market must be found among industrial and other going concerns which, themselves, are now operating far below capacity. There seems to be no immediate prospect of revival. Our company has current assets greatly in excess of its current liabilities. Our semi-annual audit is now in progress. In this connection, it has been decided by the board of directors to change the ending of our fiscal year from June 30 to December 31."

American Silk Co.—Reorganization of the American Silk Company is being perfected under the name of the Arlington Textile Corporation, which will shortly execute to a trust company here, a mortgage to secure an issue of $2,500,000 of 6 per cent bonds. The capital stock of the new company will be $2,500,000, all common, of which $2,000,000 is now to be issued.

Atchison, Topeka & Santa Fe Ry. Co.—The report of the Atchison, Topeka & Santa Fe Railway Company for the year ended June 30, 1911, shows gross earnings of $104,993,194, as compared with $107,565,115 in 1910, expenses of $75,133,214 against $75,889,094, net earnings of $32,409,935 against $34,083,386 and a balance of $20,425,784, as compared with $21,371,067. After deductions for dividends and appropriations for additions, betterments and the fuel reserve fund the company's profit and loss surplus for the year stood at $315,777, which, added to the previous surplus, leaves to the credit of profit and loss as of June 30, 1911, $20,566,706.

Calumet & Hecla Mining Co.—The Calumet & Hecla announced that it must soon abandon its plan for consolidation of its subsidiaries owing to the small progress that has been made. Since October 1, the Calumet & Hecla has been selling the output of its subsidiary companies. Previous to that date the production of the subsidiaries was sold through the United Metals Selling Company, which was acquired by the Amalgamated Copper, last spring. The yearly output of the Osceola, Tamarack, Ahmeek and Isle Royale companies, whose copper is now being sold by the Calumet & Hecla, aggregates about 56,000,000 pounds.

Chicago, Milwaukee & St. Paul Ry. Co.—The St. Paul system reported for August gross operating earnings of $6,904,153, net operating earnings of $1,897,971, a total net income of $1,933,460 and a balance available for dividends of only $827,037, an amount far below that needed to maintain its present 7 per cent dividend rate on its common as well as on its preferred stock. For the two months ended August 31, this company revealed a gross operating revenue of $13,340,410, a net operating income of $3,855,176, a total net income of $3,955,451, and a balance applicable to dividends of $1,744,044.

Chicago Subway Co.—Holders of the Illinois Tunnel and Chicago Subway bonds will be assessed $100 on each $1,000 bond and the stockholders $5 a share. For this they will receive the face value of the assessment in a new series "A" first morigage five per cent thirty-year bonds. The bondholders will receive new preferred stock equal to the amount of old bonds held, and the stockholders will receive one share of new stock for every two shares on which the assessment has been paid. The new company will have $24,000,000 of first mortgage five per cent thirty-year bonds, of which $20,000,000 will consist of series "A" and $4,000,000 series "B." Of the series "A" $5,299,060 will be issued in return for assessments paid on bonds and stock, while the balance will be reserved for such cash requirements as are not met by assessments, and for future betterment, extensions, etc. The $4,000,000 of series "B" bonds will be used to acquire securities of the Chicago Dock Company, Chicago Warehouse & Terminal Company, and Illinois Tunnel Company.

Copper Stocks.—Stocks of copper in the United States September 30 were 140,894,856 pounds, an increase of 7,453,355 pounds compared with August 31. Production during September was 115,588,960 pounds, a decrease of 9,904,717. Domestice deliveries were 57,311,581 pounds, a decrease of 2,623,780. A large falling off in exports occurred during the month, shipments being 50,824,011 pounds, or 19,031,619 smaller than in the previous month.

Eastern Steamship Co.—The Eastern Steamship Company earned $410,169 gross and $226,674 net in August, gains of $13,922 and $1,612 over last year's showing. In the eight months of the current year to August 31, the gross revenue aggregated $1,394,110 and the net $420,158, the latter being $50,760 larger than that for the corresponding period in 1910.

Erie Railroad Co.—The Erie Railroad has sold $4,550,000 of three-year 5 per cent notes to bankers. The notes are secured by $7,000,000 of bonds of uderlying roads, of which $4,000,000 are a first mortgage on the Erie & Jersey and $3,000,000 a first mortgage on the Genesee River Railroad. These bonds are parts of issues which constitute a first lien upon the new cut-offs which the Erie has been constructing for several years at a cost of $13,000,000. The outstanding indebtedness of the Erie is not increased by the new issue of notes, because the proceeds will be used to take up maturing obligations.

Hart, Schaffner & Marx, Inc.—It is expected that application soon will be made to the Chicago stock exchange to list the $15,000,000 common stock of Hart, Schaffner & Marx, incorporated.

Intercontinental Rubber Co.—This company passed its regular quarterly dividend of one per cent on the common stock, which explains the recent weakness of the stock and the decline from 30 to 17. The company issued a statement in part as follows: "Your directors feel that the unsettled conditions in Mexico, which may affect both the cost of operation and the delivery and gathering of the shrub, which is your raw material, justify extremely conservative action at this time, and it seems wise to accumulate and hold the surplus for the benefit of the company for future development. The high prices of rubber, which have prevailed on our contracts for several years, may suffer a decline during the coming period, as is evidenced in so many other staple commodities."

International Cotton Mills Corporation.—In explanation of the recent reduction in the preferred stock quarterly dividend of the International Cotton Mills Corporation, from 1¾ per cent to 1 per cent, directors stated that they deemed it to the best interest of the stockholders and the company to make the dividend disbursement at this time one per cent instead of 1¾ per cent, the preferred stock being cumulative, in view of general business conditions, and in line with the policy being adopted by most of the textile manufacturing concerns of the country.

Kansas City Southern Railway.—The annual report of this company shows a gross income from operation of $9,995,174, an expenditure of $6,765,877, with a net income from operation showing a gain over 1910 of $247,000. The net surplus after dividend payment is $824,659, a gain of $173,238.

Louisville & Nashville R. R. Co.—The Louisville & Nashville earned a balance available for dividends equal to 14.26 per cent on the capital stock, according to its pamphlet report for the year ended June 30. This compares with 17.35 per cent the previous year. Total revenues of the road were $53,993,741, an increase of $1,500,355. Operating expenses increased $3,494,244 to $38,479,823. Net operating revenue amounted to $15,513,918, a decrease of $1,933,885. After allowing for taxes, rentals and dividends, there was surplus left for the year of $4,355,333, a decrease of $1,857,923. On June 30, the company had a total surplus of $31,513,953, an increase of $3,838,592.

Mackay Companies.—The steady demand for Mackay common is based on the hope that the long expected increase in its dividend to a 6 per cent rate will mature shortly. Notwithstanding the keener competition with the Western Union, it is understood that the earnings of the Mackay properties have been well maintained and that they are ample to provide conservatively for a higher divi-

Digitized by Google

dend whenever such a policy commends itself to the trustees.

Minneapolis & St. Louis, R. R. Co.—The Minneapolis & St. Louis has appointed a committee consisting of Edward Hawley, Newman Erb and S. H. Davis to confer with a committee consisting of T. P. Shonts, Frank Trumbull and Joseph J. Slocum, appointed by the Iowa Central, to agree upon the terms of a lease of the latter company by the Minneapolis & St. Louis. Following the lease the Iowa Central will be either purchased by the Minneapolis & St. Louis or merged with it. In preparation for such action, the stockholders of the Minneapolis & St. Louis will be asked to authorize a bond issue of $75,000,000, which will be used to refund the outstanding fixed obligations of both companies.

Missouri, Kansas & Texas Ry. Co.—Missouri, Kansas & Texas has issued its pamphlet report for the fiscal year ended June 30, last, showing total operating revenue of $20,065,293, an increase of $2,505,947. Operating expenses were $20,606,515, an increase of $1,420,466, leaving net operating revenue of $8,458,778, an increase of $1,085,481. After allowing for all charges, together with rentals and the preferred dividend, there was a balance of $1,252,686 available for dividends on the common stock, equal to 1.97 per cent, which compares with 0.52 per cent the previous year.

Montreal Tramways Co.—The Montreal Tramways Company has sold $10,000,000 of first and refunding mortgage 5 per cent bonds to bankers. The proceeds will be used to purchase the property of the Montreal Street Railway Company, thus giving the Tramways Company ownership of all the street railway properties in Montreal.

National Lead Co.—Prospects for future earnings of this company have improved much in the current year, owing to the outlook for a good flaxseed crop. High prices for flaxseed, resulting from three years of very bad crops, were largely responsible for the decrease in the company's earnings and consequent reduction of the common dividend rate. High estimates place this year's flaxseed crop in the Northwest at 22,000,000 bushels, and the low estimate at 16,000,000 bushels, the mean being an improvement of more than 100 per cent over last year's crop of 8,500,000 bushels. In addition, Argentine, the largest producer of flaxseed in the world, reports good growing conditions for this year's crop.

Northern Pacific Ry. Co.—During the twelve months operating revenue was $64,912,832, a shrinkage of $9,612,994. Operating expenses were $39,728,161, a decrease of $6,256,845, and net operating revenue was $25,183,071, a decrease of $3,355,349. After allowing for other income and deductions, there was a balance of $20,442,267 left for dividends, or a decrease of $1,583,992. There was a surplus of $3,082,267, a decrease of $1,583,992. Retiring directors were re-elected.

Railway Steel Spring Co.—This company has given to the Standard Trust Company of Chicago a $3,500,000 trust deed for 20 years at 5 per cent. The bonds to be issued are subject to redemption at 105 and interest on any interest date. The company is required to pay annually, beginning 1914, $125,000 into a sinking fund for the purchase of the bonds at or below the redemption price.

St. Louis, Rocky Mountain & Pacific Co.—The consolidated income account for the month of August is as follows: Gross, $136,130, decrease of $32,247; expenses and taxes, $93,028, decrease of $21,647; net, $43,032, decrease of $10,600; interest, $30,529, decrease of $2,311; profits, $12,503, decrease of $8,289.

Savanna Copper Co.—The directors of the Savanna Copper Company have issued a call for the payment of $5 per share on all outstanding part-paid stock of the company, payable November 1, next, making all shares full paid and non-assessable. Provision is made for the exchange of two shares of $5 part-paid stock for one share of full paid, if stock is surrendered for exchange on or before November 1. Stockholders exchanging part-paid for full paid stock will not be required to pay the call of $5 per share, due November 1.

Seaboard Air Line Railway.—The Seaboard Air Line's pamphlet report shows a surplus after all charges of $1,829,180 for the fiscal year ended June 30. This is a decrease of $66,074 compared with the previous year. Gross revenue for the year increased 8.39 per cent and operating income expanded 4.64 per cent.

Southern Iron & Steel Co.—The Southern Iron & Steel Company's reorganization and its consolidation with the Alabama Consolidated Coal & Iron Company have been arranged. A new company will be formed to acquire the properties of the two concerns. It will issue $5,000,000 of 6 per cent bonds, $12,500,000 of 6 per cent cumulative preferred stock and $12,500,000 of common stock, or $30,000,000 of new securities in all.

Third Avenue Railroad Co.—Receiver F. W. Whitridge, of the Third Avenue Railroad Company, announced that after the payment of interest on underlying securities and the payment of taxes, including franchise taxes, the road had a balance left of $1,860,000 for the fiscal year ended June 30. He stated he had paid out $88,000 in legal expenses and interest on the $2,500,000 of receiver's certificates and $600,000 of notes issued in payment of back franchise taxes, all of which could also have been added to the balance if the road had not been in receivership, bringing it up to $2,140,000. Since July 1 the $600,000 of notes have been paid off, while $1,000,000 of receiver's certificates were redeemed prior to July 1, leaving the amount now outstanding $2,500,000.

U. S. Rubber Co.—The directors of the United States Rubber Company have declared a quarterly dividend of one per cent on the company's common stock, in addition to the regular quarterly 2 per cent on the first preferred and 1½ per cent quarterly on the second preferred. Common stockholders of the company have not received a dividend since 1900. In explanation of their decision to resume payments, the directors, through the president of the concern, Samuel P. Colt, say: A rumor that the United States Rubber Company was to take over the Intercontinental Rubber Company was authoritatively denied.

U. S. Steel Corporation.—The unfilled tonnage of the United States Steel Corporation on September 30 was 3,611,317, compared with 3,695,985 the month previous, and the first decrease since last April. These figures compare with 3,584,685 tons July 31, 5,361,058 tons June 30, 5,113,187 tons May 31, 3,218,704 tons April 30, 3,467,301 tons March 31, 3,400,543 tons February 28, 3,110,919 tons January 31 and 3,158,106 tons September 30, 1910.

Utah Consolidated Copper Co.—At a special meeting of the directors of the Utah Consolidated Copper Company, a dividend of 50 cents a share was declared out of the earnings of the 1911 fiscal year, payable November 14 to stock of record October 21. Urban H. Broughton resigned as president and Roscoe R. Channing, general manager, was elected in his place. Dividend payments were discontinued after 50 cents a share was distributed in January, 1910. The dividend record follows: 1903, $3; 1904, $3; 1905, $3.50; 1906, $5; 1907, $7; 1908, $2; 1909, $2; 1910, 50 cents. The capital stock is $1,500,000, par $5, all outstanding.

Wabash R. R. Co.—The Wabash Railroad Company earned a gross income in the fiscal year ending June 30, 1911, of $29,881,037, as against $28,886,056 for the preceding year. After providing for all expenses, taxes and charges, a deficit of $403,421 was shown, as compared with a surplus of $545,718 at the close of the 1910 fiscal year.

BANK ITEMS.

WINTERS, CAL.—The Bank of Winters, capitalized at $75,000, has been converted into the First National Bank of Winters.

GREENSBURG, IND.—The corporate existance of the Citizens National Bank of Greensburg, has been re-extended until October 9, 1931.

SEYMOUR, IND.—The corporate existance of the Seymour National Bank has been extended until October 9, 1931.

RICHMOND, VA.—Henry R. Pollard, Jr., is concerned in the organization of a savings bank and trust company, capitalized at $250,000.

LEESBURY, TEX.—The First Guaranty State Bank has been chartered. J. B. Florence, I. C. Townsend and W. L. Morris are interested.

NEW SMYRNA, FLA.—The Fidelity Bank is organizing here. B. Lamar, of St. Augustine, Dr. L. S. Bouchelle, of New Smyrna, and J. W. Perkins, of De Land, are interested.

HOT COAL, W. VA.—John Faulkner is president and L. N. Frantz is cashier of a new bank which is being organized here.

NEENAH, WIS.—The Neenah State Bank has been organized with $60,000 capital. W. H. Springler and William Aylward are interested.

ASBURY, MO.—The Bank of Asbury has been organized. W. W. Henderson, T. W. Hunter and J. W. Johnson are interested.

MONTICELLO, ILL.—The Farmers State Bank has been organized. John V. Ayre, A. B. Moberly and J. W. Ayre are interested.

STACEYVILLE, IA.—J. M. Schlueter is president, J. E. Heman, vice-president of the new German Savings Bank.

FOR

Oil and Gas Land Leases

WRITE

C. W. DEMING & D. C. ACOSTA, Inc.

Tulsa, Okla.

FOR HIGH GRADE OIL STOCKS

WRITE

EQUITY BOND & SECURITY CO.

37 WALL STREET, NEW YORK CITY

Almoloya Mining Co.

60 Wall St., NEW YORK

EMNAHA COLD MINING COMPANY

Incorporated under the laws of the State of Idaho. Capitalization, $500,000, divided into 500,000 shares. Par value $1.00 per share. Of which 300,000 shares have been placed in the Treasury, for the development of the property.

This Company owns and controls nine claims on Battle Creek, Imnaha, Willowa Co., Ore., on which [illegible] are three well defined parallel veins, carrying very rich gold quartz. A limited [illegible] the shares of the stock have been sold.

For [illegible] address

JOHN SENNETT, Treasurer

Boston, Mass.

Digitized by Google

What Bank Examiners Say

The Deputy Bank Examiner of Missouri Gives Helpful Information to His Fellow Craftsmen.

The paper which we present this week is from the pen of W. G. Planck, deputy bank commissioner of Missouri. It is a heart-to-heart talk on some of the essentials of examinations, and lauds very highly examinations by clearing house examiners.

Examinations—What They Should Be?

[By W. G. Planck, Deputy Bank Commissioner of the State of Missouri.]

It is, of course, unnecessary in a discussion of this subject for one to dwell upon the necessity of bank examination and supervision. Its need and the beneficial results of the work that has been done and is now being done by the Federal government and the various states along this line is now so universally recognized that any argument favorable to a system of examination would be wholly superfluous. However, the question as to how the work shall be done, the methods and means to be employed in order to procure the best results, these and kindred subjects are, in my opinion, important and vital questions for discussion, and I most heartily commend the honorable comptroller of the currency for his wisdom in bringing together this assemblage of examiners and those charged with the duty of administering and enforcing the banking laws of the Federal government and the various states here represented.

I wish also at this point to express my sincere appreciation of this opportunity to take part in the discussions of the hour. When I was asked to take a place upon this programme and decided to accept, my first thought was to take as a subject, "The Examiner", but after some consideration I reached the conclusion that this was too large a subject, a conclusion in which I am sure most of my audience will concur. However, it is next to impossible to discuss the subject of "Examinations" without giving some attention to

THE EXAMINER.

The department at Washington under the supervision of the comptroller of the currency and the various state banking departments are, of course, matters of necessity for the purpose of centralization of authority of supervision and direction of the work of examination, but the standing or rank of any department will be largely determined by the proficiency and effectiveness of its examiners. They are the source of information and the old adage that "a stream cannot rise above its source" applies with particular force here. A department weak in its office organization might be a successful one if its examiners were of a high order of ability, but no department, however well officered in its central organization, can be a success unless its field men are able to and do collect and collate the necessary information upon which intelligent and proper requirements may be based.

After having been connected for some years with a department charged with the supervision of the banks of my state, I am led to the belief that the most effective and, therefore, the best results can be obtained by giving to the examiners the largest possible discretion and power in the matter of direction and requirements in the correction of irregularities and the enforcement of those provisions of the law which, although important, are not of such a nature as to call for the most serious, and I might say, judicial consideration and determination. With these considerations in mind, the necessity of selecting as examiners only those of ability and special adaptability to their work is at once apparent. The enormous interests affected by the work of the bank examiners of the Federal government and the various states, reaching as it does not only the large financial centres but to almost every hamlet in our country as well, is of such magnitude as to render it imperative that no mere consideration of

POLITICAL PREFERMENT

control in the selection of men for these most important positions.

It is not my purpose to give the impression that a system of civil service should be inaugurated in this branch of the public service, for I do not deem it necessary in order to procure for this work public servants of the highest character and ability. I would, however, impress upon those in whose hands rest the authority and power of appointment, that ability, character and a special fitness for the work to be done should in every instance be the chief recommendations considered, and which should govern in the choice of men for this work.

Addressing myself to the examiners, I would say, first of all, be true to yourselves. My faith in the righteous judgment and actions of men hinges upon my belief in their absolute trueness and fidelity to self. An adherence to this rule of action announced by the Bard of Avon means attentiveness to duty, conscientious striving for the best results possible and withal fairness and impartiality in your examinations and reports. The examiner who permits his personal likes or dislikes or any ulterior motive to influence him in his investigations or his reports has not only been

UNTRUE TO HIMSELF,

but he has also been false to the department which he serves, and in addition, has been guilty of crime. You are the eyes through which the department must look, and in order that the visions thus obtained may be true and correct, your reports must of necessity not only be full and complete, but wholly unbiased. I say your reports should be full and complete, and I would emphasize this feature of your work. And before such a report can be made, a thorough examination of the institution to be reported upon must of necessity be made. If there is any one thing I would impress upon you above all others, it is the necessity of procuring and giving the department the most accurate and detailed information relative to those matters which are likely to become the subject of criticism or requirement. Incomplete information, except as a starting point from which additional information can be gained, is of practically no value. A requirement made upon only a partial knowledge of the subject matter is almost certain to miss the mark, subjecting not only the department but the examiner himself to criticism and embarrassment.

In prosecuting your work, take

NOTHING FOR GRANTED.

In Missouri's "show me", you have the key to successful examinations. The banker who takes offense at the inquisitions of an examiner, however searching they may be, considering such inquiry as a reflection upon his integrity, should not be in the banking business. And while a resentful attitude is not necessarily indicative of irregularities, yet such should in no way swerve you from making the most exhaustive inquiry as to conditions. The time is past when a mere perfunctory or surface examination will satisfy either the public or the banker himself. The time was when the greater the space of time between examinations and the quicker the examiner could get out of town after landing, the better it suited the banker. The same desire may, perhaps, still abide with some, but the instances are now rare where the examiner is not a welcome visitor, and is almost universally regarded by the banker as his best friend and a very present help in the time of trouble.

This changed attitude on the part of the banker is not due entirely to the fact that he has come to realize that the public is demanding a most thorough examination and strict supervision of banks, but in my opinion, a larger factor is that the banker now understands and appreciates the great value of examinations in correcting conditions within. It is but natural that the banker, on account of the frailties of human nature, should be the last to recognize this real and ultimate purpose of all examination and supervision. This growing disposition on the part of the banker to invite inspection and criticism is most clearly manifest in the now well established systems of clearing house examinations, which have been inaugurated in all the larger cities of the country.

Pardon me for digressing here to say that I have some insight into the methods adopted and employed by the

CLEARING HOUSE EXAMINERS

of the two largest cities of Missouri, and I say unhesitatingly that, in my opinion, the work of examination in these cities is approaching such a degree of perfection that it is entirely unnecessary that any bank within the jurisdiction of the clearing house examiners should fail unless it stubbornly and persistently wills to fail.

I think I but state a truth which will be admitted by every one in this hearing when I say that the question of determining the solvency of the assets of a bank is of the first importance in every examination. It is true that the discovery of irregularities, where they exist, is of great importance, but the instances of bank failures traceable to defalcations are rare, as compared with those where failure is due to bad in-

Digitized by Google

The Best Purchases on the Industrial List

As Indicated by the Two Standards of Comparison: of Present Investment Yield on Basis of Current Dividends and Prevailing Market Price, and on Basis of Present Earnings on Prevailing Market Values

The average net yield of the 50 industrial stocks quoted in the following table was 6.44 per cent on October 10, as compared with 6.35 per cent on October 3, 6.30 per cent on January 3, and 5.76 per cent on January 2, 1910.

A change will be found in our list of dividend paying stocks as presented this week in the addition or admission of United States Rubber common. The directors a few days ago declared a quarterly dividend of 1 per cent on this issue payable October 31, so that it goes down on our list quite properly as a 4 per cent stock. This is the first dividend declared on this stock since April, 1910, although the holders of the shares have been led more than once in the meanwhile to expect the resumption of payments. As a 4 per cent issue selling at 44 the stock now **at present a fraction over 9 per cent,** and, as will be seen, it occupies second **place on the following list of dividend** payers, being preceded only by American Cotton Oil common, with a net return of 10 per cent. In March, 1895, 2½ per cent was paid upon this issue, while in December, 1896, the same rate was ordered, payable in February of the following year. In July, 1899, a dividend of 1 per cent was paid, and further similar payments were made in the following January and April, but from that time up to the present, no effort was made by the management to give the common shareholders a division of profits.

President Colt explained that, notwithstanding the fact that for some years the surplus net earnings of the company have been considerably in excess of the sum required for dividends on the two preferred issues, the directors have felt it to be for the best interests of the company to defer the payment of dividends upon the junior shares. While thus far in the present year there has been a falling off in certain lines of the company's business, owing to general conditions, other lines show a substantial gain, thus insuring the company from its entire business, including that of its subsidiaries, an amount not less than an average product and profit for the year. It might be stated in passing that a rumor that the United States Rubber Company is to take over the Intercontinental Rubber Company, which recently passed its common dividend, has been authoritatively denied.

With respect to the anticipated payment of a dividend on American Beet Sugar common, as commented upon in this column a week ago, there is no change in present conditions, except that the market advance in anticipation of such a movement has been continued still further. As intimated in the United States Investor last week, it is anticipated that the initial disbursement will be at least 4 per cent, and possibly 5 per cent. In this connection it is of interest to note that Beet Sugar common at the present time is selling twelve points above Rubber common, the former being above its best previous high record price. President Duval is due to arrive from Europe the latter part of the current week, and it is, therefore, quite reasonable to expect that definite action will be taken on the dividend question in the near future.

Stocks.	Present dividend.	Price.	Yield on present price	Present rank.	Stocks	Price	Earnings on present price	Year ended
Am. Cotton Oil, com....	5*	50	10.00	1	Inter. Merc. Marine, pref..	35	9.15	Dec. 31, 1910
U. S. Rubber, com.....	4	44	9.09	2	[illegible]	92	25.79	Jne. 30, 1911
U. S. Steel, com.....	50	59	8.48	3	Bethlehem Steel, pref	66	23.95	Dec. 31, 1910
Republic I. & S., pref....	7	87	8.05	4	Ry. Steel Spring, com.....	27	23.70	Dec. 31, 1910
United Dry Goods, com..	8	98	8.16	5	Westinghouse, com	62	21.10	Mar. 31, 1911
Am. Writing Paper, pref.	7½	95	8.00	6	Am. Locomotive, com.....	35	20.75	Jne. 30, 1911
Am. Woolen, pref	7	88	7.95	7	Am. Beet Sugar, com.....	57	19.20	Mar 31, 1911
U. S. Rubber, 2d pref....	8	106	7.55	8	Pressed Steel Car, com.....	19	19.00	Dec. 31, 1910
Union Bag & Paper, pref.	4	53	7.55	9	Am. Ag. Chem., com.....	47	18.25	Jne. 30, 1911
Central Leather, pref....	7	93	7.53	10	Sears, Roebuck, com	131	17.65	Dec. 31, 1910
Inter. Steam Pump, pref.	6	80	7.50	11	Am. Car & Foundry, com...	47	14.95	Apr. 30, 1911
U. S. Realty & Imp.....	5	67	7.46	12	Am. Ice Sec. Co.....	17	14.09	Oct. 31, 1910
Ry. Steel Spring, pref..	7	94	7.45	13	Inter. Harvester, com.....	104	14.25	Dec. 31, 1910
Nat. Enam. & Stpg., pref.	7	94	7.45	14	United Fruit	138	14 25	Spt. 30, 1910
Pressed Steel Car, pref..	7	95	7.37	15	U. S. Realty & Imp	95	13.95	Apr. 30, 1911
Am. Smelt. & Rfg., pref..	7	102	6.86	16	Am. Cotton Oil, com	50	12.60	Aug. 31, 1910
Laclede Gas	5	102	6.86	17	Am. Woolen, com	71	13.05	Dec. 31, 1910
Va.-Carolina Chem., pref.	8	117	6.75	18	Inter. Paper, pref.	45	11.80	Jne. 30, 1911
People's Gas	7	104	6.73	19	Republic I. & S., com.....	22	11.25	Jne. 30, 1911
Cent. Coal & Coke.....	5	75	6.66	20	Nat. Enam. & Stpg., com....	15	11.25	Jne. 30, 1911
Am. Locomotive, pref...	7	105	6.66	21	General Electric	148	11.25	Dec. 31, 1910
Corn Prod. Rfg., pref....	5	76	6.58	22	Union Bag & Paper, pref..	53	10.45	Jan. 31, 1911
National Lead, pref	7	107	6.54	23	Am. Smelt. & Rfg., com...	63	10.05	Apr 30, 1911
National Lead, com.....	3	46	6.52	24	Colo. Fuel & Iron, com.....	33	9.75	Jne. 30, 1911
Distillers Sec. Corp.....	3½	51	6.45	25	U. S. Steel, com.....	59	9.75	Jne. 30, 1911 (3 mos.)
U. S. Steel, pref	7	109	6 42	26	Distillers Sec. Corp.....	31	9.50	Jne. 30, 1911
Am. Smelt. & Rfg., com.	4	63	6.35	27	Am. Linseed, pref	28	9.50	July 31, 1911
Va.-Carolina Chem., com	3	48	6.25	28	National Lead, com	46	9 40	Dec. 31, 1910
Westinghouse 1st pref..	7	114	6.14	29	Corn Prod. Rfg., pref	76	9.30	Feb. 28, 1911
Am. Beet Sugar, pref....	6	97	6.12	30	U. S. Cast Iron Pipe, pref ..	42	9.20	May 31, 1911
Am. Tobacco, pref.....	6	98	6.12	31	United Dry Goods, com....	98	9.10	July 15, 1911 (6 mos.)
Am. Sugar, com	7	115	6.09	32	Western Union	79	9.05	Spt. 30, 1911
Am. Sugar, pref	7	115	6.09	33	Peoples Gas	104	8.65	Dec. 31, 1910
Am. Car & Fdy., pref....	7	117	5.98	34	N. Y. Air Brake	56	8.15	Dec. 31, 1910
Inter. Harvester, pref...	7	117	5.98	35	Am. Can, pref.....	85	8.05	Dec. 31, 1910
Am. Tob. & Tel.	8	134	5.97	36	Amalgamated Copper	69	8.00	Apr 30, 1911
Am. Can, pref	7	85	5.88	37	Utah Copper	41	7.95	Jne. 30, 1911 (6 mos.)
Mexican Centrales, com	5	85	5.88	38	National Biscuit, com.....	115	7.90	Jan. 31, 1911
Pacific Coast com.	6	102	5.88	39	Am. Tel. & Tel.....	134	7 40	Jne. 30, 1911 (6 mos.)
National Biscuit, com....	7	125	5.60	40	Am. Malt. Corp., pref.....	42	6.65	Aug. 31, 1910
General Electric	7	148	5.41	41	Consolidated Copper	41	6.55	Dec. 31, 1910
Sears, Roebuck, com.....	7	131	5.41	42	Va.-Carolina Chem., com.	48	6.50	May 31, 1911
Inter. Harvester, com..	7	104	4.81	43	Am. Sugar, com	115	6.25	Dec. 31, 1910
Am. Malt Corp., pref...	2½	42	4.76	44	Mexican Centrales, com..	85	6.05	Jan. 31, 1911
Underwood Typewriter .	4	85	4.70	45	Pacific Coast, com	85	5.50	Nov. 30, 1910
Inter. Paper, pref	2	45	4.44	46	Consolidated Gas	148	5.40	Dec. 31, 1910
Consolidated Gas	7	148	4.72	47	U. S. Rubber, com.....	44	5.05	Mar 31, 1911
Am. Car & Foundry, com.	4	47	4.25	48	Central Leather, pref	93	4 80	Dec. 31, 1910
Amalgamated Copper ...	2	42	4.76	49	Consolidated Cigar	33	4.40	Mar 31, 1911 (6 mos.)
Western Union	7	79	8.86	50	Int. Steam Pump, com...	25	2.95	Jne. 30, 1911 (3 mos.)

Digitized by Google

vestments. I would not have you think for a moment that I undervalue or would minimize the importance of the work which can and should be done along the line of detecting defalcations, and the development and application of every known and discoverable method which will in any way assist in such work, yet we are bound to recognize the limitations of the examiner in the

DISCOVERY OF DEFALCATIONS

and peculations, the concealment of which has been the careful study of the defaulter for weeks and months or perhaps years.

The surety bond offers a fairly ample safeguard against loss through the dishonesty of bank officials, but only in the discredited bank guaranty proposition and the untried plan of guaranty of deposits by surety companies have we had anything suggested looking to the protection from loss upon bad investments other than the exercise of wisdom and good judgment on the part of bank officials, supplemented by the council and advice of the supervisory authority.

We must also recognize that there are limitations upon the ability of the examiner to determine as to the value of assets, but the limitations here are due, almost wholly, to a lack of time for investigation. Every examiner and every one who is familiar with his work well understands that the time allotted to each examination is far too short to properly make a thorough, and I would say, necessary inquiry and investigation as to all assets of the institution examined. In this respect, the clearing house examiner has a great advantage over the examiner whose banks are widely separated and where, as under present conditions, it is impractical to procure exact information except at the periodical examinations, which are, as a rule, from six to twelve months apart. The one greatest problem, therefore, is how best to ascertain as to the value of assets. The board of directors is the examiner's first and most available source of information, and the examiner who fails to thoroughly canvass the assets of the bank with the board of directors has, in my opinion, omitted the most important feature of his examination. However, his investigation as to assets, especially those which are apparently or admittedly doubtful, need not and should not end with his inquiry of the board. Every avenue of information should be followed to the end.

I cannot here suggest what the various lines of inquiry might and should be. Every particular case presents a different problem to be worked out, and it is here that the resourcefulness of the examiner is tested. When a proposition of this kind is before you, you should forget the time when the train is to come or go, and put your best efforts to the task of procuring for your department every detail of information obtainable until you have fully established the value of the asset in question. The same persistency of effort should mark your investigation of irregularities. The slightest evidence of deception or irregularity should impress you with the necessity of making the

MOST DILIGENT INQUIRY,

and every lead should be followed until it has been determined whether actual wrong doing has been practiced. In matters of this kind the examiner must sometimes summon to his assistance his entire moral force, lest he, out of consideration of sympathy or delicacy, fail at this important point and, perhaps, permit crime to go undiscovered and the criminal to go unpunished.

I think I but fairly state a truth when I say that a large per cent of the bank failures of the past

COULD HAVE BEEN AVOIDED

had the examiners been fully alive to the great importance of their work.

MINES COMPANY OF AMERICA.

111 Broadway, New York, Sept. 29th, 1911.
The Directors of the MINES COMPANY OF AMERICA to-day declared a dividend of one and one-half per cent for the quarter ending Sept. 30th, payable on Oct. 25th, to stockholders of record at the close of business on Oct. 10th. Transfer Books to be closed from Oct 10th until Oct. 26th. J. D. TOOKER, Secretary.

GEORGIA FARM LOANS 6%

Net on first mortgage farm loans in the rich belt of Southwest Georgia. Cotton, corn, oats, wheat, hay, peaches, cantaloupes, and other money crops are produced.
Seventeen years' experience without a loss.

EMPIRE LOAN & TRUST CO.
Americus, Ga.

NOTICE TO BOND BUYERS

City of Sioux Falls, South Dakota

Sealed bids will be received by the Board of Commissioners of the City of Sioux Falls, South Dakota, until Tuesday, November 7th, 1911, at 11 o'clock A. M., for the purchase of $200,000 (Two Hundred Thousand) of Sewerage Bonds of the City of Sioux Falls, South Dakota, for the purpose of constructing and maintaining a system of sewerage for the City of Sioux Falls. Said bonds to be in denominations of Five Hundred Dollars each, to run twenty (20) years from the date of their issuance, and shall bear interest at the rate of five per cent per annum, interest payable semi-annually; principal and interest payable in lawful money of the United States of America, in the City of New York. Bonds will be delivered at the office of the City Auditor of the City of Sioux Falls.

A certified check of Five Hundred Dollars payable to the City Treasurer of the City of Sioux Falls, must accompany each bid, and bids must be endorsed "proposals for Sewerage Bonds". The Board of Commissioners reserves the right to reject any or all bids. Information will be furnished on application, by the City Auditor of the City of Sioux Falls.

Dated at Sioux Falls, South Dakota, this 9th day of October, 1911.

WALTER C. LEYSE,
City Auditor of the City of Sioux Falls, So. Dak.

NOTICE TO BOND BUYERS

City of Sioux Falls, South Dakota

Sealed bids will be received by the Board of Commissioners of the City of Sioux Falls, South Dakota, until Tuesday, November 7th, 1911, at eleven o'clock A. M., for the purchase of One Hundred Thousand Dollars of Water Bonds of the City of Sioux Falls, South Dakota, for the purpose of providing water for domestic uses for said City. Said bonds to be in denominations of Five Hundred Dollars each, to run twenty (20) years from the date of issuance, and shall bear interest at the rate of five per cent per annum, interest payable semi-annually; principal and interest payable in lawful money of the United States of America, in the City of New York. Bonds will be delivered at the office of the City Auditor of the City of Sioux Falls, South Dakota.

A certified check of Five Hundred Dollars, payable to the City Treasurer of the City of Sioux Falls must accompany each bid, and bids must be endorsed, "Proposals for Water Bonds". The Board of Commissioners reserves the right to reject any and all bids. Information will be furnished on application, by the City Auditor of the City of Sioux Falls.

Dated at Sioux Falls, South Dakota, this 9th day of October, 1911.

WALTER C. LEYSE,
City Auditor of the City of Sioux Falls, So. Dak.

Digitized by Google

and assiduously labored to ascertain the true value of questionable assets and with determination set about the task of running down every intimation of crookedness and irregularity.

A discussion of the subject of examinations would, I think, be incomplete without mentioning the importance of thoroughly examining the records and the system of accounting in use. The instances coming under my notice, where banks have been in trouble are very few where there has not been abundant evidence of laxness and inefficiency in the matter of accounting. The need of additional time for examination of records and accounts, to that which can be given to any one examination under present conditions, is most clearly evident to those who have had experience and who have come in contact with the actual work which the examiner has to perform. A perfunctory examination of the books of the bank is usually sufficient to determine the question as to whether the work is in competent hands, but the matter of ascertaining whether improper or irregular entries have been made, except they be discovered largely by accident, is a task which requires more time than examiners can give to each institution as the work is now arranged.

The examination completed, another matter of no little importance confronts the examiner, and that is the problem of

MAKING UP HIS REPORT.

I have been told, by those actively engaged in the work, that the making of the report is a greater task than the examination proper. However this may be, much care and effort will have been wasted if you fail to place the facts gathered before the department officials in such a clear and comprehensive form as will enable them to see conditions exactly as you have found them to be. Nothing should be left to their conjecture. Remember you are on the ground and, therefore, able to see and understand all the attendant facts and circumstances which shed so much light on the main subject of consideration. In justice to yourself and the department which you serve, you should include in your report such detail of information as will enable the department officials to deal accurately and intelligently with the questions placed before them.

BANK ITEMS.

BLOCKTON, IA.—The Blockton State Bank has incorporated with $30,000 capital. F. J. Ware is president; John Reeves, vice-president, and Thomas Ware cashier.

DICKINSON, TEX.—The Dickinson State Bank has organized with $10,000 capital. Sealy Hutchings, John Sealy and George Sealy are interested.

BURBANK, CAL.—The Burbank State Bank has been converted into the First National Bank of Burbank. Capital, $25,000.

MISSION, TEX.—The First National Bank has been chartered with a capital of $25,000. J. C. Hardeson, is president, Chas. Volz, vice-president, and C. F. Goodenough, Jr., cashier.

BONITA, TEX.—The First National Bank of Bonita, has been organized by S. H. Camp, W. A. McCall, C. McCall, J. R. Modrall and J. C. Howard.

BOSTON STOCKS AND BONDS

For the Week Ending Thursday Evening, October 12, 1911.

Name.	RANGE FOR WEEK Low	High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911 Lowest		Highest		RANGE FROM JAN., 1879, TO JAN., 1911. Lowest	Highest
Railroads.										
Boston & Albany	*[illegible]	220½	220½	90	219 Sept		226 Feb	15	129 1879	*280 1906
Boston Elevated	125	126	126	181	124½	Oct 3	130½	Aug 2	53½ 1898	190 1901
Boston & Maine	98	99¾	99	195	99	Oct 10	122¾	Feb 15	105¾ 1879	220 1887
do. pref.	...	...	148	.....	148	Sept 5	164	June 5	124¾ 1891	199 1906
Cent. Verm't 4s	...	...	93¾	.....	82½	Sept 20	92	Mar 22	75 1904	98¼ 1908
C. H. & Q. Jt. 4s	96	96¼	96	63,000	95½	Jan 5	98¼	June 2	82½ 1907	102 1908
Chic. Junc. R.	...	...	158	.....	156	Apr 29	165	Aug 23	50 1886	152 1906
do. 5s	...	...	101¾	.....	101¾	Sept 23	102	Aug 24	83¾ 1891	116 1906
Fitchburg pref.	126½	126½	126½	61	125	Sept 30	130	Jan 9	62½ 1889	148 1906
K. C., Ft. S. & M. 6s	116½	116½	116½	2,000	115	Mar 22	116¾	Jan ...	78 1895	126 1906
K. C. M. & B. new 6s	91	91	91	500	91	Oct 6	93½	Jan ...	*25¾ 1894	102 1906
do. inc. 5s	...	...	89	.....	88	Apr 6	90	Mar 14	8 1895	104 1906
N. Y., N. H. & H.	123½	123¾	123¾	85	120¼	Sept 14	151¾	Feb 22	127 1907	279 1906
Old Colony	187	187	187	4	183	Mar 15	189	June 14	96 1879	221 1906
Rutland pref.	...	...	33½	.....	22	Jan 26	45	Aug 4	6¼ 1879	125¼ 1903
West End	87½	88¼	88¾	347	85	Oct 6	95	Feb 6	43 1894	102 1906
do. pref.	100¾	101	100¾	15	100	Sept 28	105	June 22	78 1888	118¾ 1901
Miscellane's.										
Am. Agri. Chem.	46¾	48	48	125	46½	Oct 6	60½	May 15	* 1903	50¾ 1906
do. pref.	99	100¾	100	721	99	Jan 6	106¼	Mar 1	½ 1903	105 1910
Am. Fiber. Ser.	3½	3¾	3¾	42	3½	Oct 7	6¾	Jan 31	- 1903	23 1906
do. pref.	14	14½	14¼	250	12¾	Sept 1	19¾	Jan 31	9½ 1903	46 1906
Am. Tel. & Tel.	133½	134½	134¾	3,241	131¾	Aug 29	153¾	Jan 3	88 1907	166 1906
do. 4s	90	90¼	90	22,000	89½	Mar 21	92	May 23	71 1907	101½ 1908
do. cons. 4s	106	106	106	3,000	104	Aug 25	111¾	June 19	89¾ 1906	107¾ 1908
Am. Woolen	...	...	28½	.....	27½	Sept 19	36¾	Mar 20	7¾ 1903	48 1906
do. pref.	88	89¼	89	203	86¾	Sept 26	96½	June 15	61 1903	110¾ 1906
B. & Wor. Elec.	...	...	9	.....	6	Feb 15	13	July 13	8 1910	25¾ 1906
do. pref.	...	...	50	.....	38½	Jan 27	58	July 1	35 1910	90 1906
Cumberl'd Tele.	...	...	150	.....	146	Jan 19	158	June 2	83½ 1907	153½ 1910
Dom. Coal 6s	...	...	98	.....	90	Jan 4	98¼	Sept 22	90 1906	101½ 1906
E. Boston Land	...	...	10	.....	7¾	Jan 1	12	May 1	2¾ 1851	18¾ 1906
Edis. Elec. Ill.	282	286	286	172	275	Sept 9	292½	Feb 3	10 1883	310 1906
Gen'l Elec. Co.	147	150	150	595	142	Sept 22	167¾	May 23	20½ 1896	238½ 1901
Mass. Elec.	19	19½	19½	1,070	16	Apr 24	24	June 3	6½ 1907	45¾ 1906
Mass. pref.	89½	92	93	642	83¾	Jan 9	95	July 11	87 1907	99 1909
Mass. Gas	89¾	90¾	90½	440	87¾	Sept 28	98¾	Aug 4	30 1903	91¾ 1909
do. pref.	97½	98	97½	284	91¾	Apr 18	98	Oct 9	74½ 1903	97 1910
Mergenthaler	227	230½	228½	55	211	Jan 3	250	July 31	113¾ 1897	228 1910
N. E. Cot. Y'n.	104	104	104	15	103¼	Oct 4	119	Mar 14	40 1906	125 1906
do. pref.	105	105	105	5	105	Oct 6	116½	Mar 15	24¾ 1903	118 1906
do. 5s	99	99½	99½	6,000	99	Oct 6	103	June 20	93 1906	105¾ 1906
N. E. Telephone	145	146	146	354	137	Jan 17	150¾	June 10	73¾ 1879	270 1906
Portland Elec.	66¾	66½	66¾	45	62¾	July 29	65¾	Sept 5	.....	.....
Pullman Car	155	156½	156	119	153	Sept 25	163	Jan 30	5¾ 1901	224½ 1906
Reece But. H.	*12¾	13	13¾	6	12	Jan 5	16¾	May 22	7½ 1894	163 1906
Torr'g'n Co. Cl. A	29	29½	29½	225	29	Oct 9	36	Jan 7	18 1906	37 1910
do. pref.	28	28	28	25	27	Sept 6	30	July 26	20 1907	35 1910
U'ted Fruit Co.	187½	188	188	114	180	Aug 28	197	June 12	73 1901	200 1910
U'ted Fruit 4½s	96	96¼	96½	3,000	95½	Apr 17	97¼	Jan 6	86 1910	97½ 1910
Un. Shoe Mach'y.	42	43	43	852	40¾	Aug 28	58¾	Feb 18	*28 1900	85¼ 1906
do. pref.	27	27½	27¼	646	26½	Sept 22	29½	Mar 7	22 1900	93¼ 1906
West. Tel. & T.	19	20	19¾	442	15	Sept 22	23¾	Feb 6	4 1908	33¾ 1906
do. pref.	95½	96¼	95¾	45	89	Jan 23	100	July 28	50 1907	108¼ 1906
do. 5s	96	98½	98	12,000	90¾	Jan 3	100	July 25	74 1907	106¼ 1906
Mining.										
Adventure	4	4	4	5	4	Oct 9	7½	May 18	* 62½ 1907	33 1901
Allouez	24½	29	26½	2,700	21	Aug 26	39	Jan 5	90 1894	74¼ 1907
Amalgamated	48¾	50¾	49¾	2,725	44½	Sept 25	71¾	June 26	23¾ 1903	129¼ 1906
Am. Zinc	20	21	21	1,475	19¾	Oct 5	30¾	June 14	5 1901	67 1910
Arizona Com.	50	60	55	10,425	25	Sept 9	78¾	June 14	7¾ 1907	51¾ 1906
Bos. & Corbin	4¾	4¾	4¾	15	3¾	Aug 24	12¾	June 6	6 1907	25 1906
Butte Bal'k'l'a	3¾	4¼	3¾	295	3¼	Aug 29	6¾	Jan 4	4¼ 1910	18¼ 1910
Butte Coalition	14¾	15¼	15	431	14	Sept 26	20¼	May 24	10 1907	42 1906
Calumet & Ariz.	67	68¼	67	984	45	Sept 25	83	June 14	44¾ 1910	135 1907
Calum. & Hecla	388	399½	388	5	360	Sept 25	445	Jan 4	134 1894	1000 1907
Centennial	9¾	10¾	9¾	1,065	8	Sept 27	18	Jan 3	10c 1896	61 1906
Copper Range	50¾	52	51¾	724	46½	Sept 25	69¾	Feb 2	37 1903	105 1907
Daly-West	*4¾	5¾	5¾	401	3	Feb 15	6¾	June 21	2¾ 1910	66 1907
East Butte	9½	10	9¾	93	8¾	Aug 28	14¾	June 20	2¾ 1908	13¼ 1907
Elm River	...	...	.10	.....	.10	July 24	20	Jan 6	.06 1910	7 ...
Franklin	6¾	7¼	6¾	915	5¼	Aug 24	14	June 14	4 1879	90 1906
Giroux	3¾	3¾	3 13-16	810	3¾	Sept 22	8¼	Feb 6	2¾ 1907	13¾ 1901
Granby	29	29½	29	57	26	Aug 25	43¾	June 21	20 1910	151 1907
Greene Cananea	5¾	6	5¾	918	5 5-16	Feb 9	8	June 26	5 1907	13 1907
Hancock, Con.	18¼	19½	18¾	415	17	Sept 25	30¼	June 19	1¾ 1907	36 1910
Helvetia	...	...	1	.....	.75	Sept 25	2	Mar 4	1¾ 1910	28 1906
Isl'd Ck Coal	33¾	34	34	200	29¼	May 9	40¾	June 3	9¾ 1910	33¾ 1910
do. pref.	84	84	83	15	82½	Sept 25	91	June 12	84½ 1910	90¾ 1910
Isle Royale	13	15	13½	1,465	11¼	Aug 24	19¼	June 15	5¾ 1903	75 1910
Kerr Lake	3¾	3¾	3¾	2,250	3¼	Oct 4	7¾	Jan 23	6 1910	35 1907
Keweenaw	1¾	2	2	70	1¾	May 10	3¾	June 14	2¼ 1908	7¾ 1906
La Salle	5¾	5¼	4¾	3,121	3	Aug 18	6	Jan 3	3 1908	23¾ 1906
Lake Copper	24	26	24	3,038	21¾	Aug 26	40	June 13	4 1907	94¼ 1910
Mass. Cons.	5¼	5½	5½	300	4¾	Aug 25	10	June 19	2¼ 1908	37¾ 1901
Miami	17¾	18	17¾	57	16¾	Oct 3	22¾	June 21	4¾ 1908	29 1910
Michigan	...	...	1¼	.....	1¼	Sept 22	4¾	May 6	3 1900	24¼ 1907
Mohawk	56	60¾	59½	735	38	Apr 24	63	June 15	11½ 1900	*97 1907
Nev. Cons.	15¾	16¼	16	960	15	Sept 25	21¾	June 15	6¾ 1907	30 1906
New Arcadian	2¾	2¾	2¾	50	2	Sept 29	4¾	May 17	11 1905	198¼ 1906
Nipissing	7¾	7¾	7¾	1,216	7½	Oct 11	11½	Feb 17	5 1908	33¾ 1906
North Butte	23½	24¾	23¾	1,921	20	Sept 25	36	June 13	13½ 1910	120 1907
North Lake	4¾	5	4¾	350	3¾	Aug 23	9¾	June 3	4½ 1906	11¾ 1906
Old Dominion	36½	37¾	37¾	341	34½	Sept 25	49	June 19	9¼ 1904	86¾ 1906
Osceola	86½	88	88	335	81	Sept 22	124	Jan 4	7½ 1889	181 1907
Parrot	8½	9	8½	11	7¾	Sept 22	13¼	May 22	8¾ 1907	72¼ 1906
Quincy	60	61	60	113	55	Sept 22	74	July 24	10 1879	190 1906
Ray Consol'ted	13½	13¾	13¾	1,055	12	Sept 25	18¾	Jan ...	7¾ 1908	27¼ 1906
Santa Fe	99	99	99	50	.75	Apr 26	1¾	June 13	1 1903	22 1906
Shannon	7	7¼	7	1,067	7	Oct 9	12¼	Feb 6	3¼ 1904	24¾ 1907
Superior Copper	26	27	25¾	2,977	21	Aug 17	34½	June 14	7 1907	68½ 1910
Sup. & Boston	2¾	2¾	2¾	616	2¼	Oct 7	9¼	June 15	1¾ 1906	1¾ 1906
Tamarack	32	36	34	265	30	Sept 26	52	Jan 3	45¾ 1910	863 1906
Tennessee	...	...	34¾	.....	34¾	Aug 9	43¼	June 12	9¼ 1901	65½ 1907
Trinity	3¾	3¾	3¾	55	2¾	Oct 6	5	June 20	3¾ 1904	42¼ 1907
U. S. Smelting	32½	32	32	305	30¾	Sept 27	46¼	June 14	24¾ 1907	70 1907
do. pref.	46¼	46¼	46	147	45¾	Oct 10	49¾	June 26	27¾ 1907	84½ 1909
Utah Cons.	14¾	15¼	15	3,870	9¾	Jan 20	20	June 26	12¾ 1910	*79 1907
Utah Apex	...	...	2	.....	2	Oct 3	3½	June 15	1¾ 1907	10¾ 1906
Victoria	1¾	1¾	1¾	150	1	Aug 19	2¾	Feb 7	1 1900	13 1906
Winona	...	5¼	5¼	100	4¼	Aug 24	9¾	Feb 6	1 1902	22 1906
Wolverine	...	...	89	97	88½	Oct 3	122	Feb 10	75c 1893	200 1907

* Ex [illegible] ... ment paid. † Rights off. ‡ Auction. § Old securities. ● Old stock.

** Ex

Digitized by Google

Par For Wabash-Pittsburgh Term. 4s

One of Our Subscribers Gives the Reasons For His Contention That These Bonds Now Selling Around 41 May Realize Par and Interest in Cash or Even More—Suggestion That the Wabash Railroad Is to Be Financed, and That This Property Will Necessarily Be Included to Secure a Pittsburgh Entrance Reorganization Committees Expect to Announce Their Plans Soon, But Will Name No Definite Date.

In previous issues we have discussed at length the much-complicated affairs of the Wabash-Pittsburgh Terminal Company in which George Gould, in order to sell $30,000,000 of first mortgage 4 per cent bonds, pledged 25 per cent of the gross interchanged traffic to purchasing bondholders and then repudiated his obligation.

One of our subscribers who has been very active in Wabash-Pittsburgh Terminal affairs writes us a very interesting letter this week which we reproduce herewith in full. In this connection it should be stated that our correspondent is a considerable holder of these bonds personally, and is understood to represent other bondholders to the extent of from $2,000,000 to $3,000,000.

In the last article which appeared in the United States Investor on this subject it was suggested that

THESE BUNCOED BONDHOLDERS,

which include several hundred banks, trust and insurance companies, should line up on the proposition of demanding either par and interest in cash for their first mortgage bonds, or the property in view of the easily demonstrable fact that all the new money needed could be borrowed on the property itself and the remaining equity, if so secured by the bondholders, would be likely to return to them more than par and interest on their holdings.

With two rival reorganizations committees in the field and with depositors practically all of the outstanding bonds about equally divided between these two committees, it is only natural that bondholders should have been much confused. The first committee did not do anything, and the second committee has said much more than it has done. Former President Burt, of the Union Pacific, was retained to make an expert examination of the property and make recommendations as to what the conditions and possibilities of the property were many months ago, but the committee has not only given bondholders no information regarding this report, but has also declined on request to give any information regarding it.

In the meantime, various reports have appeared in the newspapers as to the nature of the contemplated

COMPROMISE SETTLEMENTS

with the Gould-repudiating syndicate and the Wabash Railroad, but no authentic information has at any time been available.

Every bondholder who has insisted upon specific information has been told that what he can expect is entirely dependent upon the disposition of some banking syndicate which may agree to furnish the new money necessary to rehabilitate the property. Paragraphs have frequently appeared in financial papers to the effect that the Wabash-Pittsburgh Terminal underwriting had been going around begging at the doors of various banking shops in Wall street. As a matter of fact, however, the maximum amount of new capital needed is not over $20,000,000, and I have talked with a number of the large holders of the first mortgage bonds who have told me that they would be very willing to furnish 100 per cent or even more of the amount of their holdings in new capital on a basis of underwriting new first mortgage 4 per cent bonds at 80.

The holders of Wabash-Pittsburgh Terminal first fours should, therefore, bear in mind two essential facts, that the property on which they have a first lien is to-day worth more than the amount of the first mortgage, even though the first mortgage bonds are selling around 40 and that the list of bondholders at the present time includes so many financial institutions and substantial investors that from them alone

ALL THE NEW MONEY

actually needed to take the company out of the hands of a receiver and put it on its feet can be secured. With these facts in mind, bondholders should possess themselves of patience and not

PHILADELPHIA STOCKS

For the Week Ending Wednesday Evening, October 11, 1911.

Names.	RANGE FOR WEEK Low	High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911. Lowest		Highest		RANGE FROM JAN., 1872, TO JAN., 1911. Lowest	Highest
Amer. Cement..	...	...	10	.....	10 Sept 19		17½ Jan 4		8¼ 1905	46 1902
Amer. Railways.	44	44¼	44	239	43 Jan 10		45⅝ Aug 5		21½ 1900	56⅝ 1902
Bell Telephone..	...	...	116½	.....	.....		.....		45 1907	124⅝ 1910
Cambria Steel...	43	43½	43¼	582	40⅝ Sept 22		48¾ Feb 13		13½ 1909	49⅝ 1909
do. Iron	...	...	44	.....	43 Oct 2		46 Mar 27		43 1907	133 1892
Elec. Co. of Am.	11⅜	11⅜	11⅜	8	11⅜ Oct 2		12½ Jan 14		5⅝ 1908	25 1899
Elec. Storage....	50½	51½	51⅜	1,005	48½ Jan 3		56½ June 15		15 1894	194 1899
Gen'l Asphalt...	23¾	24½	23⅞	981	23½ Aug 25		34⅜ Jan 10		3 1907	34⅜ 1910
do. pref.	73	74	73	230	66 Aug 25		83¾ Jan 30		11 1906	84½ 1910
Hunt. & B. T....	...	...	8	.....	5 June 12		8 June 19		7 1910	42 1898
do. pref.	...	...	14	.....	14 Oct 4		27 Feb 1		7¾ 1880	65¾ 1901
Lake Sup. Corp.	23	25	24	4,173	21½ Sept 25		31⅜ Feb 4		3⅝ 1908	33⅞ 1909
Lehigh Valley...	78½	79½	79⅛	942	76 Sept 12		90½ Feb 3		17½ 1897	121¼ 1910
Lehigh Navig'n.	86⅛	86⅝	86⅝	42	*84½ Sept 12		93⅛ July 29		35 1898	121¼ 1904
Marsden	...	...	1⅜	.....	.....		.....		⅝ 1907	23⅜ 1899
Penn. Steel.....	...	...	90	.....	.....		.....		5 1894	300 1881
do. pref.	105	105	105	1	104½ May 4		108¼ Apr 13		10 1897	117½ 1906
Phila. Co.....	49⅝	50¼	50	414	48¼ Sept 21		60¼ June 5		33⅜ 1907	55¼ 1905
do. pref.	42	42½	42½	194	42 Oct 9		46 Feb 8		34 1908	52 1906
Phil. Elec.....	16¾	17	16⅝	4,349	16 Sept 26		18 July 17		2 1900	16⅜ 1910
Phil. Rap. Trans	21½	21⅝	21½	467	16⅝ Apr 19		24¼ Aug 4		13 1907	27⅞ 1909
Phil. Traction...	82½	83	83	232	82 Oct 2		87½ July 14		5 1895	102½ 1905
Tonopah Min'g..	6	6¼	6¼	4,794	5 3-16 Aug 22		8⅝ Jan 17		3 3-16 1907	21⅛ 1906
United Gas Imp.	84⅝	85⅜	85⅜	1,799	84¼ Sept 29		89⅝ Jan 5		50 1898	175 1899
Union Traction..	49½	49⅝	49½	91	43 Jan 4		52⅝ July 14		9⅝ 1897	65¼ 1906
Warwick Steel..	10	10	10	200	9⅝ Jan 10		11¼ Feb 23		2½ 1908	18 1899
W'stm'el'd Co'l	...	...	79	.....	79 Sept 19		91½ Mar 20		45½ 1879	114 1906

* Ex-dividend. † Trust certificates. ** Temporary certificates.

CHICAGO STOCKS

For the Week Ending Wednesday Evening, October 11, 1911.

Names.	RANGE FOR WEEK Low	High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911. Lowest		Highest		RANGE FROM JAN., 1870, TO JAN., 1911. Lowest	Highest
Am. Can.....	9⅝	10⅜	10¼	1,145	8⅝ Jan 27		12¼ May 22		2⅜ 1903	31¾ 1901
do. pref.	82½	85½	85⅝	500	76⅞ Jan 7		88⅝ May 23		25¼ 1902	88 1909
Am. Radiator....	...	...	265	.....	265 Jan 9		265 Feb 13		30 1900	260¼ 1910
do. pref.	...	...	130	.....	128½ Mar 9		131 Aug 29		98 1899	136 1900
Am. Shipbldg....	48	50	49	85	49 Oct 10		70 Feb 6		19 1904	84¼ 1910
do. pref.	...	...	106¼	.....	110¼ Jan 16		113 May 18		83 1904	113 1910
Chic. City Ry....	...	...	190	.....	185 Mar 28		190 Apr 22		140 1908	470 1898
Chic. Pneu. T'l.	45⅜	46	46	105	39½ Sept 22		55¼ Feb 22		18 1904	107¼ 1902
Chic. Subway....	1½	2	½	545	1½ Oct 10		6 Mar 1		2⅜ 1910	87¾ 1905
Chic. Telephone.	120	120	120	180	116 Jan 25		124¼ May 17		95 1907	206 1901
C'm'n'w'th Edis.	134½	135½	135¼	1,192	113 Jan 24		137¾ July 15		77 1907	138 1910
Diamond Match.	100	101	101	273	99 Jan 16		105½ July 11		82½ 1910	163 1898
Kan. City Light.	...	...	15	.....	15 Sept 26		25 May 23		20 1910	68¾ 1906
do. pref.	...	...	40	.....	39 Sept 26		72½ Feb 25		68 1908	93½ 1909
Met. El.....	...	...	27	.....	19¼ Feb 1		28⅝ June 28		12 1898	43 1908
do. pref.	...	...	75	.....	84 Mar 16		***75 July 17		32 1905	93¼ 1901
Nat. Carbon.....	...	...	101	.....	100 Sept 13		120 June 8		15 1899	145 1910
do. pref.	...	...	117	.....	106¾ Aug 22		120 Apr 12		72 1900	120 1900
No. West. El....	...	...	23¼	.....	20¼ Apr 27		23¼ June 30		13¾ 1908	65 1901
do. pref.	...	...	68½	.....	60 Mar 1		67 Mar 30		44 1904	97 1901
Quaker Oats....	...	...	190	.....	185 Mar 17		198 June 29		35½ 1904	198 1910
do. pref.	106½	106¼	106¼	50	102½ Feb 8		107½ July 14		73 1903	109¼ 1905
So. Side El.....	...	...	80	.....	68 Feb 16		80 June 30		40¼ 1897	100 1901
Streets' Car.....	8¼	8½	8¼	90	8 May 31		12¼ Feb 24		10⅝ 1910	64½ 1900
do. pref.	40	42	40	54	40 Oct 10		50 Aug 11		40 1910	111¼ 1900
Swift & Co.....	98	100	99¾	1,415	97¼ Sept 25		104 June 8		75½ 1907	177½ 1908
Un. Box Board..	1⅝	2¼	2⅛	320	1½ Sept 29		7 Jan 5		⅛ 1908	17½ 1902
do. pref.	...	...	7⅝	.....	.....		.....		1⅝ 1908	71 1902
Western Stone..	...	...	19½	.....	19½ July 25		24¾ Jan 24		14 1908	50 1908

* Ex-dividend. † New. *** Receipts. ‡ Assessment paid.

Digitized by Google

be shaken out either by fear or discouragement.

The letter on this subject received from our subscriber is as follows:

New York, Oct. 10, 1911.

ED. UNITED STATES INVESTOR:

The critical time in Wabash-Pittsburgh Terminal affairs is here. I learn that within a few weeks important news regarding banking connections for the Wabash Railroad is to be announced. Wabash affairs have reached a point where the system must be rehabilitated and they must have Wabash-Pittsburgh Terminal and Wheeling & Lake Erie.

Wheeling & Lake Erie business, considering the handicap the road has suffered from, is phenomenal. The Wabash-Pittsburgh Terminal owns a controlling interest in Wheeling & Lake Erie and is the only opportunity of Wabash and Wheeling & Lake Erie for a Pittsburgh entrance and terminal. No sane bankers would take up Wabash affairs at this juncture unless assured that Wheeling & Lake Erie and Wabash-Pittsburgh Terminal can be made part of the system.

Almost daily, reports are printed of the terrible passenger congestion of the Pennsylvania Railroad in Pittsburgh. For the Pennsylvania to relieve this congestion by new construction would be a matter calling for expenditure of scores of millions. The Wabash-Pittsburgh Terminal has a fine passenger terminal in a good location in Pittsburgh that is almost unused. Furthermore, the Wabash-Pittsburgh Terminal property, if sold, must be sold before the Wheeling & Lake Erie, and if sold, must be sold publicly

WITH OPEN BIDDING.

It is obvious that the Wabash-Pittsburgh Terminal property, combining as it does, passenger terminal, belt line freight gathering system Carnegie Steel freight contract, Pittsburgh seam coal lands, expensive flat-grade line from Jewett to Pittsburgh almost double track, and Wheeling & Lake Erie system, etc., is actually worth double the first mortgage, to any live interest.

Members of a reorganization committee have spoken of trying to get as much as possible for bondholders "without forcing the Wabash Railroad into a receivership." Wagash-Pittsburgh Terminal bondholders must impress on their committee that it concerns us not at all whether or not Wabash goes through a receivership. Our representatives must get back from the Wabash the hypothecated securities that belong to us and must force the Wabash to meet our other legitimate claims. We are not concerned with the result to Wabash. The bankers for the Wabash are amply able to make good and save a receivership. They are amply able to make good on our bonds and save the whole system for that matter. But if these bankers prefer to let the Wabash be swamped, and pick over its bones afterward, that is none of our affair. Every Wabash-Pittsburgh bondholder should make it his personal business to impress these facts on both committees. Let them look out for our interests solely, not those of the Wabash.

We should be infinitely better off with a clean, solvent, well-equipped, Pittsburgh-Toledo system (which we can get), even if the Wabash rails were torn up and its right-of-way sold off, than to be limping along under the sort of Wabash control that has been exhibited for the last six years.

Now is the time for every Wabash-Pittsburgh bondholder to get busy. This is critical.

PROD YOUR COMMITTEES.

Force them to act. Don't let them leave a re-organization to this new man of Mr. Gould's, just brought in.

When I began my campaign two years ago, terminals seemed to be looked upon with disfavor. Many regarded city terminals only as luxuries for rich railroads, like the Pennsylvania. I harped upon the value of terminals without much effect for some time. Now, it is generally understood that city terminals are vital necessities, and that every mile of a big system must pay its share on the terminals that make its business possible.

Remember that Wabash-Pittsburgh Terminal 4s are worth par and interest. If bondholders get on the job they will either get par and interest in cash or they will get something worth much more.

GEO L. HOXIE.

MT. CALM, TEX.—The First State Bank will increase its stock from $25,000 to $50,000

NEW YORK STOCKS AND BONDS

For the Week Ending Thursday Evening, October 12, 1911.

Name.	RANGE FOR WEEK Low	High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911. Lowest		Highest		RANGE FROM JAN., 1909, TO JAN., 1870, TO Lowest	Highest
Atch. & T. R.R.	103¾	105½	105	22,700	98⅜	Sept 27	116⅝	June 5	3 1-16	1894 153¾ 1909
Atch. & Top. pf.	103	103	103	700	100¾	Jan 3	105½	June 12	14	1896 107½ 1901
Atch. & Top 4s.	91½	91½	91½	2,000	92⅛	Sept 20	99⅝	Jan 4	61	1894 105¾ 1909
do. adj. 4s....	120⅝	123	126⅜	3,700	90⅝	Mar 29	93¼	Jan 26	26	1896 98¼ 1906
Atlic C'st Line.	98½	99¾	98⅝	50,000	117	Jan 3	132½	July 22	88	1907 170 1906
B. & O. Gold 4s.	90	90½	90	25,000	87½	Sept 20	99⅜	Oct 10	83	1907 106¾ 1905
B.& O.S. W.3½s.	95½	96¼	96¼	7,600	89½	Sept 29	98	Mar 11	80	1907 96 1890
Balti. & Ohio...	86½	86½	86½	100	83⅜	Sept 20	100⅜	July 22	9	1897 125½ 1906
do. pref.	77⅝	74⅜	74½	5,400	85½	Aug 30	91	Jan 4	67½	1899 100 1906
Brooklyn R. T..	83¼	84⅛	84⅛	115,000	72	Sept 25	85⅝	July 20	18	1896 127 1900
B R T.conv't 4s.	225⅜	227¼	227¼	9,150	82⅜	Oct 2	88⅝	Jan 26	66	1907 102¼ 1905
Canadian Pac...	....	....	196	.....	196⅜	Jan 3	247	July 21	33	1896 302⅜ 1910
Canada South...	107½	108	108	15,000	62	Mar 3	68	May 12	22	1898 97 1908
Cen.of Ga. Con.4s.	....	....	97	.....	107¾	Jan 13	110	July 26	66	1907 120¾ 1901
do. 1st inc....	....	....	93½	.....	96	July 25	114½	Apr 18	30	1890 102 1910
do. 2d inc.....	....	....	86	.....	93½	Oct 2	108¾	Apr 5	9	1899 107 1910
do. 3d inc.....	....	....	200	.....	85	Feb 24	102	Apr 4	4	1898 100 1910
Central N. J....	90	90	90	1,000	260	Sept 16	285	June 3	51	1885 212 1910
Cent'l Pac. 1st 6s.	100⅝	101	101	37,000	90	Oct 7	92	Mar 8	75	1907 91 1910
Ches.O. gen.4½s.	71⅝	73½	72¾	3,900	100¼	Sept 25	108	May 12	61	1893 111 1908
Chesapeake & O.	....	....	17	.....	68⅜	Sept 25	86¾	Feb 10	1	1888 123⅞ 1891
Chic. & Alton...	40	40	40	100	15	Aug 28	31⅛	May 23	3⅛	1907 74⅝ 1909
do. pref.	15¾	19	18⅝	600	40	Oct 6	53	Jan 27	47	1908 85¾ 1899
Chic. Gr't West.	36¼	36½	36½	100	17¾	Sept 14	25½	June 5	2⅜	1897 37⅜ 1909
do. pref. A....	106½	108⅜	108¼	23,600	26	Sept 27	49¼	Feb 8	15½	1908 90¼ 1901
Chic. M. & St.P.	....	....	147	.....	105⅝	Oct 4	123⅛	Feb 7	34⅞	1879 190¾ 1908
do. pref.	142	143¼	143½	1,175	141	Sept 14	158½	June 15	74⅜	1879 218 1908
Chic. & N. W....	....	....	197	.....	138½	Sept 22	150½	June 12	49⅜	1879 271½ 1902
do. pref.	....	....	144	.....	197	Aug 30	201⅛	Aug 9	128	1893 274½ 1902
Chi.,St.P. & Om.	....	....	150	.....	130½	Apr 20	144	June 12	13½	1905 225 1905
do. pref.	....	....	....	.....	152	Feb 18	163	Feb 18	66	1858 220 1905
Chic. Un. Trac..	....	....	1⅝	.....	1⅝	Sept 30	5	June 3	⅝	1905 23 1902
do. pref.	59	63¼	62	1,200	5	Aug 23	7¼	Feb 6	3	1905 60 1902
C.,C.,C. & St. L.	....	....	94½	.....	48¼	Sept 15	66	Jan 15	19½	1896 111 1905
do. pref.	47	48¾	48¾	450	94½	Aug 22	98	Feb 1	62	1897 124⅛ 1902
Colo. & South'n.	74	74	74	100	43	Sept 22	60	Jan 13	4⅜	1909 68¾ 1909
Col. & So. 1st pf.	....	....	69¼	.....	72⅝	Sept 13	84⅝	July 10	35	1898 86 1900
do. 2d pref....	100½	102	102	200	66	Sept 18	75	Aug 8	12½	1899 84½ 1900
Del. & Hudson...	....	....	505	.....	150½	Sept 27	175⅝	June 8	22	1879 240⅜ 1905
Del., L'ck & W.	22	23¾	22	800	505	Sept 25	640	June 5	46	1879 680 1900
Den & Rio G'de	47	47	47	300	21¾	Sept 14	35	Feb 21	4⅜	1885 98½ 1899
do. pref.	....	....	10	.....	44	Sept 14	74	Feb 21	24	1894 103¾ 1901
Dul.,So.Sh.& Atl	....	....	20	.....	9½	Sept 5	15½	May 1	2¼	1895 34 1902
do. pref.	76⅜	77¼	77½	21,000	19¾	Sept 27	23⅝	Apr 4	5	1898 46¾ 1905
Erie 1st gen. 4s.	29⅜	30⅝	30	10,300	23½	Jan 3	39¾	July 19	6	1908 26 1906
Erie	44½	45⅝	49	1,500	27¼	Jan 11	55⅛	June 30	3⅜	1894 52⅞ 1931
Erie 1st pref....	41	41¼	41	500	40⅜	Jan 12	61⅛	July 1	15	1893 26 1931
Ev's'le & T. H.	....	....	32½	.....	40	Feb 1	55	July 24	30	1897 152 1902
do. pref.	....	....	90	.....	85	June 5	99	July 24	72	1904 104¾ 1909
Gr'neB&WdebB.	....	....	11¼	.....	11	Sept 25	15¼	Jan 25	3½	1898 27¼ 1908
Gt. Northern pf.	125⅝	125¼	125	6,000	110	Sept 25	140	June 8	44½	1890 248 1898
Hock'g Valley...	....	....	128½	.....	128	May 24	134	Apr 29	22	1898 140 1910
do. pref.	136⅝	138	138	800	122	Jan 3	147	July 20	52½	1899 101⅝ 1910
Illinois Central..	14⅞	15¼	14⅜	1,500	13½	Sept 25	20⅜	Feb 15	4⅜	1907 154⅝ 1906
Inter-Met (w.i.).	44	46	45	4,500	29⅜	Sept 25	55⅝	Feb 10	14	1907 57⅜ 1908
do. pf. (w. i.)	....	....	12	.....	15	May 12	22	Sept 8	2	1898 61⅜ 1908
Iowa Central....	37⅜	38	37⅜	200	28	Apr 27	39	Sept 8	12	1898 90⅜ 1903
do. pref.	28½	29	29	1,300	25¼	Sept 25	33⅛	June 15	7	1900 75⅛ 1908
Kan. City & So.	63½	63⅝	63⅝	100	61½	Sept 25	70	May 26	37½	1900 75⅛ 1908
do. pref.	....	....	75	.....	75	Aug 7	75	May 8	58	1908 88 1908
K.C.,Ft.S.&M.pf	....	....	12	.....	10	Sept 25	16¼	Feb 1	1⅜	1885 76⅛ 1907
L'ke E. & West.	....	....	25	.....	25	Sept 5	40	Jan 13	34	1908 138 1908
do. pref.	141½	147	144¾	6,450	126½	Sept 14	156½	July 19	22	1885 163½ 1909
Louis. & Nashv.	....	....	122	.....	131¼	Sept 25	143¾	July 19	64⅜	1884 175 1905
Manh'ttan Elev.	33¾	35⅜	33½	300	21¼	Apr 26	34⅛	Aug 22	2½	1879 115 1909
Minn. & St. L...	....	....	60	.....	35	Mar 13	64	Sept 13	7⅜	1899 127⅜ 1903
do. pref.	126⅜	127½	126⅝	300	124⅜	Sept 22	152¾	Mar 30	9	1897 164 1909
M.K.T. & S.S.M.	....	....	147	.....	142⅝	Aug 26	156⅛	July 21	10	1897 129⅜ 1909
do. pref.	97½	97⅝	97⅝	21,000	87¼	Sept 6	98	Jan 21	60	1893 104¼ 1909
M., K. & T. 1st 4s.	84⅝	84⅝	84⅝	15,000	53¼	Jan 5	88⅜	Feb 17	27	1893 92⅜ 1909
do. 2d 4s.....	....	....	99½	.....	90½	Oct 4	105⅜	July 10	72	1895 114½ 1909
M.K. & T. 1st 5s	23½	30	29⅜	5,000	27	Sept 26	38⅛	June 14	6⅜	1879 54 1911
Mo., K. & Tex..	67	67	67	100	62⅜	Sept 25	69	June 12	13⅜	1893 78¼ 1909
do. pref.	37½	38¼	38	4,400	33¼	Sept 13	43	Feb 15	10	1897 125¼ 1908
Missouri Pacific.	104	104⅞	104	1,320	99⅜	Sept 27	115⅛	Feb 3	31⅜	1885 174½ 1909
N. Y. Central...	48	49	48	1,100	48	Oct 9	65	Jan 20	9	1896 73⅛ 1905
N.Y.,C. & St. L.	....	....	98¾	.....	98¾	Sept 25	101⅝	Mar 20	4	1885 124½ 1909
do. 1st pref....	....	....	82½	.....	82½	Aug 26	90	Jan 20	18	1892 100 1907
do. 2d pref....	28	28½	28½	600	27⅜	Sept 25	45⅝	July 12	9⅜	1885 64 1905
N.Y., Ont. & W.	98¼	98⅜	98⅜	15,000	97½	Aug 29	99½	Feb 3	74	1896 105 1906
No.& W.Con. 4s.	102	106	105½	7,300	99⅜	Sept 25	110¼	June 28	⅛	1898 108⅜ 1910
Norfolk & West.	....	....	89	.....	86⅜	Apr 28	91	May 22	4⅛	1898 98 1902
do. pref.	100	100¾	100¼	157,000	98⅜	Sept 22	100⅜	Feb 6	90¾	1908 100 1909
N. Pac. prior 4s.	68¾	69⅛	69⅛	28,000	68	Sept 25	71⅝	Aug 4	57	1898 79 1906
do. gen. 3s....	112⅜	116	115	11,200	111½	Sept 27	137⅜	June 8	12	1897 1000 1907
North'n Pacific.	....	....	102	.....	100	Jan 11	103	Jan 10	84	1898 142 1908
Pacific Coast....	....	....	150	.....	.....	.....	.....	.....	65	1907 105 1910
do. 1st pref...	....	....	101	.....	101	Jan 11	101	Jan 11	50¼	1902 115 1906
do. 2d pref....	120¾	121⅝	121½	10,300	118⅝	Sept 25	130⅛	Feb 1	97½	1895 170 1909
Penn. R. R.....	....	....	50	.....	.....	.....	.....	.....	3	1896 50 1909
Peoria & East'n.	94	94¼	94¼	200	90¼	Sept 26	100	Jan 17	10½	1894 105¼ 1909
P.,C.,C. & St. L.	....	....	102¼	.....	102¼	Sept 25	112	Feb 17	40	1893 128 1902
do. pref.	97⅜	97⅜	97⅜	116,000	96⅝	Mar 15	98½	Aug 7	77	1898 104¼ 1906
Reading gen. 4s.	135	139⅝	136⅝	319,700	134	Sept 25	161⅜	June 8	17⅝	1896 117⅜ 1909
Reading	91	91	91	100	88	Sept 26	92	July 14	11⅜	1907 81 1909
do. 1st pref...	92¾	93	92⅝	200	90¼	Sept 20	101	May 2	26½	1907 94¾ 1909
do. 2d pref....	23⅜	24½	24⅜	2,200	22⅝	Sept 25	34⅜	June 14	6⅝	1907 98¼ 1909
R'k Island, new	44⅜	45⅛	45⅛	400	44	Sept 25	63⅝	June 14	3⅜	1879 120 1907
do. pref.	77½	78⅜	78⅜	12,000	77	Oct 3	83	May 4	4⅛	1879 84½ 1907
St. L. & S. F. rfg. 4s	....	....	59	.....	59	Sept 19	69	July 25	50	1893 110¾ 1905
St. L. & S. F. 1st pf.	38	39¾	39¼	500	36	Apr 21	49¼	July 24	12	1893 90¾ 1909
St L. & S.F. 2d pf.	90½	90½	90½	5,000	89⅜	Jan 24	92⅜	Aug 22	4⅜	1898 173⅜ 1909
St L. & S.W. 1st 4s	80	80	80	4,000	78	Jan 9	83⅞	June 29	38	1893 97 1905
St. L. Southw....	....	....	32	.....	24	Jan 13	34	Feb 4	1	1897 38¾ 1905
do. pref.	69	69½	69½	200	58⅜	Jan 3	73	June 27	21½	1900 90 1909
S'b'd A. L. adj. 5s.	77	77½	77½	2,000	74½	Sept 25	82	July 19	60¾	1910 77¾ 1910
San. Ant. & A. P. 4s	86½	87½	87½	90,000	86	Sept 11	88	May 16	45	1898 92¾ 1909
So Pac. rfd. 4s.	94½	95	95	110,000	93⅜	Sept 28	96	May 8	84¼	1908 94¾ 1908
South'n Pacific.	106⅝	108	107⅜	12,750	104½	Sept 25	120⅝	June 26	12	1888 139¾ 1909
do. pref.	....	....	71⅝	.....	.....	.....	.....	.....	84¾	1909 127 1909

Digitized by Google

NEW YORK STOCKS AND BONDS

For the Week Ending Thursday Evening, October 12, 1911.

Name.	RANGE FOR WEEK		Last Sale	Sales for Week	RANGE FOR YEAR OF 1911.				RANGE FROM JAN., 1870, TO JAN., 1911.			
	Low	High			Lowest		Highest		Lowest		Highest	
Southern	26¼	28¼	28¼	19,450	24⅝	Sept 28	33⅝	July 22	42	1894	1263	1892
do. pref.	66	69½	69½	4,000	61½	Jan 11	75¾	July 20	115	1894	108	1906
Texas & Pacific	24⅜	24⅜	24⅜	1,500	22¼	Sept 21	30½	June 9	6⅝	1888	73⅝	1881
Third Avenue	8¼	9¼	9¼	2,500	7¾	Sept 27	28	Mar 2	5½	1910	243	1889
Tol.Rys.& Light	....	....	7	.....	6½	Aug 16	8¼	Jan 17	5½	1910	34	1902
Tol., St. L. & W.	18½	18⅝	18⅝	900	17	Sept 11	24⅝	Feb 8	10⅝	1901	64⅜	1909
do. pref.	41	41⅝	41⅝	2,300	38	Sept 1	53⅝	Feb 8	23⅜	1908	74¼	1909
Twin City R. T.	....	....	104⅝	.....	104	Sept 15	111	Feb 3	94	1897	129	1902
U.P.cvt. 4s, 1927	101⅜	101⅝	101⅜	187,000	100	Sept 25	109⅝	June 27	78½	1907	124½	1908
Union Pacific	150⅝	160⅝	150⅝	201,550	153⅝	Sept 25	192⅝	July 22	3	1898	204⅝	1910
do. pref.	90	91	90⅝	3,000	89	Sept 21	96	July 24	47	1898	118½	1909
Wabash 1st 5s.	....	....	107	.....	99¼	Aug 26	110	Mar 30	83	1890	121	1902
do. deb. B's.	....	....	101	.....					19	1893	101	1909
Wabash	11¾	11⅞	11⅞	500	10	Sept 30	18⅜	Feb 23	3	1885	60	1881
do. pref.	22½	23½	22⅝	1,600	19	Sept 27	40⅜	Feb 23	9	1884	98¼	1881
West. Md. pref.	78	78	78	100	75	Jan 16	85⅛	July 24	67	1910	77	1910
Wheel. & L. E.	....	....	2⅜	.....	2½	Sept 28	6¼	Feb 3	½	1897	63⅝	1887
do. 1st pref.	....	....	8	.....	7½	July 22	17⅜	Feb 3	2⅜	1897	80¼	1887
do. 2d pref.	....	....	3	.....	3	Sept 5	8	Feb 22	1	1910	42¾	1902
Wis. Central	50	51	51	200	46	Sept 21	73¼	May 1	46	1889	64	1910
do. pref.	....	....	88½	.....					66c	1899	91¾	1909
do. 1st 4s.	92¼	92⅝	92⅝	22,000	92	Aug 25	93¾	July 5	57	1898	90¼	1890
Miscel. St'ks.												
Adams Express	....	....	100	.....	225	Jan 20	243	June 15	97¼	1898	215	1907
Allis Chalmers	2	5⅜	3½	10,100	2	Oct 9	9⅝	May 31	4	1907	27⅜	1906
do. pref.	10⅜	16½	12⅝	2,165	10⅜	Oct 9	34	Feb 1	14	1908	87½	1903
Amal. Cop.	4⅝	50⅛	50	20,700	44⅜	Sept 25	73⅝	June 19	23⅝	1909	130	1901
Am. Beet Sugar	52⅞	57½	57⅛	21,200	33⅜	Jan 12	57⅜	Oct 9	9½	1910	49½	1909
Am. Car & F'd.	46⅛	48⅛	48	4,100	42⅛	Sept 25	58⅛	July 19	10⅝	1898	76½	1909
do. pref.	114	115	115	400	114	Oct 10	120	May 27	51	1898	124⅝	1906
Amer. Cot. Oil.	49⅝	51½	50	4,150	45⅛	Sept 25	62⅜	Feb 25	8	1898	79⅜	1909
do. pref.	....	....	100	.....	100	Sept 7	105⅝	Mar 21	27¼	1898	107⅜	1909
Amer. Express	....	....	240	.....	201	Sept 26	246	Mar 27	100	1853	301	1910
Am. H. & L.	3	3¾	3¾	100	3	Oct 9	6	July 21	2¾	1903	37⅜	1899
do. pref.	....	....	19	.....	18	Sept 25	28⅝	June 14	10	1907	83⅛	1899
Am. Ice Sec.	....	....	17⅝	.....	14½	Aug 25	25⅜	July 12	8½	1907	96	1907
Am. Linseed Co.	8½	8⅝	8½	400	8	Aug 11	13⅝	Feb 15	5	1903	30⅝	1901
do. pref.	27	29	28½	500	26¼	Oct 4	34	Feb 10	16½	1907	66	1901
Am. Loco.	34⅜	35½	35	400	24	Sept 20	43¼	May 22	11½	1903	78½	1908
do. pref.	103	105	105	100	104	Aug 10	110⅜	Mar 1	67½	1903	122½	1900
Amer. Malt Co.	....	....	2¾	.....	2	Sept 25	5⅜	July 11	2½	1907	30⅜	1898
do. pref.	41¾	41⅜	41½	2,000	21¼	Mar 8	43⅜	July 22	14½	1903	59	1900
Am. Smlt. & Ref.	62½	64⅛	63⅜	20,700	56⅜	Sept 25	83⅜	June 15	30	1899	174	1909
do. pref.	101⅜	102	102	500	98⅜	Sept 27	108⅜	June 15	77⅜	1899	137	1907
Am. St'l F'dry.	31	33⅛	31	1,200	25	Sept 25	52⅛	Feb 9	2¾	1904	68⅜	1909
Am. Sugar Ref.	....	....	115	.....	112¾	Sept 25	121⅜	June 14	65½	1895	132	1899
do. pref.	....	....	116	.....	111	Jan 5	119¼	Feb 14	93⅛	1895	143	1906
Am. Tob. pref.	95½	98	97⅜	5,500	87	Aug 24	103	May 22	80	1907	151½	1902
Anaconda	32	32	32	200	29	Sept 25	43⅛	June 20	135	1907	302⅜	1907
Br'k Un'n Gas.	133	133	133	100	129	Sept 15	165½	June 8	80	1907	253	1902
Central Leather	21	21⅛	21⅛	600	18⅝	Sept 25	33⅜	Feb 2	11⅜	1907	51⅝	1909
do. pref.	90⅛	91⅛	90⅛	100	91⅛	Sept 25	105	Feb 16	68	1907	111	1909
Chino Copper	17⅝	19¼	19⅛	6,600	16½	Sept 25	25⅝	May 19	5¼	1910	13	1909
Colo. Ind. 5s.	....	....	74	.....	73	Aug 12	79½	Feb 22	35	1907	88½	1908
Colo. F'l & I'n.	26½	27	26½	500	25	Sept 25	36⅜	Feb 6	14	1907	136½	1901
do. pref.	....	....	110	.....	110	Aug 5	110⅜	Jan 9	80	1907	142⅜	1901
C.&H.V.Co'l'r	12	12	12	100	4	Feb 9	4	Feb 9	⅝	1898	92¼	1910
Consolid'd Gas	137½	138½	137½	6,700	129	Sept 25	148⅛	June 6	67	1887	241⅜	1897
Con. Tobacco 4s	69⅛	69⅝	69⅝	3,000	63¼	Jan 11	69⅛	July 10	61¼	1903	85⅝	1904
Corn Prod'ts R.	11¾	12	11⅝	1,700	10⅜	Sept 25	15⅝	May 17	8	1907	28	1906
do. pref.	76	76	76	100	72	Sept 27	85	May 29	48	1907	98¼	1909
Dist. Secur.	31¼	31¼	31¼	100	29	Sept 26	38¼	June 6	19¼	1904	78	1907
Fed. M. & Smlt.	....	....	15¾	.....	15¼	Sept 25	26	Feb 16	13¼	1904	109	1906
do. pref.	49⅜	50	49⅜	200	47¼	Sept 14	68½	May 19	47	1907	112⅜	1906
Goldfield Con.	4⅞	5¼	4⅞	5,030	4⅜	Oct 10	7⅜	Jan 3	3⅜	1907	10	1910
Internat. Paper	9⅝	9⅝	9⅝	100	9	Sept 9	13⅝	Feb 3	7½	1907	68¼	1899
do. pref.	45	46	46	600	44⅝	May 15	64⅜	Jan 21	47	1900	96	1899
Int. Harvester.	102¼	104⅛	103	3,300	99⅛	Sept 20	129⅜	May 5	52	1902	125⅜	1910
do. pref.	....	....	102¼	.....	115	Sept 22	128⅜	May 4	90	1902	122	1910
Inter. Stm. P'mp	26⅛	26½	26½	3,200	25⅛	Oct 9	44	Feb 10	7⅜	1907	60	1906
do. pref.	80	81⅛	81⅛	900	80	Oct 9	89¼	June 13	60	1907	86	1902
Laclede Gas.	102⅝	103⅛	103⅛	1,100	101¼	Sept 25	114⅜	Jan 20	83¼	1910	116½	1910
Mackay, pref.	72½	72⅞	72⅝	200	72	Aug 11	77	Mar 7	50	1907	79⅜	1910
Nation'l Biscuit	124⅝	126	126	700	117¾	Jan 16	141	Apr 4	33	1900	130	1909
do. pref.	128⅜	128⅜	128⅜	100	124	Jan 20	130	Feb 6	70½	1900	130	1909
Nat. En. & St'p.	....	....	14	.....	14	Sept 27	22	July 24	6½	1907	30	1903
do. pref.	93	93	93	100	85	Jan 6	100⅜	July 22	70	1903	99½	1909
Nat. Lead	45½	46¼	46¼	600	42¼	Sept 27	58⅝	Mar 15	110½	1903	95⅝	1903
do. pref.	....	....	106	.....	104	Sept 27	109¾	Aug 15	48	1893	115	1899
N.Y. Air Brake	55	55	55	200	51	Sept 20	98	June 13	14	1898	168⅜	1906
North Amer. Co.	67⅛	67⅝	67½	1,600	64	Jan 10	78⅛	May 22	2½	1892	134	1902
Pacific Mail.	30	31⅛	30	600	23¼	Apr 21	31⅝	Oct 6	8½	1893	70	1902
P'ple's G.L.& C.	104½	106⅜	105⅜	900	101½	Aug 25	109	Jan 19	39	1893	129¼	1899
Pressed St'l Car	29	29	29	100	25	Sept 2	37⅝	July 5	15⅜	1907	65⅜	1903
do. pref.	92	93½	92	500	91	Sept 22	102⅜	June 16	52½	1907	111⅜	1909
Ry. St'l Spring.	27½	27⅝	27⅝	700	24⅝	Aug 25	39	June 14	16⅜	1894	63¼	1902
do. pref.	....	....	94	.....	88⅜	Aug 30	102⅛	May 20	67	1903	109	1909
Rep'b Ir. & St'l	22½	22½	22⅜	100	21¼	Sept 27	35⅜	Feb 6	5	1904	49⅜	1902
do. pref.	....	....	83	.....	81⅜	Sept 20	99⅜	Mar 14	38⅜	1903	111⅛	1909
Sloss-Sh. S. & I	37	37	37	500	34	Sept 27	56⅜	Feb 6	17½	1909	110⅜	1907
do. pref.	....	....	112	.....	112	Feb 15	113	Feb 15	59⅜	1900	130	1907
T. Pac. Ld. Tr.	....	....	84	.....	84	Sept 11	92	Jan 24	5	1898	96	1910
Texas Company.	90½	91	91	900	84	Aug 31	136⅛	Feb 1	134½	1909	144	1910
Underw'd Type.	90⅛	90½	90½	200	63	Mar 29	111	June 26	44	1900	44	1909
Un. Bag & Pap	6	6⅝	6	500	5½	Sept 27	9	Feb 10	2⅜	1904	45	1899
do. pref.	52	55	52	100	52	Oct 10	69⅛	Jan 3	26	1900	89	1899
U.S.Cast IP & F	11⅞	11⅞	11⅞	100	11	Sept 25	19	Feb 24	6	1903	53	1899
do. pref.	42⅜	42⅜	42⅜	100	40½	Sept 25	59⅜	Feb 24	32	1903	97¾	1906
U. S. Express	....	....	55	.....	55	Sept 25	104	Feb 1	35	1896	160	1902
U.S.R'lty & Imp	68½	68½	68½	100	67¼	Jan 27	79⅜	May 25	30	1907	98¼	1907
U. S. Rubber.	43⅜	44⅜	43⅜	24,200	39½	Sept 27	47⅜	Mar 1	7	1903	60⅜	1897
U. S. Rubber pf	109¼	109¾	109	1,200	108	Sept 25	115⅜	July 7	30½	1903	123½	1909
U. S. Steel.	59⅞	60⅜	59⅞	500	51⅝	Sept 27	82⅜	Feb 6	38	1903	91	1909
do. pref.	120⅛	120⅞	120⅞	3,700	103	Sept 27	129⅜	Feb 4	49⅜	1903	125⅜	1910
do. 5s	103⅜	103⅝	103⅜	221,000	100	Sept 25	106⅝	May 27	65	1903	106⅛	1910
Utah Copper.	40⅛	41⅝	41½	8,600	38	Sept 27	52	June 14	12	1907	67⅛	1909
Virg. Car Chem.	47⅛	48½	48	1,500	43¼	Sept 27	70⅜	Feb 28	12⅜	1907	72	1901
do. pref.	....	....	114⅜	.....	114	Sept 25	125½	Mar 15	75	1907	125⅜	1902
West. Un'n Tel.	78⅛	81	79⅝	2,675	77⅜	Mar 20	84½	May 24	41	1900	137⅜	1881
West. Mfg. Co.	61⅜	63	61⅜	1,400	58⅜	Sept 25	79	May 29	20¼	1898	154	1907
do. pref.	115	115	115	200	110½	Aug 16	123	Jan 5	43¼	1896	180	1907

* Ex dividend. ** New. † Assessment paid. ‡ Ex-rights. § Price bid. ‖ Price asked. ¶ Old securities. # Certificates. ~ Ex-interest. ||| Par value basis. ††† Receipts.

CRITICISES ALDRICH PLAN.

(Continued from page 1720.)

sit in the directory together with two members of the Cabinet and the Comptroller of the Currency. No matter how large-minded these men may be, they are all necessarily involved in the conduct of party politics, and obligated to serve its ends so far as decency permits. It would be foolish to believe that the tremendous opportunity offered by a strong internal influence in such an organization, would not tempt most men and some administrations to an

ALLIANCE DISASTROUS

alike to the government and the finances of the country.

The advocates of the plan say also that it has been made impossible for any large financial interest to control the Reserve Association. Let us examine this. Of the forty-five directors, twenty-seven are to be chosen, in one way or another, by the local associations. In these local bodies three-fifths of their directors are elected by ballot by the banks, irrespective of size, and two-fifths on the basis of capitalization. It is plain, of course, that a combination of a few very strong banks in any district would represent a capitalization great enough to select these two-fifths. The other three-fifths are open to the same control. Each bank has a vote, and the limitation of capitalization for membership is $25,000. For the big banks of a district, or any one of them, to increase its capital stock by a million dollars would be a trifle in these days of large financial projects.

WOULD FINANCE NEW BANKS.

Such an addition used to finance new banks in small towns throughout the district would provide for forty, if each were capitalized at $25,000. The voting control of any district and its choice of its own directorate and of a director for the national association could be controlled as easily as the British House of Lords can be swamped by the creation of new peers

To eliminate this danger, the system of representation or voting power in any form in proportion to capitalization should be done away with; the minimum capitalization entitling a bank to a vote should be raised, and suffrage in an association should be conditioned on absolute financial independence. This implies a "one bank, one vote" rule in all ballotings, and an effective legal prohibition against combination. Even these safeguards might not entirely protect the central organization against undesirable control. Certainly, nothing short of them would.

In another specification the proposed plan is

INNOCENT AND CONFIDING

beyond belief. It says, for instance, that "no member of any national or state legislative body shall be a director of the Reserve Association, nor of any of the branches, nor of any local association", and its supporters point to this as a sufficient shield against political encroachment. There is nothing in it to make William J. Bryan, Theodore Roosevelt or many of the most active politicians of the country ineligible for the directorate.

Digitized by Google

FINANCIAL INQUIRIES.

Wells-Fargo Express.

21319. (Sidney, N. Y.) Would you advise the purchase of Wells-Fargo Express stock at present price, 150; also Daly-West Mining, at 5½.

Ans.: From the standpoint of net return, Wells-Fargo shares may reasonably be regarded as selling at an attractive level, since the yield at 150 is 6.66 per cent, which is somewhat better than the average return afforded by dividend paying industrial stocks, and certainly much better than that obtainable from these shares specifically during past years of the company's history, when a price of $300 per share was nothing extraordinary, that level having been reached or surpassed in 1906, 1907, 1908 and 1909, the range in quotations for the latter year having been between 300 and 670. Last year, the shares sold as low as 144½, and as high as 195, while the range so far in the current year has been between 177 and 139. Of course, the notable decrease in market valuation is very largely attributable to the fact that the capitalization was increased 300 per cent in 1909, the advance to $670 per share in that year being the forerunner of the special 300 per cent dividend, which was declared at that time. The same increase is, of course, responsible for the falling off in the percentage earned on the capital stock to 20.13 per cent in 1910, as compared with 58.30 per cent in 1909, 50.98 per cent in 1908 and 53.92 per cent in 1907. As a matter of fact, the 1910 earnings would have amounted to over 60 per cent on

THE OLD CAPITALIZATION.

The earnings for the last fiscal period have not yet been announced in detail, but the reports submitted to the Interstate Commerce Commission show operating income after taxes of $2,246,858, as compared with $2,992,448 in the 1910 fiscal period, a decrease of $745,590. This decrease is equivalent to a little more than 3 per cent on the $24,000,000 capital stock, so that as far as this comparison indicates there is still a wide margin of safety over the 10 per cent dividend requirements. There is this much to be considered, however, that the express companies are particularly liable, because of their large profits and striking dividend records, to government regulation and investigation, with an accompanying unsettling of market values.

Regarding Daly-West Mining Company, the present market price of the shares, 5½, represents a better advance since the beginning of the current year than has been recorded by the great majority of the copper mining shares. This state of affairs is due to evidences that of late the company has been doing better. For instance, for the June quarter, it showed cash on hand of $488,601, from which should be deducted for the dividend declared the amount of $54,000. Operations for the period showed a net gain of $6,063. The amount of development for the quarter was 2,339 feet, consisting mostly of dead or development work. The mill was

IN CONSTANT OPERATION,

treating the usual tonnage with savings quite up to past records. With the addition of more concentrating table capacity, it is thought, crowding is avoided and still better savings should result. Manager McMillan is authority for the statement that the ore reserves have been materially increased from the 1,700 up to the 1,900-foot levels, and that the ore body on the latter level appears particularly encouraging for its development with great depth. In view of this proof that the affairs of the company have really taken a turn for the better, there is nothing very mysterious in the fact that the shares have shown a good advance in price since the first of the year, while other copper shares have been losing ground or at best, barely holding their own. In the light of these results, Daly-West should, in time, sell still higher, with allowance made for two "ifs", namely, if the improvement in mine operating conditions is maintained for any length of time, and if the improvement which big men have predicted for the copper metal market materializes, as we believe it will, although not in the immediate future.

The Associated Trust.

21324. (Lowell, Mass.) Please give through the columns of your publication, what information you can obtain concerning the "Certificates-of-Investment" so called, issued by "The Associated Trust", with offices at 141 Milk street, Boston, Mass. Is this a Massachusetts corporation?

Ans.: This is not a corporated company, owing to the fact that the laws of Massachusetts prohibit real estate trusts from incorporating. The business of the Associated Trust is buying first-class real estate on forced sale, and renting it. The certificates of investment are issued for $100 and multiples of $100 to $10,000, are non-taxable in Massachusetts, and non-assessable. The company guarantees 6 per cent per annum on these certificates, and participates in the surplus. The company has paid an additional 2 per cent for the last five years. They are secured by the real estate of the company which, according to the last statement of the company as of March 31, 1911, was $885,740.

The company seems to be conservatively managed, and the certificates appear to be a safe investment.

DAVENPORT, OKLA.—The First National Bank of Davenport went into voluntary liquidation October 5, 1911, to be taken over by the Davenport State Bank

SEYMOUR, IND.—The corporate existance of the Seymour National Bank has been extended until October 9, 1931.

BANK ITEMS.

DANIELSVILLE, PA.—S. J. Drumheller has been elected president of the Danielsville National Bank and Tilghman Henry is now vice-president.

FAIR OAKS, WIS.—Joseph E. Kleiner is president and Otto W. Sprecher, cashier, of the Security State Bank.

KAPLAN, LA.—The Bank of Kaplan has been organized by W. A. Poche, who will be president.

LAWRENCE, KAN.—W. E. Spalding has been elected president of the recently organized Citizens State Bank.

MASON CITY, IA.—W. R. Flemming has retired from the presidency of the Peoples State Bank.

NORTH ROME, GA.—The Bank of North Rome has been organized by John D. Walker, and is capitalized at $25,000.

PORTERVILLE, CAL.—J. M. Nelson, of Pleasant Valley, Minn., is organizing a bank here.

STEWARTVILLE, MINN.—Charles W. Russell has been elected assistant cashier of the First State Bank.

THUNDER HAWK, S. D.—Robert Pearson is president, L. O. Pearson, cashier, and John Gumo, assistant cashier, of the Farmers State Bank.

TOPEKA, KAN.—The Central Loan & Trust Company, with a capital of $100,000, is being organized at this place.

UNION CITY, TENN.—Harris Parks has been elected president and T. R. Meadow, cashier, of the Farmers Exchange Bank. Former president of the bank, W. C. Farris, has taken the vice-presidency.

October 9, 1911.

Mexico Consolidated Mining and Smelting Co.

The time for depositing stock with the Federal Trust Company under the plan of reorganization has been extended until January 8th, 1912 EDWIN S. HOOLEY & CO., Reorganization Managers.

To the Stockholders and Bondholders of the

Arizona Commercial Copper Company

A majority of the bonds and over forty-one thousand (41,000) shares of stock having been deposited with the American Trust Company, Depositary under the Protective Agreements, the Bondholders' and Stockholders' Committees have extended the time for deposits of bonds and stock to the close of business October 19, 1911, after which time no deposits will be received except under such terms or penalties as the Committees may prescribe

Stockholders' Committee	Bondholders' Committee
Nathan J. Miller, Chairman	Harry M. Stonemetz, Chairman
Edward S. Goulston	George T. Rice
Alfred J. Hayman	Lemuel E. Demelman

American Trust Co., 50 State St., Boston, Depositary
Goulston & Storrs, Counsel.

Boston, October 10, 1911

Digitized by Google

The Best Purchases on the Railroad List

As Indicated by the Two Standards of Comparison: of Present Investment Yield on Basis of Current Dividends and Prevailing Market Price, and on Basis of Present Earnings on Prevailing Market Values.

The average net yield of the 50 railroad stocks quoted in the following table was 5.43 per cent on October 10, as compared with 5.49 per cent on October 4, 5.34 per cent on January 4, and with 4.71 per cent on January 2, 1910.

Judging from the attitude of President Elliott, of the Northern Pacific, he does not appear to be worrying over the general belief of the probable necessity for a reduction in the 7 per cent dividend on Northern Pacific, and indeed, he acts as if he did not believe it would be necessary to make any such cut. Doubtless, he is influenced in this attitude by the decrease in operating expenses shown in the last fiscal year, although the lessened volume of business would in itself tend to reduce the cost of operating properties. Northern Pacific's per mile maintenance charges were not skimped by any means during the fiscal period; on the contrary, this account compares very favorably with the allowances made for similar purposes by other trans-Mississippi systems. Of the latter, only the Harriman lines, the Atchison and the Burlington surpassed this Hill road in maintenance allowances. Apparently, therefore, the contraction in gross business which developed during the year did not frighten the operating heads into carrying economy to the danger point.

The other great Hill road, the Great Northern, which is Mr. Hill's pet project, is getting along very well at the present time. For the month of August, gross earnings showed an increase over a year ago of approximately $125,000, this being the first increase shown in any month of the current calendar year, although a steady improvement in the volume of traffic has been in evidence for several months. Certainly, this increase in gross is a pleasing contrast to the monthly loss of from $500,000 or more shown in April, May and June. It is said that the September returns will probably show a gain somewhat similar to that of August. Moreover, the August gain in gross is not attributable to the fact that earnings at the same time in the previous year were poor, for as a matter of fact, they were at that time running at a record-breaking point. Since the beginning of the current fiscal year, the Great Northern has shown a tendency to economize in the upkeep of the property, and to this fact is to be attributed in large measure, at least, the gain in net earnings. For the first two months of the fiscal period, gross revenues were increased $78,000, but during the same period, maintenance expenses were reduced by $680,000, or close to 20 per cent. Such a policy as this might lead to unpleasant results, if too long continued, but in this particular instance, there seems to be no particular cause for apprehension on the part of the shareholder, inasmuch as the Great Northern is in splendid physical condition at the present time, as a result of very liberal maintenance allowances for a number of years past.

The Erie offering of the new issue of $4,550,000 three-year 5 per cent collateral trust notes is attracting considerable attention. These notes are being offered at 98½ and interest, to net about 5½ per cent.

STOCKS SHOWING BEST INVESTMENT YIELD.

Present rank.	Stock.	Present dividend.	Price.	Yield on present price.
1	Toledo, St. L. & W., pref...	4%	41	9.76
2	Detroit United	5%	70	7.14
3	Chesapeake & Ohio, com ...	5%	72	6.95
4	St. L. & San F., 1st pref.....	4%	59	6.78
5	B. R. T.	5%	74	6.76
6	St. Paul, com.....	7%	108	6.48
7	Colo. & Southern, 2d pref....	4%	63	6.35
8	K. C. Southern, pref..... ...	4%	64	6.25
9	Lehigh Valley	10%	160	6.25
10	Union Pacific, com	10%	160	6.25
11	Baltimore & Ohio, com.....	6%	96	6.25
12	N. Y., C. & St. L., com.....	3%	48	6.25
13	Northern Pacific	7%	114	6.14
14	N. Y., N. H. & H.	8%	133	6.02
15	M., K. & T., pref.....	4%	67	5.97
16	St. Louis S. W., pref.....	4%	69	5.80
17	Atchison, com.....	6%	104	5.77
18	Twin City R. T., com.....	6%	106	5.66
19	Great Northern, pref.....	7%	124	5.64
20	Southern Pacific, com.....	6%	107	5.60
21	Delaware & Hudson	9%	161	5.59
22	M., St. P. & S. S. M., com...	7%	126	5.55
23	Colo. & Southern, 1st pref...	4%	74	5.41
24	P., C., C. & St. L., com.....	5%	93	5.38
25	K. C., F. S. & M., pref.....	4%	75	5.33
26	C., C., C. & St. L., pref.....	5%	94	5.32
27	C., St. P., M. & O., com.....	7%	132	5.30
28	N. Y., O. & W.	2%	38	5.26
29	Western Maryland, pref.....	4%	77	5.19
30	Illinois Central	7%	138	5.07
31	Buffalo, R. & P., com.....	5%	100	5.00
32	Chicago & N. W., com.....	7%	142	4.93
33	Atchison, pref.	5%	103	4.85
34	Louisville & Nashville	7%	145	4.83
35	N. Y. Central	5%	104	4.81
36	Atlantic Coast Line	6%	126	4.80
37	Pennsylvania	6%	121	4.76
38	St. Paul, pref.....	7%	147	4.76
39	M., St. P. & S. S. M., pref...	7%	147	4.76
40	Norfolk & Western, com....	5%	106	4.71
41	Central of N. J.	12%	260	4.61
42	Baltimore & Ohio, pref.....	4%	87	4.60
43	Norfolk & Western, pref....	4%	85	4.50
44	Canadian Pacific	10%	227	4.40
45	Union Pacific, pref.....	4%	91	4.40
46	Reading, com.	6%	137	4.40
47	Colo. & Southern, com.....	2%	48	4.17
48	Boston & Maine	4%	100	4.00
49	D., L. & W.	20%	505	3.96
50	Southern Railway, pref.....	2%	67	2.99

STOCKS SHOWING BEST EARNINGS

Present rank.	Stock.	Price.	Earning on present price.
1	St. L. & San F., 2d pref.....	39	30.60
2	Erie, 1st pref.....	49	23.40
3	M., K. & T., pref.....	67	20.40
4	Detroit United	70	19.30
5	N. Y., C. & St. L., com.....	48	15.80
6	Southern Railway, pref.....	67	15.50
7	Hocking Valley, com.....	128	14 70
8	Buffalo, R. & P., com.....	100	14.30
9	Louisville & Nashville.....	145	12.75
10	Norfolk & Western, com.....	106	10.95
11	Union Pacific, com.....	160	10.40
12	D. & R. G., pref.....	48	10.30
13	Twin City R. T., com.....	106	10.30
14	Atlantic Coast Line	126	9.75
15	B. R. T.	74	9.75
16	Colo. & Southern, com.....	47	9.10
17	Reading, com.....	137	8.90
18	Canadian Pacific	227	8.80
19	Southern Pacific, com.....	107	8.80
20	Erie, com.	30	8.65
21	Central of N. J.	260	8.45
22	St. Louis S. W., pref.....	69	8.20
23	Great Northern, pref.....	124	8.30
24	C., St. P., M. & O., com.....	132	8.20
25	Baltimore & Ohio, com.....	96	8.10
26	Delaware & Hudson	161	7.90
27	P., C., C. & St. L., com.....	93	7 25
28	Lehigh Valley	158	7.25
29	Chesapeake & Ohio	72	7.10
30	Northern Pacific	114	6.75
31			
32	K. C. Southern, pref.....	64	6.70
33	M., K. & T., com.....	30	6.60
34	St. Paul, com.	108	6.60
35	Illinois Central	138	6.20
36	C., C., C. & St. L., com.....	83	6.05
37	N. Y. Central	104	6 00
38	Atchison, com.	104	5.75
39	D., L. & W.	505	5.55
40	Pennsylvania	121	5.45
41	Rock Island, pref.....	45	5.25
42	N. Y., O. & W.	38	5.20
43	Chicago Gt. Western, pref.....	37	5.15
44	N. Y., N. H. & H.	133	4.70
45	Chicago & N. W., com.....	142	4 70
46	Western Maryland, pref.....	77	4.30
47	Toledo, St. L. & W., pref.....	41	1.85
48	Iowa Central, pref.....	38	1.80
49	K. C. Southern, com.....	29	0.75
50	Boston & Maine	100	0.45

Digitized by Google

UPON PRESENTATION

at the Office of

THE MIDDLESEX BANKING COMPANY

OF MIDDLETOWN, CONN.

DEBENTURES of Series E14, maturing November first, 1911, and Series E15, maturing December first, 1911 WILL BE PAID at par with interest to the date of payment.

OUR NEW INVESTMENT PROPOSITION

is as

Sound and secure as a good bank and pays large dividends.

First class representatives wanted; must be men of good standing in their community

SECURED INVESTMENT TRUST

92 STATE STREET, BOSTON

6% NEW YORK CENTRAL REALTY

A Good Investment

To investigate is the six per cent Realty Bond of the New York Central Realty Company issued in denominations of $1,000, $500, and $100.

It offers a high grade of security, a liberal cash availability and an interest earning of 6%.

WRITE for booklet illustrating the methods of the Company, describing its bonds, their redemptive privileges and advantages over other Realty securities. Everybody knows us.

New York Central Realty Co.

Suite 1190, 1328 Broadway, Cor. 34th St., New York City

CAPITAL AND SURPLUS, $1,464,588.34

Corporation Organizers

Delaware charters are inexpensive and perpetual, and permit stockholders and directors to hold meetings anywhere. The law is more stable, and grants greater powers than other states. $1,142,434,400 of capital organized in Delaware during 1910—double that of New Jersey or elsewhere. In selecting an agent to organize and represent your company, get the best—it will be cheaper and safer in the end and will add prestige to your enterprise. Lawyers' and Brokers' business a specialty. Corporation Law and forms sent on request.

MERRICK SECURITY & TRUST CO.

Wilmington, Del.

---

6 PER CENT INTEREST PAID

By Coupon on Bonds Secured by Well Selected New York Real Estate.

"We Deal in No Other Securities"

THE DEBENTURE CORPORATION OF NEW YORK

334 Fifth Avenue New York City

SIX NUMBERS FREE

Financial Converse (published every two months) answers more questions on mines than any periodical published. S. F. Campbell, of Chicago, says: "This paper is worth more than any other mining publication in the United States." Cut this out and send for six copies free covering the next year.

FINANCIAL CONVERSE

339 Monadnock Block, Chicago, Ill.

MONATON REALTY INVESTING CORPORATION

Pays

6% COMPOUND INTEREST

On Money Invested in

Its Accumulative Certificates

Running terms of 10, 15 or 20 yr.

Payments may be made annually, semi-annually, quarterly or monthly.

SECURITY

OWNERSHIP OF NEW YORK INCOME PROPERTY

Affording

Immediate returns on investments and opportunity for increase of valuation.

For Illustrated Booklet, inquire:

Publicity Department

Times Building

Broadway & 42nd Street, New York City

HOLLINGER-BEAVER CONS. MASON VALLEY-INSPIRATION

Our weekly market letter mentions the above, also Live Oak, McKinley-Darragh, Tonopah, Rea, Porcupine and Cobalts "Coppers" and "Curb" stocks in general. Mailed free upon request.

"Coppers" and Curb Stocks bought and sold for Cash or Carried on Margin

---

H. A. BROWN & CO.

Members Boston Curb Exchange

60 State St. Boston — 74 Broadway New York

First Mortgage Bonds

For Small Investors

WEEKLY OR MONTHLY PAYMENTS

Government, State and Municipal Issues, also Standard Railroad, Public Service and Industrial Bonds sold in any amount for Cash or on Weekly or Monthly Payments. Best, Easiest and Safest way to provide for your future.

Circulars 104 on request; Correspondence invited

Resident Representatives Wanted

FUNDING COMPANY OF AMERICA

40 EXCHANGE PLACE, NEW YORK

WANTED

Austin, Texas, 4s
New Hampshire Elec. Stocks
Peoria Water Works Co. 5s
Alfred Light & Power 5s
York Haven Water & Power 5s
St. Joseph Water Co. 5s

H. C. SPILLER & CO.

Specialists in Inactive Bonds

27 STATE STREET BOSTON

5% PROFIT SHARING BONDS

Protected by carefully selected

NEW YORK CITY REAL ESTATE

The profit Additions for the past 9 years have averaged over

12% Per Annum

making present Book Value of a $1,000 Bond $2,087.20 after having received $450 in interest

SOLD AT PAR

Denominations, $10 to $1,000 and upwards

Can you afford to overlook this safe investment opportunity?

INTER BOROUGH REALTY COMPANY

(Assets Over $1,105,000.00)

10 WALL STREET, NEW YORK CITY

BENNETT'S

INFORMATION AGENCY

INVESTMENT DEPARTMENT

The wisest men in the United States are those who never make a new investment which they consider good, and never get rid of an old investment which they consider bad, until they have made an investigation of the merits of the investment through BENNETT'S INFORMATION AGENCY.

CONGRESSIONAL INFORMATION

We attend to business at the Treasury Department as well as before Congress, the Courts, and all departments of the United States government, through our Washington office, 725 Corcoran Building, and through our staff of Washington correspondents. If you desire any information from Washington, or any business transacted at the National Capital, we shall be pleased to perform the desired service for our subscribers.

PROBATE DEPARTMENT

Information respecting probate matters in any town or city of the United States is furnished to our subscribers gratuitously if the inquiry is answered through the columns of the INVESTOR, or for $2.00 if the reply is by private letter.

LEGAL DEPARTMENT

Questions answered by prominent attorneys upon any desired subject for $2.00 each.

MERCANTILE DEPARTMENT

A report regarding the standing and reliability of any firm or individual in the United States furnished for $2.00. Our information goes into the character and individuality of members of a firm and its methods of doing business.

MISCELLANEOUS QUESTIONS

Inquiries of any sort answered for $2.00 each. Send for descriptive pamphlet of the agency.

REAL ESTATE DEPARTMENT

A report upon any piece of property in the United States furnished for $2.00

Conducted by

Frank P. Bennett & Co., Inc.

838 Atlantic Ave., BOSTON.
308 Chestnut St., PHILADELPHIA.
2 Rector St., NEW YORK.

Digitized by Google

United States Investor

Copyright 1911, by Frank P. Bennett & Co., Inc.

Volume XXII. BOSTON, NEW YORK AND WASHINGTON, OCTOBER 21, 1911 Number 42.

New York Cotton Exchange

At our request, Secretary Hester, of the New Orleans cotton exchange, has written us the letter which appears elsewhere in this issue, explaining those differences between the methods of the New Orleans and New York cotton exchanges, which seem to us wholly in favor of the city first named. It is not extravagant to say that the use of actual bales of cotton by the New York method "may be likened to a set of poker chips of various denominations, the relative values of which never change, middling representing say a red chip, and the other grades the whites, blues, etc." Secretary Hester's letter will be perused with interest by all users of actual cotton from its pregnant opening sentences to its concluding paragraph in which he says: "In your letter you say the impression seems to be that a buyer of options at New Orleans can secure the actual cotton for which he contracts. That impression is correct".

No Progress For 37 Years

Moreover, it being true that the present standards of the New York cotton exchange are those which represented the views and opinions of the cotton trade 37 years ago when the cotton crop was only one-fourth as great as at present, is it not also reasonable to claim that all of the cotton exchanges should now begin to broaden and legitimize their service? To the question whether the cotton exchange should not now establish a daily ratio of quotations forming not only a practical basis for delivery upon each of the present grades, but also for varying lengths of staple of each grade, the managers of the New York cotton exchange replied that such a system of quotations would be impracticable.

An Ancient Absurdity

We do not agree with them, and we criticise all of the cotton exchanges for their failure to recognize any responsibility for quotations of staple cottons. The enormous increase in demand for staple cottons during the past fifteen years has been practically coincident with the introduction of cotton combers. The writer remembers very well when it used to be said that fine cotton fabrics could not be successfully produced in the United States because of climatic difficulties. The same absurdity is still believed about the linen industry; but the introduction of artificial moisteners has been followed by the use of cotton combers and other mechanical improvements to such an extent that the greatest profits in American cotton manufacturing during the past fifteen years have been made from the fine and fancy cotton fabrics which used to be considered as too remotely indigenous to our climate for their successful production in the United States.

An Artificial Atmosphere

But while the air moistener and the comber and other products of the machine builder have kept pace, in some measure, with the progress of American spinning and weaving, the New York cotton exchange has contributed no more to these triumphs of American industry than a gambling house or an opium joint. The United States government Department of Commerce and Labor, in its latest Bulletin of Cotton Production gives the total aggregate of staple cotton throughout the entire cotton belt as but 300,000 bales. But the requirements of American combers are many times that amount.

The Cotton Comber

The pressure of an increasing demand for combed yarns has led to such improvements in combers that the length of staple which may be thus treated has steadily diminished until it is now well down toward an inch in length, and probably more than a million bales of such cotton can be furnished by the state of Texas alone. The crop of cotton whose fibres measure one-sixteenth to one-eighth of an inch in length and above from the whole cotton belt is probably nearer two million bales. Hence, statistics of supplies and quotations of staple cottons are alike misleadng to consumers, and favorable to speculators. But it is not in the department of staple cottons alone that the service of the New York cotton exchange is inadequate as Secretary Hester's letter shows.

Canadian Items

The collection of Canadian items is regarded by some bankers as a baffling problem. The mere fact that the banks of Canada are in a different nation and operate under different laws does not appall them, although this factor in the situation does contribute somewhat to their confusion of mind. More formidable is the fact that the New York Clearing House compels banks which are its members to charge one-quarter of one per cent on all such items. That is a very real and potent consideration. It affects the pocket nerve, not the sentiments. If Canadian items have impressed the bankers of New York City as so expensive and difficult of collection as all this, why should not the country banker look upon them with eye askance?

The New York Clearing House knows no item upon which it requires any higher charge. On many items, ordinarily regarded as exceedingly difficult of collection, it demands of its members only that a charge of one-tenth of one per cent be made. The New York rules have put items on West Virginia banks, for example, as well as those on any point in Missouri or Kentucky or Virginia, on the one-tenth of one per cent list. Every one knows that a check on a West Virginia bank, or on a bank in many parts of the other three states named above, is an expensive and vexatious subject to convert into cash. The action of the New York Clearing House, therefore, in placing Canadian items in a class where the charge must be more than twice as heavy, warrants the conclusion that New York banks find Canadian items very bothersome things to collect. If New York banks, with the volume of business they handle, cannot reduce the cost to themselves of collecting their Canadian items to a more reasonable basis, bankers of other parts may well view the situation with some perturbation.

This is the fact which makes the investigations of some alert New York

Digitized by Google

Merchants Act Independently

merchants of interest. Some time ago, some of the larger customers of certain New York clearing-house banks began to consider whether the toll they were paying their banks on Canadian checks they deposited was not unnecessarily heavy. The sales which their travelling men were making in Canada had become very substantial. There are numerous cities of the Dominion, like Winnipeg for example, of whose importance the citizens of this country, and even such well-informed men as our bankers have no real appreciation. They are distributing centres of merchandise for many hundreds of miles about them. Business men of the United States have found in Winnipeg and similar Canadian centres, therefore, a market for their wares that is well worth constant cultivation. Some of the joy has been taken out of these sales for these Yankee merchants by the expense of converting the checks into cash which Winnipeg merchants have sent them. At some of the big wholesale houses of New York, the sum they have paid New York banks each year on Canadian checks has constituted an aggregate of no inconsiderable proportion.

Among the number of such merchants have been some business men who have not been content with the mere explanation by their bank that the charge for collection of these items is required by the clearing house. They have desired to know not merely that the charge is required, but whether or no it is reasonable. They have, therefore, made independent investigations. The result has been that some of them are handling their New York checks by other means than that of deposit in their respective New York banks. Those of them, for instance, who live in New Jersey or among the smaller towns north of Manhattan are now patronizing the small banks in the towns of their residences. Some are opening accounts at Philadelphia or Albany. Still others are doing their work in even more direct fashion. By correspondence with some of the Canadian banks, they have arranged to deal with them regularly without any New York bank or other bank as intermediary. When a New York merchant among this last named group receives a Canadian check, he sends it direct to that branch of the Canadian bank with whom he has made a deal, which is located in the town upon which this Canadian check is drawn. If the check is a small one, immediate remittance is made to the merchant by the Canadian bank, and in New York exchange, too, a discount of one-tenth of one per cent. If the check is larger than $5,000, or some such figure remittance is made at a rate even more favorable to the New York merchant, perhaps not quite so favorable as one-twentieth, but well toward that figure.

A Good Example

There is no particular reason why the banks in various parts of the country which find Canadian checks coming frequently into their hands should not take advantage of the investigation these New York merchants have made. Although, for the most part, country banks receiving such items are unloading them upon their reserve agents there still are some which are sending them to New York or Boston, or other reserve centres, and are enduring the charge which the banks in those centres make. So long as a country bank's reserve agent is willing to handle Canadian items without charge, probably the reserve agent should still be patronized for the purpose. If, however, these items are made a bone of contention between reserve agent and country bank, are causing frequent disagreements and unpleasant correspondence, or if the country bank is not having them collected at par by some reserve agent, the country bank may well begin correspondence with some Canadian bank as these New York merchants have done.

Pittsburgh Items

A subscriber has asked us whether his bank is justified in charging him one-quarter of one per cent on Pittsburgh items. This is a question which cannot be answered categorically. Several factors in the case must be taken into consideration. Not the least important of these factors is the sort of an account he keeps at his bank. His balance may be always a slender one and the bank may be obliged to charge him this rate in order to recoup itself for the actual expense which his account causes them. Although the New York clearing house rule places all points in Pennsylvania on the one-tenth of one per cent basis, that rule does not forbid a member bank from charging more than that. If, therefore, a bank finds that a customer's balance is so small as to become a source of expense rather than a profit, or, if it finds that most of the checks he deposits are on far away points, so that the apparent balance on his pass book has no real existence in fact, since so many of the checks he deposits are always in process of collection, the bank may fairly charge him almost any rate that is needed to make his account pay its keep.

If, however, his is a good account, a charge of one-quarter of one per cent does look large. The New York bank can hardly argue that it has to go to any such expense as one-quarter of one per cent in order to convert Pittsburgh checks into cash. Any good New York bank, we should say, ought to be able to make an arrangement with some Pittsburgh bank to remit for Pittsburgh items in New York exchange at a good deal better rate than that. Pittsburgh banks, so far as we can recall, are ready to remit for Pittsburgh items on the day they are received at one-twentieth of one per cent or to remit at par once a week for all items received during the past six days. Such an arrangement as this last alternative is about as good as a daily remittance at one-twentieth.

The Purpose

Since we do not know which New York bank he patronizes and cannot, therefore, be accused of prejudice, we might suggest that the practice he complains of may have a purpose. Perhaps his bank wishes him to complain. Very likely what it seeks is to have him come to the cashier to talk the matter over. When he comes the cashier will suggest to him that the best means of freeing himself from this charge of one-fourth of one per cent is to make his Pittsburgh customers pay him in New York exchange. In any event, our advice to him would be for him to visit his cashier and have a good, frank talk, face to face with him. That is a far better method than for him to continue to harbor some feeling of resentment against his bank without taking positive steps to inform himself on the matter. If the cashier of his bank proves to be obdurate, he might then write the Pittsburgh bank on whom his Pittsburgh customers draw their checks and ask the Pittsburgh bank whether it would not be willing to remit to him in New York funds on Pittsburgh checks he receives. He might find the Pittsburgh bank disposed to make him a proposition that would be to his advantage.

Aroostook Items

The letter we published last week from a cashier of Bangor, Maine, makes timely a word or two about items on northern Maine. For years the banks of Aroostook County, which constitutes that section, united in a charge of one-tenth of one per cent on all checks on themselves sent for remittance. The Boston clearing house, finding these Aroostook banks indisposed

Digitized by Google

to reduce or abolish that charge, required all Boston clearing house banks to charge all customers one-tenth of one per cent on all Aroostook items deposited in Boston banks by them. Then the Boston clearing house left the whole situation in statu quo. They appear to have made no further efforts to bring the Aroostook County banks in line with the other banks of New England, either by using the express company as a club or by employing the more pacific methods of a personal visit to the different Aroostook banks. It remained, therefore, for the Bangor banks to act where the Boston banks had been remiss.

First, a Bangor Clearing House was organized. The bankers of Bangor knew that if they were to relieve themselves of this expense on Aroostook checks, which to them was very considerable, they must act together. Then they began action. How successful their efforts have been is apparent from the fact that the Aroostook county banks now charge but one-twentieth of one per cent on remittances.

Boston Remiss

Then a strange condition arose. Although the Bangor banks had succeeded in bringing the Aroostook County banks to a more reasonable set of charges the Boston Clearing House did not change its scale of charges correspondingly. It continued to require its members to charge one-tenth of one per cent on Aroostook County checks. A Boston bank receiving an Aroostook County check got cash for it at an expense of only one-twentieth of one per cent and yet charged its customers twice that sum for making the collection. The profit which the Boston banks could make per year from this source has been computed by some as aggregating $15,000 to $20,000. This profit was drawn mostly from Maine banks, so it is alleged. In view of the fact that to the Bangor banks belongs most of the credit for putting the Boston banks in position to collect Aroostook items at one-twentieth, the failure of the Boston banks to give either the Bangor or other banks the benefit of the change until recently is not praiseworthy.

It constitutes still another one of those irritating circumstances which have tended to make New England banks less friendly toward Boston banks than they should be. There are big bankers in Boston who would, if they might, have the clearing house begin missionary efforts to restore the era of utmost good feeling which used to prevail between the Boston banks and the banks of Maine. They are hampered by the attitude which some of the smaller and less energetic Boston banks take.

The Fourth National Bank
OF THE CITY OF NEW YORK

OFFICERS
JAMES G. CANNON, President
SAMUEL S. CAMPBELL, V. Pres.
CHARLES H. PATTERSON, V. Pres.
DANIEL J. ROGERS, Cashier.
E. W. DAVENPORT, Asst. Cashier.
CHARLES E. MEEK, Asst. Cashier.

DIRECTORS:

James G. Cannon	L. F. Loree
Cornelius N. Bliss	Eugene Delano
Robert W. Stuart	M. Orme Wilson
William S. Opdyke	Elbridge G. Snow
T. Frank Manville	Welding Ring
Thos. H. McKittrick	Morton F. Plant
Mortimer L. Schiff	Samuel S. Campbell

CAPITAL AND SURPLUS - $10,000,000

THE German National Bank
PITTSBURGH, PA.

Capital and Surplus, - $1,200,000

Can offer you the personal service of officers who regard no account as unworthy their utmost skill.

CAPITAL $1,800,000.00 SURPLUS $2,000,000.00

Second National Bank
OF
PITTSBURGH, PENN'A.

HENRY C. BUGHMAN, President
WILLIAM McCONWAY, Vice President
THOMAS W. WELSH, JR., Vice President
JAMES M. YOUNG, Cashier
BROWN A. PATTERSON, Ass't. Cashier

Western National Bank
PHILADELPHIA

Capital - - - - - - - $600,000.00
Surplus and undivided profits - 234,136.92

GEORGE E. SHAW, President
EDWARD J. DURBAN, Vice-President
SIDNEY LABE, Vice-President
E. E. LINDEMUTH, Vice-President
CHARLES F. WIGNALL, Cashier
JOHN BAUMGARTNER, Asst. Cashier

A conservatively managed bank invites your correspondence.

The National Park Bank
OF NEW YORK
Organized 1856.

Capital .....$ 5,000,000.00
Surplus and profits 12,947,463.12
Deposits, Sept. 1, 1911.....105,550,902.43

Franklin National Bank
PHILADELPHIA

Capital $1,000,000.00
Surplus and Undivided Profits. 2,730,181.17
INCORPORATED 1900.

OFFICERS:
J. R. McALLISTER, President.
J. A. HARRIS, JR., Vice-President.
E. P. PASSMORE, Cashier. L. H. SHRIGLEY, Assistant Cashier.
J. W. HARDT, Assistant Cashier.
Foreign Exchange Department.
WILLIAM WRIGHT, Manager.

Chartered 1836
GIRARD TRUST CO.
PHILADELPHIA
Capital and Surplus, $10,000,000

OFFICERS

E. B. MORRIS	::	::	President
W. N. ELY	::	::	Vice-President
A. A. JACKSON	::	::	Vice-President
C. J. RHOADS	::	::	Vice-Pres. & Treas.
E. S. PAGE	::	::	Secretary
G. H. STUART, 3d.	::	::	Asst. Treas.
S. W. MORRIS	::	::	Asst. Secretary

THE
SEABOARD
National Bank
of the City of New York
Capital - - - $1,000,000
Surplus and Profits (Earned) $2,075,000
Accounts Solicited

R. G. BAYNE.....President
S. G. NELSON.....Vice-President
C. C. THOMPSON.....Cashier
W. K. CLEVERLEY.....Assistant Cashier
L. N. DEVAUSNEY.....Assistant Cashier
J. C. EMORY.....Assistant Cashier
O. M. JEFFERDS.....Assistant Cashier

CAPITAL, SURPLUS AND PROFITS
$3,300,000
THE NATIONAL BANK
of the
REPUBLIC
OF CHICAGO

offers to conservative bankers its facilities developed and perfected by twenty years of close personal relations with correspondents in all parts of the country.

JOHN A. LYNCH, President,
W. T. FENTON, Vice-President,
R. M. McKINNEY, Cashier,
O. H. SWAN, Assistant Cashier,
JAMES M. HURST, Assistant Cashier,
WM. B. LAVINIA, Assistant Cashier,
W. H. HURLEY, Assistant Cashier.

OLDEST BANK IN AMERICA
Chartered by Congress, 1781.
The
Bank *of* North America
(NATIONAL BANK)
PHILADELPHIA, PA.

Capital .....$ 1,000,000.00
Surplus 2,250,000.00
Undivided Profits..... 371,000.00
Deposits 15,075,000.00

HARRY G. MICHENER.....President
SAMUEL D. JORDAN.....Cashier
WILLIAM J. MURPHY.....Asst. Cashier
RICHARD S. McKINLEY.....Asst. Cashier
Accounts Solicited
Correspondence Invited

Digitized by Google

Mellon National Bank, Pittsburgh, Pa.

"The Bank of perfect service" invites your Pittsburgh business.

CAPITAL $6,000,000 RESOURCES OVER $49,000,000

AMERICAN WOOLEN COMPANY.

The market letter of one of the Boston stock exchange houses the other day afforded a splendid illustration of the danger an investor is always in who tries to decide whether a stock is good or not by pure mathematics. This letter argued that the seven per cent preferred dividend of the American Woolen Company is not well secured, because during the past four years the average earnings of the company have left only a very slim margin of surplus after dividends have been paid.

If the writer of that letter had been as familiar with the textile industry during that four-year period as he is with the figures which annual reports present, he would have realized that the fact that the company had any surplus earnings at all during that period is most encouraging. None but the most competent management could have made even so good a showing. Even before the Payne-Aldrich tariff bill was framed the textile industry had fallen into a state of uncertainty which discouraged buyers of worsteds and woolens alike. Apprehension as to what Congress would do when it did undertake tariff revision threw an awful wet blanket upon the market. Everyone realized even then that Schedule K was imperilled. Ever since then, there has been very real ground for fear that this schedule may be at any moment altered. Under such conditions even the best managed manufacturing corporation must fail to give the sort of account of itself which it would give if it could have even average business conditions.

A GOOD RECORD.

Consequently, it can hardly be reasonably argued that the earnings statements of the American Woolen Company during the past four years constitute any basis for hesitancy on the part of prospective buyers of the company's preferred stock. If in a series of worse than average years it can do as well as this market letter admits the company has done, it cannot fail to continue to pay its dividends during any kind of year that can be imagined. Out of earnings the company has accumulated a surplus of more than $11,000,000, a sum sufficient to make up any deficiencies of earnings for dividends for many years to come.

LARGE QUICK ASSETS.

Moreover, the company has accumulated such a huge volume of quick assets that the present market price of $89 for the preferred stock is not greatly in excess of the quick asset value of each preferred share. There are few corporations which have net quick assets equal to $80 on each preferred share, but the American Woolen Company does show precisely that condition. To make the preferred stock worth $89 intrinsically requires only that the buildings of the company and its good will shall be worth $9 for each preferred share. The most ignorant investor knows that the buildings of the company alone are worth several times $9 per share, even under the most unfavorable conditions.

We have no hesitancy in saying that there are few if any preferred stocks on the whole list which are so well secured, and our expectation is that when investors can once more rest assured that Congress is through making a political football of Schedule K the wise buyers of mill shares who are so numerous in New England will force the price of American Woolen preferred far above its present figures.

CONVENIENT BANKING QUARTERS.

The new quarters in the Harris Trust Building, which F. R. McMullin & Company have occupied since May 1, are very attractively arranged, and convenient for their extensive business. Their business is divided into two departments. One, the investment department, handles municipal, railroad, public utility and other high-grade securities for investors, and is equipped to place its customers in touch with the best of investments at all times. The other department, the finance department, underwrites bond issues, and otherwise assists in the financing of legitimate and secure undertakings. Railroads, electric railways, electric light and power plants, central station heating plants, and gas works, comprise some of the kinds of business for which this firm can undertake to assist in providing capital. Other enterprises, however, which possess ample assets, and can demonstrate sufficient earning power, can also find their needs attended to satisfactorily by this house.

Bonds to Secure Postal Savings Deposits

The regulations of the Postal Savings System provide that the bonds of any State will be received as security for postal savings deposits at 90% of their market value, such value not to exceed par, while municipal bonds are received at only 75% of such value.

We offer and recommend for this purpose the State of New York Canal Improvement 4s at market price to net about 3.85%, and will be glad to furnish full particulars to banks intending to apply for postal savings deposits.

Ask for Circular P—740.

Guaranty Trust Company
of New York
28 Nassau Street

Capital and Surplus, - $23,000,000
Deposits - - - - - 163,000,000

Portland National Bank
PORTLAND, MAINE
Union Mutual Life Insurance Co. Bldg

Accounts received on the most liberal terms consistent with sound banking.
Collections receive prompt attention

WM. W. MASON .....President
EDWARD W. COX .....Vice-President
CHAS. G. ALLEN .....Cashier
EDWARD L. PIPER .....Asst. Cashier

Directors:
Fred E. Richards, Charles G. Allen,
Henry B. Cleaves, George F. West,
William W. Mason, George Westcott Heyer
Lyman M. Cousens, Roswell C. Bradford
Edward W. Cox.

MARINE NATIONAL BANK BUFFALO

Capital and Surplus Earnings, - - - $3,500,000.00
Resources, - - - - - - - - - - $33,000,000.00

Accounts of Banks, Corporations and Individuals Invited
Collections Given careful and prompt attention

Atlantic National Bank, Providence, R. I.

Direct connections with every Town in R. I.

SEND US YOUR COLLECTIONS. MINIMUM RATES.

FIRST NATIONAL BANK, Denver

Capital and Surplus .....$2,000,000.00 Resources $26,125,124.89
OLDEST BANK IN COLORADO.

A. V. HUNTER, President
THOMAS KELLY, Vice President J. C. HOLSTON, Asst. Cashier
C. G. MOFFAT, Vice President E. E. DENISON, Asst. Cashier
GERALD HUGHES, Vice President D. R. LEATT, Asst. Cashier
C. S. HAUGHWOUT, Cashier G. W. HAUK, Auditor

Digitized by Google

UNION EXCHANGE NATIONAL BANK, NEW YORK
CLEARING HOUSE No. 100
CAPITAL AND SURPLUS $2,000,000 Organized 1903 DEPOSITS $10,000,000
SITUATED IN THE NEW COMMERCIAL AND MANUFACTURING DISTRICT, 5th AVE. AND 21st STREET
Banks that can handle to advantage the items payable in their locality are invited to correspond with us

This Week and Next

Bear Raiders Busy Once More—A Discouraging Market in Which to Sell—Is It Wise to Change Horses?—Injecting New Life Into the Bond Market—Practical Evidence of Erie's Progress—Finding Fault With the New Tobacco Plan—A Question of Confiscation to Force a Change of Control—Laying the Blame on Uncle Sam—More Feverish Selling of Steel Common—Cutting Loose From the Ore Lands Lease—Coton Oil Common on an 11 Per Cent Basis—Bad Earnings of Past Year Contrasted With Bright Prospects of Present.

By adroit manipulation of the twin bugbears of wholesale trust-busting and commercial panic the bear leaders have succeeded this week in strengthening their grip upon the situation after it had begun to show signs of slipping. It is true that the technical position of the market, after a fairly good recovery from last month's low levels, opened the gates once more for the entry of the bear raiders, but the latter proved their readiness to take advantage of this condition by engineering sharp breaks in various quarters, not by making public any important announcement which has not appeared before, but by rehashing the old news and presenting it in a new and more disconcerting light. I have said many times within recent weeks, since the weakness of the market first became pronounced, that this is a buying rather than a selling market, as far as the investor is concerned or at least it ought to be such. Recent developments show that the man who tries to sell industrials, even those of merit, is likely to meet with discouraging results. Somebody tried a few days ago to sell a block of American Car & Foundry, common, which immediately slumped four points, although there was

NO NEW ANNOUNCEMENT

to serve as an excuse for such a break. With some holders of stocks, the vital question is "Shall I hold on?" With others it is, "Shall I go in still deeper?" To my mind the logical answer to either query is, "Yes!" Of course, I realize that haphazard buying should not be indulged in, simply because a particular stock happens to be selling lower than it was a few weeks or a few months ago, although this hit or miss style of proceeding is more likely to prove profitable in a bear market than in bull times, when the margin of speculative possibilities is necessarily much narrower.

These dull days, if they serve no other purpose, at least, go to emphasize the dividing line between conservative investment and speculative flyers. Therefore, the man who finds that he has been speculating when he thought he was investing, may find it expedient to go counter to Abraham Lincoln's advice concerning a change of mounts, while crossing a stream. Except in such cases as these, I do not believe there is any real reason why a man who owns a stock of merit should sacrifice it at current quotations.

BETTERED BOND CONDITIONS

The improvement in the bond market has naturally resulted in an increase in offerings. The Denver, Northwestern & Pacific, better known as the Moffat road, has taken advantage of the change for the better to bring out a new $40,000,000 issue, while the "Monon" has disposed of $750,000 of equipment trust certificates through bankers, the selling price representing a 4½ per cent basis. The Erie sold its recent issue of 5 per cent notes at 97, thereby obtaining its money at about 6 per cent. In view

THE
Chatham and Phenix National Bank
NEW YORK

Capital and Surplus
$3,000,000

All business under direct supervision of the officers.

LOUIS G. KAUFMAN, President.

GEO. M. HARD, Chairman of the Board.
F. J. HEANEY, Vice-President.
W. H. STRAWN, Vice-President.
A. M. BULL, Vice-President.
BERT L. HASKINS, Cashier.
H. L. CADMUS, Assistant Cashier.
N. P. GATLING, Assistant Cashier.
W. B. BOICE, Assistant Cashier.
H. C. HOOLEY, Assistant Cashier.

Your Account Solicited.

The Merchants National Bank Indianapolis Indiana
ESTABLISHED 1865
CAPITAL $1,000,000 SURPLUS FUND AND PROFITS, $900,000
Superior facilities for handling items on Indianapolis and State of Indiana.

New York State National Bank
ALBANY, N. Y.
Capital, $500,000 Deposits, $13,000,000 Surplus, $500,000
LEDYARD COGSWELL, President
LEDYARD COGSWELL, JR., 2nd Vice President LAURENCE H. HENDRICKS, Cashier
GEORGE A. WHITE, Asst. Cashier.
OVER 800 BANK DEPOSITORS IN THE UNITED STATES.

NATIONAL METROPOLITAN BANK
OF WASHINGTON, D. C.
Oldest National Bank in the District of Columbia
GEO. W. WHITE - - - President
CUNO H. RUDOLPH - - Vice-President GEORGE O. WALSON - - - - Cashier
O. H. P. JOHNSON - - - Vice-President I. GALES MOORE - - - - - Auditor

FIRST NATIONAL BANK
EUCLID AVENUE CLEVELAND
CAPITAL $2,500,000 Surplus and Profits $1,250,000
ACCOUNTS OF BANKS AND BANKERS, MERCHANTS AND CORPORATIONS, SOLICITED
SPECIAL ATTENTION TO COLLECTIONS
DEPOSITS $25,000,000

Planters National Bank RICHMOND VA.
ORGANIZED 1865.
Capital $300,000 Surplus and Profits (earned) $1,160,000
Deposits $5,500,000
SUPERIOR FACILITIES FOR COLLECTING VIRGINIA ITEMS.

Digitized by Google

of the fact that it is only about three years since the same road experienced difficulty in obtaining new money under 10 per cent, it is evident that the improved position of the system, both physical and financial, is bearing fruit. In the industrial list, the Railway Steel Spring Company has placed with bankers $3,500,000 of first mortgage 5s, to finance the purchase of the Inter-Ocean Steel Company.

TOBACCO PLAN

Recent developments in connection with the proposed reorganization of the American Tobacco Company certainly have done nothing to clear away the general feeling of uncertainty regarding the government's real attitude toward the corporations. The public seems inclined to receive the Tobacco plan with favor, but the independent tobacco dealers are determined to put up stiff opposition to the acceptance of the plan, and it looks as if they would be supported in part, at least, by those who are closely connected with the government's prosecution. The lawyers have arranged a plan which provides for the division of the greater part of the business among four companies, which shall be owned by the same people who own the Tobacco Company to-day. It is on this particular point that the independents base their chief ground for criticism, claiming as they do that the same ownership will not give competition.

A PUZZLING PROBLEM.

Yet it is not easy to see where it would be possible to pursue any plan differing radically from this one. The prosecution has not yet been able to discover a legal means of taking a man's stock away from him, and it is difficult to see just how the real management of the proposition would be changed, were the present American Tobacco Company divided into four parts or into forty. However, the recent history of the Standard Oil Company would indicate that the greater the number of divisions the better the chances for an acceptance of the plan. The suspicious readiness of "especial prosecutor" McReynolds to comment upon the Tobacco plan in somewhat offensive terms after Attorney-General Wickersham had been advised regarding these details without any enlightening comment on his part, indicates

A DIVISION OF OPINION

among the prosecutors as to the final outcome. Mr. McReynolds hastens to say that the plan is "fit only for the scrap-heap", but Wall street will not be willing to take his word for it until some better arrangement is devised. The prosecution is acting very much as if it were at a loss to know what to do next in the pursuance of the hair-splitting policy to which it is so evidently committed.

There is a growing tendency at times among investors as well as among professional Wall street operators to lay the blame for corporation misdeeds upon the government, to a greater extent than at any time within the last four years. The government's sin, according to this point of view, is a sin of omission in neglecting to insist upon

A STRICT ENFORCEMENT

of the law at the period when the trusts were forming in large numbers. These great corporation mergers were organized openly and with the tacit consent of the Federal authorities. Therefore, if the public is made to suffer through an excess of zeal on the part of the Department of Justice it will be as much on account of the shortsightedness of the government as because of the mask and blackjack methods pursued by the actual organizers of the trusts. If the present controversy shall bring about a more common sense attitude on the part of the government toward future combinations and the actual status of investors therein, this general unsettling of public confidence will not have been in vain.

LOOKING FOR LIGHT.

In the affairs of United States Steel Corporation, too, there has been a reflection of this feeling of uncertainty as to what the Federal authorities are likely to do next. Attorney-General Wickersham seemed disinclined to give anything but an evasive answer when asked for information regarding the plans of his department toward the Steel Corporation. That is the reason why Wall street has shown an inclination to sell Steel common, while purchasing other industrials. Great Northern Ore has shown a sharp decline which springs from the government attitude toward and interference with the relations existing between the Great Northern Ore Company and the United States Steel Corporation, which some years ago leased the ore lands on a royalty basis. Commissioner of Corporations Smith, in his report on the Steel Corporation takes exception to its control of ore lands and the movement of ore by its own railroads as being the particular elements in its operation which savor emphatically of monopoly. Wall street believes that the first of these two sources of criticism will shortly be removed by the abrogation of the ore land lease. Such a step, of course, would weaken the government case and go a long way toward taking the wind out of the sails of the Stanley Committee, which will probably direct its attention particularly to the second of these two reasons for criticism.

COTTON OIL BREAK.

For some time past American Cotton Oil common has been selling around a 10 per cent net dividend basis, thereby reflecting a general fear of a reduction in the dividend. This week has witnessed a further decline to 45¾, which represents a net return of nearly 11 per cent. At present writing, the annual report for the year ended August 31 last has not been submitted, and for that reason, the stock is especially susceptible to bear attacks, since it is known that the year was an unfavorable one from the viewpoint of the holders of the junior shares. In fact, I have heard it stated that the report will not only show nothing earned on the common stock but a deficit after the payment of the preferred dividend. Heretofore, the Cotton Oil management has shown a tendency to govern its dividend action quite as much by immediate prospects as by past performances, and inasmuch as the large cotton crop indicates a prosperous year for the company, the common shareholders may not fare nearly as badly as these stories would indicate.

THE FORECASTER.

FOURTH NATIONAL BANK.

At a regular meeting of the Board of Directors of the Fourth National Bank, of the City of New York, held October 17, Cornelius N. Bliss, Jr., was elected a director in the place of his father, the late Hon. Cornelius N. Bliss. Mr. Bliss is a member of the firm of Bliss, Fabyan & Company.

RESERVE AGENTS APPROVED.

The Nassau Bank, New York, has been approved as reserve agent for the Farmers & Manufacturers National Bank, Poughkeepsie, N. Y.

The Diamond National Bank, of Pittsburgh, Pa., has been approved as reserve agent for the First National Bank, of Alderson, West Virginia.

The Hanover National Bank, of New York, and the First National Bank of San Francisco, Cal., have been approved as reserve agents for the First National Bank, of Los Gatos, Cal.

The First National Bank, of Chicago, Ill., has been approved as reserve agent for the First National Bank, of Moscow, Idaho.

The National Bank of Baltimore, Baltimore, Md., has been approved as reserve agent for the First National Bank of Lonaconing, Md.

The Hanover National Bank, New York; First National Bank, Los Angeles, Cal.; Wells-Fargo Nevada National Bank, San Francisco, Cal., have been approved as reserve agents for the Placentia National Bank, Placentia, Cal.

The First National Bank, of Philadelphia, Pa., has been approved as reserve agent for the First National Bank of Shinglehouse, Pa.

The First National Bank, of Pittsburgh, Pa., has been approved as reserve agent for the Marine National Bank, of Buffalo, N. Y.

The American Exchange National Bank, of New York city, has been approved as reserve agent for the Fidelity National Bank, of Spokane, Wash.

The Eliot National Bank, Boston, Mass., has been approved as reserve agent for the Third National Bank, of Springfield, Mass.

The Bank of Pittsburgh National Association, of Pittsburgh, Pa., has been approved as reserve agent for the Citizens National Bank, Big Run, Pa.

The National Bank of Baltimore, Baltimore, Md., has been approved as reserve agent for the First National Bank, of Parsons, West Virginia.

The Central Texas National Bank, of Waco, Tex., has been approved as reserve agent for the Belton National Bank, Belton, Tex.

The Corn Exchange National Bank, of Chicago, Ill., has been approved as reserve agent for the First National Bank, of St. Joseph, Mo.

GREEN BAY, ALA.—A new bank is being organized at this place with a capital of $10,000.

Digitized by Google

ANSWERS JAS. J. HILL.

Mr. John V. Farwell, of Chicago, Defends Aldrich Plan at Meeting of Illinois Bankers' Association.

The criticism of the Aldrich plan by Mr. James J. Hill at the meeting of the Illinois State Bankers' Association, which we published in these columns last week, brought forth a spirited answer from John V. Farwell, the Chicago merchant, whose enthusiasm for the work of the National Citizens' League for the Promotion of a Sound Banking System, has led him to accept the presidency of that body.

Mr. Farwell agreed with Mr. Hill that any true currency reform must be divested of all political taint, but he

REFUSED TO ACCEPT

the veteran railroad builder's assertion that the problem of currency reform belongs exclusively to the bankers of the country.

Among other things, speaking of his association, Mr. Farwell said:

"While we do not refuse the co-operation of bankers, we are especially interested in organizing the business men and men of all occupations, whether farmers, mechanics or daily laborers. It is their problem, and it is their opinion and vote that will settle the question.

"As a League, we do not believe in a central bank doing a general banking business, like the Bank of England, but we do believe in what might be called a National Reserve Agency, controlled and managed so as to represent the Democratic spirit and the sound common sense of this nation.

"Such an agency will be useful not only in panics or to prevent panics, but will produce the expansion and contraction of credit and currency necessary for the yearly moving of the crops. Interest rates will not always be high in the fall and low in the spring, high in the western states and low in the East, but will be, in a measure,

EQUALIZED FOR ALL SEASONS

and localities.

"From this it is obvious that the National Reserve Agency is not a central bank, but simply a co-operatively owned machine for rendering liquid the good current commercial paper of all banks, and, also through concentration of the reserves, a steadfast bulwark against any possibility of a lack of confidence in the system.

"A good banking system must help to bring about general prosperity; it must help all sections and all classes. While a good tariff law, whether for revenue or protection, must of necessity be of more benefit to some than to others, and perhaps an injury to a few; a good banking law can only injure one class of people that I know of, and that is the bears on Wall street. Their business

WOULD UNDOUBTEDLY BE HURT,

and the panic bargain counter would, to a large extent, be put out of commission, but the rest of the community would not shed many tears over such misfortunes.

"I have heard from some sources the criticism that such a co-operative agency would in some way get under the control of the larger metropolitan banking interests, and that the small country banks would be injured.

"The League will not favor a bill improperly safeguarded as to the control, and wishes additional concrete suggestions from any one which will absolutely prevent such an agency from getting into the hands of any section or class, and at the same time keep it clear of political influence.

"As to the injury to

THE SMALLER BANKS,

I fail to see how such a thing is possible. Now they go to the correspondents in the reserve cities for rediscounts. With a jointly owned agency to rediscount their paper, they would have one more institution to go to, and that an organization in which they had a governing interest, and where, by provision of the law, all would have to be treated alike.

"This favors actual sales of goods, rather than speculation on Wall street, or elsewhere, and also helps the smaller towns, because banks in larger centres are apt to have a much larger proportion of bonds and less commercial paper than the banks in smaller communities. It would decentralize control of credit, and give to each section of the country its just proportion of credit facilities. Nothing else would be allowed, since publicity would prevent it.

"To my mind, it certainly

ASSISTS THE COUNTRY BANKS

more than it does the metropolitan banks. In that way it builds up the country town and by preserving the independence of the farmers and small merchants helps to secure the permanence of the republic.

"Times are none too good at present for the average business man, and many a person is out of a job because of curtailment in his line. Under such circumstances, it does seem as though the voters, and through them Congress, could be brought to understand that nothing is so fundamentally necessary to produce certain and unbroken prosperity as a good banking system."

GUARANTY TRUST SHOWS BIG GAIN.

The statement issued by the Guaranty Trust Company, of New York, as of September 29, in response to the call of the state comptroller, shows total deposits of over $161,000,000. This is a gain of $16,800,000 since June 7, the date of the last previous call. The capital, surplus and undivided profits of this, the largest trust company in America, amount to $26,600,000, and $160,000 has been added to the undivided profits since June 7, in addition to which a quarterly dividend has been paid amounting to $400,000. This is equivalent to 32 per cent per annum on the capital stock of $5,000,000.

BANKERS' TRUST COMPANY.

J. S. Alexander, president National Bank of Commerce, New York was elected a director of the Bankers' Trust Company of New York, at a meeting of the board, held October 16.

Mr. Charles H. Sabin, vice-president of the Guaranty Trust Company, of New York, returned from Europe October 13, on the White Star-Liner "Baltic". He had been abroad on a brief vacation, devoted entirely to recreation. Mr. Sabin has nothing to say regarding financial matters, except that in London on the way home he found the situation much improved.

ERNST & ERNST

CERTIFIED PUBLIC ACCOUNTANTS

AUDITS — BUSINESS SYSTEMS

ANNOUNCE the opening of their Cincinnati Office at 827-828-829 Union Trust Building. A permanent staff of trained accountants will be maintained at this office.

NEW YORK: HANOVER BANK BUILDING
CHICAGO: FIRST NATIONAL BANK BUILDING
CLEVELAND: SCHOFIELD BUILDING
CINCINNATI: UNION TRUST BUILDING

Digitized by Google

SAYS MEXICAN ROAD IS SAFE.

Mr. Arthur E. Stilwell, president of the Kansas City, Mexico & Orient Railroad, yesterday emphatically denied that political agitation is being waged with a view to cancelling the concession under which Mr. Stilwell's company is building the railroad in the state of Chihuahua.

"The fact is", said Mr. Stilwell, "that our concession comes from the general government of Mexico and not from the state government of Chihuahua. Last July, we made application for an extension of time under which to build the road, and one year was granted from January 1, 1912. This makes four years instead of three, as named under the original concession.

"Work was suspended during the insurrection, but we expect to resume operations there in a few days. We have no knowledge that certain contractors have refused to pay their men. We know that we have paid our contractors and have nothing to do with their relations with their labor. Our only connection with the government of Chihuahua consists in a subsidy which was raised for us through an issue of bonds."

PROPOSAL FOR BONDS.

KING COUNTY, WASH.—The board of county commissioners at Seattle will receive sealed bids until October 31, for $1,750,000, King County harbor bonds, denomination $1,000 each, dated November 1, 1911, maturing November 1, 1931, $175,000 worth of bonds being redeemible at the option of the county beginning November 1, 1921. Bids are asked for the full amount or one-half the issue. Bidders must state the rate of interest not exceeding 4½ per cent, payable annually, and the amount of premium in addition to accrued interest to be paid. Bids must be made on blanks furnished on application to the Columbia Trust Company of New York City, or the county auditor of King County, Seattle. Each bid must be accompanied by certified check for $20,000, payable to the order of the county auditor. According to 1910 census, the population of the county is 284,638; assessed valuation of taxable property, $258,508,006, real value (estimated), $575,000,000; total debt, not including this issue, $1,891,639; assets, $2,352,162.

CAPITAL GOING TO CANADA.

Very tangible evidence is daily coming to hand, that Canadians are not viewing the political and financial turmoil in the United States altogether as an unmixed evil. Incidentally, it is driving much capital across the border. So far as Boston and New England are concerned, it is safe to say that a greater number of investors are to-day seeking investments in Canada than ever before.

Many of these are investing in wheat lands, through the Canadian Pacific Railway, which, perhaps, offer greater inducements to-day than any other form of investment over the border. While, of course, it is obviously impossible for the average investor to take up residence in the West to supervise the operation of wheat lands, yet in the past year, many groups of small investors, ranging in their land holdings from 160 acres upward, have been organized for development purposes and are having their lands tilled under a resident manager. Individual farms are combined into groups of 20 sections each, or approximately 12,000 acres to be farmed and the land owners combine to defray cost of management and operation. In other words, they unite in scientific farming on a big scale. In addition to the annual revenue from crops, there is also a considerable annual profit through the increase in land values, in an investment of this kind.

Blanchard & Co., Incorporated, bankers, have removed to 15 Congress street, Boston, where they are occupying the entire second floor. The offices, of which there are several, are all finished in mahogany, and upon entering, one is impressed with the quiet and dignified atmosphere which is in keeping with the class of business carried on by the firm. The furniture is also of mahogany, and all in all, Blanchard & Company are to be congratulated upon the appearance of their new offices.

Dial Cash Register
Pay-As-You-Enter Car Co.
Columbia-Sterling Pub. Co.
Bought and Sold
C. W. GILMOR, 50 Broad St., N. Y.
Phone 3750 Broad. Use the wire.

UNLISTED & INACTIVE ISSUES
We are prepared to quote actual trading markets on unlisted or inactive investment issues.
Correspondence Solicited
E. BUNGE & CO. 20 BROAD STREET, NEW YORK
Cable Address, "Emetus, New York" Long Distance Phone 4735-4736 Rector

Assets Realization Company
Capital $10,000,000
Purchases Estates in Liquidation at any point in the United States
NEW YORK PHILADELPHIA CHICAGO

American Industrials Co.
Broad Exchange Building, New York
INVESTMENT SECURITIES.
6% Twenty Year First Mortgage Gold Bonds.
7 Preferred Stocks.
8% Preferred Stocks.

Hodenpyl, Hardy & Co.
BANKERS
7 Wall Street, New York
6% PREFERRED STOCKS A SPECIALTY

BODELL & CO.
PROVIDENCE, RHODE ISLAND
Boston Office, 35 Congress St.
Bonds and Preferred Stocks of Proven Value

GEO. D. COOK & CO
BANKERS
71 BROADWAY, NEW YORK
We make a Specialty of
Mexican Government and State Bonds

McCOY & COMPANY
Municipal and Corporation Bonds
181 LA SALLE STREET
CHICAGO

Boody, McLellan & Co.
111 BROADWAY, NEW YORK
MEMBERS OF NEW YORK STOCK EXCHANGE
Orders Executed for Investment or on Margin

We Have For Sale
First Mortgage Loans—3 Years 6%, 6½%, 7% Interest.
WM. D. PERKINS & CO., Bankers
No. 211 Cherry St., Seattle, Wash.
Established 1893
Oldest Bond House in Washington.

DOMINION BOND COMPANY LIMITED
MONTREAL TORONTO OTTAWA
LONDON, ENGLAND
Dealers in HIGH-GRADE CANADIAN BONDS
List on Application

5% BONDS
Guaranteed by
National Light Heat and Power Co
A. H. BICKMORE & CO.,
30 PINE ST., NEW YORK

6% Timber Bonds
Carrying With Them An Exceptionally Attractive Feature
American Finance & Securities Co.
5 Nassau Street New York

H. C. Gibbs & Co.
Gas and Electric Light Bonds
To yield 5% to 5 1-2%
60 State Street BOSTON

CIRCULAR ON MISCELLANEOUS UNLISTED MILL AND MANUFACTURING SECURITIES
SENT UPON REQUEST
HORNBLOWER & WEEKS, 60 Congress St., Boston

Digitized by Google

The Cotton Exchanges

A Comparison Between the Methods of the New Orleans and New York Exchanges.

New Orleans, Oct. 12, 1911.

ED. UNITED STATES INVESTOR:

In response to your favor of October 7, the differences between the methods of the New Orleans and New York cotton exchanges are:

1. In quoting the spot market, which is the basis of settlements for future contracts.

2. In certification of cotton delivered on contracts.

3. In standards of classification.

In the first instance, the New York cotton exchange makes no quotation, except for middling cotton. All other grades above and below middling are

ARBITRARILY PRICED

at so much "on" or "off" middling, regardless of the actual selling values of such grades.

Twice in each year, these arbitrary differences are fixed by a committee and maintained, regardless of any changes that may occur in the relative actual market values of the grades thus fixed between the times of committee meetings. The first meeting is on the second Wednesday of September, and the second meeting, on the third Wednesday of November.

THE RULE READS:

"The committee shall on the day of meeting consider a report from the committee on spot quotations as to the state of the market, also suggestions and opinions that may be represented by members, whether in writing or verbally, and shall establish the differences in value of all grades on or off, as related to middling cotton, which shall constitute the rates at which grades other than middling may be delivered on contract."

FOR EXAMPLE,

taking a 500-pound bale as a basis, the committee met on the second Wednesday of September, 1911, and decided that low middling delivered on New York future contracts should be paid for at 60-100 of a cent, or $3 per bale, under the price of middling, which valuation was to hold good with no change, whatever, no matter what the actual price of low middling, as compared with middling, might be between September 8 and November 15, the dates of the two yearly meetings.

The committee will meet again on November 15, and decide upon relative values on or off the value of middling, and these differences must hold from November 15, 1911, until September 8, 1912,

NEARLY TEN MONTHS;

no matter how the market values may be affected, as compared with middling by a superabundance or scarcity of the grades above and below the middling grade, if the fiat is put forth that the low middling delivered must be paid for at the rate of $3 a bale under middling and middling fair at the rate of $5.50 a bale over middling, even though at the time of delivery low middling may be worth $4 a bale less and middling fair $6 or more over middling.

Barring the market changes in the basic grade, (middling), which move all of the other grades up or down automatically, the bales may be likened to

A SET OF POKER CHIPS

of various denominations, the relative values of which never change, middling say representing a red chip and the other grades the whites, blues, etc. In brief, the fixed differences as a basis for future contracts produce a more or less artificial "market" inelastic as a basis for hedging the vast amount of spot business during the active season with unequal advantages as between sellers and buyers, the seller being protected against any change in the actual commercial differences, and the buyer taking all the risks which the seller escapes. It will be readily understood how this affects the spinners who buy contracts for raw cotton as hedges against forward contracts for the delivery of goods.

The New York system of

CERTIFICATION OF COTTON

is inelastic. Certificates of grade give the marks of bales, lot numbers and number of bales of each grade, etc.

After a lot of cotton has been given a lot mark, then inspected and certificated, such lot cannot be changed even by the removal of one bale therefrom without invalidating the entire certificate and necessitating re-inspection of the entire lot, fees being charged for all re-inspected cotton It is true that after inspection certificates may be issued for several marks aggregating, say, one contract, one lot of these several marks may be removed, and another lot of equal number of bales can be inspected and certified to replace the lot so removed, but this can only be done where there are several separate lots and marks making a contract.

THE TYPE STANDARDS

of the New York cotton exchange are their own, and copies cannot be had by the public at any price. These standards, the president of the New York cotton exchange states, are "equal to the Standard American classification (as exactly as experienced men can determine it) as adopted by all the American exchanges in 1874." "This will be so," the president states, "until such time as other carefully established standards may be substituted therefor."

That is to say,

THE PRESENT STANDARDS

of the New York cotton exchange are those which represented the views and opinions of the cotton trade 37 years ago, when the cotton crop was 3,832,991 bales, since which the methods of production have not only radically changed, but the general style improved, and the quantity increased more than three-fold. It is true that a spade may be a spade for all time, but there is such a thing as changing the shape, quality and adaptability of a spade as time progresses.

In reference to quoting spot cotton,

THE NEW ORLEANS EXCHANGE

quotes daily all grades according to the actual market therefor.

In the quotations, each grade stands on its own merits without reference to the prices of other grades. If middling sells to-day at 10 cents, and low middling at 9¼ cents, and middling to-morrow at 10 cents, and low middling at 9 7-16, they are so quoted. The spot prices which are the

BASIS FOR DELIVERY

of cotton sold on contracts, are given for each and every grade as nearly as it is humanly possible to state them.

There are, as stated in the evidence printed in the "Report of the United States Commissioner of Corporations on Cotton Exchanges (part 1, 'page 285)' two fluctuations, one the general tendency of the market, and the other, the differences of grades which are affected by the growing conditions."

The New Orleans cotton exchange takes the stand that it has no more right to fix one fluctuation in the market than it has the other, but both should be stated as they are, in strict accordance with truth. This is what is known as quoting according to

COMMERCIAL DIFFERENCES.

Under this system, the risk is not greater to the buyer than to the seller, and vice versa. The simple fact is that both the general tendency of the market and "the relative values of the various grades vary under the natural working of the law of supply and demand." The operator is thus left free to form his own judgment as to the operation of natural causes without interference by arbitrary ruling or enactments.

All that is required of an exchange is "the truth and nothing but the truth."

THE CERTIFICATE SYSTEM

of the New Orleans cotton exchange is framed to afford strict justice with no undue advantage to either deliverer or receiver. It was adopted by the members of the exchange, with the necessary changes in rules, after the whole subject had been thoroughly considered and discussed during a period of more than four months by a committee of 17 members, made up of the best-informed cotton merchants, who represented every branch of the cotton trade; after the committee had invited and received suggestions from the planters, the spinners and from several southern cotton exchanges, and after Herbert Knox Smith, commissioner of corporations, who, under Congressional resolution, had recently made an exhaustive and searching investigation of the cotton exchanges, and of the faults in the modern system of future trading, had pronounced his unequivocal approval of the findings and conclusions of the committee.

THE FUTURE TRADING

department of the exchange is, therefore, conducted under rules and along lines approved by the best-informed experts in the cotton business, and sanctioned by an exclusive depart-

Digitized by Google

ment of the government of the United States.

As stated by President William H. Thompson in a published statement "The cardinal

SIGNIFICANCE OF THE CHANGES

mentioned lies in the public acknowledgment of the exchange of its obligation to the public or to that part of the public which trades through the exchange, or to those whose interests are affected by the trading carried on under its rules. Corporate arrogance and disregard of the interest and rights of others, not stockholders or members of the corporation, is not only wrong in point of business morals, but unwise in point of business policy. The cotton exchange willingly acknowledges its obligation to the producer of cotton, to so use its power that the producer may realize the full value of his product; it recognizes its obligation to the manufacturer to lend its aid to the bringing about of stable and uniform market conditions, to the end that he may conduct his business with profit to himself and to the advantage of the consumers of his product; it

RECOGNIZES ITS OBLIGATION

to all traders to secure, insofar as lies within its power, a fair, just and equitable market for buyer and seller alike; it recognizes that it has no interest that is in opposition to the best interests of the cotton trade at large, but that it will thrive and prosper only insofar as it fulfils its proper function and discharges its duty and obligation to the cotton trade; and finally, in order that it may so perform its proper function and so discharge its duty and obligation, it takes counsel of all who, by reason of interest or experience, are entitled or qualified to point out the mistakes of the past and to advise present and future betterments, and upon such criticism and advice it bases its conclusions and formulates its plans."

The certificate system of the New Orleans cotton exchange is now nearing the end of its second year.

At the close of the first year, the committee on supervision and deliveries reported that

"UNDER THE NEW RULES,

the exchange employs a board of classifiers, consisting of from three to seven recognized experts, who are paid salaries fixed by the board of directors, and whose services are entirely at the disposition of the exchange during each business day, and and who are not engaged in any occupation other than classing for the exchange. It also employs samplers and inspectors, the classing, sampling and inspecting of all cotton delivered on contract being done by the exchange, which issues certificates of grade, the inspection bureau guaranteeing the grade by the inspection fund. These certificates

SPECIFY THE NAME

of the press or warehouse, the number or letter of the warehouse receipt, the marks of bales, the lot or tag number or numbers, whether compressed or uncompressed (the inspection fund not being responsible for compressing), and the number of bales in each grade.

"Under this system receivers may separate for shipment any bale or number of bales in a contract (as each bale has its own tag number and class) for use on various orders requiring particular grades of cotton. Thus, every possible facility is given to both deliverers and receivers of cotton on contracts, bringing the contract and spot business into the closest possible accord and simplifying the business so that the advantages to deliverer and receiver are equal. In a word, the business

HAS BEEN SIMPLIFIED,

so that it does not require expert knowledge to either receive or deliver cotton on contract."

In brief, a spinner receiving cotton on contact in New Orleans (and nothing but spinnable cotton can be delivered) can pick out the precise bales (as the class and number of each bale is given on the reverse of the certificate) he may need, obtain a certificate for the remainder free of charge which he can either re-deliver on contract or re-sell on the market at the price at which he received the cotton plus or minus any change in the market between the time of receipt and the date of re-sale. His good ordinary, low middling, good middling, etc., will stand to him at the prices, and at the differences then existing without arbitrary deductions or additions characteristic of "fixed differences". He

GETS WHAT HE BUYS,

good, sound, merchantable cotton.

The type standards of the New Orleans cotton exchange are those prepared by the Department of Agriculture under the act of Congress, authorizing and directing the Secretary of Agriculture to establish official standards for cotton. The

PROVISION OF THE LAW

is as follows:

To enable the Secretary of Agriculture to establish a standard for the different grades of cotton, calling to his assistance for that purpose expert cotton classifiers, by fixing a standard of midding cotton and using the same as a basis, establishing a standard of nine different grades to be designated middling fair, strict good middling, good middling, strict middling, middling, strict low middling, low middling, strict good ordinary and good ordinary, which shall be the official standard of cotton classifications. And the Secretary of Agriculture is authorized and directed to prepare in practical form the standard of said grades, and furnish the same upon request to any person, the cost thereof to be paid when delivered by the person requesting the same, and certified under the signature of the said secretary, and the seal of his department.

"A committee

REPRESENTING EVERY BRANCH

of the cotton industry, was convened in Washington to fix upon and prepare samples of nine official grades of White American cotton, as required by law. Standards and types of grades actually in use had been previously secured from numerous cotton exchanges and markets in this country and in Europe, and every assistance was given the committee and its expert classifiers in the performance of their work. This committee submitted a unanimous report to the secretary, fixing the grades and recommending that they be not promulgated prior to September 1, 1910."

Upon the national standards are based the official quotations of the New Orleans cotton exchange, and all deliveries on future contracts.

Inasmuch as these

STANDARDS ARE OBTAINABLE

by any one who so desires on payment of a small cost, every buyer of contracts on the floor of the New Orleans cotton exchange who takes the cotton, knows in advance what he will get within the limit of the grades specified in the contract. There can be no possible equivocation or evasion; no expert advantage on part of either deliverer or receiver; no substitution of an inferior or trashy article which cannot be re-delivered if so desired or re-sold at the market price of sound merchantable cotton without deductions on account of extraneous causes.

Under these standards, and the terms of the contract, there can be

NO DELIVERIES OF TRASHY,

undesirable stuff accumulated from the fag end of a crop, tendered either for the purpose of unduly depressing the price of contracts or to palm off an article which cannot hold in a fair and honest quotation of the cotton market.

In your letter, you say the impression seems to be that a buyer of options at New Orleans can secure the actual cotton for which he contracts. That

IMPRESSION IS CORRECT;

the buyer can secure "full measure running over". New Orleans is situated within a radius of a few hundred miles of fields, which produce more than 50 per cent of the South's cotton crop, nearly all of which can be made available for delivery on contracts, should circumstances warrant. As it is, more than that amount of the cotton crop is annually hedged on the floor of that exchange in the various stages of transit between the producer and consumer, probably about 75 per cent of its enormous business in future contracts being for that purpose.

Yours very truly,

HENRY G. HESTER, Secretary.

BANK ITEMS.

DODSON, MO.—The Peoples State Bank is organized. F. C. Self, of Dodson; A. C. Ellis, of Rich Hill; J. M. Smith, G. E. Ricker and L. C. Smith are interested.

LOS GATOS, CAL.—The First National Bank of Los Gatos has been chartered with a capital of $25,000. Chas. N. Cooper is president; Zedd S. Riggs, vice-president, and Milton Allison, cashier.

PURDY, MO.—The Purdy State Bank has made application to convert into the First National Bank of Purdy, with a capital of $25,000.

INDIANAPOLIS, IND.—The National City Bank, of Indianapolis, has been organized with a capital of $1,000,000. F. M. Millikin, A. A. Barnes, J. P. Goodrich, Wm. L. Taylor, G. T. Dinwiddie, F. J. Newby, W. J. Richards, J. R. Welch and J. W. Clark are interested.

Digitized by Google

For Trustees and other conservative Investors desiring

A Tax-Exempt Investment in Massachusetts

we offer, subject to sale at 100 and interest, a Five Per Cent. Bond, secured by a First Mortgage on income producing Real Estate in Haverhill, Massachusetts

To Net 5 Per Cent

$200,000

HAVERHILL BUILDING TRUST

(HAVERHILL, MASS.)

Building, No. 2

First Mortgage 5% Sinking Fund Gold Bonds Due September 1, 1936

ISSUED IN $500 AND $1,000 PIECES

Principal and interest payable at the office of the Trustee under the Mortgage.

THE LIBERTY TRUST COMPANY, BOSTON, MASS.

These bonds may be registered as to principal and are subject to call for the investment of the sinking fund accumulations at 105 and interest.

CAPITALIZATION

CAPITAL STOCK (fully paid)	**$200,000**
FIRST MORTGAGE Sinking fund **BONDS** (a closed mortgage)	**$200,000**

These Bonds are Tax-Exempt in Massachusetts

RECOMMENDATION.

We recommend the bonds of the Haverhill Building Trust, as an exceptionally safe and conservative investment for the following reasons:

1. They are fully secured by real property of ample value and on which full fire insurance will be carried and by property located in the center of the growing City of Haverhill.

2. There has been paid in on the stock of the Haverhill Building Trust back of these bonds $200,000 which represent the equity.

3. The Trust can advantageously lease its property to various tenants for a net rental equal to the interest on the bonds, all the charges of the Trust and a surplus equal to over 7½% on its stock.

4. Also, for a very important reason that by the action of the sinking fund, the mortgage securing these bonds is being steadily reduced, thus annually increasing the equity in the property and the security and value of the principal in these bonds.

5. A purchaser of these bonds will own a tax-exempt investment as the Trustee pays the taxes.

PRICE, 100 AND INTEREST, YIELDING 5% FREE OF TAXES IN MASSACHUSETTS.

BURGESS, LANG & COMPANY

50 STATE STREET, **BOSTON.**

Long Distance Telephones, Fort Hill 3700, 3701, 3702

34 PINE STREET, **NEW YORK.**

Long Distance Telephones, John 2417, 2418, 2419

Private Telephone to New York.

Digitized by Google

Exchanging Dollars For Prospects

An Investor Subscriber Suggests a Proposition With Attractive Possibilities—Selling Republic Steel Preferred at 85, and Buying Bethlehem Steel Preferred 30 Points Lower—Two Progressive Concerns Which Should Do Well—Is an 8 Per Cent Dividend Return Preferable to a 40-Point Advance in Prices?—Parallel Record of Bettered Financial Condition, Strengthened Trade Position and Growing Stability of Earnings—President Schwab's Views on Bethlehem Preferred Dividends.

New York, N. Y., Oct. 13, 1911.

ED. UNITED STATES INVESTOR:

Through your columns kindly advise what you think of exchanging Republic Steel preferred at present prices and buying Bethlehem Steel preferred, the difference in price covering loss of Republic dividends for two to three years. What do you think of the future of Bethlehem Steel preferred with all the bonds ahead of same? A. S.

My correspondent, evidently enough, is a man who is not at all averse to taking a chance, to releasing the bird in the hand, provided that action will improve his chances of ensnaring the two in the bush. Here he proposes an exchange of an issue paying 7 per cent for one which is paying nothing, and has paid nothing for the past four years, being willing to sacrifice the immediate return for the sake of the great possibilities for future speculative possibilities, which attach themselves to the non-dividend-paying issue. The question is, is the game worth the candle?

A SUBSTANTIAL RETURN.

To begin with, in Republic Iron & Steel preferred, the inquirer has a stock which, for a preferred issue paying all that it is entitled to pay in the way of dividends, possesses speculative possibilities above the average. At 85, the present price, Republic Steel preferred gives a net yield of 8.23 per cent. United States Steel Preferred, paying the same rate of dividends, sells about 25 points higher, and yields less than 6¾ per cent. In fact, as the column of "Best Purchases on the Industrial List", to be found on another page, will show, there is no other 7 per cent preferred issue on the list giving a return as substantial as this. Eight months ago, these shares sold at 99¾, and two years ago they were as high as 110. It is, therefore, not at all unreasonable to expect that sooner or later they will sell from 15 to 25 points above their present level.

THE DIVIDEND RECORD

of these shares is somewhat checkered, reflecting marked ups and downs of prosperity. Organized in 1899, the company paid 7 per cent on its senior issue from that time up to and including 1903, but the 1904 upset in trade conditions compelled a cutting off of disbursements, which were not resumed until late in the following year, only one quarterly dividend of 1¾ per cent having been paid in 1905. In 1906 and 1907, prosperous trade years, the company not only paid the 7 per cent cumulative dividends on the preferred, but also disbursed in the form of deferred payments 7¾ per cent in 1906, and 6 per cent in 1907. By that time, another trade reaction had set in, and it was again found necessary to cut off dividends after two 1¾ per cent quarterly payments had been made in 1908. In 1909, regular dividends were resumed, and two quarterly distributions of 1¾ per cent each were again made, the 7 per cent regular rate having been maintained up to the present time. In July, 1909, the directors declared a dividend of 6¾ per cent on the preferred, in installments (to be represented by warrants), as follows: ¾ of 1 per cent on October 1, 1909, and 1 per cent on each October 1 from 1910 to 1915. This dividend covers the full amount of accumulation on the preferred to July 1, 1909, since which date there has been no further break in the record

PREFERRED DIVIDENDS EARNED

For the fiscal year ended June 30 last, the Republic Company earned 9.69 per cent on the preferred, as

NOTICE TO BOND BUYERS

City of Sioux Falls, South Dakota

Sealed bids will be received by the Board of Commissioners of the City of Sioux Falls, South Dakota, until Tuesday, November 7th, 1911, at 11 o'clock A. M., for the purchase of $200,000 (Two Hundred Thousand) of Sewerage Bonds of the City of Sioux Falls, South Dakota, for the purpose of constructing and maintaining a system of sewerage for the City of Sioux Falls. Said bonds to be in denominations of Five Hundred Dollars each, to run twenty (20) years from the date of their issuance, and shall bear interest at the rate of five per cent per annum, interest payable semi-annually; principal and interest payable in lawful money of the United States of America, in the City of New York. Bonds will be delivered at the office of the City Auditor of the City of Sioux Falls.

A certified check of Five Hundred Dollars payable to the City Treasurer of the City of Sioux Falls, must accompany each bid, and bids must be endorsed "proposals for Sewerage Bonds". The Board of Commissioners reserves the right to reject any or all bids. Information will be furnished on application, by the City Auditor of the City of Sioux Falls.

Dated at Sioux Falls, South Dakota, this 9th day of October, 1911.

WALTER C. LEYSE,
City Auditor of the City of Sioux Falls, So. Dak.

NOTICE TO BOND BUYERS

City of Sioux Falls, South Dakota

Sealed bids will be received by the Board of Commissioners of the City of Sioux Falls, South Dakota, until Tuesday, November 7th, 1911, at eleven o'clock A. M., for the purchase of One Hundred Thousand Dollars of Water Bonds of the City of Sioux Falls, South Dakota, for the purpose of providing water for domestic uses for said City. Said bonds to be in denominations of Five Hundred Dollars each, to run twenty (20) years from the date of issuance, and shall bear interest at the rate of five per cent per annum, interest payable semi-annually; principal and interest payable in lawful money of the United States of America, in the City of New York. Bonds will be delivered at the office of the City Auditor of the City of Sioux Falls, South Dakota.

A certified check of Five Hundred Dollars, payable to the City Treasurer of the City of Sioux Falls must accompany each bid, and bids must be endorsed, "Proposals for Water Bonds". The Board of Commissioners reserves the right to reject any and all bids. Information will be furnished on application, by the City Auditor of the City of Sioux Falls.

Dated at Sioux Falls, South Dakota, this 9th day of October, 1911.

WALTER C. LEYSE,
City Auditor of the City of Sioux Falls, So. Dak.

against 11.61 per cent in 1910; 7.98 per cent in 1909, and 9.65 in 1908. This gives an average of 9.72 per cent earned for the last four years. The current fiscal year started off auspiciously, and even the slackening up in trade conditions has not served to discourage the insiders, some of whom are still confident that the current fiscal year will be one of the best since the companys' organization. The import of this may be explained by the statement that in 1907 there was over 18 per cent earned on the preferred, while in 1906, and again in 1903, over 13 per cent was shown.

The Republic Iron & Steel Company is a progressive organization, which, according to its last annual report has net liquid assets of approximately $11,000,000, this

STRONG FINANCIAL POSITION

being all the more remarkable in view of the vast improvements the Republic properties have undergone within the past three years. The company's record may be summarized in these words: Within the last 12 years, it has earned an average of more than 10 per cent for its preferred stock, has expended approximately $17,000,000 in dividends, and more than $21,000,000 for new construction.

The Bethlehem Steel Corporation in 1910 earned 13.5 per cent on its preferred stock, as compared with 5.37 per cent in 1909, and 2.4 per cent in 1908. The average earned on this issue since the present company was formed in 1904 to rehabilitate the old United States Shipbuilding Company has been 9.84 per cent. In this respect, there is

A STRIKING SIMILARITY

to the performances of the Republic Company. During that time, however, only 10¼ per cent has been paid in dividends, 3½ per cent having been paid in 1905; 6 per cent in 1906, and ¾ per cent in 1907. The Bethlehem Steel Corporation, under the direction of Charles M. Schwab, who, by the way, owns nearly 40 per cent of the preferred stock, and nearly 20 per cent of the entire capitalization, has been building along lines which will assure permanent dividends to preferred shareholders, probably within the three-year period mentioned in my correspondent's communication. For the immediate future, President Schwab seems inclined to discourage dividend expectations, as indicated by these words taken from the annual report:

"The question of payment of dividends has had the careful consideration of your Board of Directors, with the result that it has thus far been considered unwise to distribute any of the earnings. As has been stated in this and previous reports, large expenditures have been necessary since the formation of your corporation to extend its commercial business, and render its earning capacity less dependent upon the irregular government and specialty business, which prior to that time had been the principal business of the Bethlehem plant. As that class of business was very uncertain, it was of more importance that the stability of the earning powers of the stockholders' investment be assured, than that dividends be paid during the early years of the corporation. It was found necessary to pro-

OFFICIAL ADVERTISEMENT

AMENDED NOTICE OF SALE

$1,750,000.00

King County, Washington, Harbor Bonds

NOTICE IS HEREBY GIVEN, that the Board of County Commissioners of King County, Washington, will receive sealed bids up to 12 o'clock, M., of

OCTOBER 31, 1911

at their office in the County Court House at Seattle, Washington, for the sale of $1,750,000 King County Harbor Bonds, of the denomination of $1,000 each, to be dated November 1, 1911, and maturing November 1, 1931. Bonds are redeemable at the option of the County as follows:

Bonds numbered	1 to 175	on or after November 1, 1921.
Bonds numbered	176 to 350	on or after November 1, 1922.
Bonds numbered	351 to 525	on or after November 1, 1923.
Bonds numbered	526 to 700	on or after November 1, 1924.
Bonds numbered	701 to 875	on or after November 1, 1925.
Bonds numbered	876 to 1060	on or after November 1, 1926.
Bonds numbered	1061 to 1225	on or after November 1, 1927.
Bonds numbered	1226 to 1400	on or after November 1, 1928.
Bonds numbered	1401 to 1575	on or after November 1, 1929.
Bonds numbered	1576 to 1750	on or after November 1, 1930.

Bids are asked for the full amount of said bonds and also for one-half of said full amount; that is, for bonds numbered 1 to 875 both inclusive.

Interest on said bonds shall be due and payable annually on November 1st, and both principal and interest shall be payable in gold at the office of the County Treasurer or at the Fiscal Agency of the State of Washington in the City of New York, at the option of the holder. Bidders must state the rate of interest to be borne by the bonds, which shall not exceed 4½ per cent, and the amount of premium in addition to accrued interest to be paid. No bid of less than par will be received, and the Board of County Commissioners reserves the right to reject any and all bids. Bids must be made on blanks which will be furnished on application to the Columbia Trust Company of New York City or the County Auditor of King County, at Seattle, Washington, and accompanying each bid must be a certified check for $20,000 on a National bank or Trust Company, payable to the order of the County Auditor of King County, Washington.

The bonds will be engraved under the supervision of and certified as to their genuineness by the Columbia Trust Company, and the legality of the bonds is being examined by Caldwell, Masslich & Reed, Esqs., of New York City, whose opinion will be furnished to the purchaser.

Delivery of the bonds will be made in New York, Boston, Cincinnati or Chicago, at the purchaser's option, on December 15th, 1911, unless an earlier date should be mutually agreed upon.

Dated at Seattle, Washington, this 17th day of October, 1911.

OTTO A. CASE.

County Auditor and Clerk of Board of County Commissioners of King County, Washington.

FINANCIAL STATEMENT

Assessed valuation of taxable property	$258,508,006
Real valuation (estimated)	575,000,000
Total debt, not including this issue	1,891,639
Assets	2,352,162
Population, 1910 census	284,638

These bonds are authorized by Chapter 3 of the Laws of 1911 of the State of Washington, to be issued in the manner and form and as provided by Sections 5081 to 5091, both inclusive, of Remington & Ballinger's Annotated Code and Statutes of Washington. The conformity of the Election held November 5th, 1910, under which they are issued, with the former Act has been sustained by the Supreme Court of Washington. (Blaine vs. Hamilton, 116 Pacific Reporter 1076).

Digitized by Google

Municipal Bond Sales

MUNICIPALITY.	Date of sale.	Classification of bonds.	Amount.	Rate of interest. Per cent.	Maturity.	Sales price.	Purchaser.	Income basis.
Concord, Mass	Oct 9	School	$40,000	4	**1-30	103.07	Estabrook & Co., Boston	3.67
Concord, Mass	Oct 9	Water	12,500	4	**2-22	103.07	Estabrook & Co., Boston	3.67
Milford, Mass	Sept 29	Sewer	30,000	4	**1-15	102.17	E. M. Farnsworth & Co., Boston	3.684
Attleboro, Mass	Oct 10	Sewer	100,000	4	*1942	101.156	Estabrook & Co., Boston	3.716
Westfield, Mass	Sept 30	Highway	15,000	4	**1-10	101.45	Estabrook & Co., Boston	3.727
Westfield, Mass	Sept 30	Gas & elec. Plt	10,000	4	**1-10	101.45	Estabrook & Co., Boston	3.727
Westfield, Mass	Sept 30	Gas & elec. Plt	15,000	4	**1-14	101.45	Estabrook & Co., Boston	3.727
Westfield, Mass	Sept 30	Lockup	8,000	4	**1-8	101.45	Estabrook & Co., Boston	3.727
Binghamton, N. Y	Oct 4	Fire Dept.	20,000	3½	*4	par	Water Commissioners, Binghamton	3.75
Beverly, Mass	Oct 6	Sew Dist No 3	5,000	4	**2-7	100.57	Blake Bros. & Co., Boston	3.79
Lexington, Mass	Oct. 4	Water	7,000	4	**5-9	100.4	Adams & Co., Boston	3.883
Ashland, Ohio	Oct. 2	Street imp	4,500	6	*1½	105.19	Farmers Bank, Ashland	3.90
Cuyahoga County, Ohio	Oct. 7	County	200,000	4	*11	100.144	Harris, Miller & Co., Cleveland	3.983
Blackduck, Minn	Oct. 10	Improvement	30,000	6	par		State	6
Buffalo, N. Y	Oct. 6	School	50,000	4	1921	par	Private Investors	4
Buffalo, N. Y	Oct. 6	Water	100,000	4	1931	par	German American Bank	4
Buffalo, N. Y	Oct. 6	Park	100,000	4	1-30-50	par	Marine Nat. Bank, Buffalo	4
Crawfordsville, Ind	Oct. 7	Electric light	25,000	4		par	J. F. Wild & Co., Indianapolis	4
Ashland, Ohio	Oct 9	Street imp	4,500	5	*1½	101.88	Ashland Bank & Sav. Co., Ashland	4.02
Syracuse, N. Y	Oct 10	Municipal imp	14,000	4½	*12 2-3	102.3	Dietz & Webb, New York	4.257
Parnassus, Pa	Oct 6	Improvement	22,000	4.50	17-36	100.676	Logan Trust Co., New Kensington	4.341
Jamestown, N. Y. Sch. Dist	Oct 9	Building	125,000	4½	*93	101.192	Harris, Forbes & Co., New York	4.348
Belmont County, Ohio	Oct 10	Road	12,000	5	*5	101.169	Spitzer and Mayer, Cincinnati	4.37
Newburg, N. Y	Sept 23	Street imp	25,000	4.60	**1-10	par	Newburg Savings Bank	4.40
Jefferson, Dane	Oct 9	Wat. wks. imp	5,000	4½	**5-12	101.90	L. C. & R. D. Jumper, Jefferson	4.402
Portland, Ore	Oct. 5	Dock	50,000	4½	1930	101.81	Portland Trust Co., Portland	4.403
Warwick, N. Y	Oct 4	Water	2,500	4½	15-11	101.99	C. S. Lazear, Warwick	4.454
Watervliet, N. Y	Oct 3	School imp	10,000	4½	**14-18	100.25	W. N. Coler & Co., New York	4.47
So Glens Falls, N. Y	Oct 10	Sewer	40,000	4½	**1-10	100.237	Adams & Co., New York	4.471
La Rue, Ohio	Oct 9	Street imp.	22,500	5	*7	105.94	Otis & Hough, Cleveland	4.48
McLean County, Ill., Sch. Dist. No. 249	Oct 2	Building	24,000	5	*15	105.80	S. A. Kean & Co., Chicago	4.483
New Boston, Ohio	Oct 7	Street imp	1,200	4½	*11½	100.12	Old Colony Bank, Portsmouth	4.498
Marquette, Mich	Oct. 11	Light & power	200,000	4½	**21-7	par	First National Bank, Marquette	4.50
Smithtown, N. Y.	Sept. 27	Town Hall	9,000	5	*1-25	par	Bank of Smithtown	4.50
Martinez, Cal	Oct 9	Town Hall	15,000	5	**1-20	105.676	Leonardo Fontanilla	4.63
Martinez, Cal	Oct 9	Waterst't imp	15,000	5	**1-20	105.676	Leonardo Fontanilla	4.63
Martinez, Cal	Oct 9	Municip. wh'f	8,000	5	**1-20	105.676	Leonardo Fontanilla	4.63
Webb City, Mo	Oct 2	Funding	13,000	5	5-10-20	par 501	B. T. Holz & Co., Chicago	4.676
Watertown, S. D., S. 2, Dist	Sept 19	Building	9,000	5	**1-30	101.03	Citizens Inv. Co., Minneapolis	4.796
Bascom, Ohio	Sept 25	Refd'g b'ds & w	25,000	5	20-1	101.112	Wm. R. McNeal & Moore, Chicago	4.912
Cumberland County, Tenn	Oct. 4	Road	40,000	5	20-1	101.027	H. Lloyd & Co., Chicago	4.92
Carter County, Tenn	Oct 6	Road	60,000	5	1-41	101.45	H. C. Speer & Sons Co., Chicago	4.922
Jenny Gap	Oct 11	Water works	20,000	5	**5-25	100.25	Illinois Trust Co., Atlanta	4.95
Pulaski, Tenn	Sept 30	City	20,000	5	1931	101.50	First Nat. Bank, Nashville, Tenn.	4.96
Platte, S. D	Oct 9	Refunding	14,000	5	1921	100.178	H. S. Speer & Sons, Chicago	4.98
Ephraim, Utah	Oct 2	Water works	20,000	6	10-20	par	State	6
Fayette, Utah	Oct 2	School	1,500	6	15-20	par	State	6
Price, Utah, Sch. Dist. No. 6	Oct 2	Building	7,000	6	5-10	par	State	6
Redmond, Utah, School District No. 6	Oct. 2	Building	6,000	6	1-20	par	State	6
Sterling, Utah, School District	Oct. 2	Building	1,250	6	1908	par	State	6
Upland, Neb	Sept 28	Water works	10,000	6	5-20	par	State	6
Payette, Ida.	Oct 2	Municip. bldg	14,000	5½	10-20	par	Tobt Sawyer & Co., Chicago	5.50
Payette, Ida.	Oct 2	Bridge	5,000	5½	10-20	par	Tobt Sawyer & Co., Chicago	5.50
Payette, Ida	Oct 2	Sew. dist. No. 2	5,000	5½	10-20	par	Tobt Sawyer & Co., Chicago	5.50
Hobart, Okla	Sept 26	Water ext	20,000	5½	1926	96.50	Green County Investment Co.	5.52
Hobart, Okla	Sept 26	City Hall	40,000	5½	1926	96.50	Green County Investment Co.	5.52
Hobart, Okla	Sept 26	Park	20,000	5½	1926	96.50	Green County Investment Co.	5.52
Kern County, Cal., Edison Sch Dist	Oct. 3	Building	3,000	6	*5	101.33	First Nat. Bank, Bakersfield	5.678
Baker, Oregon	Sept. 30	Street imp	15,270	6	1921	104.38	Wm. Phillips Baker, Ore.	5.65
St. Johns, Oregon	Sept. 30	Improvement	20,000	6	1921	101.25	Security Sav. Bk. & Tr. Co., Toledo	5.82
Barker, Oregon	Sept. 30	Street imp	16,995	6	1921	101.13	Security Sav. Bk. & Tr. Co., Toledo	5.85
Barker, Oregon	Sept. 30	Street imp	23,114	6	1921	101.13	Security Sav. Bk. & Tr. Co., Toledo	5.85
Lexington S. C. School District No. 1	Sept. 25	Building	10,000	6	*10	101.85	Security Sav. Bk. & Tr. Co., Toledo	5.86
Hood River, Ore	Sept. 21	Sewer dist	9,000	6	20-1	100.03	Security Sav. Bk. & Tr. Co., Toledo	5.918
Adams County, S. C. Sch. Dist No. 50	Sept. 30	Building	5,000	6	1921	100.20	Griffin & Co., Chicago	5.992
Canyon County, Idaho, Sch. Dist No. 52	Sept. 21	Building	3,700	6		par	Jos. N. Wright, Denver	6
Flathead County, Mont., Sch Dist No. 2	Oct. 2	Building	9,000	6	10-20	par	State Land Board	6
Hubbell, Mich	Oct. 11	Village	7,000	6	**2-3	par	First Nat. Bank, Hubbell	6
Lyon Co., Nev., Sch. Dist. No. 61	Oct. 2	Building	2,000	6	**2-12	par	First Citizens' Bank, Yerington	6
Nyssa, Oregon	Oct.	Sch. dist. No. 26	20,000	6	10-20	par	Harris Trust & Sav. Bk., Chicago	6
Ramey, Mich	Oct 3	School	1,000	6		par	L. L. Wright	6
Polk Co., Ore., Tolles Sch. Dist	Oct 7	Building	5,000	6	1921	101.4	State Land Board	6.15
Baraga, Mich	Oct 7	Fire & water sys	30,000	6		20-21	Harris Trust & Sav. Bk., Chicago	
Baraga, Mich	Oct 7	School	4,000	6			Harris Trust & Sav. Bk., Chicago	
Bellefontaine, Ohio	Oct.	Funding	8,000	6			Security Sav. & Tr. Co., Toledo	
Bolivar, Mo	Oct. 5	Street imp	20,000	6	5-10	par	Security Sav. & Tr. Co., Kansas City	
Blytheville, Ark	Oct. 5	School	25,000	6			J. W. Thompson	
Enderlin, Okla	Oct. 5	Water	7,500	6			Citizens Bank, Enderlin	
Douglas County, Nev	Sept. 20	Court house	40,000	4½		101.5	Union Trust Co., San Francisco	
Lost Wash'gton, Pa	Sept. 2	School	500	6	*21-2		Lost Washington Bank	
Elkhorn Valley, Neb., Irrigation Dist	Oct.	Irrigation	60,000	6	**1-30		School	
Plymouth, Wis	Sept. 6	School	15,000				Citizens Bank, Plymouth	
Kenosha County, Utah	Oct. 11	Drainage	100,000			par	N. W. Harris & Co., Chicago	
Lost Nation, Iowa	Oct. 2	Water works	10,000	5½		101.1	Lost Nation Bank	
Manitowoc, Wis	Oct 10	Water	100,000				Private	
Mellrose, Minn	Oct	Water	15,000				State	
Muscatine, Iowa	Oct 1	School	8,000	5			Citizens Trust & Sav. Bank	
New Albany, Miss	Oct.	Funding	100,000		1921		Harris Trust & Sav. Bk., Chicago	
North Charleroi, Pa., Sch. Dist.	Oct. 2	Building	15,000				Peoples Savings & Trust Co., Monongahela	
Oakdale, Cal	Sept. 8	Water works	15,000				Private	
Odebolt, Iowa	Sept. 4	Fire Dept.	5,000				Citizens Bank, Odebolt	
Ogallala, Neb	Oct. 7	School	8,000				Citizens Bank, Ogallala	
Tacoma, Wash	Oct. 2	School	15,000				Harris Trust & Sav. Bk., Chicago	

* Year average. ** Year serial. † Year

vide in part for these expenditures through borrowing on short-term obligations, thus entailing heavy sinking fund requirements which, including the annual payment of $720,000 on the five-year 6 per cent sinking fund secured gold notes, maturing November 1, 1914, now amount to $1,020,000 per annum. Further, the increasing volume of business of the corporation has required that a large part of the net earnings be used for working capital.

Your board has had under consideration a plan for retiring its short-term obligations through an issue of long-term bonds with sinking fund obligations less burdensome than at present."

GROWING WORKING CAPITAL.

Bethlehem Steel's working capital has not suffered, despite the expenditure of millions of dollars for new construction and improvements, an expenditure which has justified itself in a noteworthy diversification of production. On December 31, last, the excess of current assets over current liabilities was $7,626,744, compared with $6,283,876 in 1909, and $6,774,374 in 1908.

My correspondent refers to the bonds issued by the Bethlehem Company as having some effect on the future investment position of the stock. The burden of charges is not over severe, for, of course, the percentages which I have given above as representing the year by year earnings on the stock, make allowances for all these deductions. The bonded debt consists of $7,500,000 purchase money 6s; $10,918,000 first extension 5s; $134,000 6 per cent serial notes, and $7,377,000 secured 6 per cent notes. The total charges on this total are $1,446,560 per annum, an amount which the new Bethlehem Steel Corporation should be able to care for with ease, even in lean trade years.

BIG PROFITS AHEAD.

I feel very bullish on Bethlehem Steel preferred for a hold of two years, possibly three, for by that time the 7 per cent dividends should be forthcoming, even allowing for some few months of trade uncertainty to come. It is no wonder that this probability of a 35 or 40 point appreciation in value, on a conservative estimate, should be attracting attention, as it has so clearly done in this particular instance.

A "swap" such as the inquirer suggests would, in a three-year wait for Bethlehem preferred dividends, entail a loss of 21 per cent in Republic preferred dividends, meanwhile, and a decrease of about 15 points in speculative profits presuming that by the expiration of that three-year period, Republic preferred would be selling around par, as it has done in each of the last three years. This would indicate a total

LOSS OF $36 PER SHARE,

which would be about evened up by an advance in the price of Bethlehem Steel preferred, to approximately 92, accompanying the establishing of the issue on a regular 7 per cent bonus. My correspondent does not state the price at which he acquired his present holdings, so I cannot tell whether or not his stock stands him in a loss at to-day's prices. The proposition to exchange a dividend payer for an issue which is attractive only by reason of its possibilities is unusual, but I am inclined to believe the proceeding would prove profitable. If a dividend is paid on Bethlehem Steel preferred next year, as it may be, the period of lost income would be shortened by just that much, and the wisdom of the change would be more than ever apparent. A reduction or passing of the Republic preferred dividend on account of trade depression, a step which is probable, but scarcely possible, would work out to much the same effect.

P. DE MEDICI.

City and Town Treasurers

The Old Colony Trust Company is one of the largest and strongest banking institutions in the country. Its tremendous resources and its strong position in the confidence of the public make our services in the preparation and certification of Municipal Bonds of unusual value to city and town treasurers.

Our plan for handling this work is the safest and most systematic that experience can suggest, and it is so economical that the entire cost is within the means of the smallest municipality.

It affords absolute protection not only to the issuing community and its officials, but also to the banker and investor. It has already been adopted by many cities and towns throughout the country and has the unqualified endorsement of all bond dealers.

The marked preference shown by investors for bonds issued under our plan has resulted in a distinct enhancement of their market value. *Kindly send for descriptive pamphlet.*

OLD COLONY TRUST COMPANY

COURT STREET BOSTON TEMPLE PLACE

Bond Certification

Modern conditions make the registration and certification of municipal and corporate obligations desirable and convenient. We have a department maintained exclusively for this purpose.

First National Bank of Boston
70 Federal Street

OFFICE OF
THE CONSOLIDATION COAL COMANY.

Baltimore, Md., October 16th, 1911.

The Board of Directors has declared the regular quarterly dividend of one and one-half per cent (1½%) on its Capital Stock, payable October 31st, 1911, to the Stockholders of record at the close of business October 26th, 1911, and also declared a quarterly dividend of one and one-half per cent (1½%) on the subscription receipts for Stock carrying dividends declared after January 31st, 1911, payable October 31st, 1911, to the holders of record at the close of business October 26th, 1911.

Transfer books will remain open. Dividend checks will be mailed.

T. K. STUART, Assistant Treasurer.

AMERICAN GLUE COMPANY

A semi-annual dividend of two dollars per share will be paid November 1st, 1911, to Common Stockholders of record October 23rd, 1911.

The Common Stock transfer books will close at end of business October 21st, 1911, and will reopen November 3rd, 1911.

JESSE P. LYMAN, Treasurer.

FIRST MORTGAGE BONDS

How to Test Them:
FREE OF CHARGE

For more than 29 years the HOUSE OF STRAUS has been gathering the investment experience which is now offered to you without cost or obligation.

If you have $100 or more now lying idle or drawing only the usual 3 to 3 per cent interest, you are entitled to a more substantial earning on your money.

And there are a number of opportunities to enjoy the maximum 6% interest rate with security and protection equal to or better than that any modern savings bank could possibly offer.

This data is now

Placed at Your Disposal Absolutely Without Cost

During 29 years of business in the sale of first mortgage bonds on improved, income-producing, selected Chicago real estate, with a margin of security in no case less than 100 per cent, no investor has ever lost a dollar of principal or interest on securities purchased of us.

If you are interested in a type of investment so secure as this, quickly convertible and subject to our repurchase proposition at any time, we will gladly send you without expense the Investor's Magazine—a dependable and highly valuable investment guide, which every conservative investor should write for. Address Dept. 168.

S. W. STRAUS & CO.
Mortgage and Bond Bankers
Established 1882
STRAUS BUILDING CHICAGO

THE ATCHISON, TOPEKA & SANTA FE RAILWAY COMPANY.

Coupons No. 32, due October 1, 1911, from The Atchison, Topeka and Santa Fe Railway Company GENERAL MORTGAGE FOUR PER CENT BONDS will be paid on and after October 2, 1911, upon presentation at the office of the Company, No. 5 Nassau Street, New York City.

C. K. COOPER, Assistant Treasurer.

AMERICAN MALT CORPORATION
15 Exchange Place, Jersey City, N. J.

The Board of Directors have declared a dividend of FOUR PER CENT on the Preferred Stock of the Corporation, payable in two instalments, namely, 2% on November 2, 1911, and 2% on May 2, 1912, to stockholders of record at the close of the transfer books respectively on October 19, 1911, and April 19, 1912.

HENRY EGGERKING, Treasurer.

September 27, 1911.

AMERICAN GLUE COMPANY

An extra dividend of one dollar per share will be paid November 1st, 1911, to Common Stockholders of record October 23rd, 1911.

JESSE P. LYMAN, Treasurer.

Digitized by

United States Investor

Published Every Saturday Morning by

FRANK P. BENNETT & CO., Inc.

SUBSCRIPTION RATES

$5.00 per annum in United States and Mexico; $6.50 per annum in Canada.

$7.00 per annum in England, the Continent, Australia and Countries in the Postal Union.

$10.00 per annum for Investor and Inactive Securities Supplement, including privilege of inserting quotations in the Supplement.

ADVERTISING RATES

Twenty-five cents per agate line. There are fourteen agate lines to the inch.

PUBLICATION OFFICE,
530 Atlantic Avenue, Boston.

NEW YORK OFFICE,
2 Rector Street, New York.
JOSEPH L. BARKER, Manager.

Washington Office, 208 Corcoran Building; Philadelphia Office, 308 Chestnut Street.

Entered at the Post Office at Boston, Mass., as second class matter.

Mr. James J. Hill's attack upon the Aldrich Monetary Commission banking plan was to have been expected. The criticisms offered by Mr. Hill have a considerable degree of justification, but they are evidently based upon the old draft of the Aldrich plan. The new draft, which has been prepared in consultation with those who have asked for changes, would form a better basis for criticism. It remains true, however, that Mr. Hill's strictures represent a very general point of view among the thoughtful students of money and banking. It will be necessary for the National Monetary Commission to safeguard its proposed reserve association in such a way as absolutely to preclude all possibility of control of banks in the interest of financial or speculative groups before it can reasonably expect Congress to take any serious action in the matter.

According to press reports, investigators who were set at work by the Congressional committee charged with the investigation of the sugar trust have found that no such trust exists. Control over the sugar supply, according to them, is broken up among a considerable number of concerns. The recent rise in price is attributable to shortage of crop and is paralleled by a similar condition abroad. It will be interesting to see whether the Democratic Committee which has the matter in hand is willing to accept so common sense a point of view as this. True, it is not necessary to carry on any lengthy investigation to find out the points said to have been "discovered" by the "experts" in charge of the work, as they were already matters of common knowledge. It will be an excellent example, however, if a Congressional committee can bring itself to report the truth in a matter of this kind without attempting to manufacture political capital out of it by some irregular method.

According to rumors which continue to float about in the financial markets as well as in Washington, the Department of Justice has nearly completed the papers for opening a suit against the United States Steel Corporation. It has, however, been impossible to get a confirmation or denial on this subject from the attorney-general himself. Mr. Wickersham contends that it would be unwise for him to commit himself one way or the other, no matter what he might intend to do. It is not likely that any action will be had before the return of President Taft to Washington. All this makes an uncertain situation which is extremely bad in the eyes of those who are desirous of knowing the probable attitude of the government toward the Steel Corporation, in order that they may judge of its general attitude towards similar concerns. It would be well if the uncertainty thus indicated could be brought to a close as speedily as possible.

SAVINGS IN NATIONAL BANKS.

Returns which are reaching the Currency Bureau from day to day indicate that national bankers in very many cases are opposed to what is called the "segregation of savings funds". Comptroller Murray, in a circular sent out not long ago, asked distinctly whether the banks were or were not favorable to legislation which would require separate treatment of their savings deposits, with investment of the funds in specified securities from time to time. The answers which are now coming in have been sent as a reply to this inquiry. Their general tenor indicates a point of view different from that which exists among managers of state institutions.

There is something to be said in favor of compulsory segregation and investment of such savings deposits by national banks. State institutions naturally feel that the national banks are given an advantage inasmuch as they are permitted to turn their savings receipts back into commercial channels. By using the money which is left with them on savings account, they are able to carry larger volumes of loans and the result is that a larger net profit is realized than could be earned on deposits which were simply invested in securities of a designated kind usually yielding a low rate of interest. On the other hand, it may very fairly be questioned whether the funds would be any safer if reinvested under savings deposit requirements than they are when used as at present. Supposing that bank supervision is active and that the paper of the institutions is carefully inspected and kept free of unsound elements, it is fairly open to question whether the savings deposits are not better off in the form of commercial paper than they would be in savings bank securities. Under the most favorable conditions, they undoubtedly are so. The savings bank has a ground of complaint, however, in that it is cut off from making investments of this description. Thus, the question becomes really a phase of the general problem which is now very acute—that of equalizing banking functions and putting the banks upon a basis of substantial equivalence regarding their classes of business, of course under similar conditions.

This broad general question must be met in connection with any new banking legislation that is enacted. It will doubtless be dealt with on the same principles that are adopted in dealing with the question of trust company functions for national banks and with that of similar reserve requirements as between national and state banks. As the different classes of banks compete more and more closely with one another, and as differences between them are more and more eliminated in their relations with the public, there is an increase in the legitimate demand for equality of legislative control over them. The greatest change of this sort that has yet been contemplated is the innovation proposed by the programme of the National Citizens' League and the National Monetary Commission, that of compelling the national institutions to surrender their note-issue function. The loss of this function, of course, puts them upon the same basis as other banks save for the fact that they are much more stringently controlled and are far more narrowly limited in their classes of business than are most state institutions. When legislation is passed that will give the national banks powers analagous to, or comparable with, those of the state banks with which they compete, it will be time to consider the advisability of subjecting them to further limitations drawn from state bank legislation. To undertake the task earlier would be merely

Digitized by Google

to increase the disadvantage under which the national banks now suffer.

POLITICS AND THE TRUST QUESTION

Current developments are making it quite evident that there is an effort on the part of President Taft's political opponents to use the unpopularity resulting from his anti-trust efforts for the purpose of making political capital for themselves. Already Governor Wilson, of New Jersey, has criticised the President because of his alleged instability of purpose. The LaFollette conference in Chicago has denounced the President's effort to have the trust question dealt within the courts instead of taking it to Congress as a subject for additional legislation. Other criticisms of the same sort are numerous, but the purpose of all is quite evident.

The suggestion that the trust question is one that ought to be dealt with in Congress rather than in the courts has a superficially attractive sound, but when analyzed is thoroughly defective and insincere. There is no legislation that can be enforced without recourse to the courts. Few far-reaching decisions of Congress can be fully understood without judicial interpretation. The more complex and thorough an act is, the more likely it is to arouse opposition that will lead to acute controversy and legal discussion. As for Governor Wilson's criticism concerning the shifting and changing of presidential policies, that also seems superficially well founded. On examination it turns out to be as hollow as the companion criticism originating with the "progressive" Republicans. There is no evidence in the President's speeches that he has materially altered his point of view. Almost at the outset of his administration he told Congress in a special message that he wanted the Sherman anti-trust law retained. At the same time, he asked for legislation providing for a Federal incorporation act. Congress did nothing about the Sherman Act, and it did not even discuss the incorporation plan. At about the same time, the President announced that as soon as the anti-trust decisions were handed down by the Supreme Court he would attempt to apply the law in accordance with those decisions. That is what he is seeking to do to-day according to his light in the matter. There may be ground for differing with him in his view of the meaning of the decisions, but there is no evidence that he has shifted or changed.

The real criticism to be made of the present policy of the Taft administration is one which gives a certain amount of support to such attacks as those of Messrs. LaFollette and Wilson, and is the fact that the President's advisers, notably Attorney-General Wickersham, have been tactless and unwise in their modes of procedure. Mr. Wickersham has said many things that must certainly be regretted by every judicious friend of the administration. Thus, in his latest utterance at Omaha, if correctly reported, he practically invited the small manufacturers of the country to file suits against "trusts" in order to obtain the threefold damages promised under the anti-trust act. Mr. Wickersham practically offered the support of the government in these cases, and in so doing he committed the administration to a position that may prove very troublesome in the future. It would undoubtedly have been far better had he refrained from referring to the subject at all, or at all events, had he abstained from so open and vitriolic an attack upon the larger businesses. A like criticism must be made upon some of the other officials of the national government. It is the manner of their proceeding and the methods they have adopted in applying the President's policy in enforcing the law, rather than that policy itself that have caused trouble.

THE NEW TOBACCO PLAN.

A new and very interesting stage in the controversy between the United States government and the American Tobacco Company has been brought on by the action of counsel for the corporation in making public the details of the plan of reorganization which has been proposed. This plan has already become the subject of bitter controversy between representatives of the government, counsel for the Tobacco Company and persons engaged in the independent tobacco trade. The important question now is what the court will do with reference to this plan, and how far it will give weight to the representations of the old competitors of the trust.

In general, the financial details of the plan are the same that have been announced unofficially heretofore. The American Tobacco Company undertakes to turn over its assets to several different and smaller concerns with a corresponding distribution of securities. About the only feature of the enterprise that has not been anticipated is the plan to assess the existing stockholders and with the proceeds retire outstanding bonds. This is a detail that is of considerable interest to owners of securities, but is only incidentally interesting to the public at large. The point now made by the counsel for independent tobacco concerns is that the proposed disintegration is merely nominal and would not accomplish the results it is supposed to attain. Independents see numerous loopholes through which the small group of small inside interests could manage to retain the control of each of the smaller concerns which it is proposed to call into being. In some instances, the avenue to the reestablishment of control in this way is well-marked and clear; in others manipulation would be necessary, but it would be manipulation of a kind that would be very easily effected. Undoubtedly, there is abundant basis for the criticisms of the independents. The statements of J. C. McReynolds of counsel for the government support the criticisms that have been offered with regard to the plan, and seem to indicate that the government is nearly as hostile to it as other tobacco producers are.

The real question is not whether this plan is an ideal one, but is whether it goes as far in giving relief as can reasonably be expected. There is a good deal of ground for the claim that the plan which has been suggested is very similar to that which was proposed in the Northern Securities case and was finally put through. In that case, there was the same complaint that the disintegration accomplished was merely technical and that the real control of the railroads involved remained in the same hands after the transaction as it did before. Yet the court endorsed this plan in connection with the Northern Securities reorganization and added a dictum to the effect that it was about as good as could be expected. The more the present trust is studied, the more evident it is that dissolution of the kind required of the Oil and Tobacco trusts is not particularly helpful, but leaves things in much the same shape as before. If in the process of dissolution the rights of shareholders are properly safeguarded, so that there is no illegitimate profit for anyone concerned, and if the division of authority between the different concerns is actually carried through, it seems as if about all that could be expected had been done. True, this does not touch the general industrial problem at all. In the case of the oil and tobacco industries the position of the independents is not helped materially by the operation. That merely means that the trust question has not been solved, and that there is still a great deal to do before any very helpful solution of it is arrived at.

BELLEVILLE, PA.—Application has been made to organize the Farmers National Bank of Belleville, with $50,000 capital. The incorporators are: F. W. Warner, Belleville; Wm. J. Yeager, G. B. Brindle, A. R. Hayes and R. E. Goss.

Digitized by Google

A MEXICAN TRADE REVIVAL.

The Vice-President of the National Railways of Mexico Sees a New Enthusiasm for Mexican Investments Everywhere.

The vice-president of the National Railways of Mexico, C. R. Hudson, has the following to say about present conconditions in the Republic south of us:

Friends of Mexico, and the close students of Mexican affairs, who followed the course of the triumphant revolution which closed in May, prophesied that there would be an early revival in business and commercial conditions generally. This has been so strikingly borne out that we cannot refrain from calling general attention thereto.

For a time in June, the month following the close of the revolution, commercial affairs seemed to stand still, but it was only in order that those already in business here, and capitalists, could thoroughly review the situation; it did not take them long to conclude that the opportunity was upon them to

EXTEND BUSINESSES

already established, and to proceed with the prosecution of the many new industries which were held in abeyance on account of the revolution, as well as to project entirely new ones.

The revival in trade in the last few months has been remarkable, and is thoroughly exemplified by the earnings of the principal railways of the Republic, which for the last three months have generally exceeded the earnings of the same months of the previous years. It is also strikingly borne out by the Federal customs receipts, which, in the months of July, August and September, show a steady increase each month over the preceding. It is also further borne out by the fact that certain of the steamship lines plying between European and Mexican Gulf ports, have had, during the last two months, to add to their sailings, in order to handle increased shipments of merchandise to Mexico. The Hamburg-American Line, for instance, has regularly four sailings a month between European ports of Tampico and Vera Cruz, yet in the last two months it has had each month to arrange for

AN EXTRA SAILING.

All the above revival occurred before the National election. Now that that event has passed off in a successful and dignified way, and without disturbance throughout the Republic, it is a reasonable expectation that all merchants and others doing business in Mexico will have a larger business than ever before enjoyed. The National Railways of Mexico report that, from present indications, tourist traffic to Mexico will be very large during the coming winter. As these tourists spend a large amount of money in the Republic, they should be gladly welcomed.

Men of position in the Republic are

DAILY RECEIVING INQUIRIES

in regard to Mexican investments, and are replying that they believe the psychological moment is at hand to invest here.

This is an age of precedent. Mexico has certainly established one in closing a revolution with over 60,000,000 pesos in the treasury. This amount has been augmented since the close of that event, notwithstanding that since then many extra expenditures have been made out of Federal funds for account of the revolution.

There is no country on the face of the Globe that has so many latent resources as has this Republic, or that is so eligibly situated for development. There seems no question but that much of the idle capital of North America, Great Britain and Europe will immediately take advantage of this situation. The new Federal government officials have already publicly expressed themselves as welcoming this capital, and assuring it a square deal. As a result, Mexico will be more prosperous than it ever has been, and it will not be long before this Republic will take its place among the entirely stable and prosperous nations of the earth.

BANK ITEMS

GREENSBURG, IND.—The Citizens National Bank of Greensburg has had its corporate existance re-extended until October 9, 1931.

SHEBOYGAN, WIS.—International Bank has incorporated with $50,000 capital. C. R. Cronk, J. C. Kralovitz and A. Hohn are interested.

YUMA, COLO.—The Bank of Yuma, capitalized at $25,000, has been converted into the First National Bank of Yuma. W. A. Sheedy is president; H. C. Hoch, vice-president, and J. W. Campbell, cashier.

When You Lend Money

to a Public Utility Corporation, as you do when buying its bonds, you do not look alone to the value of its property for the safety of your principal and the prompt, continuous payment of your interest. You want to know that the company is intelligently, economically and honestly managed.

You have assurance of this when you buy the Public Utility bonds that we offer, because we are co-investors with you and devote our ability and experience as engineers to the operation and development of the companies which we absolutely control.

Write for Circular

Meikleham & Dinsmore
ENGINEERS & BANKERS
25 BROAD STREET, New York City
437 Chestnut Street, Phila.
60 State Street, Boston

Baker, Ayling & Co.
50 Congress street, Boston
INVESTMENT BONDS
Philadelphia Office, Land Title Building

SHORT TERM NOTICE
with stock bonus offer an unusual investment opportunity

The notes mature in from one to two years with adequate interest and the bonus stock assures a steady income for ten years.

Write for particulars.

GILBERT H. CARR
50 Congress St., Boston.

BLANCHARD & CO., Inc.

Announce their removal to new and enlarged banking rooms at

15 Congress Street
BOSTON

INVESTMENTS
Bonds and Stocks
WM. F. CROSBY,
Tel. 4090. 311 Main St.
WORCESTER, MASS.

Digitized by Google

USMC

A Goodyear Welt Shoe contains more value for the money than any other article of daily use you buy.

The masses of the people are wearing better shoes today than ever before.

The United Shoe Machinery Company by steadily reducing the machinery cost of making shoes, improving the machines on which shoes are manufactured, placing them in factories on reasonable terms and giving manufacturers an efficient service has made this possible.

The Boot and Shoe Recorder says:
"One day's work will buy a better pair of shoes in the United States than it will any where else in the world by more than 30 per cent."

The item of machinery is the only item of cost in the manufacture of shoes which is lower today than in 1899, when the United Shoe Machinery Company was formed.

The products of the shoe factories of Massachusetts have greatly increased in value since the Company was formed in 1899. In 1900 they were valued at $117,000,000; in 1908 (the latest year for which statistics are at hand) at $170,000,000; and that was the year after a panic.

The operatives on the Company's machines in shoe factories are much more regularly employed and receive higher wages than operatives received under the conditions which prevailed before the formation of the Company.

At the New England Fair in the Mechanics Building, Boston you will see **a complete shoe-making plant,** with the machines of the Company in actual operation making Goodyear Welt Shoes. Sixty different machines out of the 300 manufactured by the Company are shown at work there, each needed in the manufacture of high-grade Goodyear Welt Shoes.

Some of these machines are sold; some are leased; some are sold and leased as the shoe manufacturer may prefer. Most shoe manufacturers had rather lease than buy.

Visit the fair and learn for yourself the terms upon which the shoe manufacturer enjoys the use of each machine.

Ask questions. They will be answered

United Shoe Machinery Company

BOSTON, MASS.

Digitized by Google

RECKLESS INSURANCE DIVIDENDS.

Some Life Insurance Companies Paying Out Surplus to Policy-holders to an Extent That Should Be Discountenanced.

Just as a great army carries in its train a horde of camp-followers, scavengers, etc., some of whom serve a useful and others a sinister purpose, so each great reform movement, real or alleged, is followed by many practices, some of which were intended, and some which were never dreamed of when the sum total of results was thought of by the reformer. The so-called "reform" of 1905, in life insurance, for example, fulfilled some of its purposes legitimately enough, no doubt. For instance, it stung into activity the life insurance conscience, so to speak; whether by fear or reason, does not matter now. The systems of some companies had become carelessly, if not corruptly conducted; and resulting laws or threats of laws did much undoubtedly to

STIMULATE A CORRECTION

of these practices; and to place the business on a higher plane, so far as dealing with the public was concerned.

But other results arose which were not at all contemplated when the crusade against life companies began. One of these results has been the rampant organization of new life companies all over the land, but a few of which have ever become useful or responsible bodies, and many of which have not materialized at all, except in the wildest stock-selling and promotion schemes, which have cost investors millions of dollars, and have never made even a show of return upon the money put out.

But there is a condition which has subtly developed, and which may become an active and pernicious practice, among some of the regularly established and reliable old mutual companies, if, indeed, it has not already done so. We refer to the unreasonable and desperate strife which has arisen among certain large corporations to excel one another in the payment of great dividends to policy-holders. This practice may have been originally inspired by a praiseworthy motive—that of doing justice, where possibly justice had not been done before. In many cases it

HAS DEGENERATED

into a makeshift for bidding for new business; and the fact of these great dividends are boldly used by solicitors as an argument for persuading new applicants, the representation being made that even greater returns will be made in the future.

To our mind, the practice has wrapped up in it a greater potentiality for evil results than even any which subsisted before life insurance was supposed to go through the cleansing process. So far as we can observe, it inspires a hope which can never be fulfilled. It goes farther than that, and even threatens the integrity of the companies. Under the old regime, the companies, while perhaps not producing the returns which they might have done, were at least not encroaching upon their surplus funds. Indeed, the period from 1885 to 1905 may be described as one of surplus building. Now, there exists almost a wild debauchery on the part of some half-dozen companies, and three or four in particular, to pay out this surplus in reduced premiums, which is, of course, the same as paying it out in cash. This might be excused if it were merely a mode of righting wrongs previously done, or of setting up a higher standard, which could or would be pursued in the future. But, as stated, it has degenerated into a mere pretext for a scramble for new business, and a new form of the worship of the god of volume is being set up.

The nub and gist of the matter is

HARTFORD LIFE INSURANCE CO.

Chartered 1866 Hartford, Conn.

OFFERS SPLENDID OPPORTUNITIES UNDER DIRECT CONTRACTS.

All Forms of Policies.

Before All Else

there is found in every Union Mutual Policy the first and strongest Purpose of Life Insurance.

Protection

Clear, Faithful Reasonable Contracts. Ask for Particulars.

Union Mutual Life Insurance Co.
Portland, Maine

Fred E. Richards, President.

JANUARY 1, 1911
Insurance in force more than $140,000,000
ASSETS - $36,327,079.03
LIABILITIES 33,371,841.25
SURPLUS - $ 2,955,237.78
1910 MOST PROSPEROUS IN HISTORY OF THE COMPANY

THE BOSTON MUTUAL LIFE INSURANCE COMPANY
141 MILK STREET, BOSTON, MASS.

HERBERT O. EDGERTON, Pres. FRANK H. VIELE, Sec'y and Treas.
A corporation operating under the stringent Insurance Law of Massachusetts.
All desirable forms of up-to-date policy contracts issued.
All weekly premium policies in full immediate benefit.
CORRESPONDENCE SOLICITED.

NEW ENGLAND CASUALTY COMPANY

Incorporated 1901

Home Offices, 4 Liberty Square, Boston

Capital . . . $600,000

This Company, organized under the rigorous insurance laws of Massachusetts, is the first of its institutions transacting all forms of

Liability, Automobile Property Damage, Personal Accident and Health, Burglary, Theft and Larceny Insurance and Fidelity and Surety Bonds.

CORWIN McDOWELL, President.

A. C. JOHNSON, First Vice-President. ALLAN FORBES, Secretary and Treasurer.

DIRECTORS:

ALFRED L. AIKEN, President Worcester County Institution for Savings.
DAVID W. ARMSTRONG, JR., President Armstrong Agency, Inc., New York.
FRANCIS R. BANGS, Williams & Bange, Trustees.
WILLIAM BARBOUR, President the Linen Thread Company, New York.
ROBERT A. Boit, R. A. Boit & Co., Insurance.
ALEX. S. BROWNE, Inspector of Agencies, New York Life Insurance Co.
THOMAS K. CUMMINS, Treasurer Edison Electric Illuminating Co.
FREDERIC C. DUMAINE, Treasurer Amoskeag Mfg. Co., Manchester, N. H.
DANIEL F. DOHERTY, President New England Whip Co.
AMORY ELIOT, Trustee.
ALLAN FORBES, President State Street Trust Co.
HUGH C. GALLAGHER, President Walter Baker & Co., Ltd.
FRANCIS R. HART, Vice-Chairman Old Colony Trust Co.
ROWLAND G. HAZARD, Trustee New York Life Insurance Co.
HON. JOHN F. HILL, Ex-Governor, Augusta, Maine.
HENRY HORNBLOWER, Hornblower & Weeks, President Boston Stock Exchange.
A. C. JOHNSON, First Vice-President.
GEORGE E. KEITH, President George E. Keith Shoe Co.
JOHN S. LAWRENCE, Lawrence & Co.
CHARLES S. MELLEN, President New York, New Haven & Hartford R. R.
CORWIN McDOWELL, President
FREDERIC C. McDUFFIE, Treasurer Everett Mills and York Mfg. Co.
ANDREW W. PRESTON, President United Fruit Co.
R. PAUL SNELLING, Treasurer Saco & Pettee Machine Shops.
LUCIUS TUTTLE, Director Boston & Maine R. R.
C. H. WHITNEY, Wiggin & Elwell, Bankers.
ELIOT WADSWORTH, Stone & Webster.
THEODORE N. VAIL, President American Telephone and Telegraph Co.

A. BOIT & CO., Home Office Agency, Liability Dept.

Digitized by Google

that rates of dividends are being established, which

CAN NEVER BE CONTINUED;

and this fact must in time result in as great disappointment, discouragement and disgust as was ever felt by policyholders under the old deferred dividend system. With this difference, that under the old system, the companies were distinctly strengthening their financial position; while under the present practice, they are illy preparing themselves for any business cataclysm which may at any time sweep the country, and which now at times seems to be menacing.

So far as we have been able to ascertain, all the companies claim to be paying their dividends out of surplus earned. This, even though it is barely true, of which we are by no means certain, is an excuse for reckless dividend paying. The companies have a

DOUBLE DUTY TO PERFORM,

and several of them, we are well assured, are not performing it: First, they should not set before the prospective policy-holder a scale of dividends forced up for a year or two, which it is not certain they can maintain. Second, they owe it, both to present and future members, to build up their financial strength, and not to weaken it by fictitious drains upon their surplus funds. What guarantee has any company that its earnings will be as great in the future as in the past? Certainly, there is no encouragement, so far as the interest rate is concerned; for while its descent is very gradual and slow, it is nevertheless, sure. And the company managers should remember that they are assuming risks —mere hazards, depending on mortality, which, according to the plans of many of them, must be carried for scores of years, either on individuals themselves, or in the payment of installments for the benefit of those who may be now of tender age, but to whom the life policy is left often as almost

THE SOLE HERITAGE.

Unless certain of the companies wake up to a sense of this responsibility, cease to seek for business on the strength of larger present returns to policy-holders, and begin again to prepare, and prepare liberally, for the lean years which may come, we fear that a crash will come compared with which the ruin wrought in the '70's, and again in 1905-06, will be as the falling of a leaf to the thundering descent of the forest monarch.

PARKER TRANSMISSION COMPANY.

The Parker transmission is a solid, compact spur-geared drive of the non-sliding gear type. It is especially suited for automobile transmission, and with slight alterations, becomes equally valuable to the machine tool industry for operating heavy duty machines such as those found in bleacheries and textile finishing mills.

Gear changes can be made instantly under any load, at any speed and from one speed to another. The transmission was invented by Clark W. Parker, whose experience as a commercial and practical inventor covers a large field of successful machinery. The patent situation has been thoroughly investigated, and by purchasing five conflicting patents, the Parker transmission is now amply protected.

Mr. James H. Dunn was selected to finance and promote the invention, and he organized the Parker Transmission and Appliance Company. This company was originally capitalized for $250,000, but it was soon found advisable to increase this amount. The Hunter Brothers, of Fulton, N. Y., who control the Hunter Arms Company; the Hunter Fan and Motor Company, and many other well-known concerns, were interested in the Parker transmission proposition, and took over the control and management of it, increasing the capital

FROM $250,000 to $1,000,000.

This stock is all common, full paid and non-assessable. A limited portion of it is being offered for sale, and gives the investing public an opportunity to share equally in a good, substantial proposition, which promises large success.

The Parker Transmission and Appliance Company is no get-rich-quick scheme, but a good, solid proposition. The field for these transmissions for automobiles alone is a tremendous one. It is planned to operate on a royalty basis, thus saving the large investments in land, buildings, machinery, raw material and finished product, with the accompanying risks. Based on the statement of two large manufacturers that 1¼ per cent would be a fair royalty, it is quite safe to figure on a royalty of 1 per cent. This 1 per cent on 50,000 automobiles (less than one-fifth of the present year's production), averaging $2,000 each, would, without any further investment, yield a net annual profit of $1,000,000.

Mr. Dunn is to be congratulated on his successful management throughout the developing and perfecting of the transmission. Further information concerning the company can be obtained at his office, 19 Carr Building, Springfield, Mass.

WANTED

Syracuse Rapid Transit Com.
American Axe & Tool Co.
General Manifold Co. 4s, 1927
Tiffan (Ohio) Water 1st 6's 1912
J. P. Squire Co. Com.
Kirby Lumber Pfd.
Coastwise Transportation
Wheeling Traction Co. 5's 1931
Gamewell Fire Alarm Tel. Co.
Yankee Fuel Co. bonds
National Casket Co.
Adrian (Mich.) Water 5's 1931.
Ohio & Little Kanawha R. R. Pfd.
Buffalo, Lockport & Rochester 5's 1945
U. S. Whip Co. Com.
Library Bureau Co. Pfd. and Com.
American Writing Paper Com.
Middlesex Banking Co.
Nat. Light, Heat & Pwr. Pfd. & Com.
American Glue Com.
Pere Marquette 1st Pfd.
Hudson River Electric Pwr. 5's 1944.
Buffalo & Susquehanna 4's 1951.

FOR SALE

Draper Manufacturing Com.
Central Maine Power Co. Com.
Mexican Coal & Coke Co. 5's
Silver Burdette Co. Pfd.
Equitable Accident Co.
El Tiro Copper Co. 6's 1917.
Springfield (Mo.) Water 5's 1936.
Port Hood Coal Co. 6's 1919.
Hood Rubber Pfd.
Massachusetts Cotton Mills
Arlington Mills
Regal Shoe Pfd.
Seaship Oyster Pfd.
U. S. Bobbin & Shuttle Com.
American Caramel Pfd.
Boston Securities
Maverick Mills
Omaha Water Co. 5's 1946.
Eastern Steamship 5's 1927.
Chicago-New York Elec. Air Line
Utah Metal Mining Co.
U. S. Worsted Pfd.
Wamsutta Mills

HOTCHKIN & CO.

Dealers and Specialists in Inactive Securities.

Cable Address "TOCKIN" Telephone 460 461 462 2321 Main

53 STATE ST., BOSTON

Quality Production

Is the chief aim in our 8 factories.

This is one reason why we are the largest manufacturers of card systems in the world.

In the creation of our widely adopted and standardized equipment the best in ideas, workmanship and material is assembled.

'Phone for Representative
Fort Hill 366

"Price List" catalogue on request.

Library Bureau

Organized in Boston 1876

43 Federal St., Boston

Manufacturers and distributors of office, library and bank furniture, in wood and steel, cabinets and supplies.

DIRECTORS:

Costello C. Converse, Grant Walker, Jesse P. Lyman, A. N. Parlin, Samuel P. Savage, William V. Kellen, Lyman P. Gordon

Samuel T. Russell, President — A. N. Parlin, Vice President — W. E. Parker, Treas.

Financial Summary of the Week

Alabama Great Southern R. R. Co.—The Alabama Great Southern Railroad Company reports for the year ended June 30, 1911, gross earnings of $4,479,120, expenses of $3,417,103, net earnings of $1,062,017, and a surplus of $752,213, which is equal to 9.6 per cent on the $7,820,000 ordinary stock as compared with 9.27 per cent earned on the same stock in 1910. The balance sheet showed assets of $22,066,777, a slight loss. The profit and loss surplus was $1,724,779, a gain of nearly $500,000.

Allis-Chalmers Co.—Chicago interests in Allis-Chalmers believe the company will get friendly reorganization without foreclosure proceedings. Company is gradually paying off quick liabilities, leaving permanent indebtedness in friendly and interested quarters.

American Beet Sugar Co.—A director of the American Beet Sugar Company says: "The American Beet Sugar Company is free of debt and its earnings show a large increase. The question of starting dividends on the common stock has not been formally considered, but disbursements are in prospect. However, there will be no dividend on the common stock until the directors are assured it can be maintained. We are not responsible for the manipulation of the stock. It is to be deplored."

American Shipbuilding Co.—The American Shipbuilding Company has issued its annual report for the year ended June 30, 1911. The income account compares as follows:

	1911.	1910.
Net earnings	*$954,862	$1,980,654
Depreciation, maint., etc.	317,644	272,022
Balance	$637,218	$1,708,622
Preferred dividend	553,000	553,000
Balance	$84,218	$1,155,622
Additions	———	271,300
Surplus	†$84,218	$884,322

*Includes $100,000 contingent earnings on unfinished construction, year ended June 30, 1910. † Equal to 1.1 per cent on $7,600,000 common stock, as against 11.63 per cent on $7,600,000 last year.

American Telephone & Telegraph Co.—The American Telephone & Telegraph Company reports for the quarter ended September 30, total earnings of $9,094,370, an increase of $379,754. Expenses were $890,843, an increase of $6,326. Net earnings totalled $8,203,627, an increase of $372,428. After allowing for interest and dividends, there was surplus left of $1,346,736, a decrease of $36,189. For the nine months ended September 30, net earnings of the company aggregate $24,624,790, an increase of $893,180 and surplus $4,131,457, a decrease of $211,468.

Booth Fisheries Co.—A director of the Booth Fisheries Company says that it is probable that another dividend will be paid on the company's preferred stock before the end of the current year.

Chicago, Burlington & Quincy R. R. Co.—The annual report of the Burlington shows that it earned 15¼ per cent on its capital stock, compared with 12 per cent a year ago, and had a big surplus after paying 8 per cent dividends and appropriating about $6,000,000 for improvements. The Burlington shows the largest earnings on stock for 1910-11 from purely railroad operations. It could as well afford a 10 per cent dividend as the Union Pacific and better afford to pay 10 per cent than Lehigh Valley.

Colorado & Southern Railway.—Colorado & Southern's operating revenue in the fiscal year ended June 30, was $15,824,065, or $963,916 smaller than in the previous year. Operating expenses were $10,334,111, or $529,344 smaller. Net operating revenue was $5,489,954, a decrease of $424,572. After allowing for taxes, all charges and dividends on the three classes of stock, there was a surplus left of $998,692, a decrease of $653,041. On June 30, the company had a total surplus of $10,337,998.

Copper Market.—The copper metal market was firmer this week, some producers and selling agencies advancing their quotations on electrolytic to 12½ cents, deliverable in 30 days. While it was said that some copper was obtainable at 12¾ cents in certain quarters, it was believed that only moderate amounts were available at that price. Several of the largest independent producing and selling interests are sold out until December 1, and are now holding at the new price of 12½ cents. Sales have been made at 12.40 cents. Europe was an active bidder in the domestic markets and secured fair amounts of the metal. Domestic consumers continue to buy in moderate amounts, and these purchases aggregate a good total.

Crucible Steel.—The annual report of the Crucible Steel Company for the year ended August 31 shows net profits of $2,595,138, compared with $3,523,402 in the previous year. Other income of $134,628, compared with $25,943, in this item of 1910, brought the total income up to $2,729,766, against $3,549,345 last year. The payment of $1,730,278 in dividends against $1,802,192 in the previous year left a balance of $999,488, against $1,747,153. Interest on mortgages increased from $13,463 to $172,248, reducing the surplus to $827,240, against $1,733,690 in the previous year.

Erie R. R. Co.—The Erie Railroad Company has issued its pamphlet report for the year ended June 30, last. It shows gross operating revenues of $56,649,908, an increase of $1,783,718. Total operating expenses and taxes were $40,245,301, an increase of $1,179,728, leaving operating income of $16,404,607, an increase of $603,989. After allowing for all charges, including $1,639,737 for additions and betterments, there was surplus left of $4,050,000, which compares with $5,069,456 for the previous year. In the previous year only $737,067 was expended on additions and betterments. The total volume of general freight traffic showed a decrease of 3.08 per cent, while passenger traffic showed an increase of .70 per cent. On June 30, last, the company had cash on hand amounting to $7,198,749, compared with $8,103,905 a year ago. On June 30, it also had a total surplus of $24,099,533.

Federal Mining & Smelting Co.—Net earnings of $402,088 after payment of $839,037 dividends on the preferred issue, the equivalent of 6.7 per cent on the $6,000,000 common stock outstanding, was reported yesterday by the Federal Mining & Smelting Company for the year ended August 31, last. This compares with a deficit of $95,219 after payment of

MONATON
REALTY INVESTING
CORPORATION

Pays

6% COMPOUND INTEREST

On Money Invested in

Its Accumulative Certificates
Running terms of 10, 15 or 20 yr.

Payments may be made annually semi-annually, quarterly or monthly.

SECURITY

OWNERSHIP OF NEW YORK INCOME PROPERTY

Affording

Immediate returns on investments and Opportunity for increase of valuation

For Illustrated Booklet, inquire:

Publicity Department
Times Building
Broadway & 42nd Street,
New York City

YOUR INVESTMENT SHOULD EARN YOU MORE MONEY

Boston Real Estate Carefully Selected and Scientifically Managed

The United States Investor in its issue of Sept. 16, 1911, says of this company "Both the preferred stock and the bonds are well worthy of the consideration of our readers."

Address for prospectus and other information

COMMONWEALTH REALTY COMPANY, Chas. E. Jeffrey, Prest.
Room 407, 53 State St., Boston.

For Profitable Investment

Parker Transmission and Appliance Co.

SPRINGFIELD, MASS.

A Massachusetts Corporation

Capital $1,000,000.00 All Common Stock
Par Value $100.00. Full Paid and Non-assessable

Controlling Patented Invention of Vital Importance to the entire Automobile Trade

NOW MANAGED BY

THE HUNTER BROTHERS, Of Fulton, New York

Who Control the Following Enterprises:

THE HUNTER ARMS—
Manufacturing the L. C. Smith Guns and are by far the largest shotgun manufacturers in the world.

THE HUNTER FAN AND MOTOR COMPANY—
Are large and successful manufacturers of the Tuerk Ceiling and Desk Fans.

THE BATTLE ISLAND PAPER COMPANY—
Manufacturers of Paper Sulphite—represents an investment of over a million dollars, is very successful and highly rated.

The success, ability and integrity of the Hunter Brothers is well known in their respective lines in every part of the globe.

Pres., JOHN HUNTER Vice Pres., CLARK W. PARKER
Treas., THOMAS HUNTER Clerk, JOHN F. MALLEY

DIRECTORS

John Hunter, Thomas Hunter, R. B. Hunter, S. C. Hunter,
J. C. Hunter, William Hunter, Sherman D. Porter,
Clark W. Parker, James H. Dunn.

All other information desired may be obtained from

JAMES H. DUNN, Fiscal Agent.

Room 25 Harrison Ave., Springfield, Mass. Telephone 1368

Digitized by Google

the preferred dividends in the preceding fiscal year. The preferred stock, $12,000,000, receives 7 per cent. Total net earnings were $1,241,115, against $743,808 in the preceding period. The output last year was valued at $5,338,653, which compared with $4,757,469 in the preceding year; cost of production was $2,391,447, against $2,173,351. Development, smelter freight and treatment charges brought the total deductions to $4,192,732, against $4,013,415. The surplus at the end of the year was $1,275,834, an increase of $260,724.

Indiana Mining Co.—The Indiana Mining Company has called an assessment of $1.50 per share, payable November 1, by stock of record, October 31. With the present assessment, the shares will be $9.50 paid in.

Intercontinental Rubber Co.—Intercontinental's gross profits were $2,714,255 in the fiscal year ended July 31, or $344,460 more than in the previous year. Expenses were $73,737, a decrease of $27,874, leaving net profits of $2,640,518, an increase of $372,334. During the twelve months, the company paid $1,299,490 in dividends, or $387,049 more than was distributed on this account in the previous year. The company charged off $137,146, leaving a balance of $1,203,882. The company carried $1,203,882 to surplus, bringing that item up to $1,734,248 on July 31.

International & Great Northern Ry. Co.—By an order dated September 27, 1911, the Texas Railroad Commission has approved an issue of $13,750,000 International & Great Northern Railway Company first refunding 6 per cent bonds, at the same time placing a valuation of $30,365,047 upon the property, rights and franchises of the road. This valuation however, is "subject to such additions, if any, as shall result from the examination now being made by the commission of certain real estate."

International Cotton Mills Corporation.—According to advices from Baltimore, interests in close touch with the affairs of the International Cotton Mills Corporation claim that while the dividend for the quarter was earned it was deemed the part of wisdom and for the best interests of the preferred stockholders to conserve the resources of the company until the business outlook had improved. It is believed that the full 7 per cent dividend will be paid before the expiration of the present year, the accumulated three-quarters of 1 per cent being added to the regular disbursement at an early dividend period.

Long Island R. R. Co.—Permission has been given by the Public Service Commission to the Long Island Railroad Company to issue $4,000,000 in 4 per cent ten-year gold debenture bonds. The Long Island company expended $4,610,456 during 1910 for construction, equipment and acquisition of real estate. During the same period, the Pennsylvania Railroad Company lent $5,325,000 to the Long Island company, of which $2,625,000 was repaid. The proceeds of the bond issue are to be used to pay bills incurred by the Long Island company, aggregating $4,700,000.

May Department Stores Co.—The May Department Store Company has declared an initial quarterly dividend of one per cent on its common stock, payable December 1.

Metropolitan West Side Elevated Ry. Co.—For the year ended June 30, Metropolitan Elevated reports earnings applicable to dividends on the preferred stock of 4.66 per cent, against 4.87 per cent last year; South Side 3.43 per cent, against 2.90 per cent. South Side report shows a considerable cut in the outlay on maintenance of way, but moderate increase in equipment charges with a less marked change. Condition is reversed with the West Side road. South Side showed a reduction in transportation ratio from 34.98 per cent to 34 per cent. Metropolitan Elevated showed an increase from 31.63 per cent to 33.57 per cent. The bad features of the West Side road's exhibit are attributed to the months during which the clothing strike was in effect, when gross fell off sharply without allowing a material decrease in expenditures.

National Lead Co.—National Lead's business is running along at about the rate of the last few months, which means that this year's showing is likely to run close to last year, when the company showed a balance of 4.3 per cent on its common stock.

N. Y., Susquehanna & Western R. R. Co.—The New York, Susquehanna & Western Railroad Company, owned by the Erie, reports for the last fiscal year gross revenue of $3,876,678, an increase of $402,318; operating expenses of $2,355,861, an increase of $101,402, and total operating income after expenses and taxes of $1,372,062, an increase of $297,126, comparisons being made with the preceding year. The ratio of operating expenses and taxes to operating revenue was 64.16 per cent, against 69.06 per cent in the year before, and the ratio of operating expenses to operating revenue 60.77 per cent, against 64.39 per cent. Operating income showed a gain of 27.64 per cent.

Northern Pacific Ry. Co.—A large interest in the Northern Pacific Railway Company says there is no truth in the rumor that the company is in need of money. It has in its treasury some $25,000,000 of the bonds of other roads, in addition to those of one of its own large subsidiaries. This interest says that if the company were in need of funds to carry on improvement work or for other purposes, it would only be necessary to sell some of its treasury bonds or to effect a loan with those bonds as collateral.

Pacific Coast Co.—The Pacific Coast Company reports for the fiscal year ended June 30, 1911, gross earnings of $7,798,740, a decrease of $104,498 from the figures of the preceding year; net earnings, $1,451,037, a decrease of $179,466; operating income, after deducting taxes, $1,328,980; total income $1,363,678, and balance after payment of $250,000 interest charges, $1,113,678, a decrease of $170,609. The balance available for dividends was $869,032, or $175,051 less than in the preceding year, and the surplus after payment of dividends on the common and preferred stock was $22,782, against $115,333 reported for the year ended June 30, 1910. The total profit and loss surplus as of June 30, last, was $3,345,830.

Railway Steel Spring Co.—Bankers are offering $3,500,000 of the first mortgage 5 per cent gold bonds of the Railway Steel Spring Company (Inter-Ocean plant). The total bonded debt of the company, including this issue, is $7,308,000, while the balance sheet of December 31, 1910, shows assets of over $35,000,000, exclusive of the Inter-Ocean plant since acquired. A sinking fund of $125,000 annually begins to redeem and cancel bonds of this issue in 1914. The net earnings of the company for the year ended December 31, 1910, were $1,950,000, over five times the total interest charges, including this present issue. This is exclusive of any earnings from the Inter-Ocean plant, which it is estimated will add over $500,000 to the company's net earning capacity.

Rio Tinto Mining Co., Ltd.—The Rio Tinto Mining Company, Limited, declared a semi-annual dividend of 22s. 6d. or 2s. 6d. less than six months ago. The cut in the rate was smaller than had been expected by English investors.

St. Louis & San Francisco R. R. Co.—The St. Louis & San Francisco Railroad reports total operating revenue of $43,159,228 in the fiscal year ended June 30, an increase of $1,993,289. Total expenses were $29,320,400, or $643,558 more than in the previous year. Net operating revenues were $13,838,828, an increase of $1,349,731. After allowing for taxes, charges and the preferred dividend, there was a surplus left of $1,335,862, an increase of $413,445. On June 30, the company had a total surplus of $4,394,606.

Simmons Hardware Co.—Bankers have purchased $5,000,000 five-year 5 per cent secured gold notes of the Associated Simmons Hardware Companies, which control the Simmons Hardware Company of St. Louis, and its allied companies, engaged in the distribution of hardware. These notes have been sold to provide funds for funding existing obligations and additional working capital.

Southern Railway Co.—The Southern Railway Company for the year ended June 30, shows gross earnings of $60,345,062, an increase of $3,050,554; expenses of $40,926,790, an increase of $2,291,044; net earnings, $19,418,272, an increase of $759,510, and a balance over charges of $6,670,003, an increase of $912,984. The $5,470,003 balance over dividends in the preferred showed a bookkeeping "decrease" of $1,200,000, the full amount of the dividends, since no dividends were disbursed in 1910.

Texas Oil Co.—An interest of the Texas Oil Company says the lubricating department of the company will soon be in operation, which is expected to add largely to the revenues of the company. The company, he said, had spent millions of dollars, from which it is just beginning to receive benefits in the way of earnings.

Virginia & Southwestern Railway Co.—The report of the Virginia and Southwestern Railway Company for the year ended June 30, 1911, shows gross earnings of $1,393,448, an increase of $197,252 over the preceding year; expenses of $938,142, an increase of $91,548; net earnings of $455,306, an increase of $105,705, and a balance carried to the credit of profit and loss of $109,063, a decrease of $4,537. The balance sheet shows assets of $10,302,054, against $10,271,794 at the end of the previous year. The company's profit and loss surplus stands at $436,603.

Westinghouse, E. & Manufacturing Co.—Earnings for the year ending next March 31, will show a considerable decrease. Last year, the company showed 12.3 per cent on the common stock after the full 7 per cent in preferred dividends was allowed. This much will not be earned this year, however, due to the decreased profits on work sold. At present rate, the annual report will show between 9 per cent and 10 per cent for the common stock, after allowance for preferred dividends.

FOR

Oil and Gas Land Leases

WRITE

C. W. DEMING

Tulsa, Okla.

FOR HIGH GRADE OIL STOCKS

WRITE

EQUITY BOND & SECURITY CO.

37 WALL STREET, NEW YORK CITY

Almoloya Mining Co.

60 Wall St., NEW YORK

TINTICS AND OTHER UTAH STOCKS

Write for reports and for Weekly Market Letter.

WM. H. TIBBALS, Salt Lake, Utah.

EMNAHA COLD MINING COMPANY

Incorporated under the laws of the State of Idaho. Capitalization, $500,000, divided into 500,000 shares. Par value $1.00 per share. Of which 200,000 shares have been placed in the Treasury, for the development of the property.

This Company owns and controls nine claims on Rattle Creek, Imnaha, Willowa Co., Ore., on which there are three well defined parallel veins, carrying very rich gold quarts. A limited amount of the shares of the stock have been sold.

For full particulars, address

JOHN SENNETT, Treasurer

79 Milk Street, Room 602 Boston, Mass.

Digitized by Google

The Best Purchases on the Industrial List

As Indicated by the Two Standards of Comparison: of Present Investment Yield on Basis of Current Dividends and Prevailing Market Price, and on Basis of Present Earnings on Prevailing Market Values

The average net yield of the 50 industrial stocks quoted in the following table was 6.39 per cent on October 17, as compared with 6.44 per cent on October 10, 6.30 per cent on January 3, and 5.76 per cent on January 2, 1910.

The most noteworthy development of the past week, so far as the industrial shares are concerned, is to be found in the announcement of the plan for the reorganization of the American Tobacco Company. It does not yet appear how soon the reorganization will be carried out, as the opposition which has developed among the independent concerns is likely in the end to delay matters considerably. The full terms of the plan show that after the reorganization a majority of the voting stock will no longer rest in the hands of the individuals who were made defendants in the government suit for the dissolution of the property. The independent tobacco interests are evidently proceeding with the knowledge that a strongly entrenched minority interest can, and frequently does, in the absence of organized opposition from the majority of holders, exercise control of a corporation, and it is upon these grounds that they are apparently basing their chief protest.

Another interesting feature of the plan as announced is found in the figures showing that it will cost the company approximately an entire year's profits to bring itself within the requirements of the law, provided no modification is made in the terms proposed by the company and already assented to by the great majority of its security holders. The net income of the various companies which are directly concerned in the American Tobacco plan of reorganization amounted in 1910 to $22,293,312, while the total cost of the dissolution, including the capitalization of increased interests and preferred dividend charges is figured at $22,000,000. This figuring of the cost takes no account, however, of a possible curtailment in future profits, due to the breaking up of the trust.

Very little new financing has been announced recently by either railroad or industrial enterprises, but the Railway Steel Spring Company has broken the ice within the last few days by selling to a syndicate of bankers $3,500,000 first mortgage 5 per cent gold bonds dated October 1, 1911, and running for twenty years. These bonds are redeemable at the option of the company on any interest date at 105 and accrued interest. They are a direct obligation of the Railway Steel Spring Company, and are secured by a first mortgage lien upon the real estate and plant which is being purchased from the Inter-Ocean Steel Company, the issue being brought out at this time for the purpose of financing this purchase. They are further secured by an annual payment of $125,000 into a sinking fund beginning in 1914, to be employed in the gradual retirement of the bonds. The Inter-Ocean Steel Company plant covers about 88 acres of land at Chicago Heights, Illinois, the annual capacity of this plant being now about 35,000 tons. The buildings and equipment are so constructed that it would be possible, with a proportionately small additional expense, to increase this capacity to 50,000 tons or more.

Stocks.	Present dividend.	Price.	Yield on present price.	Present rank.	Stocks.	Price.	Earnings on present price	Year ended
Am. Cotton Oil, com.	5%	50	10.00	1	Inter. Merc. Marine, pref.	15	62.45	Dec. 31, 1910
U. S. Rubber, com.	4%	43	9.30	2	Allis-Chalmers, pref.	19	30.90	Jne. 30, 1910
U. S. Steel, com.	5%	59	8.48	3	Bethlehem Steel, pref.	56	23.95	Dec. 31, 1910
Republic I. & S., pref.	7%	85	8.24	4	Ry. Steel Spring, com.	28	21.45	Dec. 31, 1910
United Dry Goods, com.	8%	99	8.08	5	Westinghouse, com.	64	20.75	Mar. 31, 1911
Am. Writing Paper, pref.	2%	25	8.00	6	Am. Locomotive, com.	35	20.75	Jne. 30, 1911
Am. Woolen, pref.	7%	88	7.95	7	Am. Beet Sugar, com.	57	19.20	Mar. 31, 1911
U. S. Rubber, 2d pref.	6%	76	7.90	8	Pressed Steel Car, com.	29	19.00	Dec. 31, 1910
Union Bag & Paper, pref.	4%	52	7.55	9	Am. Ag. Chem., com.	50	18.10	Jne. 30, 1911
Ry. Steel Spring, pref.	7%	94	7.45	10	Am. Ice Sec. Co.	17	14.90	Oct. 31, 1910
Nat. Enam. & Stpg., pref.	7%	94	7.45	11	Sears, Roebuck, com.	138	14.85	Dec. 31, 1910
Inter. Steam Pump, pref.	6%	81	7.41	12	Inter. Harvester, com.	104	14.25	Dec. 31, 1910
Central Leather, pref.	7%	97	7.27	13	United Fruit	158	14.25	Spt. 30, 1910
Pressed Steel Car, pref.	7%	95	7.37	14	Am. Car & Fdy., com.	50	14.00	Apr. 30, 1911
U. S. Realty & Imp.	5%	68	7.35	15	U. S. Realty & Imp.	68	13.75	Apr. 30, 1911
Am. Smelt & Refg., pref.	7%	103	6.80	16	Am. Cotton Oil, com.	50	13.60	Aug. 31, 1910
Va.-Carolina Chem., pref.	8%	118	6.78	17	Am. Woolen, com.	20	13.05	Dec. 31, 1910
Laclede Gas	7%	104	6.73	18	Colo. Fuel & Iron, com.	27	11.90	Jne. 30, 1911
Am. Locomotive, pref.	7%	104	6.73	19	Nat. Enam. & Stpg., com.	15	11.35	Jne. 30, 1911
Ont. Carriage	5%	75	6.66	20	Int. Paper, pref.	47	11.35	Jne. 30, 1911
National Lead, pref.	7%	105	6.66	21	General Electric	141	11.05	Dec. 31, 1910
Corn Products Rfg., pref.	7%	75	6.58	22	Republic I. & S., com.	15	10.75	Jne. 30, 1911
People's Gas	7%	107	6.54	23	Lorillard, P., pref.	75	10.4	Jan. 31, 1911
Laclede Gas	7%	91	6.59	24	Am. Sugar, com.	75	9.75	Apr. 30, 1911
U. S. Steel, pref.	7%	109	6.41	25	U. S. Steel, com.	59	9.73	Jne. 30, 1911 (3 mos.)
National Lead, com.	3%	48	6.25	26	Int. Harv. Sec. Corp.	141	9.70	Jne. 30, 1911
Va.-Carolina Chem., com.	3%	48	6.25	27	Am. Linseed, pref.	8	9.50	Dec. 31, 1911
Am. Sugar, pref.	7%	115	6.17	28	Int. Harvester, pref.	76	9.20	Feb. 28, 1911
Am. Tobacco, pref.	6%	97	6.19	29	Int. Pow. & Pap., pref.	75	9.00	Jly. 15, 1911 (6 mos.)
Westinghouse, pref.	7%	115	6.09	30	Westinghouse, com.	64	8.75	Sept. 30, 1911
Am. Car & Fdy., pref.	7%	115	6.09	31	National Lead, com.	48	8.60	Dec. 31, 1910
Am. Sugar, com.	7%	119	6.05	32	Int. Pow. & Pap., pref.	75	8.40	May 1, 1911
Inter. Harvester, pref.	7%	120	6.00	33	Laclede Gas	104	8.40	Dec. 31, 1910
Am. Beet Sugar, pref.	6%	101	5.94	34	N. Y. Air Brake	54	8.30	Dec. 31, 1910
Am. Sugar, com.	7%	115	6.07	35	Am. Can, pref.	87	8.05	Dec. 31, 1910
Am. Tel. & Tel.	8%	135	5.92	36	National Lead, com.	48	7.85	Jan. 31, 1911
Am. Can, pref.	7%	87	7.98	37	Colo. Fuel & Iron	27	7.80	Jne. 30, 1911 (6 mos.)
Mackay Companies, com.	4%	71	5.63	38	Amalgamated Copper	66	7.65	Apr. 30, 1910
Int. Pow. & Pap., com.	3%	57	5.26	39	Am. Tel. & Tel.	135	7.50	Sept. 30, 1911 (9 mos.)
National Biscuit, com.	7%	130	5.38	40	Am. Malt Corp., pref.	30	7.50	Aug. 31, 1910
Gen. Elec.	8%	141	5.66	41	Int. Steel & Coal, com.	30	7.50	Mar. 31, 1911
Sears, Roebuck, com.	8%	138	5.80	42	Int. Steel & Coal, pref.	90	7.50	June 31, 1910
Inter. Harvester, com.	8%	104	4.81	43	Am. Sugar, com.	115	7.50	Dec. 31, 1910
Am. Malt Corp., pref.	4%	30	4.00	44	Mackay Companies, com.	87	6.90	Jan. 31, 1911
Underwood Typewriter	8%	90	4.44	45	Int. Harvester, com.	104	5.40	Dec. 31, 1910
Gen. Elec.	8%	141	5.66	46	U. S. Rubber, com.	43	5.10	Mar. 31, 1911
Inter. Paper, pref.	7%	75	9.33	47	Int. Harv. Sec. Corp.	141	5.05	Nov. 30, 1910
Am. Car & Fdy.	8%	115	6.96	48	Central Leather, pref.	97	4.70	Dec. 31, 1910
Amalgamated Copper	6%	66	2.84	49	Int. Steam Pump, com.	37	4.40	Mar. 31, 1911 (8 mos.)
Western Union	7%	79	8.86	50	Inter. Steam Pump, com.	37	4.30	Jne. 30, 1911 (3 mos.)

Google

Is Amalgamated A Purchase?

An Ohio Subscriber's Query Answereed In Detail—Past History Contrasted With Mediocre Earning Performances of Recent Years—A Stock Which Nets Less Than 4 Per Cent—Comparison With Other Dividend Payers—Amalgamateds Sources of Income, Present and Prospective—Anaconda Seems to Be on Thin Ice—Greene-Cananea's Dividend Possibilities—Better Copper Selling Prices Needed—Low Cost Producers Have the Call In These Troubled Days.

Cincinnati, O., Oct. 14, 1911.

ED. UNITED STATES INVESTOR:

As a subscriber to your journal, would ask that you kindly give your opinion on Amalgamated Copper? L. S. L.

The recent decline in the price of Amalgamated to 44⅜, the lowest point reached since the beginning of the current year, has served to stimulate interest in this issue among those who have not forgotten that it is only a few years since it sold at almost three times the figure above named, and who are still hopeful that history will repeat itself in this particular instance. At present writing Amalgamated has recovered several points from the year's low mark, in sympathy with the movements of the market as a whole, and is quoted at 52, at which price the net yield is 3.85 per cent on the 2 per cent annual rate which has prevailed since 1907, when the puncturing of the copper boom bubble brought this and other vein development copper companies tumbling down from their previous high estate.

Whatever honest difference of opinion may exist as to Amalgamated's present condition and future prospects (and there are few stocks which have created a wider divergence of opinion than Amalgamated has done), there is at least little danger that any exception will be taken, even by the most ardent friend of the property, to the statement that a net yield of less than 4 per cent is

NO MUNIFICENT RETURN

in these days when good dividend paying railroad stocks can be bought to yield 5 per cent or better and preferred industrials 6½ per cent and upwards. Compared with other dividend paying coppers quoted on the New York stock exchange, Amalgamated is no more attractive, either, from the standpoint of net return, as the following table will show:

	Curr't price.	Divid'd rates.	Yield.
Amalgamated ($100)	$52	2%	3.85%
Anaconda ($25)	31	8%	5.80%
Nevada Cons. ($5)	15¼	30%	9.50%
Tennessee ($25)	23¾	6%	1.20%
Utah ($10)	42	30%	7.14%

The amounts immediately following the names of the companies mentioned represent the par value of the shares, something which it is necessary to know in figuring the yields, as the quotations given are "dollars per share" in each instance, instead of percentages based on a uniform par value of $100 per share.

From these figures it will be seen that

AMALGAMATED'S NET RETURN

is less than that obtainable from either of the others at current quotations. It is to be presumed, therefore, that one who buys the stock to-day does so because he expects to see, sooner or later, an increase in the dividend rate, or a substantial advance in the stock from this cause or some other. At least, this is the point of view which I have taken in replying to the query of my Cincinnati correspondent, found at the head of this article.

To begin with, Amalgamated is a peculiar proposition, in that it does not entirely own or operate any mining properties, mills or smelters, its interest therein being represented by its investments in stocks, notes, etc., of other corporations. Up to about eighteen months ago the corporation included the following:

Name.	Shares Issued.	Par.	Shares owned.
Anaconda	1,300,000	$25	620,000
Boston & Mont...	150,000	25	147,915
Butte & Boston...	200,000	10	197,220
Parrott	250,859	10	115,299
Trenton	10,000	100	9,995
Washoe	30,364	100	30,459
Big Blackfoot	6,800	100	6,295
Diamond Coal	150,000	10	149,993
Mountain Trad'g.	1,110	100	1,107
Greene-Cananea	2,500,000	20	100,000
Butte Coalition	1,000,000	15	50,000

ONE COPPER MERGER.

In April, 1910, the first eight of the companies on this list, with the Red Metal Mining Company and the Alice Gold & Silver Mining Company were consolidated to form a new Anaconda Copper Mining Company, of whose $108,312,500 outstanding capital $76,875,000 is held by the Amalgamated, which also holds bonds of the Butte & Boston Consolidated Mining Company and notes of the Washoe Copper Company for money advanced in purchase of real estate and construction of its smelting works. Furthermore, it owns practically the entire $5,000,000 capital stock of the United Metals Selling Company which latter owns 40 per cent ($4,000,000) of the stock of the International Smelting & Refining Company.

Not being the possessor, under its own name, of any mining properties or mills, Amalgamated's income, it is clear, must be derived from the income received on its holdings of the securities of other corporations. As a matter of fact, prior to last March, when the purchase of the United Metals Selling Company was arranged for and put through on a basis of $241 per share, Amalgamated's income was derived almost entirely from its

DIVIDENDS ON ANACONDA STOCK.

The 20 per cent dividends on United Metals Selling shares will amount to $1,000,000 per annum, practically all of which will find its way into the Anaconda treasury, although, to be sure, this gain will be largely offset by the $625,000 required for interest payments on the $12,500,000 5 per cent notes issued to pay for the selling agency stock. The difference, $375,000, is equal to about one-fourth of 1 per cent on the $153,887,900 Amalgamated stock outstanding, so it is evident that the annual net gain in income from this particular source is not going to play a very important part in the controlling corporation's dividend policy.

Outside of its Anaconda and United Metals Selling holdings, Amalgamated's most important interest is that represented by the Greene-Cananea stock ownership. This company is not yet on a dividend-paying basis, but the property for several years has been undergoing

A REJUVENATION PROCESS

which sooner or later should bear fruit in dividends. The company will be able to produce 80,000,000 pounds when the plant is running at capacity, at a probable cost of 9 cents per pound. On a 13-cent copper market, this would

CANADIAN FARMS

Do you want a Farm in Western Canada where the crops this year are in advance of anything grown on this Continent.

For wheat growing, dairying, mixed farming and cattle raising, the Province of Alberta is unsurpassed.

Lands are now offered by the CANADIAN PACIFIC RAILWAY COMPANY at prices ranging from

$10 TO $30 AN ACRE ON LONG TERMS OF PAYMENT OR ON THE CROP PAYMENT PLAN

that is, paying for your farm with a portion of your crops each year.

Land values have increased 30% in two years. Great opportunity for the Homeseeker. Call or write for booklet F, maps, etc

ERNEST E. FLOYD

General Agent { CANADIAN PACIFIC RAILWAY / ALBERTA LAND DEPARTMENT

343-4 Tremont Building, Boston

Digitized by Google

mean a profit of $3,200,000 for Greene-Cananea, or $1.28 per share for each of the 2,500,000 shares outstanding. The Amalgamated's income would be increased $128,000 on the strength of its ownership of 100,000 Greene-Cananea shares, assuming that the entire earnings would be paid out in dividends. This increase would be less than one-tenth of 1 per cent on the outstanding Amalgamated share capital.

Clearly, then, the Anaconda dividends must continue to be looked upon as the one great source of income not only now, but in the future. For the last three years, Anaconda has recorded a substantial deficit, $1,209,097 in 1910, $265,227 in 1909 and $1,317,020 in 1908, after the payment of 8 per cent dividends. In other words, there was earned, as against 8 per cent actually paid, 5.42 per cent in 1910, 7.11 per cent in 1909 and 3.61 per cent in 1908.

It is not at all unfair, then, to say that the new Anaconda must do considerably better than the old in counteracting the results of lowered metal values if the 8 per cent rate is to be maintained for any great length of time. I am told that, as a matter of fact, the company is doing better than it has done in years, but the present

DEPRESSION IN METAL PRICES

may interfere seriously with this process.

The Amalgamated earned 3.93 per cent on its capital stock in the year ended April 30, 1911, as against 3.88 per cent in 1910, 2.38 per cent in 1909 and 4.34 per cent in 1908, so that with its increase in income, present and prospective, from its United Metals Selling and Greene-Cananea stock holdings, it should be able to set aside $2,600,000 or thereabouts each year over and above its dividend requirements of $2 per share. Of course, a 15-cent copper market would improve the situation very materially by strengthening Anaconda's dividend position and adding to Greene-Cananea's dividend possibilities.

If my correspondent is bound to buy a copper stock, he might do worse than choose Amalgamated in preference to a great number of promotion stocks in this field in recent years, for, at least, he would have some return in the way of dividends. He would also have speculative possibilities, for I believe that an improvement in the metal situation and a general market recovery will result in higher prices for Amalgamated sooner or later. Last, but not least, he would have a stock for which there is always a market at some figure, which is too often not true of unlisted coppers. Yet, considering these points, I believe that he would do better to buy some one of the low-cost coppers, which, if properly selected, possess all these advantages, and others besides. Utah and Nevada Consolidated, to which I have already referred, are conspicuous examples in this class, and will give a much better return. Both have sold well above their present level, and will doubtless do so again. Among the non-dividend-payers, such issues as Ray Consolidated, Chino, Inspiration and Miami merit my correspondent's careful attention, for each one possesses speculative possibilities above the average, based on actual merit.

P. DE M.

BOSTON STOCKS AND BONDS

For the Week Ending Thursday Evening, October 19, 1911.

Name.	RANGE FOR WEEK		Last Sale	Sales for Week	RANGE FOR YEAR OF 1911				RANGE FROM JAN., 1910, TO JAN., 1911.			
	Low	High			Lowest		Highest		Lowest		Highest	
Railroads.												
Boston & Albany	220	221½	221	179	219	Sept	226	Feb 15	129	1879	*230	1899
Boston Elevated	128½	127	127	223	124½	Oct 3	130½	Aug 2	62½	1898	130	1901
Boston & Maine	97¼	99	97¼	236	96	Oct 18	122¾	Feb 15	106¾	1879	230	1877
do. pref.	...	...	148	.....	148	Sept 5	154	June 5	124¾	1891	180	1900
Cent. Verm't 4s	87½	93½	87½	2,000	82½	Sept 20	92	Mar 22	75	1904	96¼	1899
C. B. & Q. Jt. 4s	96	96¾	96¼	14,000	96¼	Jan 5	98¼	June 2	82½	1907	103	1905
Chic. Junc. R....	...	...	158	.....	156	Apr 29	165	Aug 23	60	1852	183	1900
do. 4s	...	...	101¼	.....	101¼	Sept 23	102	Aug 24	89¾	1891	116	1899
Fitchburg pref..	126	127	126¾	94	125	Sept 20	130	Jan 9	62½	1889	148	1905
K.C. Ft.S.&M.4s	...	...	116½	.....	116	Mar 22	116¾	Jan 7	76	1896	126	1905
K.C.M.&B.new4s	...	...	91	.....	91	Oct 6	93¼	Jan 3	125¾	1894	102	1905
do. inc. 4s	...	...	89	.....	88	Apr 6	90	Mar 14	8	1896	104	1900
N.Y., N.H. & H.	132¾	133¾	132½	850	128¼	Sept 14	151¾	Feb 22	127	1907	279	1899
Old Colony.....	187	187¾	187½	28	182	Mar 15	189	June 14	96	1879	221	1902
Rutland pref....	...	...	32	.....	32	Jan 26	45	Aug 4	6¾	1879	125¼	1903
West End.....	86¾	87¾	87	200	85	Oct 4	95	Feb 6	43	1894	102	1905
do pref.	100½	100½	100½	17	100	Sept 26	105	June 22	78	1888	113¼	1901
Miscellane's.												
Am. Agri. Chem.	46	51	50	400	46½	Oct 6	80½	May 15	6	1903	80¾	1900
do. pref.	100¾	100¾	101½	325	99	Jan 6	106¾	Mar 11	73½	1903	105	1910
Am. Pneu. Ser..	3¾	4¼	4¼	1,300	3½	Oct 7	6½	Jan 31	...	1903	25	1900
do. pref.	14	15¾	15½	1,400	12¾	Sept 1	19¼	Jan 31	9½	1908	46	1900
Am. Tel. & Tel.	134¾	135¾	131½	5	131¾	Aug 30	153¾	Jan 5	88	1907	186	1900
do. 4s	90	90¾	90¾	124,000	89½	Mar 22	97	May 21	71	1907	101½	1901
do. cons. 4s...	...	...	105	.....	104	Aug 25	111¾	June 19	90¾	1908	107¾	1910
Am. Woolen.....	...	...	29½	.....	27¼	Sept 19	36¾	Mar 20	7¾	1908	48	1900
do. pref.	88	89¾	88	374	86¾	Sept 26	96½	June 15	66	1903	110¾	1906
B. & Wor. Elec.	...	...	9	.....	6	Feb 15	13	July 13	6	1910	39¼	1906
do. pref.	...	...	50	.....	38¼	Jan 27	58	July 1	35	1910	90	1906
Cumberl'd Tele..	150¾	154½	150½	50	146	Jan 19	158	June 2	98½	1907	162½	1910
Dom. Coal 6s....	...	...	98	.....	90	Jan 4	98¾	Sept 22	90	1906	101½	1905
E. Boston Land.	9½	10	10	75	7¾	Jan 1	12	May 1	2¾	1893	18¾	1899
Edis. Elec. Ill..	284	287	284½	14	275	Sept 9	292½	Feb 3	10	1883	310	1899
Gen'l Elec. Co..	150	153	150½	342	142	Sept 22	161¾	May 23	20½	1906	238¼	1901
Mass. Elec.....	15½	20¾	15½	1,200	16	Apr 24	24	June 3	6½	1907	45¾	1900
Mass. pref.....	50	51¾	50	825	83¾	Jan 9	96	July 11	37	1907	98	1902
Mass. Gas.....	90	91	91	787	87¾	Sept 25	98¾	Aug 4	30	1903	91¾	1910
do. pref.	93¾	95½	95	72	91¾	Apr 13	98½	Oct 18	74½	1903	97	1910
Mergenthaler ...	210¼	212	210¾	25	211	Jan 3	250	July 11	118¾	1897	226	1910
N. E. Cot. Y'n.	103	104	103	16	103	Oct 18	119	Mar 14	49	1908	125	1900
do. pref.	102	102	102	11	102	Oct 18	116½	Mar 15	84¾	1903	118	1900
do. 5s	100½	101½	99¾	4,000	99	Oct 6	103	June 20	93	1908	105¾	1901
N. E. Telephone.	145	146	146	169	137	Jan 17	150¾	June 10	78¾	1879	270	1900
Portland Elec...	...	...	66½	.....	62¾	July 29	65¾	Sept 5	...	.....	.....	.....
Pullman Car....	156½	159	158	96	153	Sept 25	167	Jan 20	84	1901	224	1905
Reece But. H...	13	13	13	15	12	Jan 5	18¾	May 22	7½	1904	163	1901
Torr'g'n Co.Cl.A	29½	29¾	29¾	135	29	Oct 9	38	Jan 7	18	1905	37	1910
do pref.	28	29	28	27	27	Sept 6	30	July 26	20	1907	35	1900
U'ted Fruit Co..	145	148	146	916	140	Aug 28	197	June 12	72	1901	200	1910
U'ted Fruit 4½s.	95¾	96¾	95¾	7,000	95¾	Oct 17	97½	Jan 6	86	1910	97½	1910
Un. Shoe Mac'y.	42¾	43¼	43	1,300	40¼	Aug 28	58¾	Feb 18	*30	1903	95¼	1905
do. pref.	27	27¾	27½	837	26½	Sept 22	29¾	Mar 7	22	1900	89½	1900
West. Tel. & T..	140¾	142¾	142¾	10,515	15	Sept 26	17¾	Oct 18	4	1908	83½	1900
do. pref.	97¾	100¾	100	1,485	89	Jan 21	100¾	Oct 19	60	1907	106¾	1900
do 5s	98	99¾	99	44,000	90¾	Jan 3	100	July 25	74	1907	106¾	1900
Mining.												
Adventure	4½	4¾	4¾	110	4	Oct 9	7½	May 15	† 62½	1907	23	1901
Allouez	20½	21	20¾	911	21	Aug 26	39	Jan 5	8¾	1904	74¼	1907
Amalgamated ..	70	72¾	72¼	6,300	64½	Sept 25	71½	June 26	33¾	1903	129½	1900
Am. Zinc.....	21	22	21½	1,400	19¾	Oct 6	30¾	June 14	5	1904	67	1900
Arizona Com....	35	36	36	4,600	35	Oct 19	45	June 14	7¾	1907	51¾	1900
Bos. & Corbin...	2	2	2	100	2¾	Aug 24	12½	June 6	6	1907	25	1900
Butte Bal'k'la...	7¾	8¼	8¼	587	3¾	Aug 29	8¾	Jan 4	4½	1910	18¼	1910
Butte Coalition..	17¾	17¾	17	1,000	14	Sept 26	20½	May 24	10	1907	42	1900
Calumet & Ariz.	47½	49	48¾	1,181	45	Sept 25	63	June 11	44¾	1910	198	1907
Calum. & Hecla.	375	380	380	26	360	Sept 25	545	Jan 4	124	1884	1000	1907
Centennial	90	92	90	6	90	Sept 27	16	Jan 3	10c	1886	61	1900
Copper Range...	62½	63½	62	1,000	46½	Sept 25	69¾	Feb 2	27	1903	105	1907
Daly-West	5¼	5¾	5¾	3	5	Feb 15	6¼	June 21	3½	1910	56	1900
East Butte.....	9¾	10¼	10¼	1,650	8¼	Aug 26	14¾	June 26	2½	1908	18¼	1907
Elm River.....	...	...	10	.....	10	July 24	20	Jan 6	06	1910	7	1900
Franklin	6¾	7	6¾	175	6¼	Aug 24	14	June 14	4	1879	30	1899
Giroux	13	3 15-16	3¾	1,600	3¾	Sept 26	8¼	Feb 6	2¾	1907	13¾	1901
Granby	29	30¾	29	500	26	Aug 25	43¼	June 21	20	1910	151	1907
Greene Cananea.	6¾	6	6¾	2,400	5 6-16	Feb 9	8	June 26	5	1907	18	1907
Hancock, Con...	18	19¾	18¾	515	17	Sept 26	30¼	June 19	1¾	1907	36	1910
Helvetia	55	55	55	100	75	Sept 25	2	Mar 4	1¾	1910	38	1900
Isl'd C'k Coal**	32	32½	33¼	200	29¼	May 9	40¾	June 5	20¾	1910	33¾	1900
do. pref.** ...	83¾	84¾	84¼	100	82¼	Sept 25	91	June 12	84½	1910	90¾	1910
Isle Royale.....	11¾	11¾	13¾	60	11¾	Aug 24	19¼	June 17	5¾	1903	75	1900
Kerr Lake.....	2¾	3¾	2¾	2,100	2¾	Oct 19	7¾	Jan 23	6	1910	38	1907
Keweenaw	2	2	2	5	1¾	May 10	3¾	June 14	2¼	1909	7¾	1900
La Salle	4½	4¾	4½	2,245	3	Aug 18	6	Jan 3	3	1908	22¼	1900
Lake Copper....	20½	22¾	21¼	1,310	21¾	Aug 26	40	June 13	4	1907	84½	1910
Mass. Cons.....	5	5¾	5¾	275	4¾	Aug 25	10	June 19	2¼	1908	37¾	1901
Miami	17¾	19	19	125	16¾	Oct 3	22¾	June 21	4¾	1908	29	1910
Michigan	...	...	1¾	.....	1¾	Sept 22	4¾	May 8	3	1900	24¼	1907
Mohawk	39½	39½	39½	50	38	Apr 24	53	June 15	11½	1900	*37	1907
Nev. Cons.....	21¾	21¾	21¾	1,048	15	Sept 25	21¾	June 15	6¾	1907	38	1900
New Arcadian...	16¾	16¾	16¼	.....	2	Sept 29	4¾	May 17	1	1905	136½	1900
Niplssing	7½	8	7¾	750	7½	Oct 11	11¾	Feb 17	5	1908	33¾	1900
North Butte.....	23¾	25¾	24¾	4,475	20	Sept 25	38	June 13	18½	1910	130	1907
North Lake.....	4	4¾	4	1,300	3¾	Aug 23	9¾	June 3	4½	1909	11¾	1900
Old Dominion....	38	39¾	38¾	370	34¼	Sept 25	49	June 19	9¼	1904	66¾	1900
Osceola	88	88	88	65	81	Sept 22	124	Jan 4	7¾	1889	181	1907
Parrot	8¾	9¼	9	90	7¾	Sept 22	13¼	May 22	8¾	1907	73¼	1900
Quincy	60	60	60	15	55	Sept 22	76	July 24	30	1879	190	1900
Ray Consol'ted..	13½	14¾	13½	637	12	Sept 25	18¾	Jan 7	7¼	1908	37¼	1900
Santa Fe.....	.99	.99	.99	100	.75	Apr 26	1¾	June 13	1	1908	22	1900
Shannon	7 1-16	7¼	7¼	600	7	Oct 9	12¾	Feb 6	3¼	1904	34¾	1907
Superior Copper.	23¾	25¼	23¾	103	21	Aug 17	34½	June 14	7	1907	69¼	1911
Sup. & Boston..	2¾	2¾	2¾	1,250	2¾	Oct 7	8¼	June 15	18¾	1908	1¾	1900
Tamarack	24	25¼	25	275	20	Sept 25	53	Jan 3	45¼	1910	383	1900
Tennessee	36	36	36	60	34¾	Aug 9	43¼	June 12	9¼	1901	65¼	1907
Trinity	3	3¼	3	700	2¾	Oct 5	5	June 20	8¾	1904	42¼	1907
U. S. Smelting..	31	32¾	31¾	1,366	30¾	Sept 25	46¾	June 14	24¾	1907	70	1907
do. pref.	46½	46¾	46	507	45¾	Oct 10	48¾	June 26	27¾	1907	84¾	1900
Utah Cons.....	16	17	15¾	1,165	9¼	Jan 20	20	June 26	12¾	1910	*79	1900
Utah Apex.....	2¼	2¼	2¼	2	2	Oct 3	3¾	June 15	1¾	1907	18¾	1900
Victoria	1¾	1¾	1¾	1	1	Aug 19	2¾	Feb 7	1	1900	12	1900
Winona	4	5¼	4	1,175	4¼	Aug 24	9¾	Feb 6	1	1902	22	1900
Wolverine	88	89½	88	110	83¼	Oct 3	127	Feb 10	75c	1888	300	1907

x Dividend. * Assessment paid. † Rights off. ‡ Auction. § Old securities. ¤ Old stock. ** Trust certificates.

Textile Manufacturing Shares

The demand for mill stock has altered but little. For over a month there have been many opportunities for good investments in textile mill shares. While the demand during this time has not been large, the price has kept fairly firm in nearly all cases, and this has been due to the absence of speculation and the faith which investors have in these securities. In several instances dividends have been passed by mills which are really in good condition, and which will undoubtedly show good returns in the future.

A new suit has been brought by J. H. Lane & Company against the Maple Cotton Mills, Wm. M. Hamer, president and treasurer of these mills, and several of the directors. Last week we reported a previous suit brought by J. H. Lane & Company, and J. M. Tallman, to prevent the combination of the Dillon, Hamer and Maple Cotton Mills, of Dillon, S. C. The combination of these three mills was being urged by Wm. M. Hamer, president and treasurer of the three mills, who, with his associates, control the mills, over the heads of J. H. Lane & Company, and other minority stockholders. The combination of these three mills was at first suggested by Mr. Hamer in the formation of a $10,000,000 combination of cotton mills to be known as the Atlantic Mills Corporation, and to embrace about twenty other mills. Hamer is attempting to force the combination of the three mills over the heads of the minority in violation, as we understand it, of the law of South Carolina. With that combination prevented, Mr. Hamer will lose prestige to such an extent that there is little likelihood of the larger $10,000,000 corporation being formed. This new suit is not primarily to prevent the combination, but is the result of frenzied financing in the Maple Mills.

THE MAPLE MILLS

are incorporated for $100,000, of which $98,500 has been issued. In the first place, J. H. Lane & Company subscribed for 100 shares of a par value of $10,000 and immediately sold 40 shares, retaining 60, later they bought 66 more shares, making a total of 126 shares of a par value of $12,600. That is, of the total of 985 shares issued, Lane & Company, owning 126, owned about one-eighth of the capital stock of the company. In this last bill filed, it is pointed out that J. H. Lane & Company are entitled to receive such proportionate share of all profits earned by the Maple Corporation, as the same may be from time to time declared and paid according to law, and to exercise a proportionate share of control in the management of the corporation and its affairs. It has also been pointed out that the business of the Maple Mills has been carried on with profit and that dividends have been paid out of such profits, and in addition, a large surplus over and above its capital stock and all liabilities accumulated.

It is further pointed out that at all times since the incorporation William M. Hamer has not only been president and treasurer of the mills, but with the other directors named in the suit, that is, S. C. Hensiee, H. M. Rogers, J. K. Rogers, J. B. Gibson, D. W. Bethea and R. M. Gratton, own a majority of the stock and have controlled the election of the directors and the management of the corporation. Lane & Company contend that back in May, 1904, Hamer and the other defendents conceived a plan to increase their own interests and the interests of such as should join with them, this plan being set forth in the circular letter addressed by Hamer as president and treasurer to Lane and other stockholders of the Maple Cotton Mills as follows:

Dillon, S. C., June 10, 1904.

The following is for adding 8,500 spindles to the present mill.

TO THE STOCKHOLDERS OF THE MAPLE COTTON MILLS:

Dear Sir:—Having the endorsement of the board of directors beg to submit for your consideration and pleasure the following proposition submitted to them: "Each stockholder will be asked to give his notes (payable one-fifth each year for five years) for his pro rata of the amount required to make this installation. These notes will be made to Maple Cotton Mills, and with its endorsement, money will be obtained on same for cash payment for all machinery. These notes to be non-interest bearing, mill paying the interest and retiring one-fifth of all notes each year until the last note is cancelled, whereupon, each stockholder will be issued certificates equal to the amount represented by his notes, and all notes returned to him marked paid. This amount to merely lending his credit to the mill, which will be shown as an asset on the books. Would thank you for your mature and quick consideration, as writer hardly believes present prices will be obtainable one month from to-day, and if we ever want to utilize our present boiler room, engine and picker room space, now is the time. You can readily see how much cheaper the equivalent of another mill can be erected in this way. Therefore, the writer heartily commends the above for your good judgment and would thank you for an expression and any suggestion should the above interest you."

To the above the following alternation is hereby suggested. The cash can be paid instead of notes and participating stock issued, which is equivalent of being privileged with discounting your own note at same rate other notes will be sold at

PHILADELPHIA STOCKS

For the Week Ending Wednesday Evening, October 18, 1911.

Names.	RANGE FOR WEEK Low	RANGE FOR WEEK High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911 Lowest	RANGE FOR YEAR OF 1911 Highest	RANGE FROM JAN., 1879, TO JAN., 1911. Lowest	RANGE FROM JAN., 1879, TO JAN., 1911. Highest
Amer. Cement..	...	...	10	.....	10 Sept 19	17½ Jan 4	5¼ 1895	46 1900
Amer. Railways.	43½	44	43½	64	42 Jan 10	45⅝ Aug 5	21½ 1900	56⅝ 1902
Bell Telephone..	...	...	116½	.....	.....	.....	46 1907	124¾ 1909
Cambria Steel...	43	44	43½	283	40⅝ Sept 22	48⅛ Feb 18	12½ 1909	49¾ 1909
do. Iron	...	...	44	.....	43 Oct 2	46 Mar 27	42 1907	123 1892
Elec. Co. of Am.	...	...	11¾	.....	11¼ Oct 2	12½ Jan 14	6¾ 1902	35 1899
Elec. Storage....	51	53½	53½	1,565	48½ Jan 3	56¾ June 15	15 1894	194 1899
Gen'l Asphalt...	34	36¾	36½	7,052	25½ Aug 25	36⅝ Oct 18	3 1907	34⅜ 1910
do. pref.	73	75⅝	75½	2,774	68 Aug 25	83⅛ Jan 30	11 1905	84¾ 1910
Hunt. & B. T....	...	...	8	.....	5 June 17	8 June 19	7 1910	43 1898
do. pref.	...	...	14	.....	14 Oct 4	27 Feb 1	7⅞ 1880	59⅜ 1902
Lake Sup. Corp.	24½	27¼	27¼	6,598	21½ Sept 26	31⅝ Feb 4	8⅝ 1908	33⅞ 1908
Lehigh Valley...	78⅞	82¼	82	1,634	76 Sept 12	90½ Feb 2	17½ 1897	121¼ 1910
Lehigh Navig'n.	86⅝	87½	87½	16	*84½ Sept 12	93½ July 29	85 1898	131½ 1904
Marsden	...	...	1⅝	.....	.....	.....	⅝ 1907	28⅝ 1899
Penn. Steel.....	...	...	90	.....	.....	.....	5 1894	300 1881
do. pref.	103	103	103	2	103 Oct 18	106¼ Apr 13	10 1897	117½ 1908
Phila. Co.....	49¾	50	49¾	255	48¼ Sept 21	59¼ June 5	23¾ 1907	54¼ 1905
do. pref.	42	42	42	30	42 Oct 18	45 Feb 8	24 1909	52 1908
Phil. Elec.....	16½	16½	16⅝	2,600	16 Sept 26	18 July 17	2 1900	16¾ 1910
Phil. Rap. Trans	**21⅝	23⅝	23½	1,375	16¾ Apr 18	34¼ Aug 4	13 1907	37¼ 1909
Phil. Traction...	82	83½	83½	217	82 Oct 12	97½ July 14	5 1895	102½ 1905
Tonopah Min'g..	6¼	7 15-16	7	7,021	5 3-16 Aug 25	8⅝ Jan 17	3 3-16 1907	21¼ 1906
United Gas Imp.	85⅝	86	85¾	1,038	84¼ Sept 29	89⅝ Jan 9	50 1893	175 1899
Union Traction..	51	51¼	51	477	43 Jan 4	52⅝ July 14	8⅝ 1897	65¼ 1908
Warwick Steel..	10¼	10¼	10¼	10	9⅜ Jan 16	11¼ Feb 28	2¼ 1908	18 1890
W'stm'el'd Co'l.	...	...	79	.....	79 Sept 19	91½ Mar 20	45½ 1879	114 1906

* Ex-dividend. † Trust certificates. ** Temporary certificates.

CHICAGO STOCKS

For the Week Ending Wednesday Evening, October 18, 1911.

Names.	RANGE FOR WEEK Low	RANGE FOR WEEK High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911 Lowest	RANGE FOR YEAR OF 1911 Highest	RANGE FROM JAN., 1879, TO JAN., 1911. Lowest	RANGE FROM JAN., 1879, TO JAN., 1911. Highest
Am. Can.....	10	10⅝	10⅝	400	8⅜ Jan 17	12¾ Mar 22	1⅞ 1901	31¼ 1901
do. pref.	84⅜	86½	86½	300	76⅝ Jan 7	88⅝ May 22	25¼ 1902	98 1899
Am. Radiator...	...	...	265	.....	265 Jan 9	265 Feb 13	30 1900	260½ 1910
do. pref.	...	...	130	.....	126½ Mar 9	131 Aug 29	98 1899	136 1899
Am. Shipbldg...	49	49	49	17	49 Oct 12	70 Feb 6	19 1904	84¼ 1910
do. pref.	...	...	106½	.....	110¾ Jan 16	111 May 18	83 1904	113 1910
Chic. City Ry....	...	...	190	.....	185 Mar 23	190 Apr 28	140 1908	676 1892
Chic. Pneu. T'l.	...	...	68	.....	28¾ Sept 22	55½ Feb 22	18 1904	107½ 1902
Chic. Subway....	1½	1½	1½	120	1½ Oct 18	6 Mar 1	2½ 1910	87½ 1905
Chic. Telephone.	119½	119½	119½	20	115 Jan 25	134½ May 17	85 1907	200 1901
C'm'n'w'th Edis.	127½	135½	133¾	794	113 Jan 26	137¾ July 15	77 1907	126 1910
Diamond Match.	100¾	101¼	101¼	87	90 Jan 18	105¼ July 11	83½ 1910	163 1888
Kan. City Light.	...	...	15	.....	15 Sept 28	35 May 22	20 1910	65½ 1908
do. pref.	...	...	40	.....	39 Sept 28	72½ Feb 25	48 1908	98½ 1908
Met. El.....	...	...	27	.....	19¼ Feb 1	28¾ June 28	12 1899	43 1902
do. pref.	...	...	75	.....	64 Mar 16	***75 July 17	52 1909	98½ 1901
Nat. Carbon.....	...	...	101	.....	100 Sept 18	120 June 2	15 1899	145 1910
do. pref.	...	...	117	.....	106¾ Aug 29	120 Apr 12	72 1900	114 1900
No. West. El...	...	...	29½	.....	20¾ Apr 27	29½ June 20	13¾ 1908	55 1901
do. pref.	...	...	68½	.....	60 Mar 1	67 Mar 20	44 1904	97 1901
Quaker Oats....	189	189	189	24	185 Mar 17	198 June 29	85½ 1904	198 1910
do. pref.	105½	106	105½	107	102¼ Feb 9	107¼ July 24	73 1908	108½ 1905
So. Side El.....	...	...	80	.....	68 Feb 16	90 June 20	48½ 1897	100 1901
Streets' Car.....	8¼	8¼	8¼	100	8 May 11	13¼ Feb 24	10¾ 1910	64¼ 1899
do. pref.	...	...	40	.....	40 Oct 10	50 Aug 11	40 1910	111¼ 1902
Swift & Co.....	96⅝	98⅝	96⅝	497	87⅝ Sept 25	104 June 8	75½ 1907	177½ 1902
Un. Box Board..	...	...	2¼	.....	1¼ Sept 29	7 Jan 6	¼ 1908	17¼ 1902
do. pref.	...	...	7⅜	.....	.....	.....	1⅞ 1908	72 1902
Western Stone...	...	...	19½	.....	19½ July 25	24¾ Jan 24	14 1908	50 1900

* Ex-dividend. † New. *** Receipts. ‡ Assessment paid.

or borrowed upon. No stockholder is asked to do other than his pleasure dictates and if pro rata is not wanted, same will be offered at par to other stockholders if the privilege is not accepted within 15 days. This circular will be sent only to those who cannot be reached personally and have not already signed their willingness, and writer begs to suggest the majority of stockholders have signified approval by signing already. Kindly indicate your pleasure, with any suggestion pro or con your judgment may dictate, and oblige, Yours obediently,

W. H. HAMER,
President and Treasurer.

Before the issuances of these certificates, dividends were paid regularly, but since the issue of the certificates of indebtedness, no dividends whatever have been paid. It is contended that not only was the issuance of these certificates of indebtedness unlawful, but that under the direction of the defendants, such of the earnings of the Maple as might have been applied to the payments of dividends have, at least, to the extent of 8 per cent per annum, been

WRONGFULLY DIVERTED

and applied to the payment of interest upon the certificates, and that J. H. Lane & Company, thereby, as well as other stockholders, have been and are being deprived of any income from their stock and that, therefore, the stock has been lessened in value and may be rendered worthless if such payments are permitted to be continued.

It is also shown that although it is recited in the certificate of indebtedness, that they are issued pursuant to a vote of the stockholders of the Maple Cotton Mills as well by the vote of the directors, J. H. Lane & Company never received any notice that the stockholders would consider or act upon the issue of such certificates and no such action was ever proposed or taken at any meeting, at which Lane & Company was present or represented and that Lane & Company did not learn of the issue of these certificates until within a few months, that is more than two years after the issue of the certificates. J. H. Lane & Company contend that the issue of these certificates and receipts and the payment of interest thereon, is a waste of property and assets of the Maple Cotton Mills and a violation of the laws of South Carolina, and point out that it is the intention of Mr. Hamer and the other defendants to continue to pay out of the Maple Cotton Mills interest upon the certificates, to pay and satisfy the same by the payment of money or by the money of the Maple mills or by the issue of stock unless restrained by law. Lane & Company contend that the 126 shares of stock of the Maple Cotton Mills owned by them of the par value of $100, is worth more than twice the par value, but that if the interest payments are permitted to be continued, or if the certificates of indebtedness are permitted to remain outstanding as obligations of the Maple Cotton Mills, or to be paid or satisfied by the issue of stock or by the payment of money, the original stock owned by J. H. Lane & Company will be greatly impaired in value and may be rendered worthless.

PUBLICITY DESIRED.

Lane & Company ask that Hamer and his associates make public the amount of receipts and certificates of indebtedness issued by the Maple Cotton Mills, the names of the persons to whom issued and the amount, the names of the present holders of such receipts and certificates and the amounts, and the names of the persons to whom the Maple Cotton Mills have made any payment on account

NEW YORK STOCKS AND BONDS

For the Week Ending Thursday Evening, October 19, 1911.

Name.	RANGE FOR WEEK Low	RANGE FOR WEEK High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911 Lowest		RANGE FOR YEAR OF 1911 Highest		RANGE FROM JAN 1870 TO JAN. 1911 Lowest	RANGE FROM JAN 1870 TO JAN. 1911 Highest
Atch. & T. R R.	105	105⅝	105¼	40,200	95⅝	Sept 27	110⅝	June 6	$ 1-16 1894	152½ 1909
Atch. & Top. pf.	103	103⅝	103⅛	13,900	100¾	Jan 3	106½	June 12	14 1896	107½ 1901
Atch. & Top 4s.	98	98¼	98	11,000	92¾	Sept 20	99⅝	Jan 4	61 1894	105½ 1909
do. adj. 4s....	91½	91⅝	91⅝	30,000	90⅜	Mar 29	92⅝	Jan 27	26 1896	99¾ 1909
Atlic C'st Line.	127½	127½	127	200	117	Jan 3	132½	July 22	58 1907	170 1906
B & O. Gold 4s.	98½	99	98⅞	17,000	95¼	Sept 20	99⅝	Oct 10	83 1907	106⅝ 1906
B. & O.S. W.3½s.	98⅜	98	98⅜	9,000	89½	Sept 29	93	Mar 11	80 1907	98 1929
Balti. & Ohio...	87½	88	87½	600	83⅝	Sept 29	108⅜	July 22	9 1857	125¾ 1906
do. pref.	74½	75¼	74⅝	6,000	85½	Aug 31	91	Jan 4	67¼ 1869	140 1906
Brooklyn R. T..	82⅝	84	83¼	41,100	72	Sept 25	85⅝	July 20	18 1896	137 1906
B R.T.conv't 4s.	207	210½	210⅛	21,250	82⅜	Oct 2	89⅝	Jan 26	66 1907	102½ 1906
Canadian Pac...	...	...	198	...	192¾	Jan 3	247	July 21	32 1856	202⅝ 1910
Canada South...	...	...	108	...	62	Mar 3	68	May 12	23 1856	97 1908
Cen of Ga. Con.5s.	...	...	97	...	107¾	Jan 13	110	July 25	85 1907	120¾ 1931
do. 1st inc....	91	91	91	1,000	86	July 25	114½	Apr 12	30 1890	102 1910
do 2d inc.....	...	...	90	...	91	Oct 17	106¾	Apr 5	9 1899	107 1910
do 3d inc.....	250	260	260	250	85	Feb 28	102	Apr 4	4 1899	160 1910
Central N. J....	...	...	280	...	260	Sept 18	295	June 3	31 1885	312 1911
Cent'l Pac. 1st.	103¼	103⅝	103⅛	21,000	90	Oct 7	92	Mar 8	75 1907	91 1910
Ches.O. gen.4½s.	72⅜	74⅛	74	8,500	100⅝	Sept 25	102	May 18	61 1892	111 1908
Chesapeake & O.	87⅛	87⅛	87⅛	300	65⅝	Sept 25	98⅝	Feb 10	1 1858	133⅝ 1881
Chic. & Alton...	...	...	40	...	15	Aug 28	31⅝	May 22	8¼ 1907	74⅝ 1909
do. pref.	19	19	19½	300	40	Oct 6	53	Jan 27	47 1908	85⅝ 1909
Chic. Gr't West.	7⅝	7⅝	7⅝	800	13¼	Sept 14	25⅛	June 5	3⅜ 1897	37⅝ 1909
do. pref. A....	105½	110	109	28,500	36	Sept 27	49⅛	Feb 6	15½ 1908	90½ 1901
Chic. M. & St.P.	...	...	116	...	105⅝	Oct 4	133½	Feb 7	24⅝ 1879	199⅝ 1909
do. pref.	144	145	144⅞	1,400	141	Sept 14	158⅛	June 15	74⅜ 1879	218 1909
Chic. & N. W....	...	...	192	...	138½	Sept 22	150⅛	June 12	49⅝ 1879	221½ 1902
do. pref.	...	...	144	...	197	Aug 31	201¼	Aug 9	128 1882	274½ 1902
Chi.,St.P. & Om.	...	...	130	...	130½	Apr 20	144	June 12	78¼ 1881	225 1908
do pref.....	...	...	170	...	152	Feb 18	152	Feb 18	66 1881	230 1908
Chic. Un. Trac..	4⅜	5	5	50	1⅜	Sept 30	5	June 2	⅜ 1900	23 1908
do. pref.	62	62	62	400	4½	Oct 18	7¾	Feb 6	3 1900	60 1908
C.,C.,C. & St. L.	...	...	90½	...	48⅝	Sept 16	66	Jan 15	19½ 1890	111 1905
do. pref.	93½	50	49	95	94½	Aug 25	98	Feb 1	63 1890	124⅝ 1902
Colo. & South'n.	72	73	72	1,100	43	Sept 25	60	Jan 18	4⅜ 1889	63⅛ 1908
Col. & So. 1st pf.	...	...	69½	...	...	...	84⅜	July 10	35 1889	86 1908
do. 2d pref....	161	161	160	400	66	Sept 18	76	Aug 5	12⅝ 1889	84½ 1908
Del. & Hudson...	150	152	151	300	150½	Sept 27	175⅝	June 8	22 1870	240⅝ 1905
Del., L'ck & W.	...	...	4	2,000	500	Sept 25	560	June 6	48 1870	600 1908
Den & Rio G'de	4½	4⅝	4½	200	21⅝	Sept 14	35	Feb 21	4⅜ 1885	106½ 1910
do. pref.	...	...	...	...	44	Sept 18	74	Feb 21	24 1884	101¾ 1911
Dul.,So.Sh.& Atl	2½	3	3	200	2½	Sept 5	15½	May 1	2⅝ 1895	24 1908
do. pref.	8¼	8	8¼	600	19¾	Sept 27	25⅜	Apr 4	5 1898	48⅜ 1908
Erie 1st gen. 4s.	74⅜	74⅜	74⅜	61,000	73½	Jan 3	79⅝	July 19	52 1895	95 1905
Erie	34⅜	34⅝	34⅜	31,700	27¼	Jan 11	38⅛	June 9	3⅜ 1859	53⅜ 1881
Erie 1st pref....	44	44	44½	6,200	45⅜	Jan 12	61½	July 1	15 1893	86 1981
Erie 2d pref.....	41	41½	41	200	35	Jan 13	49½	July 3	13 1896	78⅜ 1908
Ev'ns & T. H.	...	...	60	...	60	Feb 1	68	July 24	20 1897	152 1892
do. pref.	12	12	12	5,000	85	June 5	90	July 24	72 1904	104⅝ 1908
Gr'nBA&WdebB.	123	123	124	18,500	11	Sept 25	16⅛	Jan 23	5⅝ 1898	27⅝ 1908
Gt. Northern pf.	...	...	128⅜	...	119	Sept 25	140	June 8	44½ 1880	248 1908
Hock'g Valley 4s.	...	...	126	...	123	May 24	134	Apr 29	22 1899	140 1910
do. pref.	...	...	...	...	...	...	...	...	53½ 1899	161⅝ 1910
Illinois Central..	138½	139	138⅞	500	132	Jan 3	147	July 20	79⅞ 1899	144⅛ 1908
Inter-Met (w.i.).	14½	15	14⅝	2,400	13⅝	Sept 27	20⅜	Feb 15	4⅝ 1907	55⅝ 1911
do pf. (w. i.)	43½	45⅜	43½	2,100	39⅝	Sept 25	55⅝	Feb 10	14 1907	87⅝ 1908
Iowa Central....	15½	18⅜	15⅝	900	15	May 12	22	Sept 8	2 1888	51⅜ 1908
do. pref.	29½	30⅜	30	1,000	28	Apr 27	39	Sept 8	12 1888	90⅜ 1908
Kan. City & So.	64⅝	64⅝	64⅝	400	25⅛	Sept 25	38⅝	June 15	7 1899	50⅜ 1908
do. pref.	...	...	75	...	61½	Sept 25	70	May 26	27½ 1899	75⅛ 1908
K.C.,Ft.S.&M.pf	...	...	72	...	75	Aug 4	78	May 3	58 1901	83 1902
L'ke E. & West.	29½	30½	28⅝	200	10	Sept 25	16¼	Feb 1	1⅝ 1895	76⅛ 1901
do. pref.	144	147⅜	147	4,100	25	Sept 5	40	Jan 13	24 1898	138 1908
Louis. & Nashv.	134½	135⅝	134⅝	100	130⅞	Sept 14	156¼	July 19	22 1887	162½ 1908
Manh'ttan Elev.	131½	132	131½	300	131½	Sept 25	142½	July 19	64⅛ 1904	178 1905
Minn. & St. L...	21½	22	21⅝	200	21⅝	Apr 26	34⅜	Aug 22	3⅝ 1889	115 1908
do. pref.	64	64	64	400	52	Mar 13	64	Sept 13	7⅜ 1889	127⅜ 1908
M.S.P. & S.S.M.	141	142⅜	141⅝	2,200	124⅜	Sept 22	152⅝	Mar 30	6 1897	164 1908
do. pref.	137½	138⅜	138	1,400	134⅜	Aug 26	156½	July 21	10 1897	193⅜ 1908
M.,K.&T. 1st 4s.	87½	87⅝	87½	3,000	87¼	Sept 8	98	Jan 21	50 1893	104⅝ 1905
do. 2d 4s.....	81½	82	82	29,100	80⅜	Jan 5	85⅛	Feb 17	27 1893	93⅝ 1904
M.K. & T. 1st 5s	101	101	101	1,000	99¼	Oct 4	105⅝	July 10	72 1896	114⅛ 1990
Mo., K. & Tex..	25⅝	26	25⅝	11,000	27	Sept 26	38⅛	June 14	5⅝ 1879	54 1951
do. pref.	60	60	60	1,100	62⅜	Sept 25	70	Oct 17	13⅝ 1907	76⅛ 1909
Missouri Pacific.	38½	39⅛	39	8,500	33⅝	Sept 13	63	Feb 15	10 1897	125⅝ 1908
N. Y. Central...	104½	104⅝	104⅜	8,100	99⅞	Sept 27	115¼	Feb 3	31⅜ 1885	174⅛ 1907
N.Y.,C. & St. L.	...	...	18	...	18	Oct 9	45	Jan 20	9 1896	73¼ 1906
do. 1st pref....	...	...	99⅜	...	98⅜	Sept 25	101⅝	Mar 29	4 1885	124½ 1902
do. 2d pref....	...	...	82	...	82½	Aug 25	90	Jan 20	18 1896	100 1902
N.Y., Ont. & W.	28⅝	29	28⅝	1,300	27⅜	Sept 25	46⅞	July 12	6⅝ 1879	64 1906
No.& W.Con. 4s.	90⅜	90⅜	90⅜	21,000	90⅛	Aug 29	99½	Feb 3	74 1894	105 1906
Norfolk & West.	103⅜	103½	103⅜	17,200	99⅜	Sept 25	110⅝	June 26	⅛ 1896	108⅜ 1910
do pref	100	100⅜	100	300	94¾	Apr 28	91	May 22	4⅛ 1898	99 1902
N. Pac. prior 4s.	99	99⅛	99	1,000	94⅝	Sept 22	103⅝	Feb 6	90⅛ 1896	109 1898
do. gen. 3s....	69	69⅛	69	9,100	66	Sept 25	73⅝	Aug 4	57 1900	79 1905
North'n Pacific.	115¾	118	116⅝	25,900	111½	Sept 27	137⅝	June 9	11 1896	1000 1901
Pacific Coast....	...	...	100	...	100	Jan 11	102	Jan 10	34 1896	142 1906
do. 1st pref...	...	...	101	...	...	...	...	...	65 1900	105 1910
do. 2d pref....	...	...	101	...	101	Jan 11	101	Jan 11	50⅛ 1900	135 1905
Penn. R. R	124⅜	124⅝	124	12,400	118⅜	Sept 25	130⅛	Feb 1	97½ 1870	170 1909
Peoria & East'n	9½	10⅛	9¾	1,500	...	...	...	...	2 1870	50 1901
P.,C.,C. & St. L	96⅝	96⅝	96⅝	1,500	96⅛	Sept 26	109	Jan 17	10½ 1890	105¼ 1909
do pref.	103⅜	103⅜	103⅜	100	103⅜	Sept 25	112	Feb 17	40 1890	128 1902
Reading gen. 4s.	87⅜	88⅛	87⅜	21,000	86⅜	Mar 15	93½	Aug 7	27 1896	104⅛ 1997
Reading	124	125⅜	125	61,000	124	Sept 25	161⅝	June 3	17⅜ 1896	117⅛ 1909
do 1st pref...	91	91	91	100	88	Sept 20	92	July 14	11⅜ 1896	81 1999
do. 2d pref....	90½	91	90½	100	90½	Sept 20	101	May 2	29⅛ 1896	94⅝ 1910
R'k Island, new	21⅜	21⅝	21⅜	1,000	20⅜	Sept 25	34⅝	June 14	66⅔ 1907	90⅛ 1901
do pref.	47	47⅜	47	1,000	44	Sept 25	65⅝	June 14	9⅝ 1870	120 1917
St L.&S F rfg 4s	77⅜	78⅛	77	17,000	77	Oct 3	83	May 4	4⅛ 1879	84½ 1987
St L.&S F 1st pf.	61	62	61½	800	59	Sept 19	69	July 25	50 1893	110¼ 1908
St L.&S F 2d pf.	40⅜	42	40⅜	2,500	38	Aug 21	49½	July 24	12 1893	90½ 1902
St L.&SW 1st4s	...	...	80⅞	...	80⅞	Jan 24	93⅝	Aug 21	4⅝ 1896	117⅜ 1989
do 2d gen. 4s.	...	...	50	...	75	Jan 9	85⅜	June 29	36 1896	97 1905
St L. Southw...	...	...	10	...	24	Jan 13	34	Feb 4	1 1897	73¼ 1991
do pref.	65⅞	65⅞	65	100	59⅜	Jan 3	72	June 27	21⅞ 1900	90 1992
s'b'd A.L. adj 5s	77	81	80	7,000	74½	Sept 25	82	July 19	69⅝ 1910	77⅜ 1910
San Ant & A P 4s	81	85	85	45,000	68	Sept 11	88	Oct 17	45 1898	92⅛ 1909
So Pac rfd 4s	97½	97	97⅜	11,000	95⅝	Sept 25	98	May 8	84⅛ 1896	94⅝ 1908
South'n Pacific.	107⅛	110⅜	110⅛	24,000	104⅜	Sept 25	126⅝	June 26	12 1896	132⅜ 1908
do. pref.	...	...	118	...	...	...	...	...	94⅝ 1900	127 1909

Digitized by Google

NEW YORK STOCKS AND BONDS

For the Week Ending Thursday Evening, October 19, 1911.

Names.	RANGE FOR WEEK Low	High	Last Sale	Sales for Week	RANGE FOR YEAR OF SEL. Lowest		Highest		RANGE FROM JAN., 1911, TO JAN., 1911. Lowest		Highest	
Southern	28½	29⅜	29½	34,400	24⅜	Sept 25	33¾	July 22	23	1894	1263	1882
do. pref.	68½	71⅛	70	6,000	61¾	Jan 11	75¼	July 20	113	1894	108	1906
Texas & Pacific.	24½	25	24½	400	22¾	Sept 25	30½	June 9	4⅝	1888	73⅝	1881
Third Avenue...	8½	9⅜	.....	3,700	7⅝	Sept 27	26	Mar 2	5½	1910	342	1889
Tol.Rys & Light	.....	.....	7	.....	6½	Aug 16	8¼	Jan 17	5½	1910	38	1902
Tol., St. L. & W	18⅜	18⅞	18⅛	300	17	Sept 11	24⅜	Feb 8	10⅜	1901	64⅜	1909
do. pref.	40⅞	42⅜	43½	2,200	38	Sept 1	53⅞	Feb 8	23⅜	1903	74¼	1909
Twin City R. T.	106½	106⅝	106⅝	50	104	Sept 15	111	Feb 3	94	1897	129	1902
U.P.cvt. 4s, 1887.	102	102⅜	102⅜	211,000	100	Sept 25	109¾	June 27	78½	1907	124½	1909
Union Pacific....	159½	161⅜	162½	407,700	153⅜	Sept 25	192⅝	July 22	3	1896	204⅝	1910
do. pref.	91½	93¼	93	1,400	89	Sept 21	96	July 24	47	1898	118½	1909
Wabash 1st 5s....	106	106½	106	10,100	99¼	Aug 26	110	Mar 30	88	1890	121	1902
do. deb. B's...	.....	.....	101	.....	.....	.....	.....	.....	19	1893	101	1909
Wabash	11¾	13¼	13	3,400	10	Sept 30	18¾	Feb 23	2	1895	60	1881
do. pref.	23⅝	26½	25¼	3,500	19	Sept 27	40⅜	Feb 23	9	1894	96¾	1881
West. Md., pref.	.....	.....	78	.....	75	Jan 14	88¾	July 24	67	1910	77	1910
Wheel. & L. E..	3	3½	3½	200	2½	Sept 25	6¼	Feb 3	½	1897	63⅝	1857
do. 1st pref..	.....	.....	8	.....	7½	July 22	17⅜	Feb 3	3⅝	1897	89⅝	1893
do. 2d pref....	3½	3½	3½	100	3	Sept 5	9	Feb 23	4	1910	42¾	1903
Wis. Central....	52	53⅛	53	900	48	Sept 21	73¼	May 1	4c	1899	64	1910
do. pref.	.....	.....	88½	.....	.....	.....	.....	.....	80c	1899	91⅞	1979
do. 1st 4s.....	92½	92⅝	92½	18,000	93	Aug 28	99⅝	July 6	87	1896	99½	1890
Miscel. St'ks.												
Adams Express.	.....	.....	100	.....	185	Jan 20	243	June 13	97½	1888	215	1907
Allis Chalmers.	2½	3⅜	3½	8,400	2	Oct 9	9⅝	May 31	4	1907	37⅝	1906
do. pref.	9⅝	12⅞	10⅝	2,800	9⅝	Oct 18	34	Feb 3	14	1908	87⅞	1903
Amal. Cop.....	49⅝	52⅝	52⅝	75,700	44⅜	Sept 25	71⅝	June 19	33⅝	1908	130	1901
Am. Beet Sugar.	56⅜	59	58⅜	45,000	39⅜	Jan 12	59	Oct 18	9½	1908	49½	1909
Am. Car & Fd.	.....	.....	48	.....	42½	Sept 25	54⅜	July 19	10⅝	1899	78½	1903
do. pref.	.....	.....	115	.....	114	Oct 10	120	May 23	81	1899	124⅝	1909
Amer. Cot. Oil..	45⅜	51½	47¼	13,450	45¼	Sept 26	63⅜	Feb 23	8	1898	79¾	1909
do. pref.	.....	.....	100	.....	100	Sept 7	106⅝	Mar 21	37½	1899	107⅞	1909
Amer. Express..	.....	.....	210	.....	201	Sept 26	245	Mar 27	100	1898	201	1910
Am. H. & L....	3⅝	3⅞	3⅝	100	3	Oct 9	6	July 21	2⅜	1908	37⅜	1909
do. pref.	22	22	22	100	18	Sept 25	39⅝	June 14	10	1907	83¼	1899
Am. Ice Sec....	17½	18⅝	18	200	16½	Aug 28	32⅝	July 12	8¼	1907	96	1907
Am. Linseed Co.	8½	8⅝	8½	700	8	Aug 11	13⅜	Feb 17	5	1908	39⅝	1901
do. pref.	.....	.....	28½	.....	26¼	Oct 4	34	Feb 14	16½	1907	96	1901
Am. Looo.....	33½	35⅝	33½	2,100	24	Sept 29	43¾	May 22	11¾	1908	78½	1906
do. pref.	103	104¾	103	900	103	Oct 19	119⅝	Mar 1	67½	1908	122½	1905
Amer. Malt Co.	.....	.....	3⅝	.....	3	Sept 25	6⅝	July 11	2½	1907	80⅝	1898
do. pref.	42	43⅝	42½	1,000	31½	Mar 8	43⅝	Oct 16	14¼	1908	69	1906
Am. Smtl. & Ref	63¾	66⅝	65½	45,900	50⅝	Sept 25	83¾	June 15	30	1899	174	1906
do. pref.	101	102½	101¾	2,000	96⅜	Sept 27	108¼	June 15	77½	1899	127	1905
Am. St'l F'dry.	30	32⅜	30	700	25	Sept 25	52½	Feb 9	2½	1904	66⅝	1909
Am. Sugar Ref.	116¼	118⅜	117½	2,400	112⅝	Sept 25	131¾	June 14	65⅝	1899	182	1899
do. pref.	115	116	115¼	400	111	Jan 5	119¼	Feb 14	68⅛	1893	143	1905
Am. Tob. pref..	95½	98⅜	96½	6,647	87	Aug 24	102	May 23	69	1907	151½	1902
Anaconda|||	32⅝	34½	33½	8,900	29	Sept 25	41¼	June 20	11⅜	1907	203⅜	1907
Br'k Un'n Gas.	134¼	135¼	134¼	300	120	Sept 15	146¼	June 8	80	1907	263	1902
Central Leather	21	22⅝	21	2,900	18⅝	Sept 25	33⅜	Feb 2	11⅜	1907	61⅜	1909
do. pref.	94½	95⅞	93⅞	700	91⅞	Sept 25	105	Feb 10	66	1907	111	1909
Chino Copper....	19¼	20⅜	20	6,500	16½	Sept 25	25⅝	May 19	2¼	1910	13	1909
Colo. Ind. 1s....	.....	.....	74	.....	73	Aug 12	79¼	Feb 23	35	1907	83½	1908
Colo. F'l & Ir's	27	28	27½	400	25	Sept 25	36⅜	Feb 6	14	1907	126½	1901
do. pref.	.....	.....	110	.....	110	Aug 5	110⅜	Jan 9	80	1907	142¾	1901
C.&H.V.Co'lair.	.....	.....	12	.....	4	Feb 9	4	Feb 9	⅝	1896	92½	1910
Consolid't'd Gas.	137⅜	139½	138⅝	6,000	129	Sept 25	148⅜	June 6	67	1887	241⅜	1897
Con. Tobacco 4s.	90	91¼	90	13,000	81¼	Jan 11	89¾	July 10	61¼	1903	85¾	1914
Corn Prod'ts R.	9⅝	11⅞	10¼	3,600	9⅝	Oct 19	15⅝	May 17	6	1907	28	1906
do. pref.	73	76	73	600	73	Oct 19	85	May 20	60	1907	93½	1979
Dist. Secur.....	30⅞	32¼	31½	1,200	29	Sept 26	38¾	June 6	19½	1904	78	1907
Fed. M. & Smlt.	17	17	17	100	15¼	Sept 25	26	Feb 16	15¼	1904	198	1906
do. pref.	47	52¾	52	1,025	47	Oct 13	66⅜	May 19	47	1907	112⅞	1906
Goldfield Con....	3½	4⅜	4⅛	28,200	3¼	Oct 18	7⅜	Jan 2	2⅜	1907	10	1910
Internat. Paper	98⅜	100⅜	100½	1,400	9	Sept 9	13⅜	Feb 3	7¼	1907	68½	1899
do. pref.	46⅛	47⅝	47½	1,335	44⅜	May 15	54⅜	Jan 21	47	1900	95	1898
Int. Harvester..	103	104⅜	101	6,150	99⅝	Sept 20	129¾	May 5	52	1908	125⅞	1910
do. pref.	116	116	116	100	112	Sept 22	123¼	May 4	99	1908	129	1910
Inter. Stm. P'mp	25⅝	27⅛	27½	1,700	25½	Oct 9	44	Feb 10	7⅜	1907	60	1906
do. pref.	82½	82½	82½	200	80	Oct 9	90⅛	June 12	50	1907	96	1902
Laclede Gas.....	103⅜	104⅜	104⅜	4,600	101¼	Sept 25	114½	Jan 21	93¼	1910	116½	1910
Mackay, pref....	72⅜	73⅝	72½	200	72	Aug 11	77	Mar 7	50	1907	75⅜	1910
Nation'l Biscuit.	126	126½	126½	200	117¾	Jan 16	141	Apr 4	23	1900	120	1909
do. pref.	127	127	127	100	124	Jan 20	130	Feb 4	79½	1900	130	1909
Nat. En. & St'g.	15	15	15	100	14	Sept 25	22	July 24	6½	1907	38	1903
do. pref.	94	94	94	100	85	Jan 6	100⅜	July 22	70	1908	99¼	1909
Nat. Lead.....	46½	48	48	1,500	42½	Sept 25	58⅜	Mar 15	810½	1903	95⅝	1906
do. pref.	106	108	106	200	104	Sept 22	109⅝	Aug 15	48	1893	115	1899
N.Y. Air Brake	.....	.....	52	.....	51	Sept 20	76	June 19	14	1899	169⅜	1906
North Amer. Co	65	65⅞	65⅞	100	64	Jan 10	78½	May 22	23	1892	124	1902
Pacific Mail....	30½	31	30	2,400	23¾	Apr 24	37⅛	Oct 6	8¼	1893	70	1907
P'ple's G.L.& C.	103	106¼	103½	3,000	101½	Aug 25	109	Jan 19	39	1897	129¼	1899
Pressed St'l Car	23½	29	29	400	25	Sept 27	37⅝	July 7	15⅜	1907	65⅜	1903
do. pref.	85	92	92	500	91	Sept 22	102⅜	June 14	52¼	1907	111⅜	1903
Ry. Stl. Spring	27	27½	27	600	24⅝	Aug 26	39	June 14	15⅞	1904	63¼	1905
do. pref.	.....	.....	94	.....	88⅜	Aug 30	102¼	May 24	67	1903	109	1909
Rep'b Ir. & St'l	27⅞	28½	28½	400	21¾	Sept 27	35⅝	Feb 6	5	1904	49½	1903
do. pref.	81	85⅞	84	500	81⅝	Sept 22	99⅝	Mar 14	36⅝	1903	111¾	1909
Sloss-Sh. S. & I	40	40	40	300	34	Sept 25	56⅝	Feb 6	17½	1900	118½	1903
do. pref.	.....	.....	112	.....	112	Feb 15	113	Feb 15	80½	1900	120	1905
T. Pac. Ld. Tr.	85	85	85	300	84	Sept 11	92	Jan 24	5	1898	96	1910
Texas Company	92	93	93	1,000	84	Aug 31	126½	Feb 1	124½	1910	144	1910
Underw'd Type..	87	91⅞	91⅞	400	61	Mar 29	111	June 26	44	1900	44	1899
Un. Bag & Pap	5⅞	6	5⅞	300	5¼	Sept 22	9	Feb 10	3½	1904	45	1899
do. pref.	19⅜	20⅜	20½	425	52	Oct 10	59½	Jan 30	16	1900	89	1899
U.S.Cast IP & P	12⅝	13	13	200	11	Sept 25	19	Feb 24	6	1900	53	1906
do. pref.	41½	45	44½	300	40½	Sept 25	59⅜	Feb 24	32	1900	97⅜	1903
U. S. Express..	.....	.....	85	.....	85	Sept 25	104	Feb 1	35	1896	160	1902
U.S.R'lty & Imp	.....	.....	65½	.....	65¼	Jan 27	79¾	May 25	34	1907	98¼	1907
U. S. Rubber....	47¾	48⅝	47¾	10,200	30½	Sept 25	47⅞	Mar 1	7	1900	63⅜	1897
U. S. Rubber pf	110	110	107½	1,100	104	Sept 25	115½	July 7	30½	1900	123¼	1909
U. S. Steel...	.....	.....	45⅞	450,700	38⅜	Sept 25	82¼	Feb 6	38	1904	91	1910
do. pref.	102⅜	103⅜	103⅜	500	103	Sept 22	120⅞	Feb 4	49⅜	1903	125⅜	1910
do bs	101⅜	102	101⅝	3,000	100	Sept 20	106⅛	May 27	65	1903	106⅛	1910
Utah Copper.	47	48¼	47	3,700	38	Sept 25	52	June 14	13	1900	67¼	1909
Virg. Car Chem	47⅜	49	48	600	43¼	Sept 25	70⅝	Feb 28	12⅜	1907	72	1901
do. pref.	117	118	117	3,100	114	Sept 25	125½	Mar 15	75	1907	133⅜	1907
West. Un'n Tel	78	80	78½	2,500	71⅜	Mar 20	84⅜	May 24	41	1900	137⅛	1881
West. Mfg. Co.	65	66	65¼	4,200	58⅝	Sept 25	79	May 29	20¼	1900	154	1907
do. pref.	115	115	115	10	110½	Aug 16	122	Jan 5	61¼	1895	160	1907

* Ex-dividend. ** New securities. † Assessment paid. ‡ Certificates. x Ex-interest. ‖ Par value basis. ‡ Ex-rights. ‖ Price bid. ¶ Price asked. § Old. *** Receipts.

these receipts or certificates, interest thereon and the amount paid to each, and that any persons who have received any payments on account of interest be made parties defendant to this suit, and that the receipt and certificates of indebtedness be adjusted null and void. And that the receipts and certificates be cancelled and destroyed, also that the Maple be adjoined from paying or satisfying the receipts and certificates of indebtedness by the issue of stock or the payment of money and from paying interest thereon, and this injunction be made perpetual. Also that such holders of said receipts and all others to whom such payments have been made be adjusted indebted to the Maple Cotton Mills, in the amounts received by them, with interest from the date of such payment and they be required to repay to the Maple or to a receiver to be appointed, the amount thus received. Also that a receiver be appointed for the Maple Cotton Mills.

We published last week a financial statement of the Maple Cotton Mills in which we showed a book value of about $250 per share. A surplus of nearly $150,000 was shown.

Doubling or in other proportions increasing the capital stock of textile mills by the payment of stock dividends has not been uncommon. But the above could not be said to constitute a stock dividend and is

SOMETHING UNIQUE

in mill financing. J. H. Lane & Company paid $6,000 cash and it seems that Mr. Hamer transferred his own original shares and pocketed the $6,000. Lane & Company received 60 shares to add to their previous holdings on which they are receiving no dividends. Hamer not only gained the $6,000 in cash, but lost no dividends, because he received the certificates of indebtedness not only for the shares of old stock owned by him, but also for the shares which he sold to Lane & Company, and on all of this he has been receiving 8 per cent per annum through the certificates of indebtedness made out in his name. These certificates of indebtedness are practically 10-year debenture bonds, paying 8 per cent. The mill did get some new machinery, paid cash for it by borrowing the credit of its directors and others, paid the interest on the notes of the stockholders, returned the notes to the stockholders with a melon in the way of these debenture bonds and every one has profited but Lane & Company. They paid $6,000 cash for the privilege of not giving their note, and have lost dividend payments on their stock and seen about $100,000 of bonds issued ahead of their securities.

PHILADELPHIA TRUST COMPANIES.

The committee of the Philadelphia Clearing House Association having in charge the matter of the admission of the trust companies to membership in the association, has submitted a favorable report on the sub-committee's report, which will come before the association at its meeting on Monday. Only trust companies having a surplus and capital of $5,000,000 will be eligible to membership in the association if the report submitted it approved.

Under the new rule, the trust companies admitted will pay an entrance fee of $10,000, and dues of $750 per annum. In their last official report, trust companies had deposits of over $373,000,000 and $44,542,000 in capital.

Digitized by Google

REAL ESTATE INQUIRY.

Northwest Townsite Company.

4748. (Erving, Mass.) What is the present and prospective value of the Northwest Townsite Company's holdings in Philadelphia? Do you consider their lots worth the money they are asking for them?

Ans.: The main office of this company is located in Philadelphia, but the holdings are all in the Northwest. The officers are in good standing, and the references given are excellent. We have reason to believe that the finances of the company are in good shape, and that the management is conservative. The company is selling only a part of its holdings with the intention of being permanently, and not temporarily interested in the enterprise. In other words, its enthusiasm is not likely to wane as soon as it has disposed of most of its holdings to the public.

The scheme has many original features. There is, first of all, the divided risk feature, five lots in five different towns, one of these being a business or a corner lot, which gives the investor a better chance of making a profit on the transaction in due time than would be the case if the lots were all located in one section or in different parts of the same town. There is, of course, a considerable element of chance involved and some purchasers, either through their own good judgment or through what is generally termed "luck," will gain much more than others, but the proposition is a good risk for any one who can afford it.

The property of the company is all located along the new "Hill" and "Harriman" lines in what are now small towns in the state of North and South Dakota, Montana, Idaho and Oregon. These towns were chosen after consultation with the officials of the railroads. It is the idea of the company to pick towns which are or will be county seats or division points on the railroads. In each of the towns the company has a local agent, generally a bank or trust company. These local agents will transact sales for the holder of a contract on a 5 per cent commission basis.

The price asked for the lots does not appear excessive, and although some of these towns might never get beyond mere villages, there is a good chance that some of them may develop sufficiently to yield a good profit on real estate held in them.

MINING INQUIRY.

Cobalt Stocks.

21331. (Pittsburgh, Pa.) I am interested in some stock of the Nipissing Mines Company, of Cobalt, Canada. It has been suggested to me that I should sell part of this stock and place the proceeds in the following mines: Wettlaufer Lorraine Silver Mines, Limited, and the Beaver Consolidated Mines, Limited, both in the Cobalt section of Canada, and so distribute the risk. I would ask your opinion as to the advisability of such a course at the present time. I should like to know in regard to these two latter mines how they are regarded by conservative business men. What cash and other assets they have in their treasury at the present time; also how much acreage they both own respectively at the present time. If the management is regarded as honest and competent, and how much ore reserves they have at the present time.

Ans.: Replying to your recent inquiry regarding the Cobalt stocks, particularly as to the advisability of selling a portion of your Nipissing holdings and re-investing the proceeds in Wettlaufer and Beaver Consolidated, we would say that so far as the acquisition of Wettlaufer is concerned, we think you might do well to follow this suggestion, but we are inclined to question the wisdom of exchanging Nipissing for Beaver Consolidated. We say this believing that Beaver is a valuable property, and one which is more than likely to make for itself a good showing in the matter of dividends. The management of the company, however, is not looked upon as being thoroughly conservative in its actions, and the stock we believe is one which is likely to show sudden and disconcerting market movements. Beaver is at present paying at the rate of 12 per cent per annum, having thus far paid 8½ per cent since beginning dividends last May. No attempt has been made to make it appear that Beaver is on a regular three per cent quarterly basis, and the dividend declared more than a month ago, is not payable until December 15.

THIS FACT

suggests that the management is taking too active an interest in the market position of the stock, and that, we find, is the greatest source of criticism at the present time. The stock is quoted at 50 cents on a par value of $1, so that the net return at the present price would be about 24 per cent.

The Beaver property consists of twenty acres in the Coleman township, the titles to the property being obtained from the government in fee simple. The property has been developed by several thousand feet of underground workings, which have been carried to a depth of over 400 feet. The company began shipping ore a little less than two years ago, and is to-day a somewhat irregular shipper.

President Culver's report submitted to the stockholders a month ago, placed the shipments for the preceding quarter at a valuation of $133,000, payments not yet due from smelters on ore shipped amounted to approximately $135,000. The company's cash balance on October 31, was $72,700, less pay roll for August of $6,766, sundry accounts payable, $5,974, total, $12,740, leaving a cash balance at hand of $59,960. These figures compare with $96,241, cash on hand May 31, with about $30,000 due from smelters. It will be seen that while cash on hand is not as great as it was three months ago, still the actual amount is just about sufficient to pay the December dividend with about $135,000 due from the smelter.

We note with interest that some of those who have been advising the purchase of Beaver, are now recommending its sale, and the acquirement of other stocks.

As far as the Wettlaufer Lorraine Silver Mines, Limited, is concerned, we would say that this company

IS WELL MANAGED,

and successful, and from all we can learn we believe that the stock is a good purchase at current quotations. The stock at the present time is quoted around 78 to 80 cents, and as the company is paying dividends at the rate of 5 per cent quarterly, that is, 2½ per cent regular and 2½ per cent extra, a net return at present prices will be approximately 25 per cent. The stock is inclined to weakness generally, a fact, which we attribute very largely to the reduction in the Kerr Lake dividend. The Kerr Lake Company owns 150,000 shares of the Wettlaufer, but they are operated on entirely different lines, and the fact that the Kerr Lake people have increased their Wettlaufer holdings very materially, indicates that they have great faith in the future of the property. The Wettlaufer Company is well managed, the management paying little attention to the stock market end of the game. As we have said, we are inclined to believe that your position would be improved to some extent at least by reinvesting a portion of your Nipissing holdings in Wettlaufer. For one thing, the yield would be larger, as Nipissing, at current quotations, is netting less than 20 per cent. Nipissing September production amounted to 436,694 ounces at a gross value of $227,083. The net value of ore shipped in September was $239,843, which was over $52,000 in excess of dividend requirements. Some holders of the stock have been disturbed by a falling off in the volume of regular shipments. This is due to the fact that the company has been treating its high-grade ore at its own mill and it is quite possible that the medium-grade ores will be similarly treated in the near future. As long as the earnings do not show a decline, the stockholders need not worry over the shipment figures, and it is claimed by refining its own high-grade ore, the company is effecting an annual saving of something like $300,000. It is claimed that the company will have about $1,100,000 surplus in cash and quick assets after paying its dividends this month.

ST. PAUL, ORE.—The State Bank of St. Paul, has been organized with a capital of $15,000. James J. Keber is cashier.

MARSHVILLE, N. C.—The Bank of Marshville has increased its capital to $50,000.

THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY.

New York, October 2, 1911.

The Board of Directors has declared a dividend (being dividend No. 26) on the COMMON STOCK of this Company of ONE DOLLAR AND FIFTY CENTS ($1.50) per share, payable December 1, 1911, out of surplus net income, to holders of said COMMON Stock registered on the books of the Company at the close of business on November 3, 1911. Dividend cheques will be mailed to holders of COMMON Stock who file suitable orders therefor at this office. C. K. COOPER, Assistant Treasurer. 5 Nassau Street, New York City.

AMALGAMATED COPPER COMPANY.

42 Broadway, New York, Oct 19, 1911.

At a meeting of the Directors of the Amalgamated Copper Company a dividend of One-half of One Per Cent (½ of 1%) was declared, payable November 25th, 1911, to stockholders of record on the books of the Company as of 12 o'clock noon, October 28th, 1911.

A. H. MELIN, Secretary and Treasurer.

THE McCRUM-HOWELL CO.

New York—Chicago.

28th CONSECUTIVE PREFERRED STOCK DIVIDEND.

The quarterly dividend of one and three-fourths per cent on the Preferred Stock of the company has been declared payable on November 1st, to Preferred Stockholders of record at the close of business, October 20th, 1911. Books close at 3 P. M., Friday, October 20th, 1911, and reopen Thursday, November 2nd, 1911.

A. E. PFAHLER, Treasurer.

INVESTOR OR PROMOTER

I have twenty acres of land in the Joplin (Mo.) zinc and lead district (the world's greatest) to lease for development, within stone's throw of producing mine. Responsible party can have lease free, no bonus, by agreeing to do small amount of prospecting and pay reasonable royalty when ore is sold. Drill holes already finished show good ore on this property, something seldom offered. Investigate.

"ZINC",

Care of United States Investor.

tized by Google

The Best Purchases on the Railroad List

As indicated by the Two Standards of Comparison: of Present Investment Yield on Basis of Current Dividends and Prevailing Market Price, and on Basis of Present Earnings on Prevailing Market Values.

The average net yield of the 50 railroad stocks quoted in the following table was 5.37 per cent on October 18, as compared with 5.43 per cent on October 10, 5.43 per cent on January 4, and with 4.71 per cent on January 2, 1910.

The figures compiled by the Bureau of Railway Economics dealing with and summarizing the revenues and expenses of steam railroads over 50 miles long, for the fiscal year ended June 30, last, show the general trend of income and expenses during that period. Operating revenues show a total of $32.87 per mile per day, which is 19 cents per mile per day less than for the preceding year, equivalent to an aggregate decrease for all the railways for the entire year of nearly $17,000,000. Operating expenses averaged $22.58 per mile per day for 95 per cent of the railway mileage covered. This showing is the highest on record, being 65 cents per mile per day higher than for the previous fiscal year, and making an aggregate increase of over $56,000,000 for all the roads. In the light of these figures, it is not at all difficult to see why it is that a number of the railroad systems have been forced either to reduce their dividends or to carry out drastic economies in order to do away with the necessity for such a step.

Net operating revenue averaged $10.29 per day. Taxes increased, and revenue from outside operations fell off, so that operating income was 87 cents per mile per day less than in the preceding year. This amounts to a total decrease in operating income of more than $75,000,000, or an excess of one-fourth of the total amount of net dividends paid by the railways for the fiscal year ended June 30, 1910.

These figures may be accepted as being representative, inasmuch as they cover 90 per cent of all the mileage in this country. Total operating revenue from freight and passenger traffic, mail and express and miscellaneous sources was $218,570,015, a decrease compared with July, 1910, of $1,414,427, which is equivalent to $22 per mile, or 2.1 per cent. This change was due to a decrease of $24 per mile, or 3.7 per cent in freight revenue. Operating expenses were $148,322,468, a decrease of $17 per mile, or 2.5 per cent. From the figures shown, it will be seen that by reducing operating expenses, the railways have almost succeeded in overcoming the decrease of $22 per mile in operating revenue. Net revenue for each mile of line for each day of July averaged $10.25, as compared with $10.39 for July, 1910. The operating ratio was 67.9 per cent, as compared with 68.6 per cent in June of this year, and 63.1 per cent in July of last year.

The western group of roads showed a decrease in total operating revenue per mile of 7.3 per cent, while the eastern group increased 1.3 per cent. and the southern 3 per cent. Operating expenses per mile were reduced 4.6 per cent by the western lines; 1.3 per cent by the eastern lines, and increased 1.1 per cent by the southern roads. Taxes increased in all the groups, the increase per mile amounting to 13.4 per cent in the southern group and 7.2 per cent in the eastern.

STOCKS SHOWING BEST INVESTMENT YIELD.

Present rank.	Stock.	Present dividend.	Price.	Yield on present price.
1	Toledo, St. L. & W., pref...	4%	42	9.52
2	Detroit United	5%	73	6.85
3	St. L. & San F., 1st pref.....	4%	59	6.78
4	Chesapeake & Ohio, com....	5%	74	6.76
5	B. R. T.	5%	74	6.76
6	St. Paul, com.....	7%	108	6.48
7	Colo. & Southern, 2d pref...	4%	63	6.35
8	N. Y., C. & St. L., com.....	3%	48	6.25
9	Baltimore & Ohio, com.....	6%	97	6.20
10	K. C. Southern, pref.....	4%	65	6.15
11	Lehigh Valley	10%	163	6.14
12	Union Pacific, com.....	10%	163	6.14
13	Northern Pacific	7%	116	6.03
14	N. Y., N. H. & H.	8%	133	6.02
15	M., K. & T., pref.....	4%	69	5.80
16	St. Louis S. W., pref.....	4%	69	5.80
17	Atchison, com.	6%	107	5.60
18	Twin City R. T., com.....	6%	107	5.60
19	Great Northern, pref.....	7%	126	5.55
20	Colo. & Southern, 1st pref...	4%	72	5.55
21	Delaware & Hudson	9%	163	5.52
22	Southern Pacific, com.....	6%	110	5.45
23	M., St. P. & S. S. M., com...	7%	131	5.34
24	K. C., F. S. & M., pref.....	4%	75	5.33
25	C., C., C. & St. L., pref.....	5%	94	5.32
26	C., St. P., M. & O., com.....	7%	132	5.30
27	P., C., C. & St. L., com.....	5%	95	5.26
28	N. Y., O. & W.	2%	39	5.13
29	Western Maryland, pref.....	4%	78	5.13
30	Illinois Central	7%	138	5.07
31	Buffalo, R. & P., com.....	5%	100	5.00
32	Pennsylvania	6%	122	4.92
33	Atchison, pref.....	5%	103	4.85
34	Chicago & N. W., com.....	7%	145	4.83
35	Louisville & Nashville	7%	147	4.76
36	N. Y. Central	5%	105	4.76
37	St. Paul, pref.....	7%	147	4.76
38	M., St. P. & S. S. M., pref...	7%	148	4.73
39	Atlantic Coast Line	6%	127	4.72
40	Norfolk & Western, com....	5%	106	4.71
41	Central of N. J.	12%	260	4.61
42	Baltimore & Ohio, pref.....	4%	88	4.54
43	Norfolk & Western, pref.....	4%	89	4.50
44	Canadian Pacific	10%	230	4.35
45	Reading, com.	6%	139	4.32
46	Union Pacific, pref.....	4%	93	4.30
47	Boston & Maine	4%	99	4.04
48	Colo. & Southern, com.....	2%	50	4.00
49	D., L. & W.	20%	505	3.96
50	Southern Railway, pref.....	2%	70	2.85

STOCKS SHOWING BEST EARNINGS

Present rank.	Stock.	Price.	Earnings on present price.
1	St. L. & San F., 2d pref.....	41	29.05
2	Erie, 1st pref.....	50	22.90
3	M., K. & T., pref.....	69	19.80
4	Detroit United	73	18.50
5	N. Y., C. & St. L., com.....	48	15.80
6	Hocking Valley, com.....	128	14.70
7	Buffalo, R. & P., com.....	100	14.30
8	Southern Railway, pref.....	70	13.35
9	Louisville & Nashville	147	12.55
10	Norfolk & Western, com.....	106	10.95
11	Union Pacific, com.....	163	10.20
12	Twin City R. T., com.....	107	10.20
13	B. R. T.	74	9.75
14	Atlantic Coast Line	127	9.65
15	Reading, com.	139	8.70
16	Canadian Pacific	230	8.70
17	Erie, com.	30	8.65
18	Southern Pacific, com.....	110	8.60
19	Colo. & Southern, com.....	50	8.55
20	Central of N. J.	260	8.45
21	St. Louis S. W., pref.....	69	8.30
22	Great Northern, pref.....	126	8.30
23	D. & R. G., pref.....	48	8.25
24	C., St. P., M. & O., com.....	132	8.20
25	Baltimore & Ohio, com.....	97	8.00
26	Delaware & Hudson	163	7.80
27	P., C., C. & St. L., com.....	95	7.05
28	Chesapeake & Ohio, com.....	74	6.95
29	Northern Pacific	116	6.65
30	Lehigh Valley	173	6.60
31	K. C. Southern, pref.....	65	6.60
32	St. Paul, com.....	108	6.60
33	M., St. P. & S. S. M., com.....	131	6.55
34	M., K. & T., com.....	31	6.40
35	Illinois Central	138	6.20
36	C., C., C. & St. L., com.....	62	6.05
37	N. Y. Central	105	5.95
38	Atchison, com.	107	5.55
39	D., L. & W.	505	5.55
40	Pennsylvania	122	5.40
41	Chicago Gt. Western, pref.....	37	5.15
42	N. Y., O. & W.	39	5.05
43	Rock Island, pref.....	47	5.00
44	N. Y., N. H. & H.	133	4.70
45	Chicago & N. W., com.....	145	4.60
46	Western Maryland, pref.....	78	4.25
47	Toledo, St. L. & W., pref.....	42	1.80
48	Iowa Central, pref.....	38	1.80
49	K. C. Southern, com.....	31	0.70
50	Boston & Maine	99	0.45

UPON PRESENTATION

at the Office of

THE MIDDLESEX BANKING COMPANY

OF MIDDLETOWN, CONN.

DEBENTURES of Series E14, maturing November first, 1911, and Series E15, maturing December first, 1911 WILL BE PAID at par with interest to the date of payment.

GOLDFIELD CONS.
INDIANA

Our weekly market letter mentions the above, also Arizona Cons., Greene Cananea, Mazatlan and "The Grangers," "Coppers" and "Curb" stocks in general. Mailed free upon request.

"Coppers" and Curb Stocks bought and sold for Cash or Carried on Margin

H. A. BROWN & CO.

Members Boston Curb Exchange

60 State St., Boston — 74 Broadway, New York

6 PER CENT INTEREST PAID

By Coupon on Bonds Secured by Well Selected New York Real Estate.

"We Deal in No Other Securities"

THE DEBENTURE CORPORATION OF NEW YORK
334 Fifth Avenue — New York City

SIX NUMBERS FREE

Financial Converse (published every two months) answers more questions on mines than any periodical published. E. F. Campbell, of Chicago, says: "This paper is worth more than any other mining publication in the United States." Cut this out and send for six copies free covering the next year.

FINANCIAL CONVERSE
339 Monadnock Block, Chicago, Ill.

20%

Dividends on stock of the SMITH VALLEY LAND & LIVE STOCK COMPANY will be very conservative with positively no chance of losing the amount of your investment. If you are interested in dividends and absolute security back of your investments you will want some of this stock. It is a sure winner; a sure dividend payer, and a very high class investment. Write for particulars.

Glass & Meyer

58-58 Vandergrift Bldg. — Pittsburg, Pa.

6% INVESTMENTS

Certainty Adaptability Convertibility

NO element of an investment approaches in importance that of *certainty*—certainty that it will conserve and return principal intact, and pay the contract rate of interest. A-R-E 6's have done this for nearly a quarter of a century.

¶ They are adaptable, being issued to return interest on current funds or to provide for saving surplus earnings, returning the latter with interest compounded at 6%.

¶ Their *cash convertibility* safeguards the investor against temporary financial need.

¶ This Company is engaged solely in the business of investment and operation in New York real estate, a stable and profitable investment field, and offers its 6% Gold Bonds in these forms:

6% COUPON BONDS

For those who wish to invest $100 or more

6% ACCUMULATIVE BONDS

For those who wish to save $25 or more a year

Descriptive Booklets and map of New York showing location of properties sent on request.

AMERICAN REAL ESTATE COMPANY
Capital and Surplus, $2,011,247.80
Founded 1888 — Assets $23,026,898.67
Room 502, 527 Fifth Avenue, New York

6% A Good Investment

To investigate is the six per cent Realty Bond of the New York Central Realty Company issued in denominations of $1,000, $500, and $100.

It offers a high grade of security, a liberal cash availability and an interest earning of 6%.

WRITE for booklet illustrating the methods of the Company, describing its bonds, their redemptive privileges and advantages over other Realty securities. Everybody knows us.

New York Central Realty Co.

Suite 1190, 1328 Broadway, Cor. 34th St., New York City
CAPITAL AND SURPLUS, $1,464,586.34

First Mortgage Bonds

For Small Investors

WEEKLY OR MONTHLY PAYMENTS

Government, State and Municipal Issues, also Standard Railroad, Public Service and Industrial Bonds sold in any amount for Cash or on Weekly or Monthly Payments. **Best, Easiest and Safest way to provide for your future.**

Circulars 104 on request; Correspondence invited

Resident Representatives Wanted

FUNDING COMPANY OF AMERICA

40 EXCHANGE PLACE

WANTED

Bodwell Water Power Co. 5s
Warren Bros. Stock
Arizona Territory Bonds
Idaho-Oregon Light & Power Stock
Peoria Water Works Co. 4s
Austin, Tex., 4s

H. C. SPILLER & CO.

Specialists in Inactive Bonds
27 STATE STREET — BOSTON

GEORGIA FARM LOANS 6%

Net on first mortgage farm loans in the rich belt of Southwest Georgia. Cotton, corn, oats, wheat, hay, peaches, cantaloupes, and other money crops are produced.

Seventeen years' experience without a loss.

EMPIRE LOAN & TRUST CO.
Americus, Ga.

BENNETT'S
INFORMATION AGENCY

INVESTMENT DEPARTMENT

The wisest men in the United States are those who never make a new investment which they consider good, and never get rid of an old investment which they consider bad, until they have made an investigation of the merits of the investment through BENNETT'S INFORMATION AGENCY.

CONGRESSIONAL INFORMATION

We attend to business at the Treasury Department as well as before Congress, the Courts, and all departments of the United States government, through our Washington office, 208 Corcoran Building, and through our staff of Washington correspondents. If you desire any information from Washington, or any business transacted at the National Capital, we shall be pleased to perform the desired service for our subscribers.

PROBATE DEPARTMENT

Information respecting probate matters, in any town or city of the United States, is furnished to our subscribers gratuitously if the inquiry is answered through the columns of the INVESTOR, or for $2.00 if the reply is by private letter.

LEGAL DEPARTMENT

Questions answered by prominent attorneys upon any desired subject for $2.00 each.

MERCANTILE DEPARTMENT

A report regarding the standing and reliability of any firm or individual in the United States furnished for $2.00. Our information goes into the character and individuality of members of a firm and its methods of doing business.

MISCELLANEOUS QUESTIONS

Inquiries of any sort answered for $2.00 each. Send for descriptive pamphlet of the agency.

REAL ESTATE DEPARTMENT

A report upon any piece of property in the United States furnished for $2.00.

Conducted by

Frank P. Bennett & Co., Inc.

530 Atlantic Ave., BOSTON.
308 Chestnut St., PHILADELPHIA.
2 Rector St., NEW YORK.

Digitized by Google

OCT 30 1

United States Investor

Copyright 1911, by Frank P. Bennett & Co., Inc.

Volume XXII. BOSTON, NEW YORK AND WASHINGTON, OCTOBER 28 1911 Number 13

The Stock Market

Nothing in the current week's market developments has been such as to influence a change in the opinion that standard stocks are a purchase to-day. For the most part, the market has held fairly rigid, but it is a form of rigor mortis, rather than the strength of emphatic resisting power. Especially has this been true of the rails which, almost without exception, have held their ground where they have not advanced, as the coalers have done. In the industrial list, however, the snipping tactics of the bear sharpshooters are bearing daily results in the attainment of new low levels. Attorney-General Wickersham's pronouncement that there are about 100 corporations which are liable to prosecution under the Sherman anti-trust law, has been of marked assistance in the furtherance of the guerilla campaign, for day by day some new subject for the dissecting knife is laid on the table to arouse new tremors in an already over-sensitive audience.

American Tobacco and U. S. Steel

The fact that the American Tobacco reorganization bids fair to develop into something of a travesty is not helping matters, by any means, for it indicates that unless the government's hand contains more than has yet been shown, the trust busting campaign may develop into something of a ghastly joke. The plan proposed by the independent tobacco interests to split the trust into kindling wood does not appeal to Wall street as being a solution that actually solves. The independents are seeking to prevent control of the various companies being lodged in the hands of the old 'American Tobacco crowd", but we must confess that we cannot see how a division into a greater number of parts would be of very material assistance, beyond giving an appearance of more active competition which would fit in very well with the plans of the insiders.

Definite announcement of the abrogation by the United States Steel Corporation of its ore lands lease, the probability of which we discussed a week ago, had but little further effect on the position of the ore certificates, and the accompanying decline in Steel common came not so much from that development from a possibility to a certainty, as because the special meeting of the Steel directors "got on the nerves" of Wall street, which hinted at resignations, consideration of dividend reductions, and the possible abrogation of the Tennessee Coal & Iron lease.

The Railroads

Norfolk & Western takes its place among the 6 per cent stocks, thanks to the action of the directors in declaring a quarterly dividend of 1½ per cent. No one doubts the road's ability to pay the increased rate. It earned about 9 per cent on the common in the last fiscal year, and has since been earning at the rate of 11½ per cent, both gross and net showing an increase. As of December 31, 1910, the Pennsylvania owned $31,660,800 of Norfolk common, so that there would be an increase of over $300,000 in the profits of the controlling road from this source alone. As a matter of fact, the Pennsylvania's holdings of the stock are considerably larger than these figures show, the additional purchases made through Kuhn, Loeb & Company having brought the percentage of these holdings of entire Norfolk & Western capital stock up to about 51 per cent. Here is another proof of the Pennsylvania trait of knowing a good thing and acting accordingly

Dividend Prospects

Dividend prospects are being as actively discussed as at any time during the past year, with this change, that at the present time, the industrials are bearing the brunt of the attack, taking the place which such issues as Big Four common and Chicago & Alton common occupied about this time last year. Such issues as Cotton Oil common, Republic Iron & Steel preferred and New York Air Brake are being pressed for sale more actively than was the case a month ago, thereby presenting contrasts to the general list, which is relapsing into inactivity, as is shown by the daily stock sales of 300,000 shares or less. Cotton Oil common is one of the most puzzling of the market's mysteries just at present, for there is a very wide difference between the exceptionally poor earnings of the last fiscal year and the reassuring prospects of the present. The question is, will the directors regulate their dividend action by the former condition or by the latter? If they follow the first course, there is little to expect, it seems to us, but a passing of the dividend, but we do not believe there would be any marked criticism if the 5 per cent rate were to be maintained, as the next annual report will probably show considerably more than 5 per cent earned on the common. Last summer, the Virginia-Carolina Chemical directors, confronted with a somewhat similar state of affairs, compromised by reducing the common rate to 3 per cent. Here is a hint of what is likely to happen to Cotton Oil common, although the general opinion seems to be that it will pay 5 per cent or nothing. At 43½, Wednesday's low price, this issue was selling four points lower than Virginia-Carolina Chemical common, and the bears are hopeful of breaking it below 40 prior to the publication of the annual report with its depressing news.

Light Ahead

New York Air Brake has already broken 10 points this week, because of continued postponement of dividend action amounting virtually to a passing of the 6 per cent rate. Air Brake thereby adds to its reputation as an "in and outer". In 1896, the company paid 6 per cent; in 1897 and 1898, nothing; from 1899 to 1907, inclusive, 8 per cent per annum; in 1908 and 1909, nothing; in 1910, 3 per cent, and this year 4½ per cent. President Starbuck, however, evidently sees light ahead, for he reports that business is on the increase, while the possibility of securing materials at lower prices tends to increase the profits on orders. There is, of course, a chance that definite action will still be taken on the dividend question, although it should have been declared in the regular course more than a month ago, and,

Digitized by Google

if declared, would have been payable on October 28.

As for Republic Iron & Steel preferred, prevailing conditions in the steel trade are such that the stock has declined to the lowest prices in two years, and is now selling on an 8¾ per cent income basis, an indication that there is something amiss.

Speaking of dividends, it is evident, from the fact that United States Rubber common is selling on a 9.30 per cent income basis, and American Beet Sugar on an 8¼ per cent income basis, that the investment status of these two new dividend payers has not yet been settled. In other words, now that those who for many months have been clamoring for dividends have attained their object, they are at a loss to know what to do with the prize.

Cumulative Dividends

Meantime, present trade conditions indicate a further stacking up of cumulative dividends on preferred issues of industrial corporations. From ten to twelve years ago, when the majority of the "trusts" were being formed, the preferred dividends were made cumulative in accordance with a belief that such an issue would be more of a drawing card than one lacking that feature. That a considerable number of these corporations "bit off more than they could chew", as the saying is, is evident from the fact that ten different industrial combines owe their preferred shareholders in the neighborhood of $75,000,000, the arrears running all the way from 15 per cent in the case of the International Paper Company, to 80 per cent for the American Hide & Leather Company. Presumably, if the organizers of the trusts had their work to do over again, they would do it in a different way, which would not involve the rearing of such a remarkably obtrusive white elephant.

If re-iteration counts for anything, the 8 per cent dividend on New Haven is secure. President Mellen says it will be maintained, and is so positive in his stand that his remarks will doubtless carry conviction. He also says that in four years the Boston & Maine will be a big dividend earner for the New Haven. Can it be that Mr. Mellen, in naming four years as the period within which the change is to be made, has in mind a more liberal attitude of the Washington authorities towards railroad and industrial enterprises, with a corresponding change in the public attitude towards stocks?

American Bankers' Association

The vice-president of one of the trust companies of Iowa has addressed a letter to the members of the executive council of the American Bankers' Association, with a suggestion relative to future officials of the organization. He argues that the present system of rotation in office, the chairman of council invariably becoming vice-president, and the vice-president becoming president, with equal certainty, should be discontinued. His belief is that the present system does not permit the honoring of a sufficient number of bankers of prominence. His letter indicates at least that he has spent some time in the work preliminary to his writing, because, from past records, he has collated the information that in 36 years, only 40 men have ever held any of the three offices of president, vice-president or chairman. Very likely, he is right in his assertion that it is no longer absolutely necessary for the good of the association that the president shall have had service in the lower grades before his election. The work of the association is now well systematized, and the office organization of the body ample both in quantity and quality.

A president unschooled in the work of the executive council would probably prove no serious impediment to the continued advancement of the association. At the same time, we find his argument rather unconvincing. We do not understand that the office of president of the American Bankers' Association exists for the purpose of conferring honor on the incumbent. The purpose is, instead, to select a man who shall serve acceptably at the conventions, and throughout the year as a fit representative of the bankers of the nation. He should be a man of large mental stature, and of no small prestige as a banker. It is far more important, to our mind, that the association should be honored by its selection than that any banker should be selected for the sake of honoring him.

There is this to be said in the behalf of the present system. It gives the association the benefit of three years of service of its president, a three years' familiarity with its affairs, and three years' use of his prestige. When he actually does become president, he must feel a sense of affection for the body, and an intimate concern over its affairs, which he could not sense if he had come to the presidency fresh from the ranks. Let the presidencies of the state associations be used if desired for honoring bankers. Let the presidency of the national body be given to one who will honor the association and fitly represent the bankers of the whole country as their spokesman on any occasion. Let him be schooled to an almost parental regard for the body before he becomes president. These are our sentiments.

SAFE DEPOSIT VAULTS.

Vaults of International Trust Co. Have A Capacity for Twelve Thousand Subscribers—Special Facilities For Catering to the Country Bankers.

Upon entering the new and modern up-to-date vault system, which is installed in the basement of the modern banking building of the International Trust Company, of Boston, so centrally located in the business and financial district, even the most casual observer cannot help but be impressed with the extraordinary precautions taken against fire, burglary and all kinds of dangers to which the contents of safe deposit boxes might be expected to be subjected. The service occupies all the basement of the building; the boxes have both combination locks and key locks, ranging in price all the way from $10 to $100, there being boxes costing $10, $15, $30, $50, etc., per annum, so that the bank can satisfy subscribers from the small merchant or individual who wishes to safeguard his security to the large corporations, and banks of smaller cities. In these quarters, the bank has installed two great modern and up-to-date vaults.

We understand that this bank already has a large number of subscribers among the banks within 100 or 200 miles of Boston, and if more of these bankers could see these vaults, and compare them with their own, they would not hesitate a minute changing over, for in these days of rapid transit, a bank even 200 miles away is not so situated but that its cashier or president can easily take a trip to Boston several times a week. As a matter of fact, only last week, one of our representatives who was travelling among the Maine and New Hampshire banks, found quite a number of cashiers who said that they took

OCCASIONAL TRIPS TO BOSTON

where they held safe deposit vaults, in which they kept their securities, etc. For this contingency and for the use of attorneys, trustees, etc., in the settlements of estates, the bank has provided a large room in the coupon department, where meetings of directors, etc., can be held over securities which they may have in the safe deposit boxes.

THE GUARANTY CLUB.

The Guaranty Club, composed of 200 members of the Guaranty Trust Company, of New York, held its annual meeting this week in the main office of the company at 28 Nassau street. Alexander J. Hemphill, president of the Guaranty Trust Company, addressed the meeting on the subject of "Co-operation". Vice-president L. B. Franklin, Vice-president J. M. Pratt, and Assistant Secretary Meacham also made short addresses. The Savings Committee reported deposits in excess of $10,000, on which a semi-annual dividend of 4 per cent was declared.

Officers for the ensuing year were elected as follows: Fred W. Ellsworth, president; E. S. Moore, vice-president; James Steel, secretary, and J. J. Lewis, treasurer.

Digitized by Google

NATIONAL BANK 3rd OF ST. LOUIS

CAPITAL $2,000,000
SURPLUS $2,000,000
DEPOSITS $35,000,000

NATIONAL BANK 3rd OF ST. LOUIS

BANKERS TO NEW ORLEANS.

Delegates and Visitors in Large Numbers Will Attend—New York Central Lines Have Four Special Trains Already Filled.

The thirty-seventh annual convention of the American Bankers' Association, which meets in New Orleans the week of November 20, promises to be the largest the association has ever held. The attendance of bankers throughout the country will be very general, and especially large from the eastern states and New England. The New York Central Lines inform us they already have 425 reservations from New York, many of whom will join in the cruise to the Panama Canal. Applications are coming in every day from all over the East, and several from Europe, including such cities as London, Paris, Berlin and Copenhagen.

The three splendid new steamers of the United Fruit Company chartered to take the bankers to Panama to inspect the canal have already been filled and the New York Central Lines are now booking

THE FOURTH STEAMER,

the "Heredia". These new boats have just sailed from Belfast, where they were built, for New Orleans. The United Fruit Company are busy at work on a costly programme of entertainment and will surround the trip with every comfort and luxury. None of these boats will be overcrowded. The accommodations are entirely new and first-class in every way and the staterooms are roomy and comfortable. There will be an orchestra on each steamer giving daily concerts and providing music for dancing.

A list of those going via the New York Central Lines include many of the representative bankers of New York, Philadelphia, Boston, Washington, Baltimore, Pittsburgh, Scranton, Harrisburg, Pa., and near-by New Jersey points.

The Boston train, now numbering nine cars, will be run as the "Green" section, and will be the first special train the New England bankers have ever had provided for them to journey to the convention of the American Bankers' Association. A large Pittsburgh delegation will join the "White" section at Cleveland.

The New York Central lines have provided entirely new steel equipment for the bankers' specials, and these cars, fresh out of the shops, will surpass anything heretofore afforded the traveling public. Each train will be provided with drawing room and open-section sleeping cars, stateroom, observation and dining cars, all of which will be run solid to New Orleans. There will be a combination buffet-smoking-library car, with barber shop and baths on each train. The observation cars will be known as the "Ladies' Club Cars", where afternoon teas will be served.

The Fourth National Bank

OF THE CITY OF NEW YORK

OFFICERS

JAMES G. CANNON, President
SAMUEL S. CAMPBELL, V. Pres.
CHARLES H. PATTERSON, V. Pres.
DANIEL J. ROGERS, Cashier.
E. W. DAVENPORT, Asst. Cashier.
CHARLES E. MEEK, Asst. Cashier.

DIRECTORS:

James G. Cannon	L. F. Loree
Cornelius N. Bliss	Eugene Delano
Robert W. Stuart	M. Orme Wilson
William S. Opdyke	Elbridge G. Snow
T. Frank Manville	Welding Ring
Thos. H. McKittrick	Morton F. Plant
Mortimer L. Schiff	Samuel S. Campbell

CAPITAL AND SURPLUS - $10,000,000

RESERVE AGENTS APPROVED.

The First National Bank, of Denver, Colo., has been approved as reserve agent for the First National Bank, Yuma, Colo.

The National Park Bank, of New York City, has been approved as reserve agent for the Pacific National Bank of Boise, Idaho.

The Fourth National Bank, of New York City, has been approved as reserve agent for the Market National Bank, of Cincinnati, Ohio.

The First National Bank of Pittsburgh, Pa., has been approved as reserve agent for the Marine National Bank, of Buffalo, N. Y.

The American Exchange National Bank, of New York City, has been approved as reserve agent for the Fidelity National Bank, Spokane, Wash.

The Chatham & Phenix National Bank, of New York City, has been approved as reserve agent for the City National Bank, Omaha, Neb.

The Mechanics & Metals National Bank, New York City, has been approved as reserve agent for the First National Bank, of Battle Lake, Minn.

The National Commercial Bank, of Albany, N. Y., has been approved as reserve agent for the Briggs National Bank, of Clyde, N. Y.

The Irving National Bank, of New York City, has been approved as reserve agent for the Fall River National Bank, of Fall River, Mass.

GLEN JEAN, W. VA.—The Winding Gulf Bank has filed articles of organization with a capital of $25,000. John Faulkner, W. E. Deegans, L. N. Frantz, J. M. Herndon and John Hains are promoters.

Franklin National Bank

PHILADELPHIA

Capital $1,000,000.00
Surplus and Undivided Profits. 2,730,181.17
INCORPORATED 1900.

OFFICERS:

J. R. McALLISTER, President.
J. A. HARRIS, JR., Vice-President.
E. P. PASSMORE, Cashier. L. H. SHRIGLEY, Assistant Cashier.
J. W. HARDT, Assistant Cashier.
Foreign Exchange Department.
WILLIAM WRIGHT, Manager.

Chase National Bank

NEW YORK

Capital .....$ 5,000,000
Surplus and Profits (earned).... 8,382,871
Deposits 118,548,760

A. BARTON HEPBURN, Chairman of the Board
ALBERT H. WIGGIN, President
SAMUEL H. MILLER, Vice-President
HENRY M. CONKEY, Cashier
CHARLES C. SLADE, Ass't Cashier
EDWIN A. LEE, Ass't Cashier
WILLIAM E. PURDY, Ass't Cashier
ALFRED C. ANDREWS, Ass't Cashier

DIRECTORS
Henry W. Cannon

James J. Hill	George F. Baker
Grant B. Schley	Albert H. Wiggin
A. Barton Hepburn	George F. Baker, Jr.
John I. Waterbury	Francis L. Hine

FOREIGN EXCHANGE DEPARTMENT

Ladd & Tilton Bank

PORTLAND, OREGON.

Established 1859.
Capital $1,000,000.
Surplus & Undivided Profits $700,000.

OFFICERS

W. M. LADD, President
EDWARD COOKINGHAM, Vice Pres.
W. H. DUNCKLEY, Cashier
ROBERT S. HOWARD, Asst. Cashier
J. W. LADD, Asst. Cashier
WALTER M. COOK, Asst. Cashier

DIRECTORS:

EDWARD COOKINGHAM J. WESLEY LADD
WILLIAM M. LADD S. B. LINTHICUM
HENRY L. CORBETT FREDERIC B. PRATT
CHARLES E. LADD THEODORE B. WILCOX

OLDEST BANK IN AMERICA
Chartered by Congress, 1781.

The Bank of North America

(NATIONAL BANK)
PHILADELPHIA, PA.

Capital .....$ 1,000,000.00
Surplus 2,250,000.00
Undivided Profits..... 371,000.00
Deposits 15,075,000.00

HARRY G. MICHENER.....President
SAMUEL D. JORDAN.....Cashier
WILLIAM J. MURPHY.....Asst. Cashier
RICHARD S. McKINLEY.....Asst. Cashier
Accounts Solicited
Correspondence Invited

The National Park Bank

OF NEW YORK

Organized 1856.

Capital .....$ 5,000,000.00
Surplus and profits 12,947,463.12
Deposits, Sept. 1, 1911.....105,550,902.43

Digitized by Google

THE NATIONAL CITY BANK OF CHICAGO

CAPITAL :: :: $2,000,000.00
SURPLUS & PROFITS 500,000.00
RESOURCES :: :: $29,300,000.00

United States Depository — Accounts of Banks and Bankers solicited. Correspondence invited. — Organized 1907

Keitel's $300,000 Am. Malt Hold-Up Puts Him In Jail

The Four Years' Campaign of the Disgruntled and Repudiated Malt Broker Terminates in His Conviction For Criminal Libel—Keitel Wanted $300,000 From the American Malt Company as the Price for Discontinuance of His Scurrilous Circulars—He suggested That the Money Could Be Secured by Running a Bull Campaign in the Stock Market With His Co-Operation—Clever and Efficient Handling of the Case in the District Attorney's Office.

The infamous campaign of Adolph Keitel against the American Malt Corporation, some of the incidents of which have been discussed in previous issues of the United States Investor, came to a timely end this week, and as a result, America's most notorious, most malicious and most audacious liar is in jail.

At the conclusion of a three-weeks trial in the criminal department of the Supreme Court in New York City the jury quickly brought in a verdict of guilty in Keitel's indictment for criminal libel. The maximum penalty on this offense is a year's imprisonment and a fine of $500. Keitel was sent to jail Tuesday of this week, where he will await sentence which is to be pronounced next Monday.

The Keitel campaign of vilification has no parallel in corporation history in this or any other country. Thousands of circulars were sent out each week to stockholders, investors, banks, brokers and the malt trade, teeming with falsehood and misrepresentation, and this programme was continued

WITH RELENTLESS VENOM

for over four years. The only criticism of officials of the American Malt Corporation in connection with it is that they should have put Keitel in jail much sooner than they did.

Keitel was at one time a malt broker and his asserted motive for his attacks was the absurd claim that the Malt Company with sixty-five other maltsters had conspired to put him out of business, and hence, his well-exploited purpose of defaming and ruining them by any means at his command. It appeared, however, that his campaign of vengeance was very profitable to him, as he has been receiving several thousand dollars a month from brewers who strangely believed that these incessant assaults would make farmers sell their barley cheaper and enable them to buy malt at lower prices. The fact is that there always has been and always will be a fixed differential of several cents a bushel representing manufacturing cost between barley, the raw material, and malt, the finished product, so that the inexorable law of supply and demand must continue to dominate the price of malt. Keitel's real objective point, however, as proved in the trial, was to hold up the Malt Company for a round sum of $300,000 as the price for discontinuance of his vicious campaign.

Keitel now doubtless appreciates the enormity of his offense, because he was accorded as scathing an arraignment as any criminal ever enjoyed in the history of criminal trials in New York City. In summing up, Assistant District Attorney Buckner pointed to Keitel and said:

"We have here

A HUMAN LEECH, SUCKING

and fattening on the blood of the credit, standing, reputation and fair name of this company, its thousand shareholders and officers connected with it. Acquit this man, and you stamp the approval of the noble seal of New York City upon his slanderous mendacity. Acquit this man, and you

THE OLD NATIONAL BANK OF SPOKANE

OFFERS ITS CORRESPONDENTS

Better Banking Service

The Largest Number of direct connections of any bank in the Inland Empire.

Send us your Washington, Oregon, Idaho and Montana Items.

Portland National Bank
PORTLAND, MAINE
Union Mutual Life Insurance Co. Bldg.

Accounts received on the most liberal terms consistent with sound banking.
Collections receive prompt attention

WM. W. MASON .....President
EDWARD W. COX .....Vice-President
CHAS. G. ALLEN .....Cashier
EDWARD L. PIPER .....Asst. Cashier

Directors:

Fred E. Richards, Charles G. Allen,
Henry B. Cleaves, George F. West,
William W. Mason, George Westcott Beyer,
Lyman M. Cousens, Roswell C. Bradford,
Edward W. Cox.

RUEL W. POOR, President
JAMES McCUTCHEON, Vice-President — ARTHUR W. SNOW, Cashier
W. L. DOUGLASS, Second Vice-President — RALPH T. THORN, Asst. Cashier

The Garfield National Bank
OF NEW YORK CITY

Capital and Surplus - - - $2,000,000

Offers to Banks, Bankers, Corporations and Firms the services of a thoroughly equipped and conservatively managed bank.

YOUR BUSINESS SOLICITED

METACOMET NATIONAL BANK
OF FALL RIVER, MASS.

Capital, $750,000 — Surplus and Undivided Profits, $333,000

SIMEON B. CHASE, President
MILTON REED, Vice-President — CHARLES B. COOK, Cashier

Special attention given to the handling and collecting of cotton drafts, sent direct from the South

THE DEXTER HORTON NATIONAL BANK of Seattle maintains a department organized for the especial care of the accounts of banks and bankers. Our officers will be pleased to correspond with bankers contemplating the establishment of relations in the Pacific Northwest. CAPITAL & SURPLUS $1,440,000

Digitized by Google

IF YOU HAVE NO CORRESPONDENT
IN CINCINNATI
WE WILL WELCOME THE OPPORTUNITY OF PROVING TO YOU THE BENEFITS WHICH WILL ACCRUE FROM FORMING A CONNECTION WITH US.
RESOURCES
TWENTY-FIVE MILLION DOLLARS
And every facility for the satisfactory handling of Bank Accounts.
THE FIFTH-THIRD NAT'L BANK CINCINNATI O.

say to him, Well done, Adolph Keitel, crawl back to the muck and mire of your cesspool of slander, there spawn more of this vile sewage, and bespatter with it whom you will. Should the victims of your reckless and reeking inkpot come into court as law-abiding citizens and seek vindication of their reputation we shall say to them, Out with you! There is no redress."

That the American Malt Company neither deserved Keitel's calumnies nor was injured by them is perhaps best indicated in the following figures showing the progress in its earnings account during the past decade from a deficit of $1,395,688 in 1900 to a surplus of $1,913,497 in 1911. These figures are as follows:

Year ending Aug. 31		
1900	Deficit	$1,395,688
1901	Deficit	1,012,426
1902	Deficit	688,672
1903	Deficit	278,191
1904	Deficit	161,606
1905	Surplus	250,624
1906	Surplus	635,634
1907	Surplus	478,031
1908	Surplus	980,206
1909	Surplus	1,087,061
1910	Surplus	1,150,457
1911	Surplus	1,913,497

Keitel was a broker and dealer in malt for some years, but after it was discovered that he was as unscrupulous and unreliable in his statements as he was in his transactions, the malt manufacturers one after another refused to employ him. This occurred in 1905, at which time Keitel moved his headquarters from Chicago to New York, shifted his allegiance and began shortly after to ply his nefarious trade in the alleged interest of malt buyers instead of malt sellers. When asked in his trial if it was not a fact that he had been

INVOLVED IN LAWSUITS

with almost every one of the malt manufacturers he did business with, the militant malt malefactor stumbled around for words and then said he would like to explain. One of his specialties, it seems, was to get a maister to give him a net selling price and then send a postal card to every malt buyer in the United States and whenever that maister made a sale he would demand and sue for his commission. It was not strange, therefore, that after some years the 65 or 70 malt manufacturers in the country decided to steer clear of Keitel, the shark broker, as he was generally characterized.

According to the plea of his lawyer, Keitel was an angel of light and a crusader endeavoring to break up the malt trust. As a matter of fact, he seems to have in recent years been buncoing malt buyers instead of malt sellers. On this point District Attorney Buckner said: "An angel of light—spare the word. A crusader, yes, a crusader for cash; for his was

RANCOR FOR REVENUE.

only".

The Keitel trial was at all times interesting and occasionally dramatic. While on the stand Keitel would alternately clench his fists and bellow his defiant and wanton vengeance and then blubber into penitent tears. I never saw any crocodile tears, but I will venture the assertion that they could be no larger nor more copious than those which coursed down his beef-hued cheeks and which no less than five times in a single afternoon choked his malicious word-factory.

When driven into a corner time after time he would blurt out, "I am not prepared to answer"! Then he would soon rage with anger and shout, "I am honest". "I am honest", "I am honest". According to the testimony and the jury's verdict, however, he could have more truthfully declared "I am a liar", "I am a liar", "I am a liar".

One of Keitel's most important and convenient authorities for his false statements was a malt salesman who died some years ago just as when a newspaper man employed by the prosecution went to see him for data on an imaginary magazine story Keitel told him that he would give him a confirmation of the facts by the statement of a dead brewer. Keitel was woefully deficient in the testimony of live men as well as of facts to support his case. One of the interesting facts

THE
Chatham and Phenix
National Bank
NEW YORK
Capital and Surplus
$3,000,000
All business under direct supervision of the officers.
LOUIS G. KAUFMAN, President.
GEO. M. HARD, Chairman of the Board.
F. J. HEANEY, Vice-President.
W. H. STRAWN, Vice-President.
A. M. BULL, Vice-President.
BERT L. HASKINS, Cashier.
H. L. CADMUS, Assistant Cashier.
N. P. GATLING, Assistant Cashier.
W. B. BOICE, Assistant Cashier.
H. C. HOOLEY, Assistant Cashier.
Your Account Solicited.

The MECHANICS and METALS NATIONAL BANK
OF THE CITY OF NEW YORK
OFFICERS
GATES W. McGARRAH, President
ALEXANDER E. ORR, Vice-Pres.
NICHOLAS F. PALMER, Vice-Pres.
FREDERIC W. ALLEN, Vice-Pres.
FRANK O. ROE, Vice-Pres.
WALTER F. ALBERTSEN, Vice-Pres.
JOSEPH S. HOUSE, Cash.
ROBERT U. GRAFF, Ass't Cash.
JOHN ROBINSON, Ass't Cash.
CHARLES E. MILLER, Ass't Cash.
Capital, Surplus and Undivided Profits, $14,000,000

The Commercial National Bank OF WASHINGTON D. C.
Capital $500,000 Surplus and Undivided Profits $296,000
ASHTON G. CLAPHAM, President
ELDRIDGE E. JORDAN, First Vice-pres. N. H. SHEA, Second Vice-pres.
T. K. SANDS, Third Vice-president
JOHN POOLE, Cashier HERBERT V. HUNT, Asst. Cashier.

FIDELITY TRUST CO. TACOMA, WASHINGTON
CAPITAL AND SURPLUS, $900,000
General Banking
Oldest Trust Company in the State of Washington.

CITIZENS NATIONAL BANK BALTIMORE, MD.
CAPITAL, $1,000,000 SURPLUS, $2,000,000

Digitized by Google

brought out in the trial was that all of the financial statements of the company in recent years have been certified to by the well-known chartered accountant, Farquhar J. McRae, who has recently been employed by the Stanley Congressional Committee to examine the books of the United States Steel Corporation. Keitel has been impeaching all of the financial statements of the company even to the official certificates of bank officers, as to its bank balance, but the standing and reputation of Accountant McRae, together with his testimony, was very evidently accepted by the jury in complete refutation of all Keitel's baseless assertions.

Keitel did not seem to

ENJOY THE ADMISSION

he was compelled to make, that he had held up his dead wife's family by incorporating under New York laws the name of the firm under which they did business in Chicago and then selling out the corporation to them for a consideration.

By far the most dramatic incident of the trial was the testimony of Detective Dennison, who completely won Keitel's confidence by posing as a wealthy mine owner from California with his suite of rooms at the Astor House and a big automobile at his command. When Keitel had been developed to the proper confiding frame of mind, he discussed with the detective the best method of getting the Malt Company to pay him $300,000 to stop his campaign. When this conversation took place, an acousticon had been installed in the room with wires running to the adjoining room where two officers of the district attorney's staff with a stenographer recorded the whole conversation. There were no less than three of these acousticon exhibitions, and the testimony resulting therefrom most convincingly proved the whole case against Keitel.

His suggestion was that if the company could not afford to take so large a sum of money out of the treasury that a

POOL COULD BE FORMED

to operate in the stock market, and in that way, a profit could be made besides giving him his money. He said that he had put the preferred stock down from 70 to 30 and the common from 20 to 3, and if he wrote one or two favorable letters saying he had been mistaken, and he at the same time personally distributed the buying orders among brokers, the stock would go up like wild-fire and in 60 or 90 days at the outside market prices would be back to the figures which prevailed before he began his campaign.

When it was suggested that $300,000 was a big price he said that was nothing because he had done them $14,000,000-worth of damage, and further that he could and would do them as much more harm unless they settled with him.

As to the fact that he had for some years been endeavoring to get the department of justice at Washington to proceed against the malt combination under the Sherman law, he said that this was no obstacle to the settlement, because he alone had the evidence, and if he got his price, he would leave the country so that he could not be subpœnaed as a witness. Then when it was suggested that he was not treating his clients fairly, the brewers, who had been putting up the money for his campaign some years, he replied very briefly and eloquently by saying: "Oh, to h—ell with them".

In discussing the possibilities of manipulating the market on malt stock so that

HIS $300,000 IMMUNITY PRICE

could be secured without expense Keitel made the significant statement that he did not believe over 500 shares of stock would have to be bought in advancing the market price 30 or 40 points. This would seem to presume that malt stock was well distributed and in the hands of holders who could be relied upon to keep it, which is generally believed to be the fact, but this proved the inconsistency of his campaign assertion that 90 per cent of the stock was owned by a Wall street manipulative pool.

So far from being a manipulated stock it has been for some years an exception when 500 shares of the stock have been traded in in any one week.

Keitel got red in the face and floundered amusingly when District Attorney Buckner asked him "what kind of a lie you would call it when you have told your brewer clients that you are sending out 50,000 letters a week instead of 2,000?"

During the past two years, Keitel's predominant assertion as well as the one most often repeated was that the Malting Company was insolvent and that a receivership could not be long delayed. Keitel began his campaign in 1907, so the financial gures since that date are of interest particularly in 1907, so the financial figures since that date has there been a time when the company could not by use of its cash and immediately convertible current assets pay off every debt, including the bonds on its real estate, and have left a substantial surplus. These figures, showing the company's net working capital as well as its

NET WORKING CAPITAL

in excess of all indebtedness, including bonds, during the past five years, are as follows:

Year ending Aug. 31.	Net working capital	Net working capital after deducting all bonds outstanding.
1907	$4,[illegible]	$1,013,921 77
1908	5,[illegible]	1,[illegible]
1909	5,[illegible]	2,[illegible]
1910	5,[illegible]	1,[illegible]
1911	4,[illegible]	2,365,435 22

The absurdity of the contention therefore, that there was any possibility of a receivership for a corporation which had at all times more than enough liquid assets to retire every obligation outstanding calls for no comment. While Keitel was alleging that the company's New York City plant had been abandoned and was idle, over 500,000 bushels of barley were malted during that malt season. Keitel's claim that a representative of the Chemical National Bank told him in 1910 that the company had been unsuccessful in using its notes to buy barley with was run down to the fact that three years prior, or at the time of the 1907 panic, a credit man of the bank, in order to answer an out-of-town correspondent, asked Keitel what he knew about the standing of the Malt Company. In his circulars Keitel repeatedly said that the company was not earning and could not earn its fixed charges, but on examination he said he thought the 7 per cent dividend on the original preferred stock before it was reduced to the extent of 50 per cent was an item of fixed charges. He said that in erecting the new Buffalo plant, which cost $1,350,000, there was

A STEAL OF $500,000.

The largest builder of malt plants in the country, however, was authority in this trial for the statement that he would want a higher price than was paid to reproduce this plant.

In defending his allegation about the Buffalo plant Keitel remarked that factory sites cost nothing, because of the ambition of railroads and cities to secure the desirable transportation business of a malster. At this juncture the judge wheeled around in his chair and asked Keitel if they were giving away factory sites in Buffalo, whereupon Keitel flushed and the jury laughed.

Frequent references in his circulars were made to the fact that there were outstanding underlying mortgages of $489,000 on the company's plants, notwithstanding the statement in the 1904 annual report that all of these underlying mortgages had been paid off. Keitel could not explain why he had not seen this statement and if he had why he had not verified it or been in position to authentically refute it.

One of the significant features of the Keitel trial was that District Attorney Buckner appeared to be more familiar with the facts than was either Keitel or any one of his three lawyers. From this fact it may be deduced that either the Keitel case was so malodorous that District Attorney Buckner was inspired to unusual effort, or else that this young man does his duty in such a conscientious manner as to be exceptional. I am inclined to think that there was a noteworthy sufficiency of virtues both in the case and its successful advocate.

One of District Attorney Buckner's interesting remarks was that while the Malt Company had been accused of unduly capitalizing good will, its defamer, Keitel, seemed to have been signally successful in capitalizing his ill will against the malsters, and had collected very substantial dividends thereon from a few deluded brewers in whose too generous pockets he had thrust

HIS AVARICIOUS FIST.

An interesting feature of the trial was the discussion of the relative amount of the company's output compared with other malt manufacturers. Mr. Sully, chairman of the board of directors, was reported to have said in an interview that the company's output was only about 14 per cent of the total consumption of the country, which he understood to be in round figures 70,000,000 bushels a year. Keitel said he interpreted this statement to mean 14 per cent of the malt output east of the Rocky Mountains or 40,000,000 bushels a year, and then concluded that six cents a bushel profit which Mr. Sully had said was fair and reasonable indicated that as the Malt Company was actually selling less than 5,000,000 bushels a year that it was

not earning the interest on its bonds. The facts in the case, however, are that the company's sales have averaged over 10,000,000 bushels a year, and this statement was as near the truth as another one of Keitel's assertions that the company's malting capacity had been 30,000,000 bushels per annum and had been reduced by the sale of plants to 7,000,000 bushels per annum, while actually its capacity had been and remains at about 13,000,000 bushels a year.

As a part of the programme of the new management, it was decided to

REDUCE THE CAPITALIZATION

of the company from $30,000,000 to $15,000,000, and the holders of both preferred and common stock were requested to send in their certificates to be exchanged for a reduced number of shares. Holders of about 97 per cent of the stock outstanding cooperated with this plan. Keitel got in touch, however, with some of the owners of the 3 per cent outstanding minority stock and urged them to hold out for par and accrued dividends in cash. His purpose in this was, of course, obvious in that as long as the original company was in existence he could howl about a $30,000,000 corporation instead of the new $15,000,000 company and the disgusting perversity of his methods is indicated by the fact that in one of his circulars he said that the Malt Company only had 150 stockholders instead of 1,146, as had been announced, and he would prove it by publishing a list which he had in his possession. On the witness stand he admitted he meant that there were 150 holders of the 3 per cent minority stock of the original company and that he did not know how many stockholders there were in the succeeding reorganized corporation.

After Keitel got the district attorney's detective to endeavor to

SELL OUT HIS SILENCE

for $300,000 to the Malt Company and Chairman Sully declined the proposition, it occurred to Keitel that President Stadler might be an easier mark. The detective was told by Keitel to see Stadler, as, according to him, the old man could not sleep nights, that his daughters who had a social standing were receiving his circulars and that all of Stadler's fellow directors in the well-known Germania Bank were also on Keitel's circular list. President Stadler has charge of the sales department of the company and testified that he personally sells from 2,000,000 to 2,500,000 bushels of malt per annum, which is generally recognized as the largest amount of sales made by any individual in this country.

I have given herewith only disjointed sections of the Keitel story which would require a bound volume to tell in full detail, but the important fact is that all investors and corporations are now safer because the only man of the Keitel calibre is now in jail.

P. DE MEDICI.

MUNICIPAL SHORT TERM LOANS.

QUINCY, MASS.—Blake Bros. & Company, of Boston, were the successful bidders for the 6 months loan to the amount of $35,000, at 3.59 per cent.

Institute Has Won Its Spurs

The Responsibilities of Those Who Lead the American Institute of Banking Are Heavy, But the Officers Have Been Through Good Preliminary training.

The American Institute of Banking has won its spurs. It is no longer to be regarded as a mere protege of the American Bankers' Association. An invitation to address any of its local chapters is now very properly regarded as an honor to be valued quite as much as if it were an invitation from any bankers organization, short of the American Bankers' Association itself. What is said at meetings of its chapters, as well as at its annual convocation of delegates, is reported with the same serious respect that the press has for the doings of the heads of the banks. The fact that the major portion of the memberships of the institute is made up of bank employes is lost sight of in the excellence of the work these employes are able to do by their united effort.

Recently, a speech by the United States District Attorney for New York City at a session of the local chapter attracted much attention, and aroused considerable newspaper comment. The speech has been more or less misquoted, but when all the haze has been swept away, the fact remains that it was a thought

PROVOKING CONTRIBUTION

on contemporary banking. Almost in the same week, the president of one of the great savings institutions of Philadelphia made before the Institute Chapter, of that city, a speech in favor of active effort among Philadelphia bankers, to assist the National Monetary Commission in working out real currency reform. That speech resulted in active steps among Philadel-

CARROLL PIERCE.

phia's financiers along the lines which the speaker suggested. Thus, we have two instances within the past few weeks when men of prominence have selected some regular meeting of an Institute chapter as the appropriate place for launching a banking reform of large proportions. This very fact indicates the power for service which the institute is and the respect it has won among all who have the best interest of American banking at heart.

Who are the men who direct the

RAYMOND B. COX.

American Institute of Banking? In many parts of the country, their names and something of their capabilities are known. In other parts, a natural curiosity exists to know more about them.

THEY ARE YOUNG MEN,

with the single exception of the chairman of the Executive Council, they are not many years removed from youth. With the same exception, none of them are as yet of a grade higher than auditor or assistant cashier, within the bank with which they are connect-

THE PREFERRED SHARES of long established, prosperous companies of National repute pay 6 to 7%.

Let us tell you how desirable and secure is this form of investment.

Write for Circular No. 617.

GEORGE H. BURR & CO.
Bankers, 35 Wall Street, New York
Chicago-Boston-Phila.-St. Louis-San Francisco

THE NATIONAL NASSAU BANK
of New York.
New York, Oct. 25, 1911.

127th CONSECUTIVE DIVIDEND. A semi-annual dividend of FOUR (4) PER CENT. was this day declared out of the earnings of the last six months, payable free of tax, on and after November 1, 1911, to stockholders of record, October 31st, 1911.

W. B. NOBLE, Cashier.

ed. Nevertheless, upon their shoulders rests a very large measure of control of the institute. They lean but lightly upon the veteran members of the body who organized the institute originally, and assisted in training the present leading members. They have impressed the veterans so thoroughly

J. W. BRADLEY.

with the ability of the new generation to handle its own affairs that the veterans are entirely content to leave them untrammeled. We present herewith pictures of these officers, and some essential facts of their careers, in order that even those not familiar with the affairs of the institute may have some conception of the type of young men who dominate its activities.

CARROLL PIERCE.

The chairman of the Executive Council, Carroll Pierce, is the one of-

ANDREW C. DORRIS.

ficer, mentioned above, who may be regarded as in any way a seasoned banker. He belongs to that group of early members of the institute who are frequently characterized as the "old guard". This does not mean that he is arrived even yet at middle age, for the institute is still so young that none of its first members can fairly be said yet to have acquired gray hairs in the banking world. Nevertheless, as chairman of the Executive Council of the institute, he will sit at the council board of the American Bankers' Association as representative of the institute, the equal in age, experience and banking skill of most of the bankers there seated.

(Continued on page 1809.)

Dial Cash Register
Pay-As-You-Enter Car Co.
Hocking Valley Coal Products

Bought and Sold

C. W. GILMOR, 50 Broad St., N. Y.
Phone 3750 Broad. Use the wire.

J. FRANK HOWELL
Member Consolidated Stock Exchange, N. Y.
I beg to announce the removal of my offices to
52 BROADWAY
Branch Office, 1358 Broadway

UNLISTED & INACTIVE ISSUES
We are prepared to quote actual trading markets on unlisted or inactive investment issues.
Correspondence Solicited
E. BUNGE & CO. 20 BROAD STREET, NEW YORK
Cable Address, "Ernestus, New York" Long Distance 'Phone 4735-4736 Rector

Assets Realization Company
Capital $10,000,000
Purchases Estates in Liquidation at any point in the United States
NEW YORK PHILADELPHIA CHICAGO

American Industrials Co.
Broad Exchange Building, New York
INVESTMENT SECURITIES.
6% Twenty Year First Mortgage Gold Bonds.
7 Preferred Stocks.
8% Preferred Stocks.

Hodenpyl, Hardy & Co.
BANKERS
7 Wall Street, New York
6% PREFERRED STOCKS A SPECIALTY

BODELL & CO.
PROVIDENCE, RHODE ISLAND
Boston Office, 35 Congress St.
Bonds and Preferred Stocks of Proven Value

GEO. D. COOK & CO
BANKERS
71 BROADWAY, NEW YORK
We make a Specialty of
Mexican Government and State Bonds

McCOY & COMPANY
Municipal and Corporation Bonds
181 LA SALLE STREET
CHICAGO

Boody, McLellan & Co.
111 BROADWAY, NEW YORK
MEMBERS OF NEW YORK STOCK EXCHANGE
Orders Executed for Investment or on Margin

We Have For Sale
Seattle Judgment and Condemnation Fund 6% Warrants.
WM. D. PERKINS & CO., Bankers
No. 211 Cherry St., Seattle, Wash.
Established 1893
Oldest Bond House In Washington

DOMINION BOND COMPANY
LIMITED
MONTREAL TORONTO OTTAWA
LONDON, ENGLAND
Dealers in HIGH-GRADE CANADIAN BONDS
List on Application

5% BONDS
Guaranteed by
National Light Heat and Power Co
A. H. BICKMORE & CO.,
30 PINE ST., NEW YORK

6% Timber Bonds
Carrying With Them An Exceptionally Attractive Feature.
American Finance & Securities Co.
5 Nassau Street New York

H. C. Gibbs & Co.
Gas and Electric Light Bonds
To yield 5% to 5 1-2%
60 State Street BOSTON

CIRCULAR ON MISCELLANEOUS UNLISTED MILL AND MANUFACTURING SECURITIES
SENT UPON REQUEST
HORNBLOWER & WEEKS, 60 Congress St., Boston

Digitized by Google

A Morgan-Guggenheim-Alaska Incident

A Northwestern Commercial Company Stockholder Thinks He Has Been Robbed by the Alaska Syndicate, While His Company Was Actually Saved From Bankruptcy by Loans Aggregating Several Million Dollars —An Independent Mining Operator Says That the Syndicate With Its $20,000,000 Railroad Has Made Surprisingly Low Rates, and Is Doing Everything to Develop the Country—Startling Assertion That Immense Deposits of 65 Per Cent Copper Ore Make It Possible to Lay Down the Metal in Any Market in This Country at a Cost of Less Than Five Cents a Pound.

The J. P. Morgan & Company-Kuhn, Loeb & Company-Guggenheim Alaska venture, known as the Alaska syndicate, has been accused of every sin of monopolistic aggression, but it has remained for one of our subscribers to charge these pre-eminent financiers with a betrayal of their trust in their dealings with their fellow shareholders. Muckrakers in political, magazine and newspaper circles have for some years been telling about the big and enormously profitable grabs which have been made in Alaska by these pioneering financiers, but, heretofore, it has never been suggested that in the corporations involved, there was anything involved but the prospective distribution of magnificent profits.

Our subscriber, however, presents an entirely new view of the situation in the following letter:

Chicago, Ill., Oct. 19, 1911.

ED. UNITED STATES INVESTOR:

I would appreciate your ascertaining from the Northwestern Commercial Company, a statement of their present condition, if such is possible. I am enclosing the various reports sent to stockholders, dating back to their annual statement of April 24, 1911. This appears favorable, but does not go into details and it has always been their policy not to give out figures showing what these items include.

In the circular of May 9, they conclude to sell a valuable piece of property, accepting stock at $116 per share, and which, per circular of July 14, proves to be a non-dividend payer; rather

A PECULIAR TRANSACTION

on its face, giving a valuable piece of ground for an uncertain security.

They also admit having as of December 31, 1910, $269,314.54 cash and other assets, also selling the Fisheries Company for $1,500,000, yet in declaring a distribution of 30 per cent, which, on the capitalization, required but $1,200,000. What has become of the difference, since in circular of July 14, paragraph 3, they only have $190,216 left?

I wrote to the company, receiving letter dated July 24, but hesitate writing, as I do not believe the desired information forthcoming.

From the inception, when Morgan & Guggenheim interests secured control, the company has not paid dividends and is evidently being milked to their selfish interest and gradually cleaning up all valuable connections in a way to the loss of stockholders.

I have received 85 shares, circular, July 14, 1911, paragraph 2, as my interest in the Alaska Steamship Company, doubtful value and the 40 per cent in cash on my original 100 shares of Northwestern Commercial Company.

When Morgan & Guggenheim secured control, the first move they made was to dispose of the Northeastern Siberian Company concession of 51 per cent or control, for absolutely nothing, claiming it a detriment to the company. This Northeastern Siberian Company controlled the mineral rights on over 200,000 square miles, and I frankly believe that was disposed of to no one else but themselves, Morgan & Guggenheim, but of which nothing further has been heard. Evidently covered up for the time being.

I am anxious to ascertain as to the present true assets on hand and possible final dividend in winding up the Northwestern Commercial Company affairs; the market value of the Alaska Steamship Company stock, and if it would be advisable to sell or hold the stock with prospects of getting out even.

Those controlling the Northwestern Commercial Company and some of its officers have come under the limelight in all these Alaskan scandals, and it appears as ample evidence that their interests are only for their personal gain and not for the stockholders.

I am enclosing all circulars, dated as follows: April 24, May 9, June 12 and July 14, also letters of May 19 and July 24, and a clipping of August 1.

Possibly you have followed the papers in the Alaskan scandals and know more than I could give in detail.

Trusting to hear from you as to what policy to pursue, I remain,

Respectfully yours, C. B. F.

Upon a very careful investigation, it appears that our subscriber could hardly have made

A MORE UNFAIR OR INCORRECT

statement of the affairs of the Northwestern Commercial Company than is contained in his letter. As a matter of fact, it appears that instead of having

A first mortgage 5% bond to yield 5.45%.

Average net earnings for past five years nearly three times interest on these bonds.

Company has paid dividends of 6% for 13 years on its outstanding Preferred stock.

Price and particulars on application.

Write for Circular 123

Knauth, Nachod & Kühne

BANKERS

15 William St., New York City

I. M. TAYLOR & CO.

8 Congress Street, Boston

115 Broadway, New York

Members of New York, Boston and Chicago Stock Exchanges

For Trustees and other conservative Investors desiring

A Tax-Exempt Investment in Massachusetts

we offer

To Net 5 Per Cent

$200,000

HAVERHILL BUILDING TRUST

(HAVERHILL, MASS.)

Building No. 2

First Mortgage 5% Sinking Fund Gold Bonds Due September 1, 1936

(Secured by a first mortgage on income producing real estate in Haverhill, Mass.)

Issued in $500 and $1,000 Pieces

Principal and interest payable at the office of the Trustee under the Mortgage,

The Liberty Trust Company, Boston, Mass.

These bonds may be registered as to principal and are subject to call for the investment of the sinking fund accumulations at 105 and interest.

CAPITALIZATION

CAPITAL STOCK (fully paid)	$200,000
FIRST MORTGAGE Sinking fund BONDS (a closed mortgage)	$200,000

These Bonds are Tax-Exempt in Massachusetts

PRICE, 100 AND INTEREST, YIELDING 5%

BURGESS, LANG & COMPANY

50 State Street, Boston — 34 Pine Street, New York

Long Distance Telephones, Fort Hill 3700, 3701, 3702 — Long Distance Telephones, John 2417, 2418, 2419

Private Telephone to New York

Digitized by Google

ing suffered by reason of the Morgan-Guggenheim administration of their affairs, the shareholders of this corporation would have probably received little or nothing on their stock from receivers had it not been for the timely intervention of the New York bankers.

The first count in the indictment of our subscriber is in reference to the sale by the company of its dock property to the Alaska Steamship Company, and taking in payment for this property, stock of the Steamship Company, at $116 per share. The Commercial Company owned 82 per cent of the stock of the Steamship Company, and also had the dock property which was of no use to it after its sale of the Fisheries Company for $1,500,000 in cash. The dock property was of value to the Steamship Company, and by transferring it to the Steamship Company, the Commercial Company practically made a trade with itself. The transfer was made on a very fair basis, as the property was appraised by independent authorities at $570,625. The book value of the Steamship Company stock was at that time $116 per share, so the transaction was made by giving stock on the Steamship Company at book value to the extent of the appraised value of the dock property sold.

As the Commercial Company owned 82 per cent of the stock of the Steamship Company, none of these stockholders could object to in effect

SELLING TO THEMSELVES

a piece of property at too high a price which is the point made by our subscriber. On the other hand, the holders of the 18 per cent minority stock of the Steamship Company did object to the transaction on the ground that the Commercial Company had voted its shareholders an extravagant price on the sale. Their contention was based on the fact that the dock property in question cost the company only $235,000, while $570,625 in book value of the Steamship Company stock was given in payment.

The next charge is that the company on December 31, 1910, had $269,314 of cash on hand as well as other assets and subsequent to that date received $1,500,000 through its sale of the Fisheries Company, out of which only $1,200,000 was declared as a 40 per cent cash dividend, and yet, on July 14, 1911, it was stated that there was left in the treasury only $199,216, which was being held to meet outstanding unadjusted liabilities, and the expenses of liqidating the company. As to where the additional money went, it can be stated that a mortgage of $139,000 on the dock property sold to the Steamship Company was paid off, a loan of $50,000 from the Alaska Steamship Company was also paid as well as numerous other items of indebtedness. The amount as officially stated of practically $200,000 held in the treasury can hardly be regarded as more than necessary in view of the fact that a suit is pending against the company for $125,000, on account of a subscription for $250,000 to the stock of another company on which $125,000 had been paid, which subscription was made by the old management. As soon as the new interests were in a position to dictate the affairs of the company this stock subscription for good grounds was repudiated even though 50 per cent of it had been paid. The officials of the company believe they will be successful in

ESCAPING LIABILITY

on the unpaid $125,000, but until this is finally passed on by the courts, they must of course, keep on hand enough funds to take care of the claim.

Our subscriber seems to think that because dividends were discontinued after the management changed that the new management began to milk the property and take the money themselves instead of giving it to the shareholders.

On the contrary, when the new interests discovered that the company was on the verge of collapse dividends were promptly discontinued. As to how many million dollars in cash were required to save the company from bankruptcy, I have been unable to se-

Baker, Ayling & Co.

50 Congress street, Boston

INVESTMENT BONDS

Philadelphia Office, Land Title Building

SHORT TERM NOTES

with stock bonus offer an unusual investment opportunity

The notes mature in from one to two years with adequate interest and the bonus stock assures a steady income for ten years.

Write for particulars.

GILBERT H. CARR

50 Congress St., Boston.

JOHN P. DAVIS, President. WM. M. WELLCOME, Vice-President. BYRON H. DAVIS Sec'y-Treas.

The Davis Wellcome Mortgage Co.

(Incorporated)

TOPEKA, KANSAS.

Gilt-edge first mortgage loans for sale at 5½% and 6% net to the investor. Security well-selected, improved farm lands, in no case to exceed 50% actual value of the farm. Every loan personally examined by one of our inspectors. No better or safer security for money anywhere.

We point with pride to a record of twenty-five years, loaned over $12,000,000, without foreclosing a mortgage or the loss of a dollar in either interest or principal.

Bank References:

BANK OF TOPEKA
CENTRAL NATIONAL BANK, TOPEKA

Correspondence Solicited

For Profitable Investment

Parker Transmission and Appliance Co.

SPRINGFIELD, MASS.

A Massachusetts Corporation

Capital $1,000,000.00 All Common Stock

Par Value $100.00. Full Paid and Non-assessable

Controlling Patented Invention of Vital Importance to the entire Automobile Trade

NOW MANAGED BY

THE HUNTER BROTHERS, Of Fulton, New York

Who Control the Following Enterprises:

THE HUNTER ARMS—
Manufacturing the L. C. Smith Guns and are by far the largest shotgun manufacturers in the world.

THE HUNTER FAN AND MOTOR COMPANY—
Are large and successful manufacturers of the Tuerk Ceiling and Desk Fans.

THE BATTLE ISLAND PAPER COMPANY—
Manufacturers of Paper Sulphite—represents an investment of over a million dollars, is very successful and highly rated.

The success, ability and integrity of the Hunter Brothers is well known in their respective lines in every part of the globe.

Pres., JOHN HUNTER Vice Pres., CLARK W. PARKER
Treas., THOMAS HUNTER Clerk, JOHN F. MALLEY

DIRECTORS

John Hunter, Thomas Hunter, R. B. Hunter, S. C. Hunter, J. C. Hunter, William Hunter, Sherman D. Porter, Clark W. Parker, James H. Dunn.

All other information desired may be obtained from

JAMES H. DUNN, Fiscal Agent.

Carr Building, 25 Harrison Ave., Springfield, Mass. Telephone 1668

Digitized by Google

cure authoritative information, but it is admitted that very substantial amounts were advanced to pay the pressing claims of creditors.

One of the

MOST LUDICROUS ASSERTIONS

in our subscriber's letter, is with reference to the company's 51 per cent interest in the Northeastern Siberian Company which he alleges was grabbed without consideration. This company, he recites, controlled the mineral rights on 200,000 square miles in Siberia, and he further says that he believes that Messrs. Morgan and Guggenheim had the company give it to them without consideration. The fact is, however, that the company still owns every share of stock and every claim it ever had against the Siberian Company, which, by the way, represents an investment of over $750,000. The new management soon determined, however, that this asset was of absolutely no value, and promptly proceeded to charge it off on the books. It should hardly be necessary to make the statement that there is considerable difference between charging off an item of assets and giving it away.

There is an interesting story with reference to this Russian concession, because it at one time was supposed to be of immense value. The Russian official from whom it was secured, died and then the company had a steadily increasing amount of difficulty in establishing its legality. At the expense of the company, several trips were made to explore the land, and some gold was secured, but in every case before the company's prospecting party could leave the country, the Siberian officials collected in

TARIFF MORE THAN 100 PER CENT

of all the gold they dug up. After spending three-quarters of a million dollars on this venture, it was not strange that the new managers decided to charge off and forget their 200,000 square miles of Russian territory. If, however, our subscriber really thinks there is any value left in that Siberian concession, I feel safe in assuring him that the officials of the company will quote him pound prices on their stock certificates representing that investment.

A little history will give more light on the extent of the service rendered our subscriber, and all his fellow shareholders by the Alaska syndicate. At the time preparations were being made for the construction of the $20,000,000 Copper River Railroad, there were two or more non-competing steamship lines, none of which were paying operating expenses. With the co-operation of the Morgan-Guggenheim interests, these lines were consolidated and furnished with additional working capital. Then there was turned over to the consolidated steamship company a contract to haul all of the material for the construction of the new railroad, and at very liberal transportation rates. During the four years the railroad was under construction, 50 per cent of the steamship company's gross revenue came from the railroad company's traffic. It was, of course, obvious at the time that by chartering boats a very considerable amount could have been saved in

(Continued on page 1807.)

NOTICE TO BOND BUYERS

City of Sioux Falls, South Dakota

Sealed bids will be received by the Board of Commissioners of the City of Sioux Falls, South Dakota, until Tuesday, November 7th, 1911, at 11 o'clock A. M., for the purchase of $200,000 (Two Hundred Thousand) of Sewerage Bonds of the City of Sioux Falls, South Dakota, for the purpose of constructing and maintaining a system of sewerage for the City of Sioux Falls. Said bonds to be in denominations of Five Hundred Dollars each, to run twenty (20) years from the date of their issuance, and shall bear interest at the rate of five per cent per annum, interest payable semi-annually; principal and interest payable in lawful money of the United States of America, in the City of New York. Bonds will be delivered at the office of the City Auditor of the City of Sioux Falls.

A certified check of Five Hundred Dollars payable to the City Treasurer of the City of Sioux Falls, must accompany each bid, and bids must be endorsed "proposals for Sewerage Bonds". The Board of Commissioners reserves the right to reject any or all bids. Information will be furnished on application, by the City Auditor of the City of Sioux Falls.

Dated at Sioux Falls, South Dakota, this 9th day of October, 1911.

WALTER C. LEYSE,
City Auditor of the City of Sioux Falls, So. Dak.

NOTICE TO BOND BUYERS

City of Sioux Falls, South Dakota

Sealed bids will be received by the Board of Commissioners of the City of Sioux Falls, South Dakota, until Tuesday, November 7th, 1911, at eleven o'clock A. M., for the purchase of One Hundred Thousand Dollars of Water Bonds of the City of Sioux Falls, South Dakota, for the purpose of providing water for domestic uses for said City. Said bonds to be in denominations of Five Hundred Dollars each, to run twenty (20) years from the date of issuance, and shall bear interest at the rate of five per cent per annum, interest payable semi-annually; principal and interest payable in lawful money of the United States of America, in the City of New York. Bonds will be delivered at the office of the City Auditor of the City of Sioux Falls, South Dakota.

A certified check of Five Hundred Dollars, payable to the City Treasurer of the City of Sioux Falls must accompany each bid, and bids must be endorsed, "Proposals for Water Bonds". The Board of Commissioners reserves the right to reject any and all bids. Information will be furnished on application, by the City Auditor of the City of Sioux Falls.

Dated at Sioux Falls, South Dakota, this 9th day of October, 1911.

WALTER C. LEYSE,
City Auditor of the City of Sioux Falls, So. Dak.

INVESTMENTS

Bonds and Stocks

WM. F. CROSBY,

Tel. 4090. 311 Main St.

WORCESTER, MASS.

Digitized by Google

United States Investor

Published Every Saturday Morning by

FRANK P. BENNETT & CO., Inc.

SUBSCRIPTION RATES

$5.00 per annum in United States and Mexico; $6.50 per annum in Canada.

$7.00 per annum in England, the Continent, Australia and Countries in the Postal Union.

$10.00 per annum for Investor and Inactive Securities Supplement, including privilege of inserting quotations in the Supplement.

ADVERTISING RATES

Twenty-five cents per agate line. There are fourteen agate lines to the inch.

PUBLICATION OFFICE,

530 Atlantic Avenue, Boston.

NEW YORK OFFICE,

2 Rector Street, New York.

JOSEPH L. BARKER, Manager.

Washington Office, 200 Corcoran Building; Philadelphia Office, 308 Chestnut Street.

Entered at the Post Office at Boston, Mass., as second class matter.

Comptroller Murray has sent out to national bank examiners a set of instructions, wherein he requires them to ascertain whether such banks are regularly and promptly paying the items sent to them for collection or not. In cases where it appears that such prompt payment is not being made, Mr. Murray will order a special examination of the institution. This is intended to serve as a warning to banks that they must not be lax or careless in the handling of collection items. The subject has been sharply called to the attention of the comptroller by statements made by Charles R. McKay, of the First National Bank of Chicago, who has prepared a black list, including the names of about 228 banks, which are in the habit of failing to pay claims of this sort against them. It is an interesting fact that in the whole list of 228 banks, there are only ten titles of national institutions.

The interposition of independent tobacco manufacturers by regular legal methods, for the purpose of securing the rejection of the reorganization plan of the American Tobacco Company, is the latest development in the tobacco controversy. It does not seem probable that these interests can secure what they are seeking. In general, their object is a complete separation of stock holding among the four concerns to which the American Tobacco Company is to turn over its assets, and the issuance of an injunction restraining the stockholders of any company from acquiring shares in any others at any time in the future. This would be an extreme application of the judicial power which we think is not likely to be made. The issue is one that was dealt with in the Northern Securities case, as we have in the past pointed out, and on which there is therefore a well-marked precedent.

Elaborate recommendations for the amendment of the National Bank Act are being prepared by the currency bureau in the Treasury Department. This is in response to a request made by the National Monetary Commission. Nothing has been done by the commission thus far with respect to the reform of the National Bank Act, its whole attention having been devoted to the question of new legislation to create a reserve association, or central banking mechanism. It remains true that no such mechanism can be successful unless its establishment be accompanied by, and based on, the revision of the bank act. The currency bureau has already covered this same subject once before for the commission, and it is probable that the new set of recommendations will take a similar turn. On the former occasion some two years ago, many of the amendments recommended were objected to by national bankers who were called before the commission. Discussion has advanced a good deal since that time, and it is entirely possible that a new attitude will be assumed by the former opponents. In any case, the commission must plan a revision of the act before it goes much further.

THE TWO PER CENT BONDS.

The new draft of the Aldrich plan for currency and banking reform defers until its last section, the provision for disposing of existing 2 per cent bonds. But there is no part of the scheme which has called forth more discussion among those who have been preparing the new plan. Very wide differences of opinion have developed. The device finally hit upon is considered by its authors one of the most adequate and satisfactory elements in the draft. Yet, this is probably one of the first things to which attention will be attracted by critics. Certainly, it deals with one of the questions that must absolutely be disposed of before progress can be made.

As everyone knows, the 2 per cent bonds, now outstanding and chiefly in the hands of the banks, would suffer a very severe fall in price if the circulation privilege were to be removed from them. But the removal of this circulation privilege is the first step in banking reform, and nothing can be accomplished without it. Those who are drafting a new law must, therefore, choose between inflicting a heavy loss upon the banks, presenting a plan with a glaring defect, due to the retention of the circulation privilege by the bonds, or else paying the cost of refunding the bonds at a higher rate of interest. The first step would be against all equity and justice, as well as against expediency, since the banks are amply able to defeat this whole undertaking, if they choose, and would from one point of view be justified in so doing were they to be treated in an unfair manner. The retention of the circulation privilege on the bonds ought not to be thought of. As for refunding, it is an equitable and righteous step if the conditions on which the banks bought their bonds are altered, as they necessarily would be. Then, why not undertake this refunding openly? The framers of the Aldrich plan admit that they are afraid of "popular prejudice", and so they propose that the National Reserve Association shall hold the new 3 per cent bonds, but shall pay the government a "franchise tax" of 1½ per cent, thereby covering the 1 per cent difference in the rate of interest, and the half of one per cent which is now paid in the form of a tax on outstanding bank notes. By this means they seem to believe that the objection to refunding can be overcome, because the cost of the operation would be placed upon the new institution, and the government would be left where it is to-day.

There is a serious trouble with this new suggestion. The whole proposal of those who urge the Aldrich plan is that the new institution shall not be a profit-making enterprise, but shall be an essentially public-spirited undertaking. A small rate of interest upon the capital put up by the stockholding banks is to be provided for in case profits amount to enough to cover it, as they undoubtedly would. But everything above this low rate of return is to go to the government. That has been the understanding from the first. Now, in the revised plan, is suggested a franchise tax of 1½ per cent, to be first paid out of this profit. Under this plan, the government would simply be taking with one hand what it let go with the other. There would be no advantage whatever in any such roundabout method, except the supposed overcoming of "popular prejudice". But it may very well be doubted whether popular prejudice will not be increased, rather than diminished by such a suggestion. The public will not be so blind as to overlook the real meaning of this provision. It will realize that the cost of refunding comes out of the government, and that, since the profits of the institution are earned from the public, this

Digitized by Google

cost is, in the last analysis, paid by themselves. An appeal for equitable treatment of the banks made direct to the public would be far wiser. Secretary MacVeagh put the same issue squarely before the House of Representatives last winter. There was complaint of the usual kind, but in the long run common sense triumphed, and the legislation was adopted. Ordinarily, it is far easier to secure from Congress legislation of a simple and straightforward kind for an equitable purpose, than to reach the same end by deceptive and roundabout means.

THE REVISED ALDRICH PLAN.

The revised plan for currency and banking reform just made public by Ex-Senator Aldrich in Washington should receive immediate attention. There is a greater public disposition to consider this question than at any time heretofore. Mr. Aldrich's plan, as the result of several months of consideration, is more mature and fully worked-out than heretofore. That the need for a more serious measure is pressing has become evident. Altogether, the publication of the Aldrich plan should lead to more thoughtful study of the whole question and the introduction of active measures in Congress.

In form, the revision follows lines already familiar. There is no change in the organization of the proposed institution. Mr. Aldrich would establish a national Reserve Association based on the ownership of stock by banks, entrusted with the re-discount function, doing its work through fifteen branch offices and an indefinite number of local associations of banks, supervised in general by the government and controlled by directors chosen by the banks themselves, a few government representatives holding places on the board of the central institution. The innovations are chiefly those which had been expected. Mr. Aldrich proposes that the state banks and trust companies shall be allowed to become stockholders in the National Reserve Association provided they conform to certain requirements. Chief among the latter is the maintenance of reserves similar to those exacted of the national banks. He outlines a new method of electing the directors which would limit the influence of the older and wealthier parts of the country. Thus, under the new plan New York, which has one-fifth of the bank capital of the country, would have only one-tenth of the directors of the association. Further, a new scheme for controlling the output of notes is propounded. Instead of levying a tax upon the volume of such notes, the government would impose the tax upon reserves in proportion as the latter decreased. By requiring that notes be backed by live commercial paper, and by taxing the reserve in proportion as the latter decline in amount, it would be sought to avoid inflation. Only when the note issues reached an abnormal figure would a tax be levied on them, and even then it would be moderate. One of the most interesting features of the new plan is its method of dealing with the outstanding two per cent bonds. This we have discussed in another column. The plan as now presented is highly intricate and ingenious, offering the outline of a very elaborate scheme for the centralization of reserves. But intricate as it is, the details are far from complete, and much work will need to be done before they can be fully dealt with. It is probable that a great deal more will be added by the National Monetary Commission, which, it is to be remembered, has not thus far even taken up this plan for official consideration. Probably, there will be numerous changes before the measure even gets before Congress.

There is no ground for objecting to the Aldrich plan as a basis for work in developing some scheme of banking reform, but no one, we think, can contend that the plan is complete or satisfactory. There are many points at which suggestions and criticisms will alter even the fundamentals of the scheme. These are technical in character and must be discussed one by one. The Aldrich plan may fairly be taken as a basis for further inquiry.

EMPLOYERS' LIABILITY.

The Federal joint commission on employers' liability and workmen's compensation has voted to recommend a bill to Congress at the opening of the next session. The bill, however, is to be limited, in its application, to interstate carriers. This makes a proposition of much narrower scope than had been originally intended, and will control the discussions very considerably. The commission evidently felt that it was unwise to run the risk of having the bill attacked on the ground of unconstitutionality when it might largely avoid this by confining the measure to a field undoubtedly within its own domain.

The new proposition will call for a compensation system based upon a specified schedule of loss of earning power due to different classes of accident. The present idea is to have the losses determined by an administrative board of some kind, thereby eliminating lawyer's fees as far as possible. If the scale of compensation can be justly fixed, and if the arrangements can be made for giving the injured man in every case all that he is entitled to under the law, without compensation to unnecessary lawyers, an important point will have been gained and an example set to the various states which may serve as a basis for the introduction of similar legislation there. Undoubtedly, railroads will oppose the new proposition. They asked the commission to recommend only an elective or voluntary system, but the commission did not think it wise to permit any such evasion of the plain requirements of the act as this would have allowed. In this they are undoubtedly right. Whatever system is adopted, it should be uniform. Under the elective plan that could not be, since the roads would invariably choose the cheapest plan that was open to them, and this would sometimes be the common law situation which now exists, and sometimes the new elective plan. The result would be a confusion of practice that would be extremely undesirable. Only by getting uniformity and making the legislation compulsory in its working can anything really good be achieved. Even with the best system the question of constitutionality would have to be met. The principle laid down in the New York decision that the common law forbids the taking of property without due process is not believed by the commission to be sound, for the reason that they believe the conditions of industry have so radically changed as to invalidate fundamental common law ideas which were based upon a different state of facts as to industry and transportation. Pending the settlement of this issue, it is well to have the legislation as simple as possible.

Much of the success of what is now proposed will depend upon the skill and care with which the details of the plan are developed. It is well to map out the principle and the method of putting that principle into legal forms, but it is equally important to make sure that these forms are so simple and so certain as to open no possibility of unnecessary expense or undue controversy. It may be expected that the commission, in the hearings which are to open next week, will attempt to settle the administrative features of the new law in an expert way. But a lengthy discussion on the floor of Congress with many changes in the methods proposed will naturally be inevitable.

DIXON, CAL.—The First National Bank of Dixon, capitalized at $50,000, has been organized by H. R. Timm, J. D. Grady, J. J. Clark, R. E. L. Stephens, R. Watson and others.

Municipal Bond Sales

MUNICIPALITY.	Date of sale.	Classification of bonds.	Amount.	Rate of interest. Per cent.	Maturity.	Sales price	Purchaser.	Income basis.
Springfield, Mass.	Oct. 9	Street ex.	$30,000	4	*1-10	102.41	Tillinghast, Dabney, Boston	3.75
Boston, Mass.	Oct. 19	Library	50,000	4	*50	102.571	Blake Bros. & Co., Perry, Coffin & Burr, Adams & Co., Boston	3.784
Boston, Mass.	Oct. 19	Highway	50,000	4	**1-50	102.571	Blake Bros. & Co., Perry, Coffin & Burr, Adams & Co., Boston	3.784
Boston, Mass.	Oct. 19	Sch. bldg. & s.	200,000	4	**1-20	102.571	Blake Bros. & Co., Perry, Coffin & Burr, Adams & Co., Boston	3.784
Boston, Mass.	Oct. 19	Municip. bldg.	120,000	4	**1-20	102.571	Blake Bros. & Co., Perry, Coffin & Burr, Adams & Co., Boston	3.784
Boston, Mass.	Oct. 19	Sewer works	200,000	4	**1-25	102.571	Blake Bros. & Co., Perry, Coffin & Burr, Adams & Co., Boston	3.784
Boston, Mass.	Oct. 19	Hard. Trunk	100,000	4	1956	102.571	Blake Bros. & Co., Perry, Coffin & Burr, Adams & Co., Boston	3.784
Boston, Mass.	Oct. 19	Playground	50,000	4	**1-20	102.571	Blake Bros. & Co., Perry, Coffin & Burr, Adams & Co., Boston	3.784
Boston, Mass.	Oct. 19	Hist. pres. fire	150,000	4	**1-15	102.571	Blake Bros. & Co., Perry, Coffin & Burr, Adams & Co., Boston	3.784
Boston, Mass.	Oct. 19	Highway	200,000	4	*10	102.571	Blake Bros. & Co., Perry, Coffin & Burr, Adams & Co., Boston	3.784
Boston, Mass.	Oct. 19	Parks	250,000	4	**1-10	102.571	Blake Bros. & Co., Perry, Coffin & Burr, Adams & Co., Boston	3.784
Boston, Mass.	Oct. 19	Street lighting	50,000	4	**1-10	102.571	Blake Bros. & Co., Perry, Coffin & Burr, Adams & Co., Boston	3.784
Boston, Mass.	Oct. 19	Playground	50,000	4	**1-10	102.571	Blake Bros. & Co., Perry, Coffin & Burr, Adams & Co., Boston	3.784
Caldwell, Ohio	Oct. 9	Sewer imp.	1,150	6	*5	par	E. Tipton, Caldwell	6.00
Caldwell, Ohio	Oct. 9	Street imp.	2,250	6	*7	par	E. Tipton, Caldwell	6.00
Cleveland, Ohio	Oct. 16	Water redeemed	1,000	5	1911	par	Sinking Fund, Cleveland	5.00
St. Louis, Mo.	Oct. 16	Grade crossing	200,000	4	1947	101.26	Nat. Bank of Commerce, St. Louis	3.86
Columbus, Ohio	Oct. 16	Funding	100,000	4	1912	par	Sinking Fund, Columbus	4.00
Cleveland, Ohio	Oct. 16	Improv.	5,000	4	1921	100.42	Sinking Fund, Cleveland	3.90
Columbus, Ohio	Oct. 16	Paving	3,000	4	1921	par	Sinking Fund, Columbus	4.00
Columbus, Ohio	Oct. 16	Sewer bldg.	8,000	4	1921	par	Sinking Fund, Columbus	4.00
Columbus, Ohio	Oct. 16	Street imp.	22,000	4	1921	100.40	Sinking Fund, Columbus	3.95
Columbus, Ohio	Oct. 16	Sewer imp.	10,000	4	1921	100.333	Sinking Fund, Columbus	3.95
Columbus, Ohio	Oct. 16	Sewer imp.	10,000	4	1921	par	Sinking Fund, Columbus	4.00
Columbus, Ohio	Oct. 16	Sewer imp.	9,000	4	1921	par	Sinking Fund, Columbus	4.00
Columbus, Ohio	Oct. 16	Street imp.	14,000	4	1921	par	Sinking Fund, Columbus	4.00
St. Louis, Mo.	Oct. 16	Water ref. bds.	1,000,000	4	1947	100.076	Nat. Bank of Commerce, St. Louis	3.994
St. Louis, Mo.	Oct. 16	Water redeemed	200,000	4	1912	par	Sinking Fund, St. Louis	4.00
St. Louis, Mo.	Oct. 16	Water redeemed	200,000	4	1912	par	Sinking Fund, St. Louis	4.00
Asbury Park, N. J.	Oct. 18	Sewer	20,000	5	1941	par	Asbury Park & Ocean Grove Bank	5
Caldwell, Ohio	Oct. 9	Road	1,650	6	*10-16	par	E. Tipton, Caldwell	6
Fairfield, N. J.	Oct. 16	Fire appl.	12,000	4	1941	par	Fairfield Township	4
Richmond, Va.	Oct. 12	Public imp.	900,000	4	1951	par	Sinking Fund, Richmond	4
Springfield, Ohio	Oct. 10	Sewer	17,000	5	**1-8	107.8	Second Nat. Bank, Cincinnati	4.62
Cuyahoga County, Ohio	Oct. 13	Ref. & impv. bds.	46,240	4½	*10	102.30	Sinking Fund, Cleveland	4.01
Cuyahoga County, Ohio	Oct. 18	Road assess.	5,000	5	*5	105.01	Sinking Fund, Cleveland	4.07
Amherst County, Va.	Oct. 12	Bridge	30,000	5	48	102.50	Arnold, Longstreth & Co.	4.85
West Hoboken, N. J.	Oct. 7	School	15,000	5	**5-15	par	Sinking Fund, West Hoboken	5.00
Cincinnati, Ohio	Oct. 14	Various	8,300	4	**5-14	103.609	Second Nat. Bank, Cincinnati	4.20
Wood County, Ohio	Oct. 16	Road	20,000	5	*5	101.01	Sinking Fund, Cleveland	4.85
Wood County, Ohio	Oct. 16	Road	20,000	5	*5	101.01	Sinking Fund, Cleveland	4.85
White Plains, N. Y.	Oct. 11	Macadamizing	20,000	4½	*5	103.3	Farson, Son & Co., New York	4.15
Fulton, N. Y.	Oct. 11	Bridge	30,000	4½	*15	104.158	Parkinson & Burr, New York	4.25
White Plains, N. Y. S. D. No. 1	Oct. 14	Building	5,000	4½	*15	104.58	Farson, Son & Co., New York	4.15
Piedmont, Cal.	Oct. 2	Public	140,000	4½	**15-40	104.5	Sinking Fund, Piedmont	4.15
Geneva, N. Y.	Oct. 25	Street imp.	16,000	4½	**1-10	100.11	Sinking Fund, New York	4.45
Thurston County, Wash.	Oct. 11	Refunding	50,000	6	1921	par	Sinking Fund, Olympia	6.00
Carbon County, Mont.	Oct. 18	Court H.	70,000	5	1931	par	Sinking Fund, Red Lodge	5.00
Pensacola, Fla.	Oct. 16	Refunding	275,000	4½	*11	97.3	Second Nat. Bank, Cincinnati	4.75
Monroe, Ga.	Oct. 18	Water wks. ext.	12,500	6	1941	par	Sinking Fund, Monroe	6.00
Albany, Ga.	Oct. 18	City prop.	30,000	5	1951	101.5	Second Nat. Bank, Citizens First Nat. Bank, Albany	4.90
Albany, Ga.	Oct. 28	Refunding	30,000	5	1941	100.33	Second Nat. Bank, Citizens First Nat. Bank, Albany	4.97
Albany, Ga.	Oct. 18	Funding	11,500	5	1941	par	Second Nat. Bank, Citizens First Nat. Bank, Albany	4.97
Albany, Ga.	Oct. 18	Road	15,000	5	1941	101.33	Second Nat. Bank, Citizens First Nat. Bank, Albany	4.90
Dassel, Minn.	Oct. 9	Various	7,500	5	1931	par	Sinking Fund, Dassel	5
Toledo, Ohio	Oct. 10	Road	60,000	5	1921	par	Sinking Fund, Toledo	5
Walla Walla County, Wash.	Oct. 9	Bridge	5,000	5	1921	par	Sinking Fund, Walla Walla	5
Bellingham, Wash.	Oct. 14	Various	5,000	5	1921	par	Sinking Fund, Bellingham	5
Kennewick, Wash.	Oct. 14	Various	5,000	5	1921	par	Sinking Fund, Kennewick	5
Kennewick, Wash.	Oct. 14	Road	5,000	5	1921	par	Sinking Fund, Kennewick	5
Bellingham, Wash.	Oct. 11	Various	5,000	5	1921	par	Sinking Fund, Bellingham	5
Bellingham, Wash.	Oct. 11	Sidewalk	1,500	5	1921	par	Sinking Fund, Bellingham	5
Bellingham, Wash.	Oct. 11	Improvement	1,500	5	1921	par	Sinking Fund, Bellingham	5
Bellingham, Wash.	Oct. 11	Improvement	1,500	5	1921	par	Sinking Fund, Bellingham	5
Dassel, Minn.	Oct. 9	Sewer	10,000	6	1921	par	Sinking Fund, Dassel	6
Dassel, Minn.	Oct. 9	Funding	7,500	6	1921	par	Sinking Fund, Dassel	6
Dassel, Minn.	Oct. 9	Funding	7,500	6	1921	par	Sinking Fund, Dassel	6
Dassel, Minn.	Oct. 9	Funding	10,000	6	1921	par	Sinking Fund, Dassel	6
Walla Walla County, Wash.	Oct. 9	Bridge	5,000	5	1921	par	Sinking Fund, Walla Walla	5
Cleveland, O. Sch. D. No. 1	Oct. 3	Various	15,000	5	1921	101.5	Sinking Fund, Cleveland	4.85
Cuyahoga Co., O. S. D. No. 1	Oct. 3	Various	5,000	6	1926			
Sunnyside, Wash.	Oct. 3	Sidewalk	5,000	6	1926			
Ft. Dodge, Iowa	Oct. 5	Refunding	15,000	5½	1931			
Dassel, Minn.	Oct. 5	Various	5,000	6

MORGAN-GUGGENHEIM INCIDENT.

(Continued from page 1803.)

transportation, but this, the Alaska syndicate declined to do.

One of my sources of information is James J. Godfrey, president of the Mother Lode Copper Company, whose eastern offices are in the Singer Building, New York City. With reference to the letter which is the subject of this article, Mr. Godfrey, said:

"Your subscriber could hardly have got further away from the facts if he had tried. Everyone in Alaska knows that the Northwestern

COMMERCIAL CO. WAS SAVED

by the Morgan syndicate and the common report was that at the very beginning they had to advance over $2,000,000 in cash to keep the company out of bankruptcy. As a result the stockholders saved and built up everything they had instead of getting nothing as would have probably been the result if the New York bankers had not come to the rescue. I do not believe there is another group of capitalists in the world, except the Morgan-Guggenheim-Kuhn, Loeb syndicate which would have made any such an immense investment for the development of a new country, and they have not offered a dollar's worth of securities to the investment public. It therefore seems to me that you people in the East, or at any rate the politicians, must be crazy in what has been said about this enterprise. Alaska is a big country, and to say that it is being gobbled up by a 200-mile railroad is about like saying that a railroad from New York to Boston, might monopolize all of the United States east of the Mississippi river. As an entirely independent operator, I want to go on record as saying that the Alaska syndicate has made remarkably low rates of transportation and has done everything possible

TO HELP EVERY ONE

in the development of the country.

"Instead of being maligned they should be given the credit of reclaiming Alaska, an achievement entitled to rating with that of building the Northern Pacific Railroad to the Pacific coast back in the eighties, and one which will eventually be of equal benefit to all our people. In 20 years every one will recognize what Morgan has done in Alaska, and then they will be inclined to erect a monument to his memory."

As to our subscriber's inquiry with reference to Alaska Steamship stock, I would advise him to hold it. Officials state that in all probability no dividends will be paid for a year or two, as new ships must be purchased, and in fact, bids are being considered at this time for an addition to the fleet. The Alaska Steamship Company is in effect the water extension of the Copper River Railroad, is managed by the officials of the railroad and can hardly fail to have a bright future as the country develops.

P. DE MEDICI.

MEMPHIS, TENN.—The Parham Trust Company has filed application for a charter with a capital stock $100,000. E. R. Parham, L. R. Griffin, Burton B. Weill, C. G. Smith and John L. Parham are incorporators.

City and Town Treasurers

The Old Colony Trust Company is one of the largest and strongest banking institutions in the country. Its tremendous resources and its strong position in the confidence of the public make our services in the preparation and certification of Municipal Bonds of unusual value to city and town treasurers.

Our plan for handling this work is the safest and most systematic that experience can suggest, and it is so economical that the entire cost is within the means of the smallest municipality.

It affords absolute protection not only to the issuing community and its officials, but also to the banker and investor. It has already been adopted by many cities and towns throughout the country and has the unqualified endorsement of all bond dealers.

The marked preference shown by investors for bonds issued under our plan has resulted in a distinct enhancement of their market value. *Kindly send for descriptive pamphlet.*

OLD COLONY TRUST COMPANY

COURT STREET BOSTON TEMPLE PLACE

Bond Certification

Modern conditions make the registration and certification of municipal and corporate obligations desirable and convenient. We have a department maintained exclusively for this purpose.

First National Bank of Boston
70 Federal Street

PRESIDENT VAIL'S OFFICIAL STATEMENT.

The American Telegraph & Cable Company is the owner of two trans-Atlantic cables, which are operated by the Western Union Telegraph Company under lease, dated May 12, 1882, for a period of fifty years, at an annual rental of 5 per cent on the capital stock of the American Company. This contract will expire on May 12, 1932.

President Vail, of the Western Union Company, says that it would be premature at this time to make any definite statement as to what will be done at the expiration of the contract twenty years hence, but that it is hardly probable any renewal on the same terms would be considered.

In answer to inquiries from stockholders of the American Company, President Vail has advised that a sinking fund should be set aside out of the dividends to amortise the principal.

BANK ITEMS.

HAMILTON, GA.—The Bank of Harris has been organized here with $25,000 capital. The incorporators are: A. F. Truett, B. J. Williams, J. R. Lunsford and J. H. Robinson, all of this place.

RITZVILLE, WASH.—Pioneer Savings Bank at Ritzville, which was a depositary for the funds of the postal bank there, has notified the department its desires to withdraw. Since the establishment of the postal bank on June 10, only one deposit of $101 was made.

OFFICE OF
THE CONSOLIDATION COAL COMANY.

Baltimore, Md., October 16th, 1911.

The Board of Directors has declared the regular quarterly dividend of one and one-half per cent (1½%) on its Capital Stock, payable October 31st, 1911, to the Stockholders of record at the close of business October 26th, 1911, and also declared a quarterly dvidend of one and one-half per cent (1½%) on the subscription receipts for Stock carrying dividends declared after January 31st, 1911, payable October 31st, 1911, to the holders of record at the close of business October 26th, 1911.

Transfer books will remain open. Dividend checks will be mailed.

T. K. STUART, Assistant Treasurer.

THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY.

New York, October 3, 1911.

The Board of Directors has declared a dividend (being dividend No. 26) on the COMMON STOCK of this Company of ONE DOLLAR AND FIFTY CENTS ($1.50) per share, payable December 1, 1911, out of surplus net income, to holders of said COMMON Stock registered on the books of the Company at the close of business on November 3, 1911. Dividend cheques will be mailed to holders of COMMON Stock who file suitable orders therefor at this office. C. K. COOPER, Assistant Treasurer. 5 Nassau Street, New York City.

BOSTON ELEVATED RAILWAY CO.

For the purpose of the annual meeting, the transfer books of the company will be closed from the close of business on Wednesday, October 25, 1911, until the opening of business on Tuesday, November 7, 1911.

H. L. WILSON, Treasurer.

UNITED STATES MOTOR COMPANY,

3 West 61st Street,

New York, October 13, 1911.

Quarterly dividend No. 7 of one and three-quarters per cent (1¾%) will be paid November 10th 1911, to holders of the Preferred Stock of United States Motor Company of record at the close of business, October 31st, 1911.

CARLL TUCKER, Treasurer.

AMERICAN MALT CORPORATION
15 Exchange Place, Jersey City, N. J.

The Board of Directors have declared a dividend of FOUR PER CENT on the Preferred Stock of the Corporation, payable in two installments, namely, 2% on November 2, 1911, and 2% on May 2, 1912, to stockholders of record at the close of the transfer books respectively on October 19, 1911, and April 19, 1912.

HENRY EGGERKING, Treasurer.

September 27 1911.

The Best Purchases on the Industrial List

As Indicated by the Two Standards of Comparison: of Present Investment Yield on Basis of Current Dividends and Prevailing Market Price, and on Basis of Present Earnings on Prevailing Market Values

The average net yield of the 50 industrial stocks quoted in the following table was 6.44 per cent on October 24, as compared with 6.39 per cent on October 17, 6.30 per cent on January 3, and 5.76 per cent on January 2, 1910.

Another new dividend payer will be found in our list, as made up this week, in addition to the United States Rubber common, which has recently won a place on that list. The new entry is American Beet Sugar common, which for a long time past, according to general market gossip, has been in line for dividends. A few days ago, the directors finally justified these predictions by placing the stock on a 5 per cent annual basis. As a matter of fact, the company's representatives treated the common shareholders with greater liberality than was generally anticipated, for it was believed that the initial rate would be but 4 per cent. As a 5 per cent stock selling around 59, the net return is a trifle less than 8½ per cent, the market price and net yield being approximately the same as that shown by United States Steel common. For reasons best known to the officials themselves, the American Beet Sugar Company has always been inclined to maintain a reticent attitude concerning its operations outside of the information contained in its annual report, but of late this policy has been deviated from to some degree. The company's earnings this year promise to be the largest since its organization in 1899. Last year, there was a surplus after allowing for preferred dividends of about 11 per cent on the common, and this performance should be improved upon by a considerable margin in the current year, thanks to the harvesting of a record crop in California, coupled with the high sugar prices now existing. The price at which the stock is now quoted is approximately a high record for the issue.

United States Rubber common continues to act in a somewhat peculiar manner since the declaration of a 4 per cent annual dividend, as indeed, it has been acting for months past. During the early summer, when a bull movement was on in stocks, various tips were circulated predicting early dividend payments on this issue, but they were generally frowned upon as representing little more than an excess of bullish enthusiasm, and the attitude of the insiders went far toward justifying this critical point of view. Subsequently, the stock took a ten-point drop to 30½, from which point it had a meteoric rise to 45. Coincident with its arrival at this higher level, there was a revival of dividend talk, which this time proved to be well founded, as shown by the recent action of the directors. At present prices, the net yield on this stock is close to 9¼ per cent, which indicates that there is a general disposition to look upon its position as more speculative than the common run of dividend paying industrials. Doubtless, Beet Sugar common, as shown in its present selling price and net yield, occupies a somewhat similar position, not because there is any lack of a substantial margin of safety between present earnings and the newly established annual 5 per cent rate, but on account of apprehension regarding the possible depressing effect on the company's earnings of tariff legislation.

Stocks.	Present dividend.	Price.	Yield on present price.	Present rank.	Stocks.	Price.	Earnings on present price	Year ended
Am. Cotton Oil, com......	5%	47	10.64	1	Inter. Merc. Marine, pref...	15	62.45	Dec. 31, 1910
U. S. Rubber, com........	4%	43	9.30	2	Allis-Chalmers, pref.........	11	28.10	Jne. 30, 1910
Am. Beet Sugar, com....	5%	59	8.48	3	Bethlehem Steel, pref........	56	23.95	Dec. 31, 1910
U. S. Steel, com.........	5%	60	8.33	4	Ry. Steel Spring, com.....	28	21.45	Dec. 31, 1910
Republic I. & S., pref....	7%	85	8.24	5	Westinghouse, com.........	64	20.75	Mar. 31, 1911
United Dry Goods, com..	8%	99	8.08	6	Am. Locomotive, com.......	35	20.75	Jne. 30, 1911
Am. Woolen, pref........	7%	87	8.05	7	Pressed Steel Car, com.....	29	19.00	Dec. 31, 1910
Am. Writing Paper, pref.	2%	25	8.00	8	Am. Beet Sugar, com........	59	18.60	Mar 31, 1911
U. S. Rubber, 2d pref....	6%	76	7.90	9	Am. Ag. Chem., com.........	50	18.10	Jne. 30, 1911
Union Bag & Paper, pref.	4%	53	7.55	10	Sears, Roebuck, com.......	138	14.85	Dec. 31, 1910
Ry. Steel Spring, pref....	7%	94	7.45	11	Am. Car & Foundry, com....	48	14.60	Apr. 30, 1911
Nat. Enam. & Stpg., pref.	7%	94	7.45	12	United Fruit	186	14.50	Sep. 30, 1910
Central Leather, pref....	7%	94	7.45	13	Am. Cotton Oil, com........	47	14.50	Aug. 31, 1910
Pressed Steel Car, pref...	7%	95	7.37	14	Am. Ice Sec. Co.............	18	14.00	Oct. 31, 1910
U. S. Realty & Imp	5%	68	7.35	15	Am. Malt Corp., pref........	42	13.75	Aug. 31, 1911
Inter. Steam Pump, pref..	6%	82	7.32	16	Inter. Harvester, com.......	108	13.75	Dec. 31, 1910
Am. Smelt. & Rfg., pref..	7%	101	6.93	17	U. S. Realty & Imp..........	68	13.75	Apr. 30, 1911
Am. Locomotive, pref....	7%	102	6.86	18	Am. Woolen, com...........	31	13.05	Dec. 31, 1910
Va.-Carolina Chem., pref.	8%	117	6.84	19	Colo. Fuel & Iron, com......	27	11.90	Jne. 30, 1911
Corn Products Rfg., pref.	5%	74	6.76	20	Inter. Paper, pref..........	46	11.50	Jne. 30, 1911
Laclede Gas	7%	104	6.73	21	Nat. Enam. & Stpg., com....	16	11.25	Jne. 30, 1911
National Lead, pref......	7%	106	6.60	22	General Electric	150	11.10	Dec. 31, 1910
People's Gas	7%	107	6.51	23	Union Bag & Paper, pref..	53	10.45	Jan. 31, 1911
Distillers Sec. Corp.....	2%	31	6.45	24	Republic I. & S., com.......	23	10.45	Jne. 30, 1911
U. S. Steel, pref.........	7%	109	6.42	25	Am. Smelt. & Rfg., com....	65	9.75	Apr. 30, 1911
National Lead, com	3%	48	6.25	26	U. S. Steel, com............	60	9.55	Jne. 30, 1911 (3 mos.)
Va.-Carolina Chem., com.	3%	48	6.25	27	Corn Products Rfg., pref....	74	9.55	Feb. 28, 1911
Am. Tobacco, pref.......	6%	96	6.25	28	Distillers Sec. Corp.	31	9.50	Jne 30, 1911
Am. Smelt. & Rfg., com..	4%	65	6.15	29	United Dry Goods, com.....	99	9.10	Jly. 15, 1911 (6 mos.)
Westinghouse, 1st pref...	7%	115	6.09	30	Am. Linseed, pref...........	[illegible]	9.10	July 31, 1911
Am. Car & Foundry, pref.	7%	115	6.09	31	Western Union	79	9.05	Sep. 30, 1911
Am. Sugar, pref.........	7%	115	6.09	32	National Lead, com.........	48	9.00	Dec. 31, 1910
Am. Sugar, com..........	7%	117	5.98	33	U. S. Cast Iron Pipe, pref..	42	9.00	May 31, 1911
Am. Beet Sugar, pref ...	6%	101	5.94	34	N. Y. Air Brake	[illegible]	8.95	Dec. 31, 1910
Am. Tel & Tel..........	8%	135	5.93	35	People's Gas	107	8.40	Dec. 31, 1910
Mackay Companies, com.	5%	85	5.88	36	Am. Can, pref	86	7.95	Dec. 31, 1910
Pacific Coast, com	6%	102	5.88	37	National Biscuit, com	128	7.70	Jan. 31, 1911
Inter Harvester, pref ..	7%	120	5.83	38	Amalgamated Copper	72	7.55	Apr. 30, 1911
Am. Can, pref...........	5%	86	5.81	39	Utah Copper	44	7.40	Jne. 30, 1911 (6 mos.)
National Biscuit, com....	7%	128	5.47	40	Am. Tel. & Tel.............	135	7.30	Sept. 30, 1911 (9 mos.)
General Electric	8%	150	5.33	41	Va.-Carolina Chem., com ..	48	6.50	May 31, 1911
Sears, Roebuck, com.....	7%	138	5.07	42	Tennessee Copper	[illegible]	6.20	Dec. 31, 1910
Am. Malt Corp., pref	2%	42	4.76	43	Am. Sugar, com............	117	6.15	Dec. 31, 1910
Inter Harvester, com....	5%	108	4.63	44	Mackay Companies, com....	85	6.05	Jan. 31, 1911
Consolidated Gas	6%	138	[illegible]	45	Consolidated Gas	138	5.40	Dec. 31, 1910
Inter Paper, pref	2%	46	4.35	46	U. S. Rubber, com.........	43	5.10	Mar 31, 1911
Am. Car & Foundry, com.	2%	48	4.17	47	Sloss-Sheffield, com	40	5.05	Nov. 30, 1910
Underwood Typewriter...	4%	101	3.96	48	Central Leather, pref......	94	4.80	Dec. 31, 1910
Amalgamated Copper ...	2%	72	[illegible]	49	Am. Steel Foundries	[illegible]	4.80	Mar. 31, 1911 (8 mos.)
Western Union	3%	79	[illegible]	50	Inter. Steam Pump, com....	[illegible]	2.80	Jne. 30, 1911 (3 mos.)

Digitized by Google

INSTITUTE HAS WON ITS SPURS.

(Continued from page 1800.)

Coming from a country bank in Leesburg, Va., in 1904, he has passed through the several grades of assistant cashier, cashier, and vice-president of the Citizens' National Bank of Alexandria, Va., and is now the active executive officer of that organization. His association with the Washington Chapter of the institute began from the very first of his service at Alexandria, and his enthusastic interest placed him very soon on the board of governors. Not content with merely local activity, he became active as a student, and has passed during the past two years the final examination of the institute in commercial and banking law, and in banking and finance. Meantime, he has been an indefatigable worker in the Virginia

C. L. DIETHER.

Bankers' Association, and a constant attendant at the conventions of the American Bankers' Association. Thus, he brings to his post with which the institute has now honored him at its recent Rochester convention, an exceptionally wide acquaintance, sound experience, and an affectionate regard for everything which interests institute men.

RAYMOND B. COX.

The president of the institute is an institute man to the very core of his being. His loyalty has been evident by his willingness to plod along in the ranks, a faithful, earnest member, to represent his chapter in debates, or serve as an efficient, hard-working officer, according to the will of his fellow members of Baltimore Chapter. He entered that chapter almost as soon as he entered the banking business, and for four years served as an interested and loyal member, without expectation or desire for office or other distinction. It was that branch of institute work which has been so much emphasized of late years, debating, which brought him finally to the front, and his success in that line raised him step by step to his present honorable post. Everyone who knows him is convinced that the visits he will soon commence making to the chapters in all parts of the country will be productive of pronounced good to the institute.

Mr. Cox began banking as an employe of the Manufacturers' National Bank, in Baltimore, in 1901, and, when in 1903 that bank was absorbed by the First National Bank, he continued with the consolidated institution, and became in 1909 its auditor. In 1905, after four years of membership in Baltimore Chapter, he was chosen as one of the representatives of the chapter in a large inter-city debate, with such success, that on seven or eight subsequent occasions he has represented that chapter on its debating team. After service on the board of governors of that chapter, and as its vice-president, he became president of the chapter. A regular attendant at institute conventions, he has frequently been selected for service on its committees, and he was chairman of the programme committee of the last convention at Rochester. That same convention brought to him the appropriate reward for all of the energy he has expended in the institute's behalf.

J. W. BRADLEY.

The vice-president of the institute comes from the Pacific coast. Mr. Bradley was born twenty-six years ago in the western part of Colorado, and all his life has been spent in that great section west of the Rockies, which eastern people always include under the vague yet comprehensive title of "the far West". Not so prone to remain all of their lives in one city or state as are people of the East, young men of the country beyond the Rockies frequently make their first start in life and their business successes miles away from their place of birth. Hence, it is not surprising that in Spokane, Wash., instead of in his native Colorado, Mr. Bradley has been winning his way upward in banking.

A period of apprenticeship in the lumber business preceded his employment at the Old National Bank, with which he is now connected. Four years ago, he became bookkeeper at the Old National Bank, and after having occupied various other positions, has now become manager of its collection department. His interest in Spokane Chapter has been devoted, and he is at present its president.

A. C. DORRIS.

The secretary of the institute comes from Nashville, Tenn. He began his connection with banking in 1904, obtaining employment with the Merchants' National Bank of Nashville, continuing with it when it was merged with the First National Bank in April, 1906. He has been note teller, assistant paying teller, and in 1907, was promoted to the individual ledgers as bookkeeper, the position he now holds. In January, of the following year, when the Nashville Chapter was organized, he heard an address by the present president of the American Bankers' Association, which aroused in him and in the other young men brought together to give the chapter its birth a great enthusiasm for the institute, and a belief in the future for young men in banking which they had never had before. He became an active and loyal member of the new chapter, has contributed of his best to its upbuilding, and is enlisted with the other officers in a determination to make this the biggest year the institute ever has had.

C. L. DIETHER.

The treasurer of the institute comes from St. Paul, Minn. Mr. Diether's business affiliation is with the Capital National Bank, of that city, where he holds a responsible post. In St. Paul Chapter, he has been an active and energetic member, and St. Paul fitly chose him as its representative when it determined to win for itself and for its part of the country one of the responsible offices of the institute.

SHELDON, IOWA.—W. P. Briggs, a banker at Sheldon, is in Spokane, looking for a western location.

CANADIAN FARMS

Do you want a Farm in Western Canada where the crops this year are in advance of anything grown on this Continent.

For wheat growing, dairying, mixed farming and cattle raising, the Province of Alberta is unsurpassed.

Lands are now offered by the CANADIAN PACIFIC RAILWAY COMPANY at prices ranging from

$10 TO $30 AN ACRE ON LONG TERMS OF PAYMENT OR ON THE CROP PAYMENT PLAN

that is, paying for your farm with a portion of your crops each year.

Land values have increased 30% in two years. Great opportunity for the Homeseeker. Call or write for booklet F, maps, etc.

ERNEST E. FLOYD

General Agent { CANADIAN PACIFIC RAILWAY / ALBERTA LAND DEPARTMENT

343-4 Tremont Building, Boston

Digitized by Google

Before All Else

there is found in every Union Mutual Policy the first and strongest Purpose of Life Insurance.

Protection

Clear, Faithful Reasonable Contracts. Ask for Particulars.

Union Mutual Life Insurance Co.
Portland, Maine

Fred E. Richards, President.

STATE MUTUAL LIFE ASSURANCE COMPANY OF WORCESTER, MASSACHUSETTS INCORPORATED 1844

JANUARY 1, 1911
Insurance in force more than $140,000,000
ASSETS - $36,327,078.09
LIABILITIES - 33,071,849.25
SURPLUS - $ 2,955,228.78

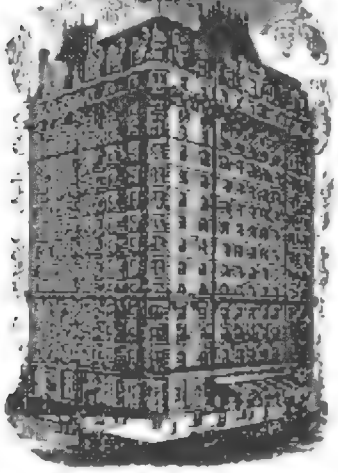
1910 MOST PROSPEROUS IN HISTORY OF THE COMPANY

North American Accident Insurance Co
CHICAGO

Net Surplus & Capital..$ 500,000.00
Income 1910..... 1,151,698.35
Will add good men in Establishing Agencies.
Best Policies — Largest Commissions or Profit Sharing Contracts.
A. E. Forrest, Vice-Pres. & Mgr. Chicago

"In the Heart of Things"
HOTEL
MARTINIQUE
Absolutely Fireproof
B'way, 32d-33d Sts., New York City

ONE BLOCK FROM NEW PENN. R. R. DEPOT
and opposite
HUDSON TERMINAL
connecting with
Erie Lackawanna Lehigh Valley Pennsylvania Railroads
from which
BAGGAGE TRANSFERRED FREE TO AND FROM HOTEL



In the midst of leading Department Stores and Theatres

600 ROOMS 400 BATHS
Rooms with use of bath, - - $1.50 up
Rooms with private bath, - - $2.50 up

CHAS. L. TAYLOR, Pres. W. S. GILSON, Vice-Pres.
WALTER CHANDLER, Jr., Mgr.
Also Proprietors of St. Denis Hotel

BOSTON STOCKS AND BONDS

For the Week Ending Thursday Evening, October 26, 1911.

Names.	RANGE FOR WEEK Low	High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911. Lowest		Highest		RANGE FROM JAN., 1879, TO JAN., 1911. Lowest	Highest
Railroads.										
Boston & Albany	221	221½	220½	189	219 Sept		238 Feb	15	129 1879	*280 1906
Boston Elevated.	124½	125	125½	221	124½ Oct	3	136½ Aug	2	53½ 1898	190 1901
Boston & Maine.	96	96	96	170	97 Oct	2	122¾ Feb	15	108¾ 1879	230 1887
do pref.	143	143	143	3	143 Oct	2	154 June	5	134¾ 1881	190 1906
Cent. Verm't 4s.	99	99¾	99¾	7,000	93½ Sept	26	99 Mar	22	75 1904	98½ 1909
C. B. & Q. Jt. 4s	96½	96¾	96¾	12,000	96¼ Jan	3	98½ June	2	82½ 1907	102 1906
Chic. Junc. R....	...	...	156	.....	156 Apr	29	165 Aug	23	50 1893	182 1900
do. 5s	...	...	101¾	.....	101¾ Sept	23	102 Aug	31	89¾ 1891	116 1900
Fitchburg pref..	125	125½	125½	75	125 Oct	2	130 Jan	9	63½ 1893	148 1906
K.C.,Ft.S.&M.6s	116½	116½	116½	5,000	115 Mar	22	116¾ Jan		76 1895	128 1906
K.C.M.&B.newis	...	...	91	.....	91 Oct	6	93½ Jan		125½ 1894	3102 1906
do. inc. 5s....	...	...	90	.....	88 Apr	6	90 Mar	16	8 1896	104 1906
N.Y., N.H. & H.	133	133¾	133½	646	129¼ Sept	14	151¾ Feb	22	127 1907	279 1899
Old Colony.....	187½	187½	187½	30	183 Mar	15	189 June	14	86 1879	221 1906
Rutland pref....	...	...	33½	.....	22 Jan	26	45 Aug	4	6½ 1879	125¼ 1906
West End.....	87½	88	87½	87	85 Oct	4	95 Feb	6	42 1894	102 1906
do. pref.	101	101½	101¼	5	100 Sept	26	105 June	22	78 1888	118¼ 1902
Miscellaneous.										
Am. Agri. Chem.	50	51	50	215	46½ Oct	6	60½ May	15	5 1908	50¾ 1909
do. pref.	100½	101	100¾	271	99 Jan	6	105¾ Mar	1	½ 1903	106 1910
Am. Pneu. Ser..	4½	5	4½	2,527	3½ Oct	7	6½ Jan	3	- 1903	29 1906
do. pref.	17½	17	16¾	2,467	12¾ Sept	1	19¼ Jan	21	9½ 1908	46 1906
Am. Tel. & Tel.	130½	130¾	130¾	3,286	121½ Aug	30	153¾ Jan	6	88 1907	168 1906
do. 4s	89	89¾	89¾	142,000	85½ Mar	22	92 May	29	71 1907	101¼ 1911
do. conv. 4s...	...	...	105	.....	104 Aug	25	111¾ June	19	80¾ 1908	107¾ 1909
Am. Woolen.....	...	...	27½	.....	27½ Sept	19	36¾ Mar	20	7¾ 1898	48 1906
do. pref.	86½	88	86¾	1,363	86¼ Oct	24	90½ June	15	66 1902	110¾ 1906
B. & Wor. Elec.	...	...	9	.....	6 Feb	15	13 July	13	5 1910	25¾ 1906
do. pref.	49½	50	50	124	39½ Jan	27	58 July	1	35 1910	90 1906
Cumberl'd Tele..	170½	170½	170½	24	146 Jan	19	180 June	2	88½ 1907	163¾ 1910
Dom. Coal 6s....	...	...	98	.....	90 Jan	4	98½ Sept	22	90 1908	101¼ 1906
E. Boston Land.	9¾	10	10	185	7¾ Jan	3	12 May	1	2¾ 1893	19¾ 1906
Edis. Elec. Ill..	287	287	287	1	275 Sept	9	292½ Feb	3	10 1893	310 1906
Gen'l Elec. Co..	140	140¾	140¾	41	142 Sept	22	161¾ May	29	30½ 1896	288¼ 1901
Mass. Elec.....	19½	22¾	21¾	4,201	16 Apr	24	24 June	11	6¼ 1907	45¾ 1902
Mass. pref.....	90	90¾	90¼	4,26	83¾ Jan	9	93¾ Oct	25	87 1907	99 1902
Mass. Gas.....	90½	92¾	92¾	1,129	87¾ Sept	25	98¾ Aug	4	36 1903	91½ 1910
do pref.	97	98	97¼	312	91¼ Apr	19	99½ Oct	18	74½ 1903	97 1910
Mergenthaler ...	252	252	252	35	211 Jan	3	250 July	31	128¾ 1897	226 1910
N. E. Cot. Y'n.	101	104	104	21	103 Oct	20	119 Mar	14	40 1908	125 1906
do. pref.	...	...	102	.....	99 Oct	16	118½ Mar	17	34¾ 1908	113 1906
do. 5s	99¼	99¼	99¼	4,000	99 Oct	6	103 June	20	93 1908	105¾ 1901
N. E. Telephone	145	146	145	125	137 Jan	17	150½ June	10	78¾ 1879	270 1906
Portland Elec...	...	...	69½	.....	62¾ July	29	65¾ Sept	5	.....	.....
Pullman Car....	168	170½	170	122	153 Sept	25	183 Jan	30	64½ 1901	224¼ 1906
Reece But. H...	11	11	11	1	12 Jan	3	16¾ May	22	7¾ 1894	162 1901
Torr'g'n Co.Cl.A	28½	28½	28½	200	29 Oct	9	36 Jan	7	18 1905	37 1910
do. pref.	25½	26	25	75	27 Sept	6	30 July	26	20 1907	35 1906
U'ted Fruit Co..	181	186	185	335	180 Aug	28	197 June	12	72 1901	200 1910
U'ted Fruit 4½s.	96½	96¾	96¾	4,000	95¾ Oct	17	99¼ Jan	6	86 1910	97¼ 1910
Un. Shoe Mac'y.	41	41	40¾	4,000	40¼ Aug	28	45¾ Feb	18	*28 1900	85½ 1906
do. pref.	27	27½	27	221	26½ Sept	22	29½ Mar	22	13 1900	29½ 1906
West. Tel. & T.	95¾	97	96¾	2,000	95 Sept	29	97½ Oct	12	4 1908	23½ 1906
do. pref.	105	105½	105¾	1,472	89 Jan	27	105½ Oct	25	60 1907	108¾ 1906
do. 5s	99¾	100	99¾	27,000	90¾ Jan	3	100 Oct	25	74 1907	106¼ 1907
Mining.										
Adventure	4¼	4¼	4¼	100	4 Oct	9	7½ May	13	† 62½ 1907	23 1906
Allouez	27	28½	28	700	21 Aug	26	39 Jan	4	9c 1894	74¼ 1907
Amalgamated ..	73¾	74¼	73¾	7,120	44½ Sept	25	77½ June	26	33¾ 1903	129¾ 1906
Am. Zinc.....	13¼	13¾	13¾	1,100	10¾ Oct	5	20¾ June	14	5 1903	67 1906
Arizona Com....	21	21	21	2,850	18½ Oct	14	25¾ June	14	7¾ 1907	51¾ 1906
Bos & Corbin...	...	...	...	.....	10¾ Aug	28	13½ June	6	6 1907	25 1906
Butte Bal'kl'a..	3¼	3 9-16	3¼	3,000	3¼ Aug	29	5¾ Jan	4	4¼ 1910	15¾ 1910
Butte Coalition..	17	17	16¾	9,150	11 Sept	28	20¾ May	24	10 1907	42 1906
Calumet & Ariz	110	110	109	200	63 Sept	25	125 June	14	44¾ 1910	198 1907
Calum. & Hecla.	660	665	660	24	560 Sept	25	845 Jan	4	124 1884	1600 1907
Centennial	...	...	24½	.....	24 Sept	27	35 Jan	3	10c 1896	61 1906
Copper Range..	70	70	70	900	46¾ Sept	25	63¾ Feb	2	37 1903	105 1907
Daly-West	11	11	11	1	8 Feb	15	14½ June	21	3¼ 1910	56 1907
East Butte	10	10¾	10¼	1,417	8¾ Aug	28	14¾ June	26	3½ 1908	18¾ 1907
Elm River	...	...	10	.....	10 July	24	20 Jan	6	60 1910	7 1907
Franklin	6¼	6¾	6¾	300	5½ Aug	30	11 June	14	4 1879	30 1899
Giroux	1 5-16	1 7-16	1 5-16	1,000	1 Sept	27	3¾ Feb	6	2¾ 1907	13¾ 1901
Granby	29	29	29	200	26 Aug	2	43½ June	21	20 1910	151 1907
Greene Cananea.	7¾	7¾	7¾	1,000	5 5-16 Feb	6	8 June	26	5 1907	19 1907
Hancock, Con...	18½	19¼	19¼	1,000	17 Sept	26	30¾ June	19	1¾ 1907	36 1910
Helvetia	60	60	60	25	55 Sept	27	2 Mar	4	1¾ 1910	38 1906
Isl'd C'k Coal**	32	32	32	1,000	29¼ May	9	40¾ June	3	9¾ 1910	33¾ 1910
do. pref.** ...	81	81	81	9	82¾ Sept	25	91 June	17	84½ 1910	90¾ 1910
Isle Royale.....	14	14½	14¼	25	11½ Aug	14	19¾ June	17	5¼ 1903	75 1906
Kerr Lake.....	2¾	2¾	2¾	1,400	2¾ Oct	2	7¾ Jan	27	6 1910	35 1907
Keweenaw	...	...	1¾	.....	1¾ Nov	10	3¾ June	14	2¼ 1908	7¾ 1906
La Salle.....	4¾	4¾	4¾	100	3 Aug	18	6 Jan	3	3 1908	22¾ 1906
Lake Copper....	23¾	23¾	23½	1,200	21¾ Aug	26	40 June	17	4 1907	94¾ 1910
Mass. Cons.....	5¾	5¾	5¾	40	4¾ Aug	24	10 June	19	2¾ 1908	27¾ 1906
Miami	...	...	20	.....	19¾ Oct	2	22¾ June	21	4¾ 1906	29 1910
Michigan	...	...	1¼	.....	1¼ Sept	27	4¾ May	6	3 1909	34¾ 1907
Mohawk	40	41	41	113	36 Apr	24	63 June	15	11¾ 1900	*97 1907
Nev. Cons.....	16	16¾	16	3,511	15 Sept	25	21¾ June	15	6¾ 1907	30 1906
New Arcadian...	2	2	2	47	2 Sept	29	4¾ May	17	61 1906	195¾ 1910
Nipissing	7¾	8	7¾	614	7 Oct	23	11¾ Feb	17	5 1906	33¾ 1906
North Butte.....	24½	25	24¾	2,654	20 Sept	25	36 June	12	13¾ 1910	120 1907
North Lake.....	4	4	4	800	3¾ Aug	2	9¾ June	21	4½ 1909	11¾ 1906
Old Dominion...	28	28½	28	180	24¾ Sept	25	45 June	19	9¼ 1904	68¾ 1906
Osceola	83¾	83¾	83¾	8	81 Sept	22	124 Jan	4	73½ 1880	181 1907
Parrot	...	...	9	.....	7¾ Sept	22	13¾ May	22	6¾ 1907	73¼ 1906
Quincy	56	59	59	50	55 Sept	22	74 July	24	10 1879	190 1906
Ray Consol'ted..	14	14½	14½	500	13 Sept	25	18¾ Jan		7¾ 1908	37¼ 1906
Santa Fe.....	99	99	99	100	75 Apr	26	1¾ June	13	1 1903	22 1906
Shannon	7¼	7¼	7¼	25	7 Oct	9	12¾ Feb	6	3¼ 1904	34¾ 1907
Superior Copper.	20¾	21	21¼	1,775	20¼ Oct	25	34¾ June	14	7 1907	69¾ 1910
Sup. & Boston..	8¾	8¾	8¾	50	8 Oct	23	8¾ June	15	18¾ 1908	1¾ 1906
Tamarack	61½	61½	61½	25	50 Sept	26	82 Jan	3	43¾ 1910	263 1906
Tennessee	...	...	36	.....	34¾ Aug	9	43¾ June	12	9¼ 1901	65¼ 1907
Trinity	7	7¼	7	200	5¾ Oct	5	9 June	20	3¾ 1904	43¼ 1907
U. S. Smelting..	30½	31¼	30½	900	30¾ Sept	27	40¾ June	14	34¾ 1907	70 1907
do. pref.	46	46¾	46	200	45¾ Oct	19	49½ June	28	37¾ 1907	64¾ 1909
Utah Cons.....	11¼	11¾	11¾	610	9¼ Jan	20	20 June	28	12¾ 1910	*79 1907
Utah Apex.....	2¼	2½	2½	50	2 Oct	3	3¼ June	15	1¾ 1907	10¾ 1906
Victoria	1¼	1¾	1¾	128	1 Aug	19	2¼ Feb	7	1 1908	13 1906
Winona	4	4	4	250	4 Oct	27	9¼ Feb	6	1 1902	22 1909
Wolverine	88	89	88	97	88 Oct	24	122 Feb	10	The 1898	309 1907

* Ex-dividend. † Assessment paid. ‡ Rights off. ‖ Auction. § Old securities. ¤ Old stock.
** Temporary certificates.

Digitized by Google

Financial Summary of the Week

American Beet Sugar Co.—The directors have inaugurated a 5 per cent annual dividend rate by declaring an initial quarterly payment of 1¼ per cent, payable November 15. A dividend on the common stock had been looked for, and it occasioned little surprise. The company's earnings this year promise to be the largest since its organization in 1899. There was a surplus last year, after the preferred dividend, equivalent to 11 per cent on the common, and indications point to a considerable increase in the current year, owing to the harvesting of a record crop in California.

American Telephone & Telegraph Co.—This company is said to be contemplating the absorption of the Western Telephone & Telegraph Company, which it now controls through ownership of a majority of stock. Rumor has it that the remaining shares will be taken over on the basis of par and the accumulated dividend for the preferred, and 30 for the common.

American Typefounders Co.—The annual report of the American Typefounders Company for the year ended August 31 shows net profits of $331,803, compared with $323,082 in the previous year. The payment of dividends of $300,000 left a surplus of $31,803, compared with $23,082 in 1910. Added to the previous surplus the year's surplus was $810,268. The year's net profits, after allowing for 7 per cent on the $2,000,000 preferred stock was equal to 4.79 per cent on the $4,000,000 common stock.

American Window Glass Co.—The American Window Glass Company reports for the year ended Sept. 1, an increase in income of $106,034, and an increase in deficit over the previous year of $171,290.

Bangor & Aroostook R. R.—The Bangor & Aroostook Railroad earned $3,351,740 gross during the year ended June 30, compared with $3,163,272 a year ago; the net earnings were $1,347,969, against $1,377,982, and the balance after charges was $162,626, or 5.08 per cent on the $3,044,300 for the 1909-10 year.

Batopilas Mining Co.—This company reports that the net deficit for the year ended December 31, 1910, after deducting all expenses, interest and taxes, was (U. S. currency) $106,258. This compared with a surplus of $52,782 in 1909, $42,148 in 1908 and $93,903 in 1907. The general balance sheet as of December 31, 1910, (U. S. currency) shows assets as follows: Mines, real estate, plants, equipment, etc., $12,451,589; investments, $11,603; current assets, $216,868; unadjusted accounts, $138; total, $12,680,200. Liabilities: Capital stock, $9,000,000; bonds, $366,500; premium accrued on bonds, $5,650; current liabilities, $138,149; unadjusted accounts, $539; profit and loss surplus, $3,169,360; total, $12,680,200.

Chesapeake & Ohio Ry. Co.—The annual report of the Chesapeake & Ohio shows gross earnings for the year 1910-11 of $32,583,000, an increase of $1,346,000. Operating expenses were $21,793,000, an increase of $12,856,000, or 15 per cent, so that the net revenue of $10,789,000 was $1,510,000 less than in the preceding year. The surplus for the year was $3,228,000, a decrease of $3,062,000, or 4 per cent. This is equivalent to 5.14 per cent on the stock, which received 5 per cent in dividends, leaving a balance at the end of the year of only $88,659.

Chicago, Rock Island & Pacific Ry.—This company did the largest business in its history during the fiscal year ended June 30. Total operating revenue was $68,487,473, an increase of $2,266,894, or 3.4 per cent. Operating expenses were $49,005,683, an increase of $986,314, or 2.1 per cent. Net operating revenue was $19,431,790, an increase of $1,280,580, or 7.1 per cent. After allowing for all charges and taxes there was a balance of $5,442,713, or 7.2 per cent available for dividends on the stock. The company paid out dividends equal to 5¼ per cent, or $3,930,918, leaving surplus for the year of $1,511,795, an increase of $507,156, or 50.5 per cent, compared with the previous years. For the first time in many years the taxes of the company were smaller, the shrinkage amounting to $168,049, compared with the preceding year.

Denver, Northwestern & Pacific Ry.—Denver, Northwestern & Pacific stockholders have authorized the issue of $40,000,000 of new bonds to provide funds for the construction of the road westward from Steamboat Springs, and to bore the six-mile tunnel under the mountains. An issue of $8,000,000 of 6 per cent income bonds also has been authorized, and an increase in the capital stock from $20,000,000 to $40,000,000.

Diamond Rubber Co.—The annual report of the Diamond Rubber Company shows that $2,000,000 was added to the surplus, and there is $2,000,000 cash on hand and no debts. Dividends of 14 per cent were declared for the coming year, the same as last year, and an extra dividend of 2½ per cent, which, in addition to the regular quarterly disbursement of 36 per cent, will make 6 per cent, payable this month, and for the year a total distribution of 16½ per cent in cash.

Greene-Cananea Copper Co.—A report has been in circulation to the effect that Greene-Cananea will enter the ranks of dividend payers next January with the declaration of a semi-annual dividend of 20 cents a share. Dividends at even this small rate would call for the disbursement of $1,000,000 per annum, and to show profits that would warrant such payments it is said that the company would have to earn a profit of about 2½ cents a pound on its present production.

Ingersoll-Rand Co.—The Ingersoll-Rand Company's report for the six months ended June 30, last, indicates that the amount available for dividends on the common stock will approximate 10.16 per cent for the year if earnings continue at the present rate. This figure compares with 28.06 per cent available for the common in 1910, 3.88 per cent in 1909, 2.13 per cent in 1908 (the worst year in the company's history) and 32.29 per cent in 1907. Net earnings in 1910 totaled $1,625,115, and they were $1,231,346 in 1909, $891,638 in 1908 and $1,788,601 in 1907, which was the banner year for the company. It is estimated that net earnings for 1911 will amount to about $1,249,174, showing over $400,000 decrease from the preceding year.

International Motor Co.—The Saurer Motor Truck Company, capitalized at $1,600,000, and the Mack Bros. Motor Car Company, capitalized at $1,000,000, have been consolidated under name of International Motor Company, which has been

PHILADELPHIA STOCKS

For the Week Ending Wednesday Evening, October 25, 1911.

Names.	RANGE FOR WEEK Low	RANGE FOR WEEK High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911. Lowest		RANGE FOR YEAR OF 1911. Highest		RANGE FROM JAN., 1870, TO JAN., 1911. Lowest		RANGE FROM JAN., 1870, TO JAN., 1911. Highest	
Amer. Cement..	...	...	10	.....	10	Sept 19	17¼	Jan 4	5¼	1906	46	1906
Amer. Railways.	43½	44	44	65	42	Jan 10	48¾	Aug 5	21½	1900	56¾	1902
Bell Telephone..	...	...	116½	.....	.....		.....		45	1907	124¾	1909
Cambria Steel...	43¾	44¾	44¾	1,046	40¼	Sept 22	48¾	Feb 18	12¾	1908	49¾	1909
do. Iron	...	...	44	.....	41	Oct 2	46	Mar 27	43	1907	133	1882
Elec. Co. of Am.	11¾	11¾	11¾	606	11¼	Oct 2	12¾	Jan 14	5¾	1902	25	1899
Elec. Storage....	53	53½	53¾	1,197	48½	Jan 3	58¾	June 15	15	1894	191	1899
Gen'l Asphalt...	26¼	29¼	28	5,085	28¼	Aug 25	39¼	Oct 23	3	1907	34¾	1910
do. pref.	74½	77	76	1,947	68	Aug 25	83¾	Jan 30	11	1905	84¼	1910
Hunt. & B. T....	...	...	8	.....	5	June 12	8	June 19	7	1910	42	1898
do. pref.	14	14	14	81	14	Oct 22	27	Feb 1	7¾	1899	59¾	1902
Lake Sup. Corp.	26¼	28	28	2,806	21¼	Sept 26	31¾	Feb 4	3¾	1908	33¾	1909
Lehigh Valley...	81½	82 13-16	82½	2,369	76	Sept 12	90¼	Feb 3	17½	1897	121¼	1910
Lehigh Navig'n.	87¼	**89¾	88½	251	*84½	Sept 12	93½	July 29	25	1898	131¼	1904
Marsden	...	...	1¾	.....	.....		.....		¾	1907	28¾	1899
Penn. Steel.....	...	...	60	.....	.....		.....		5	1894	300	1881
do. pref.	...	...	103	.....	103	Oct 18	108¼	Apr 13	10	1897	117¼	1908
Phila. Co.....	49¾	51¾	51¾	915	48¼	Sept 21	59¾	June 6	23¾	1907	55¼	1905
do. pref.	42¾	42¾	42½	31	42	Oct 18	48	Feb 8	34	1909	62	1906
Phil. Elec.....	16¾	17	16¾	10,538	16	Sept 26	18	July 17	2	1903	16¾	1910
Phil. Rap. Trans	23	23½	23¾	371	16¾	Apr 18	24¼	Aug 4	12	1907	37¾	1910
Phil. Traction...	83	84	83¾	232	82	Oct 12	87¼	July 14	5	1885	102½	1905
Tonopah Mig'g..	6¾	7 3-16	6 15-16	10,250	5 3-16	Aug 25	8¾	Jan 17	3 3-16	1907	21¼	1906
United Gas Imp.	83¾	85¾	85½	726	84¼	Sept 29	89¾	Jan 9	50	1893	178	1899
Union Traction..	50¾	51¼	51¼	1,972	43	Jan 4	62¾	July 14	8¾	1897	65¼	1906
Warwick Steel..	10	10	10	2	9¾	Jan 10	11¾	Feb 28	2¼	1903	18	1899
W'stm'l'd Co'l	...	...	79	.....	79	Sept 19	91½	Mar 20	45½	1879	114	1906

* Ex-dividend. † Trust certificates. ** Temporary certificates.

CHICAGO STOCKS

For the Week Ending Wednesday Evening, October 25, 1911.

Names.	RANGE FOR WEEK Low	RANGE FOR WEEK High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911. Lowest		RANGE FOR YEAR OF 1911. Highest		RANGE FROM JAN., 1870, TO JAN., 1911. Lowest		RANGE FROM JAN., 1870, TO JAN., 1911. Highest	
Am. Can.....	97½	101¾	101½	430	84¾	Jan 27	124½	May 23	7¾	1908	31¼	1901
do. pref.	83¾	86¼	86¼	445	76¾	Jan 7	88¾	May 23	25¼	1902	86	1909
Am. Radiator...	300	300	300	40	265	Jan 9	265	Feb 18	30	1900	209¼	1910
do. pref	...	...	130	.....	126¼	Mar 9	131	Aug 29	98	1899	126	1906
Am. Shipbldg...	...	...	49	.....	49	Oct 12	79	Feb 6	19	1904	84½	1910
do. pref.	...	...	106½	.....	110¾	Jan 16	112	May 18	82	1904	112	1910
Chic. City Ry...	...	...	190	.....	185	Mar 23	190	Apr 28	140	1906	178	1902
Chic. Pneu. Tl.	45	46	45	160	39½	Sept 22	65½	Feb 22	18	1904	107½	1902
Chic. Subway...	⅞	1¼	1¼	1,162	⅞	Oct 21	6	Mar 1	2¼	1910	87¾	1905
Chic. Telephone	...	...	119½	.....	115	Jan 25	124¼	May 17	95	1907	295	1901
C'm'n'w'th Edis.	127½	128¾	128¾	668	113	Jan 26	137¾	July 15	77	1907	198	1910
Diamond Match.	101½	103	103	115	90	Jan 16	105½	July 11	82¼	1910	163	1899
Kan. City Light.	16	16½	16	110	15	Sept 26	25	May 23	20	1910	68¼	1906
do. pref.	...	...	40	.....	39	Sept 26	72¼	Feb 25	65	1908	93¼	1906
Met. El.....	...	...	27	.....	19¼	Feb 1	26¾	June 28	12	1899	43	1902
do. pref.	...	...	75	.....	64	Mar 16	***75	July 17	32	1909	93¼	1901
Nat. Carbon.....	102	104	104	31	100	Sept 13	120	June 3	15	1899	145	1910
do. pref.	118½	119	119	70	106¾	Aug 22	120	Apr 12	72	1900	124	1909
No. West. El...	...	...	29½	.....	20¾	Apr 27	29½	June 20	13¾	1908	85	1901
do. pref.	...	...	68½	.....	60	Mar 1	67	Mar 31	44	1904	97	1901
Quaker Oats....	189	192½	192½	188	185	Mar 17	193	June 29	30¾	1904	198	1910
do. pref.	105	105½	105	25	102½	Feb 8	107¾	July 24	73	1903	103½	1905
So. Side El.....	...	...	80	.....	68	Feb 16	80	June 20	40¼	1897	109	1901
Streets' Car.....	...	...	8½	.....	8	May 21	12¾	Feb 24	10¾	1910	64¼	1909
do pref.	...	...	40	.....	38	Oct 10	50	Aug 11	40	1910	111¼	1904
Swift & Co.....	99	99¼	98¾	735	97¾	Sept 28	104	June 8	78½	1907	177½	1902
Un. Box Board..	2	2	2	200	1¼	Sept 29	7	Jan 5	¼	1908	17¼	1902
do. pref.	...	...	7¾	.....	.....		.....		1¾	1908	71	1902
Western Stone..	...	...	19½	.....	19½	July 25	34¾	Jan 24	14	1908	60	1906

* Ex-dividend. † New. *** Receipts. ¶ Assessment paid.

incorporated under Delaware laws with an authorized capital of $10,000,000.

Mergenthaler Linotype Co.—This company reports for the year ended September 30, 1911, a net gain from all sources of $2,733,269, against $2,763,869 in the year before. Cash on hand, as of September 20, was $1,198,622, compared with $836,391 at the close of the company's preceding fiscal year, and bills receivable $3,373,507, against bills payable of $334,759.

Missouri & Kansas Telephone Co.—The American Telephone & Telegraph Company has offered the stockholders of the Missouri & Kansas Telephone Company the right to exchange until November 16, 1911, their stock for shares of American Telephone, at the rate of seven shares of Missouri & Kansas for three American Telephone & Telegraph. This works out at about 55 for Missouri & Kansas, which has paid no dividends for four years, and has recently sold around 40

Morris Canal.—In a circular just issued, the Lehigh Valley has offered to buy the stock of the Morris Canal at $70 a share for the common stock and $170 for the preferred. This is more than was paid for shares held by estates, trust companies and individuals, and acquired by the railroad company when the bill to abandon the canal was introduced in the New Jersey legislature. The company reminds stockholders that as an alternative to acceptance of its offer, they face abandonment of the canal, in which event their shares will be appraised, and the canal company's debts paid out of the appraisal. The state has a reversionary interest in the canal, which is certain to be exercised by 1914, or possibly 1924; if at the former date, the stockholders will receive nothing, and if at the latter, only an appraised value to be fixed by public commissioners.

New York Air Brake Co.—President Starbuck says that about ten days ago enough money for the payment of the regular interest on the 6 per cent bonds of the corporation had been deposited. Despite an improvement in business, however, action on the dividend has been twice deferred. In the ordinary course of things, it would have been payable October 28, and should have been declared about a month ago. President Starbuck says: "Business is improving with us. September was the largest month this year. In fact, the largest in twelve months. October is showing a 25 per cent gain over September, and from orders now coming in, November sales may be conservatively estimated at still larger."

Ontario Power Co.—This company for the year ended September 30 reports net earnings of $607,905 against $545,784 in 1910, and balance after payment of interest $290,667, against $286,236 in 1910. Interest on bonds is earned nearly twice over.

Pullman Company.—Gross earnings of the Pullman Company from operation of its cars for the year ended July 31 increased about $1,000,000 over 1910, to $36,389,000. A falling off of about $900,000 in the earnings from the manufacturing department and other sources, however, an increase in operating and other expenses of $...,200,000 and an increase of $700,000 in the amount charged off for depreciation reduced the balance available for dividends to $11,140,032 from $13,932,497 for 1910. Gross earnings for the year were $38,594,610, an increase of $112,805 over the gross of 1910.

Rock Island Co.—This company has issued its pamphlet report for the fiscal year ended June 30, showing the company was operated at a deficit of $44,257, reducing its surplus to $52,981. The combined income account of the Rock Island Company and the Chicago, Rock Island & Pacific Railroad Company shows a surplus for the last fiscal year of $409,458, but the deduction of the previous year's deficit of $309,470 for the two companies left a balance of $99,988, from which was deducted the premium on bonds called during the twelve months which reduced the surplus to $96,962. During the year, the Chicago, Rock Island & Pacific Railroad Company acquired 900 additional shares of the Chicago, Rock Island Pacific Railway Company, and issued $90,000 of new collateral 4 per cent bonds. The Rock Island Company also put out $63,000 of additional preferred stock and $30,000 of common stock because of this acquisition.

St. Louis & San Francisco R. R. Co.—This company has increased its holdings

NEW YORK STOCKS AND BONDS

For the Week Ending Thursday Evening, October 26, 1911.

Names.	RANGE FOR WEEK Low	RANGE FOR WEEK High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911. Lowest	RANGE FOR YEAR OF 1911. Highest	RANGE FROM JAN. 1911, TO JAN., 1911. Lowest	RANGE FROM JAN. 1911, TO JAN., 1911. Highest
Atch. & T R R.	105⅝	105⅞	105⅞	12,...	99½ Sept 27	116⅝ June 6	$ 1-16 1834	153½ 1880
Atch & Top. pf.	104¾	105	105	...	103¾ Jan 3	106¼ June 12	14 1894	107½ 1901
Atch & Top 4s	92½	93	93	1,...	92¼ Sept 30	99⅝ Jan 4	81 1894	105⅞ 1903
do. adj 4s....	92⅜	93¼	93	1,...	90¾ May 29	97⅝ Jan 26	26 1888	99⅝ 1905
Atlic C'st Line	170	170	170	40	117 Jan 4	182½ July 22	58 1907	170 1904
B & O Gold 4s.	102½	102½	102½	20,...	102½ Sept 20	92¾ Oct 10	83 1907	108⅜ 1908
B & O S. W. 3½s	85⅝	85	85	20,...	85½ Sept 29	93 Mar 11	86 1907	96 1890
Balti & Ohio...	97⅞	97⅞	97⅞	1,...	97⅝ Sept 29	109⅝ July 22	9 1897	125⅛ 1908
do. pref.	93	93	93½	20	85½ Aug 30	91 Jan 4	5 1/8 1889	100 1905
Brooklyn R. T..	71⅛	71⅝	71⅝	2,30	72 Sept 27	85⅜ July 20	15 1896	137 1899
B R T conv't 4s.	84½	84⅞	84⅞	14,0	83¾ Oct 2	88⅜ Jan 25	56 1907	102⅝ 1905
Canadian Pac ..	236⅝	237	236⅝	12,...	214⅝ Jan 3	247 July 21	83 1896	202⅝ 1910
Canada South...					52 May 1	59 May 15	53 1886	97 1903
Cen.of Ga. Con.5s.					104½ Jan 11	110 July 26	85 1907	130½ 1901
do 1st inc....	100	100	100	1,...	96 Sept 21	114½ Apr 14	60 1890	102 1910
do 2d inc			90	1,...	91 Sept 7	106¼ Apr 5	9 1899	107 1910
do 3d inc	2	2	2	2,...	82 Sept 6	102 Apr 4	4 1894	100 1910
Central N. J....					200 Sept 27	250 June 3	21 1885	312 1910
Cent'l Pac. 3½s.					90 Oct 7	93 Mar 8	75 1907	91 1910
Ches & O. gen. 4½s.	103½	104	104	6,...	100½ Sept 25	107 May 16	61 1890	111 1908
Chesapeake & O.	71½	71½	71½	1,...	69⅝ Sept 25	85⅞ Feb 16	1 1889	113⅞ 1911
Chic. & Alton...					5 Nov 28	30⅛ May 23	5 1/8 1887	74⅝ 1903
do. pref.					40 Oct 6	0 Jan 27	4 1889	85½ 1910
Chic. Gr't West.	18⅜	18⅞	18⅞	100	17⅛ Sept 14	24⅝ June 6	3⅜ 1887	37⅜ 1909
do. pref. A....					32 Sept 14	42⅛ Feb 6	12½ 1888	90½ 1901
Chic. M. & St.P.	97⅞	97⅞	97⅞	1,...	97 Oct 6	113⅛ Feb 7	50⅝ 1879	129⅝ 1906
do pref.					131 Sept 14	135½ June 12	71⅜ 1879	148 1898
Chic. & N. W....	142	142	142	100	139½ Sept 22	150 June 12	49⅝ 1879	202½ 1902
do. pref.					190 Nov 3	210⅝ Aug 6	128 1880	224½ 1902
Chi.,St.P. & Om					140 Apr 3	161 June 2	104⅛ 1885	227 1905
do pref					162 Feb 14	174 Feb 19	66 1887	220 1906
Chic. Un. Trac..					7 Sept 5	12 June 1	⅞ 1908	19 1902
do. pref.	66	66	66	100	61 Nov 1	75⅜ Feb 6	3 1905	80 1902
C.,C.,C. & St. L					104⅜ Sept 13	115 Jan 1	1 1/8 1886	211 1916
do pref.					97 Aug 29	98 Feb 1	63 1887	124⅛ 1908
Colo & South'n	19⅝	19⅝	19⅝	100	18 Sept 1	30 Jan 18	4⅜ 1886	88⅝ 1908
Col. & So. 1st pf.	47	47	47	200	42 Sept 25	54⅜ July 10	35 1892	56 1908
do 2d pref....					32 Sept 25	41 Aug 8	12⅝ 1892	34⅜ 1908
Del. & Hudson..	150½	150½	150½	50	150½ Sept 27	176⅝ June 8	23 1879	240⅝ 1905
Del., L'ck & W.	180	180	180	50	167 Sept 25	197 Jan 6	48 1879	280 1908
Den & Rio G'de	26⅜	26⅝	26⅜	500	19⅞ Sept 14	34 Feb 4	4⅜ 1885	106½ 1908
do pref.					41 Sept 14	54 Feb 27	24 1894	103⅝ 1907
Dul.,So Sh.& Atl					17 Sept 25	25½ May 1	2½ 1894	24 1902
do. pref					14½ Sept 25	20⅝ Apr 6	5 1898	48⅜ 1908
Erie 1st gen. 4s					37 Jan 3	45⅞ July 18	5 1895	80 1905
Erie					24½ Oct 4	35⅝ June 9	1⅞ 1908	54⅝ 1941
Erie 1st pref....	43⅛	43⅝	43⅝	1,...	42⅝ Jan 12	52⅝ July 1	20 1907	95 1931
Erie 2d pref				4,0	31 Jan 12	41½ July 3	13 1896	78⅝ 1906
Ev'sle & T. H.					60 Feb 1	85 July 24	20 1907	152 1939
do pref					82 Jan 3	90 July 24	72 1904	114⅝ 1902
Ga'nsl'& W.&bR					11 Sept 25	20⅛ Jan 28	5⅝ 1886	27⅛ 1908
Gt Northern pf	128	128	128	1,...	114 Sept 25	140 June 8	44½ 1900	248 1940
Hock'g Valley**					128 May 24	134 Apr 29	22 1880	140 1910
do pref							53½ 1880	101⅝ 1910
Illinois Central..					140 Jan 3	147 July 30	72⅝ 1879	184½ 1906
Inter-Met (w.i.)					11 Sept 25	20⅝ Feb 10	4⅜ 1907	35⅝ 1908
do pf (w. i.)	11	11	11	1,...	9⅝ Sept 25	20⅝ Feb 10	14 1907	62⅝ 1908
Iowa Central ...	18	18	18	1,...	17 May 12	25 Sept 8	2 1888	61⅜ 1938
do pref.					35 Nov 27	50 Sept 8	12 1888	90⅝ 1932
Kan City & So				500	23½ Sept 25	30⅛ June 15	7 1900	50⅛ 1950
do pref.					60 Sept 25	76 May 26	27½ 1900	75⅛ 1949
K C., Ft.S.&M pf					60 Aug 2	68 May 3	28 1908	68 1908
Lake E. & West.					14 Sept 25	18⅛ Feb 1	1⅝ 1886	76⅛ 1971
do. pref.					35 Sept 1	40 Jan 17	11 1886	138 1892
Louis. & Nashv.					110 Sept 11	140⅝ July 19	22 1887	164⅜ 1909
Manh'ttan Elev.					135 Sept 25	142⅜ July 19	94⅛ 1904	175 1905
Minn & St. L...					30 Nov 25	42⅝ Aug 22	17⅛ 1899	115 1902
do pref					64 Mar 27	64 Sept 12	24⅜ 1899	127⅜ 1903
M S P & S S M					144 Sept 25	156⅛ Mar 20	8 1899	164 1968
do pref					114⅝ Aug 30	120⅝ July 21	10 1899	193⅜ 1968
M., K. & T. 1st 4s					90 Sept 25	96⅝ Jan 23	50 1899	101⅛ 1990
do 2d 4s.....					70 Sept 25	80⅝ Feb 17	27 1892	92⅜ 1990
M K & T. 1st 5s					100 Sept 25	108⅝ Jul. 10	72 1890	114½ 1990
Mo., K. & Tex..					24 Sept 25	30⅝ June 4	5⅝ 1879	54 1951
do pref.					50 Sept 25	61 Jan 3	13⅝ 1879	78⅛ 1990
Missouri Pacific					57 Sept 25	67 Feb 1	19 1895	121⅛ 1917
N. Y. Central..					112 Sept 25	117 Feb 3	3⅝ 1855	174 1997
N Y., C. & St. L					50 Sept 25	60 Jan 3	5 1896	73⅛ 1996
do. 1st pref...					100 Sept 25	108⅝ Mar 28	4 1887	124½ 1902
do. 2d pref....					90 Sept 25	96 Jan 3	18 1887	100 1902
N. Y., Ont. & W					30 Sept 25	36⅝ July 12	6⅝ 1895	64 1906
No. & W. Con 4s					90 Oct 2	90 Feb 1	74 1895	107 1996
Norfolk & West					100 Sept 25	110⅛ June 26	1⅛ 1896	106⅝ 1910
do pref					90 Sept 25	91 May 27	41⅛ 1896	90 1942
N. Pac prior 4s					95 Sept 25	98⅝ Feb 6	28 1896	109 1930
do gen. 3s ..					63 Sept 25	70⅛ Aug 4	57 1896	70 1930
Northern Pacific					110 Sept 25	120⅝ June 8	12 1897	140 1951
Pacific Coast ..					100 Sept 25	100 Jan 3	85 1896	102 1908
do 1st pref ..							85 1907	116 1910
do. 2d pref....					90 Jan 1	107 Jan 3	50⅝ 1907	115 1908
Penn. R. R.					120⅝ Sept 25	130⅝ Feb 3	99⅝ 1896	170 1902
Phila & East'n							2 1896	50 1901
P.,C.,C. & St. L					90 Sept 25	100 Jan 17	100 1899	106⅝ 1902
do pref					110 Sept 25	112 Feb 17	40 1899	125 1912
Reading gen 4s					90 Sept 25	95⅛ Jan 3	77 1896	104⅝ 1997
Reading					150 Sept 25	162⅝ Feb 9	77 1896	117⅝ 1909
do 1st pref ..					90 Sept 25	94 Jan 3	77 1896	104⅝ 1997
do 2d pref					80 Sept 25	86 Jan 3	77 1896	104⅝ 1997
Rock Island, new					20 Sept 25	25⅝ Jan 3	1⅜ 1907	81 1909
do. pref.					50 Sept 25	55 Mar 2	25⅞ 1907	94⅝ 1908
St. L. & S. F. 4s					80 Sept 25	84⅝ June 14	66⅞ 1897	88⅝ 1951
St. L. & S. F. 1st pf					90 Sept 25	94 June 14	58⅜ 1879	120 1957
St. L. & S. F. 2d pf					70 Sept 25	75 May 4	4⅝ 1879	84⅝ 1957
St. L. & S.W. 1st pf					60 Sept 25	69 June 2	27 1893	110½ 1905
do 2d gen. 4s					50 Sept 25	60⅛ July 24	11 1890	80⅝ 1907
St. L. Southw....					30 Sept 25	34 Feb 4	4⅝ 1896	178⅝ 1989
do pref					50 Sept 25	52⅝ June 23	36 1896	97 1905
San Ant & A P 4s					85 Sept 25	90 Jan 17	1 1897	99⅛ 1901
Sea. Air Line 5s					60 Sept 25	62 July 19	25⅝ 1900	90 1933
San Ant & A P 4s					80 Sept 25	85 Jan 17	67 1896	92⅛ 1909
So Pac rfd 4s	94⅝	94⅝	94⅝	10	94 Sept 25	96 May 8	94⅛ 1896	99⅛ 1905
South'n Pacific	110⅝	110⅝	110⅝	700	104 Sept 27	125⅝ June 26	12 1896	139⅛ 1909
do pref							94⅝ 1905	137 1909

Digitized by Google

NEW YORK STOCKS AND BONDS

For the Week Ending Thursday Evening, October 26, 1911.

Names.	RANGE FOR WEEK Low	High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911. Lowest		Highest		RANGE FROM JAN., 1879, TO JAN., 1911. Lowest		Highest	
Southern	25¾	26¾	25¾	16,000	24⅝	Sept 29	33⅝	July 27	13	1894	1383	1892
do. pref.	67	70¼	70¼	1,100	61⅝	Jan 17	75⅞	July 5	113	1894	108	1906
Texas & Pacific	21½	21¾	21¾	2,400	20⅜	Sept 27	30½	June 9	4⅝	1893	72⅜	1881
Third Avenue	90¾	90¾	90¾	91	87	Sept 27	98	Mar 2	8½	1910	242	1899
Tol Rys & Light	...	...	7	.....	6½	Aug 16	8¼	Jan 17	5¼	1910	33	1903
Tol., St. L. & W	19¾	19¾	19¾	1,000	17	Sept 11	24⅜	Feb 8	10⅜	1901	64⅛	1909
do. pref.	41	41	41	1,000	38	Sept 1	53⅜	Feb 8	23½	1903	74⅛	1909
Twin City R. T	104	104	104	50	104	Sept 15	111	Feb 3	9½	1897	129	1902
U.P.cvt. 4s, 1927	96	96	96	100,000	90	Sept 25	100⅝	June 27	78½	1907	124⅛	1909
Union Pacific	177	179	178½	12,000	170⅝	Sept 25	192⅜	July 22	3	1898	200⅜	1910
do pref	91½	92⅜	92	300	89	Sept 25	96	July 24	47	1898	118½	1900
Wabash 1st 4s	...	...	91½	.....	89¼	Aug 28	110	Mar 20	88	1889	121	1902
do deb. B's	...	...	70	.....	...	...	...	...	19	1908	101	1909
Wabash	33	33	33	500	30	Sept 30	35⅝	Feb 27	3	1895	60	1881
do. pref.	24	26½	25	1,000	19	Sept 27	40⅝	Feb 27	9	1894	96⅛	1881
West Md., pref.	...	...	55	.....	55	Jan 14	80½	July 24	67	1910	77	1910
Wheel. & L. E.	4⅛	4	4	500	3½	Sept 25	6⅝	Feb 3	½	1907	63⅛	1887
do 1st pref.	...	...	8	.....	7½	July 31	17⅜	Feb 3	2⅝	1897	80½	1887
do 2d pref.	4	4	4	100	3	Sept 25	8	Feb 23	4	1910	42⅜	1900
Wis. Central	41	41	41	200	40	Sept 27	73¼	May 1	40	1899	64	1910
do. pref.	...	...	85	.....	...	...	...	...	100	1899	91½	1906
do. 1st 4s	93½	93⅝	93⅝	10,000	92	Aug 28	98⅝	July 5	127	1896	99½	1890
Miscel. St'ks.												
Adams Express	...	...	160	.....	235	Jan 20	343	June 14	97½	1898	315	1907
Allis Chalmers	7⅞	7¾	7⅞	3,000	7	Oct 9	9¾	May 31	4	1907	27⅞	1906
do. pref.	10	11¼	10¼	1,000	9⅝	Oct 19	14	Feb 5	14	1908	87½	1901
Amal. Cop.	44⅝	45⅛	45⅛	68,000	44⅜	Sept 25	71⅝	June 19	32⅝	1909	130	1901
Am. Beet Sugar	34¾	35¾	35¾	31,700	34⅜	Jan 12	50⅝	Oct 21	9½	1910	49½	1899
Am. Car & F'd	43	43	43⅜	2,700	42⅝	Sept 25	56⅛	July 19	10⅝	1899	76½	1899
do. pref.	113	115	113	700	113	Oct 24	120	May 2	51	1899	124⅜	1906
Amer. Cot. Oil.	43⅜	43	43	19,100	42½	Oct 25	62⅜	Feb 28	8	1895	79⅜	1899
do. pref.	96	96	96	100	96	Oct 24	106⅛	Mar 21	37⅛	1898	107⅜	1909
Amer. Express	...	...	230	.....	201	Sept 26	245	Mar 2	100	1850	301	1910
Am. H. & L.	...	...	18½	.....	3	Oct 9	5	July 21	2⅛	1903	37⅜	1899
do. pref.	20⅝	21¼	20	600	18	Sept 25	30⅝	June 14	10	1907	83¼	1899
Am. Ice Sec.	17⅜	18⅛	18	500	16½	Aug 28	25⅜	July 12	8¼	1907	96	1907
Am. Linseed Co.	...	...	8½	.....	8	Aug 11	12⅜	Feb 14	5	1903	30⅜	1901
do. pref.	28	28	28	200	26¼	Oct 4	34	Feb 14	14½	1907	68	1901
Am. Loco.	23	24½	23	1,700	24	Sept 20	43⅛	May 22	11¾	1903	78½	1906
do. pref.	102	103⅝	102	200	102	Oct 25	110⅝	Mar 1	67½	1903	122⅛	1906
Amer. Malt Co.	4	4	4	500	3	Sept 25	5⅝	July 11	2½	1907	30⅜	1898
do. pref.	41¾	41¾	41¾	50	31½	Mar 8	43⅝	Oct 18	14½	1903	60	1899
Am. Smtl. & Ref	64⅜	66⅝	65⅝	25,000	64⅜	Sept 25	83⅛	June 14	30	1899	176	1906
do. pref.	101½	103⅞	101⅝	900	98⅜	Sept 27	108⅛	June 15	77⅛	1899	127	1905
Am. St'l F'dry.	29	30⅛	29	500	26	Sept 25	52⅛	Feb 9	2⅛	1904	66⅜	1909
Am. Sugar Ref	116⅛	117	116⅛	500	112⅜	Sept 25	131⅞	June 14	85	1899	142	1899
do. pref.	115⅛	115⅝	115⅝	200	111	Jan 5	119⅝	Feb 14	68⅛	1899	140	1905
Am. Tob. pref.	95⅛	96⅛	96	2,600	87	Aug 24	103	May 22	60	1907	151⅛	1902
Anaconda	31⅛	32⅛	31½	2,900	29	Sept 25	41⅛	June 20	1135	1907	302⅜	1907
Br'k Un'n Gas	133⅜	134½	134½	200	129	Sept 15	145⅞	June 8	30	1907	253	1902
Central Leather	20	21⅜	20⅝	1,500	16⅜	Sept 25	33⅜	Feb 2	11⅜	1907	51⅜	1909
do. pref.	93	94	93½	600	91⅜	Sept 25	105	Feb 16	68	1907	111	1909
Chino Copper	20⅝	21	20⅝	2,500	16½	Sept 25	25⅝	May 19	2¾	1910	12	1909
Colo. Ind. 5s	74⅝	74⅝	74⅝	5,000	72	Aug 12	79½	Feb 22	35	1907	83½	1908
Colo. F'l & Ir'n	25½	27¼	26	900	25	Sept 25	36⅛	Feb 6	14	1907	126¼	1901
do. pref.	108	108	108	300	106	Oct 23	110¾	Jan 9	80	1907	142⅛	1901
C.&H.V.Co'l&Ir	...	...	12	.....	4	Feb 9	4	Feb 9	⅝	1896	92½	1910
Consolid't'd Gas	137⅝	139½	140½	5,900	129	Sept 25	148½	June 6	67	1887	241¾	1897
Con. Tobacco 4s	90⅝	91¼	91¼	21,000	83½	Jan 11	89½	July 19	51¼	1902	95⅜	1904
Corn Prod'ts R.	10	10⅜	10	1,100	9⅝	Oct 19	15⅝	May 17	8	1907	28	1906
do. pref.	73½	73½	73½	100	73	Oct 19	85	May 29	66	1907	93¼	1909
Dist. Secur.	30⅝	31	30⅝	100	29	Sept 26	38¾	June 6	19½	1904	78	1907
Fed. M. & Smlt	16⅝	17½	16⅝	600	15¼	Sept 25	26	Feb 16	48¼	1904	190	1906
do. pref.	49⅝	53⅛	50	500	47	Oct 13	66⅛	May 19	47	1907	112⅜	1906
Goldfield Con.	4⅛	4⅝	4⅝	8,900	3½	Oct 18	7⅜	Jan 2	3⅝	1907	10	1910
Internat. Paper	...	...	10⅞	.....	9	Sept 9	13⅝	Feb 2	7⅛	1907	80¼	1899
do. pref.	45⅝	47⅜	46	2,200	44⅝	May 15	54⅞	Jan 21	47	1900	95	1898
Int. Harvester	104	109	107	7,000	95½	Sept 20	129⅝	May 5	52	1902	125⅛	1910
do. pref.	120½	120½	120½	100	115	Sept 22	128⅜	May 4	99	1902	120	1910
Inter. Stm. P'mp	25	27¼	25¼	800	25¼	Oct 9	44	Feb 10	7⅜	1907	60	1906
do. pref.	81½	81½	81½	10	80	Oct 9	90½	June 12	60	1907	86	1902
Laclede Gas	164⅜	166	164⅜	1,300	161¼	Sept 25	174½	Jan 20	93¼	1910	116½	1910
Mackay, pref.	72½	73	72½	100	72	Aug 11	77	Mar 7	50	1907	74⅜	1910
Nation'l Biscuit	126	128⅜	126	1,900	117¼	Jan 16	141	Apr 4	23	1900	120	1909
do. pref.	...	...	127	.....	124	Jan 20	130	Feb 4	79½	1900	130	1909
Nat. En. & St'p	...	...	15	.....	14	Sept 27	23	July 24	6½	1907	36	1903
do. pref.	93⅜	96⅝	93⅝	100	85	Jan 6	100⅝	July 22	70	1908	99⅛	1909
Nat. Lead	47	47⅞	45	2,200	42½	Sept 27	55⅝	Mar 15	910⅛	1903	95⅛	1906
do. pref.	103⅛	104⅜	103⅝	100	104	Sept 27	109⅝	Aug 15	48	1893	115	1899
N.Y. Air Brake	65	68½	68½	1,700	61	Sept 25	78	June 19	14	1899	168⅜	1906
North Amer. Co	68⅝	69	69	500	64	Jan 10	76⅛	May 22	2½	1892	134	1902
Pacific Mail	29⅝	30⅜	29⅝	1,600	23¼	Apr 21	31⅝	Oct 6	8¼	1850	70	1897
P'ple's G.L.& C	...	...	102	.....	101½	Aug 25	109	Jan 19	89	1899	129¼	1899
Pressed St'l Car	28⅝	28½	28⅝	100	25	Sept 25	37⅝	July 19	15⅝	1907	65⅝	1903
do. pref.	90	90⅝	90	100	91	Sept 22	102⅜	June 16	52½	1907	111⅜	1910
Ry. St'l Spring	27½	27⅝	27¼	300	26⅜	Aug 28	39	June 14	15⅞	1894	63⅛	1906
do. pref.	97½	97⅝	97⅛	100	85⅝	Aug 22	102⅜	May 24	67	1903	109	1909
Rep'b Ir. & St'l	18⅝	20	18⅞	7,100	18⅜	Oct 23	35⅛	Feb 6	6	1904	49⅛	1909
do. pref.	78	80½	78	6,600	73⅜	Oct 23	99⅝	Mar 14	36⅜	1903	111⅛	1909
Sloss-Sh. S. & I	40	40	40	100	34	Sept 25	56⅝	Feb 6	17½	1900	118½	1907
do. pref.	...	...	112	.....	112	Feb 15	113	Feb 15	68¼	1900	130	1905
T. Pac. Ld. Tr	...	...	85	.....	84	Sept 11	93	Jan 24	5	1898	85	1910
Texas Company	82	83	82	300	74	Aug 31	126⅛	Feb 1	124½	1910	144	1910
Underw'd Type.	98	104	99⅝	2,200	63	Mar 29	111	June 26	44	1909	41	1910
Un. Bag & Pap	6	6⅜	6	1,400	5¼	Sept 22	9	Feb 10	3⅞	1904	45	1899
do. pref.	...	...	53½	.....	52	Oct 10	59¼	Jan 30	36	1900	89	1899
U.S Cast IP & P	13	13⅝	13⅝	300	11	Sept 25	19	Feb 24	6	1903	53	1906
do. pref.	42	43½	43	900	40½	Sept 25	58⅝	Feb 24	22	1903	97⅜	1906
U. S. Express	...	...	85	.....	85	Sept 28	104	Feb 1	35	1898	160	1902
U.S.R'lty & Imp	...	...	68½	.....	63½	Jan 21	79¾	May 25	38	1907	98¼	1905
U. S. Rubber	42⅜	42⅞	42⅜	6,400	39⅝	Sept 25	47⅞	Mar 1	7	1903	94⅝	1891
U. S. Rubber pf	103	103⅝	103	600	104	Sept 25	116½	July 7	80¼	1903	128¼	1909
U. S. Steel	54⅛	55⅝	54⅛	600,700	51⅝	Sept 25	82¼	Feb 6	8⅝	1904	97	1910
do. pref.	103⅝	104⅛	103⅝	5,300	103	Sept 22	120⅞	Feb 4	49⅝	1903	125⅜	1910
do. 5s	102⅛	102⅜	102⅛	210,000	100	Sept 20	108⅛	May 27	65	1903	116½	1910
Utah Copper	43⅝	45⅛	44⅞	37,100	38	Sept 25	62	June 14	13	1907	67⅛	1908
Virg. Car Chem	46½	48⅜	47⅝	5,500	43⅝	Sept 27	70⅜	Feb 28	12⅜	1907	72	1901
do. pref.	...	...	117	.....	114	Sept 25	123½	Mar 15	75	1907	123⅜	1902
West. Un'n Tel	77⅛	79	77⅛	4,425	71⅜	Mar 20	84½	May 24	41	1900	157⅛	1881
West. Mfg. Co.	64	64⅝	64	2,700	58⅝	Sept 25	79	May 29	29¼	1898	154	1907
do. pref.	...	...	115	.....	110½	Aug 18	122	Jan 5	48¼	1895	140	1907

* Ex-dividend. ** New. † Assessment paid. ‡ Ex-rights. § Price bid. ‖ Price asked. ¶ Old securities. ‡ Certificates. x Ex-interest. ‖ Par value basis. *** Receipts.

In the securities of the New Orleans, Mobile & Chicago Railroad Company, which is about 400 miles long and connects with the Illinois Central, the Mobile & Ohio, Louisville & Nashville, Southern Railway and the Frisco. It does not hold control, but the road gives the St Louis & San Francisco a direct Mobile line.

Southern Railway Co.—This company has issued its pamphlet report for the fiscal year ended June 30. It shows gross operating revenues of $60,345,092, an increase of $3,050,554. Total operating expenses were $40,326,790, an increase of $2,-290,044, leaving net operating revenue of $18,418,272, or $759,510 greater than for the previous twelve months. After allowing for taxes, interest charges and dividends on the preferred stock together with additions and betterments, there was surplus left of $5,463,957, a decrease of $300,687. President W. W. Finley, comments on the improved financial condition which enabled the payment of one per cent on the preferred stock, concluding "It is the expectation of the directors that, with a continuance of favorable conditions, the dividend may be gradually

MONATON REALTY INVESTING CORPORATION

Pays

6% COMPOUND INTEREST

On Money Invested in

Its Accumulative Certificates
Running terms of 10, 15 or 20 yr.
Payments may be made annually semi-annually, quarterly or monthly.

SECURITY

OWNERSHIP OF NEW YORK INCOME PROPERTY

Affording

Immediate returns on investments and Opportunity for increase of valuation

For Illustrated Booklet, Inquire:

Publicity Department

Times Building

Broadway & 42nd Street, New York City

INTERNATIONAL TRUST COMPANY

45 Milk St BOSTON MASS

INCORPORATED 1870

CAPITAL - - $1,000,000.00
SURPLUS (EARNED) 4,000,000.00
ASSETS - - 20,396,841.43

Collections and Accounts Invited. Interest allowed on deposits.

NEW SAFE DEPOSIT VAULTS

Largest and Most Perfectly Appointed in New England

JOHN M. GRAHAM, President
FREDERICK AYER, Vice Prest
HERBERT WELLINGTON, Vice Prest
HENRY L. JEWETT, Secretary

TIMBER and FA M LANDS

There are good opportunities now to secure land and timber that will bring large returns for the money invested.

J. L. WHITNEY & CO.
18 Ziegler Block, Spokane, Wash.

Digitized by Google

increased until the full dividend can again be properly paid." The full dividend would be 5 per cent.

United Fruit Co.—For the fiscal year ended September 30, it is estimated that United Fruit earned about $5,500,000, or 21 per cent on the outstanding stock. While this is not quite so good as the previous year's showing of 26.8 per cent, it is such as might well justify the expectation of another 10 per cent stock dividend in the near future.

United States Steel Corporation.—Wall street is not expecting any cut in the dividend on United States Steel common stock for the present quarter, notwithstanding the cut in prices of finished steel products, and the dullness in the steel trade in the last few months. While the earnings of the corporation for the present quarter are expected to be a good deal below the average of recent years, it is pointed out that even if no improvement in prices should take place before the end of the current year, the net earnings for the whole year will be ample to meet all dividend requirements, besides leaving a small surplus.

Wells-Fargo & Co.—The report of Wells-Fargo & Company for the year ended June 30, 1911, shows gross earnings of $25,310,784, as compared with $27,302,701 in 1910; expenses of $23,157,913, against $24,120,227, and net earnings of $3,480,892, against $1,824,541. The balance sheet shows assets of $34,156,706. President B. D. Caldwell says that increased cost of labor, higher taxation and the inability to reduce operating expenses to correspond with loss of gross earnings resulting from the non-renewal of important railroad contracts account for the increase in the ratio of operating expenses and the actual decrease in net earnings.

FINANCIAL INQUIRY.

American Molybdenum Co.

21320. (Boston, Mass.) Do you know anything about the American Molybdenum Company, incorporated under the laws of the state of Maine dated March 30, 1903, C. Eugene Record, treasurer; True W. Rollins, president?

Ans.: This company had its charter suspended in 1907, for non-payment of its franchise taxes. Nothing has been heard of it since.

CENTRAL SQUARE, N. Y.—The National Bank of Central Square has been organized with a capital of $25,000. H. D. Coville, W. H. Woodworth, J. A. Coble, O. E. West and H. C. Low are interested.

FOR

Oil and Gas Land Leases

WRITE

C. W. DEMING

Tulsa, Okla.

INVESTOR OR PROMOTER

I have twenty acres of land in the Joplin (Mo.) zinc and lead district (the world's greatest) to lease for development, within stone's throw of producing mine. Responsible party can have lease free, no bonus, by agreeing to do small amount of prospecting and pay reasonable royalty when ore is sold. Drill holes already finished show good ore on this property, something seldom offered. Investigate.

"ZINC",

Care of U[illegible] Investor.

Almoloya Mining Co.

60 Wall St., NEW YORK

FOR HIGH GRADE OIL STOCKS

EQUITY BOND & SECURITY CO.

37 WALL STREET, NEW YORK CITY

Notice To Stockholders and Bondholders of the

Arizona Commercial Copper Co.

The Bondholders' Committee and the stockholders' Committee acting jointly as the Re-organization Committee have adopted the following plan of reorganization—

First. A new company to be called the Arizona Commercial Mining Co. or by any other name shall be formed under the laws of the State of Maine or any other State, with a capital stock of $1,500,000 divided into three hundred thousand (300,000) shares of a par value of $5.00 each; which company shall acquire the property of the Arizona Commercial Copper Co., if the same can be acquired at a price which in the discretion of the Committee seems fair and reasonable.

Second. The holders of the one million ($1,000,000) dollars first mortgage Six percent bonds of the Arizona Commercial Copper Co. who shall have deposited their bonds with the Committees shall receive in full exchange therefor fully paid shares of the new company, in the ratio of seventy shares of stock for each five hundred ($500) dollar bond.

Third. The present holders of the stock of the Arizona Commercial Copper Co. who shall have deposited their shares with the committees shall be given the right to subscribe, share for share, for one hundred twenty thousand (120,000) fully paid shares of the stock of the new company upon payment of three ($3) dollars per share; such payment shall be made as follows: one dollar per share on or before December 11, 1911; one dollar per share on or before January 10, 1912; one dollar par share on or before February 10, 1912.

Fourth. That forty thousand (40,000) shares shall be Treasury stock.

Fifth. This plan shall be declared effective and operative at the discretion of the Committees; such declaration, however, shall not be made until thirty days after the filing of this plan with the American Trust Co. within which time depositors of bonds and stocks who do not approve the plan may withdraw their securities, in accordance with the terms of the depositary agreement.

Bondholders and Shareholders who have deposited their securities with the American Trust Company not approving this plan may withdraw such securities without expense on or before November 23d, 1911, after which date all depositors will be deemed to have accepted said plan.

Bondholders and Shareholders who have not yet deposited their securities may do so on or before November 23d, 1911, but upon the condition that the holders of all securities depositing the same on and after Oct. 23, 1911, shall be deemed to have approved and assented to the plan and agreement of Oct. 20, 1911, and may not withdraw securities deposited.

Under the plan proposed sufficient working capital will be provided for the new company and the Committee recommends its acceptance by all bondholders and shareholders.

The plan has been fully underwritten by New York and Boston Stock Exchange houses.

Harry M. Stonemetz
George T. Rice
Lemuel E. Demelman
Nathan J. Miller
Edward S. Goulston
Alfred J. Hayman
Reorganization Committee.

EMNAHA COLD MINING COMPANY

Incorporated under the laws of the State of Idaho. Capitalization, $500,000, divided into 500,000 shares. Par value $1.00 per share. Of which 200,000 shares have been placed in the Treasury, for the development of the property.

This Company owns and controls nine claims on Battle Creek, Imnaha, Willowa Co., Ore., on which there are three well defined parallel veins, carrying very rich gold quartz. A limited amount of the shares of the stock have been sold.

For full particulars, address

JOHN SENNETT, Treasurer
79 Milk Street, Room 602 Boston, Mass.

Digitized by Google

The Best Purchases on the Railroad List

As Indicated by the Two Standards of Comparison: of Present Investment Yield on Basis of Current Dividends and Prevailing Market Price, and on Basis of Present Earnings on Prevailing Market Values.

The average net yield of the 50 railroad stocks quoted in the following table was 5.35 per cent on October 25, as compared with 5.37 per cent on October 18, 5.43 per cent on January 4, and with 4.71 per cent on January 2, 1910.

Few recent market movements among the railroad shares have attracted a greater degree of interest than the market course of the common shares of the Cleveland, Cincinnati, Chicago & St. Louis Railway, popularly spoken of as the "Big Four". Rallying from a low mark for the year of 48½, this stock is now quoted around 62, which is only three or four points from the best price which it has reached since the beginning of the current year, when it was apparent that the company was not in a position to continue its 4 per cent annual dividend on the common. Recently, the company's net earnings have shown a marked tendency towards expansion, a fact which has given rise to the discussion regarding the possibility of a resumption of common dividends. It will be recalled that at a meeting of the directors last February, a statement of earnings for the 1910 fiscal and calendar year was submitted, showing that little surplus was available for dividends on the common stock, and consequently, no action was taken towards the maintenance of this dividend. The last previous payment on the common was 2 per cent on September 1, 1911.

Of course, the increase in net earnings is an encouraging factor, but it should not be forgotten that this gain is in a large measure the result of the application of the pruning knife to maintenance expenditure. The management of the road would be subject to merited criticism if it were to enter upon a system of too rigid economy, simply for the purpose of satisfying those who desire an investment return upon their shares. Such a policy as this would be pennywise and pound foolish, if carried too far. On the other hand, it should not be forgotten that total maintenance charges for 1910 were $1,300,000 greater than those of 1909, so that the economy of the last two or three months would appear less significant were it not contrasted with the exceptionally liberal policy which was followed last year, accompanying the decision to withhold dividends for the time being. The 1910 annual report showed 2.7 per cent earned on the common stock, as against 4.84 per cent in 1909; 4.4 per cent in 1908, and 3.13 per cent in 1907 It has been intimated that the "Big Four" in the current year will have a balance of approximately $1,500,000 for the common stock this year, after providing for the 5 per cent preferred dividend. This would mean earnings of a little less than 3½ per cent on the present outstanding common stock.

As a matter of fact, the dividend record of the common stock has been checkered. To go back 20 years, the company in 1891 paid 4 per cent, following this with a 3 per cent dividend in 1892, and again in 1893; from 1894 to 1899 inclusive, no dividends were forthcoming but in 1900 and 1901, there were paid 3 per cent and 3½ per cent respectively. From 1902 to 1907, 4 per cent per annum was paid, followed by an absence of dividends in 1908 and 1909, with another 4 per cent dividend in 1910.

STOCKS SHOWING BEST INVESTMENT YIELD.

Present rank.	Stock.	Present dividend	Price.	Yield on present price
1	Toledo, St. L. & W., pref.	4%	13	2.72
2	Chesapeake & Ohio, com.	4%	72	5.24
3	B. R. T.	5%	74	6.76
4	Detroit United	5%	75	6.66
5	St. Paul, com.	7%	108	6.48
6	Colo. & Southern, 2d pref.	4%	67	6.75
7	N. Y., C. & St. L., com.	4%	68	6.25
8	K. C. Southern, pref.	4%	64	6.25
9	Baltimore & Ohio, com.	6%	97	6.24
10	St. L. & San F., 1st pref.	4%	85	6.15
11	Union Pacific, com.	10%	168	6.24
12	Lehigh Valley	10%	165	6.06
13	Northern Pacific	7%	116	6.04
14	N. Y., N. H. & H.	8%	137	6.02
15	St. Louis S. W., pref.	4%	68	5.88
16	M., K. & T., pref.	4%	69	5.80
17	Twin City R. T., com.	6%	106	5.66
18	Great Northern, pref.	7%	124	5.65
19	Atchison, com.	6%	107	5.60
20	Delaware & Hudson	9%	163	5.52
21	Southern Pacific, com.	6%	109	5.50
22	Colo. & Southern, 1st pref.	4%	74	5.41
23	K. C., F. S. & M., pref.	4%	75	5.33
24	C., C., C. & St. L., pref.	6%	84	5.32
25	C., St. P., M. & O., com.	7%	131	5.34
26	M., St. P. & S. S. M., com.	7%	131	5.22
27	P., C., C. & St. L., com.	6%	96	5.21
28	N. Y., O. & W.	2%	48	5.11
29	Western Maryland, pref.	4	78	5.13
30	Illinois Central	7%	138	5.1+
31	Buffalo R. & P., com.	5%	90	5.60
32	Pennsylvania	6%	117	5.1+
33	Atchison, pref.	6%	101	5.85
34	Chicago & N. W., com.	7%	145	4.83
35	Louisville & Nashville	7%	147	4.76
36	N. Y. Central	5%	105	4.76
37	St. Paul, pref.	7%	147	4.76
38	Atlantic Coast Line	6%	126	4.76
39	M., St. P. & S. S. M., pref.	7%	148	4.73
40	Norfolk & Western, com.	6%	128	4.68
41	Baltimore & Ohio, pref.	4%	85	4.71
42	Norfolk & Western, pref.	4%	90	4.44
43	Canadian Pacific	10%	220	4.55
44	Union Pacific, pref.	4%	92	4.35
45	Central of N. J.	12%	280	4.28
46	Reading, com.	6%	141	4.25
47	Boston & Maine	4%	98	4.08
48	Colo. & Southern, com.	2%	49	4.08
49	D., L. & W.	20%	505	3.96
50	Southern Railway, pref.	2%	70	2.85

STOCKS SHOWING BEST EARNINGS.

Present rank.	Stock.	Price.	Earning on present price.
1	St. L. & San F., 2d pref.	42	28.35
2	Erie, 1st pref.	50	22.50
3	M., K. & T., pref.	69	19.80
4	Detroit United	75	18.66
5	N. Y., C. & St. L., com.	48	15.80
6	Hocking Valley, com.	128	14.70
7	Buffalo R. & P., com.	100	14.30
8	Southern Railway, pref.	70	13.35
9	Louisville & Nashville	147	12.75
10	Norfolk & Western, com.	128	10.75
11	Twin City R. T., com.	106	10.75
12	Union Pacific, com.	168	10.20
13	B. R. T.	74	8.75
14	Atlantic Coast Line	126	9.70
15	Colo. & Southern, com.	49	8.75
16	Canadian Pacific	230	8.26
17	Great Northern, pref.	124	8.70
18	Southern Pacific, com.	109	8.65
19	Erie, com.	30	8.65
20	Reading, com.	141	8.50
21	Lehigh Valley	165	8.50
22	Central of N. J.	280	8.55
23	D., L. & W.	48	8.25
24	C., St. P., M. & O., com.	132	8.20
25	St. Louis S. W., pref.	68	8.10
26	Baltimore & Ohio, com.	97	8.01
27	Delaware & Hudson	163	7.80
28	Chesapeake & Ohio	72	7.15
29	P., C., C. & St. L., pref.	96	7.00
30	K. C. Southern, pref.	85	6.73
31	Northern Pacific	116	6.65
32	St. Paul, com.	108	6.63
33	M., St. P. & S. S. M., com.	131	6.40
34	M., K. & T., com.	71	5.40
35	Illinois Central	138	6.20
36	C., C., C. & St. L., com.	92	6.05
37	N. Y. Central	105	5.95
38	Atchison, com.	107	5.55
39	D., L. & W.	505	5.55
40	Pennsylvania	122	5.40
41	Chicago Gt. Western, pref.	57	5.15
42	N. Y., O. & W.	39	5.05
43	Rock Island, pref.	47	5.00
44	N. Y., N. H. & H.	133	4.70
45	Chicago & N. W., com.	145	4.60
46	Western Maryland, pref.	78	4.25
47	Iowa Central, pref.	36	1.90
48	Toledo, St. L. & W., pref.	13	1.75
49	K. C. Southern, com.	29	0.75
50	Boston & Maine	98	0.45

Digitized by Google

UPON PRESENTATION

at the Office of

THE MIDDLESEX BANKING COMPANY

OF MIDDLETOWN, CONN.

DEBENTURES of Series E14, maturing November first, 1911, and Series E15, maturing December first, 1911 WILL BE PAID at par with interest to the date of payment.

GOLDFIELD CONS.
INDIANA

Our weekly market letter mentions the above also Arizona Cons., Greene Cananea, Mozatan and "The Grangers" "Coppers" and "Curb" stocks in general. Mailed free upon request.

"Coppers" and Curb Stocks bought and sold for Cash or Carried on Margin

H. A. BROWN & CO.

Members Boston Curb Exchange

60 State St. Boston — 74 Broadway New York

6 PER CENT INTEREST PAID

By Coupon on Bonds Secured by Well Selected New York Real Estate.

"We Deal in No Other Securities"

THE DEBENTURE CORPORATION OF NEW YORK

334 Fifth Avenue New York City

SIX NUMBERS FREE

Financial Converse (published every two months) answers more questions on mines than any periodical published. S. F. Campbell, of Chicago, says: "This paper is worth more than any other mining publication in the United States." Cut this out and send for six copies free covering the next year.

FINANCIAL CONVERSE

339 Monadnock Block, Chicago, Ill.

5% PROFIT SHARING BONDS

Protected by carefully selected

NEW YORK CITY REAL ESTATE

The profit Additions for the past 8 years have averaged over

12% Per Annum

making present Book Value of a $1,000 Bond $2,087.20 after having received $450 in interest

SOLD AT PAR

Denominations, $10 to $1,000 and upwards

Can you afford to overlook this safe investment opportunity?

INTER BOROUGH REALTY COMPANY

(Assets Over $1,105,000.00)

10 WALL STREET, NEW YORK CITY

First Mortgage Bonds

For Small Investors

WEEKLY OR MONTHLY PAYMENTS

Government, State and Municipal Issues, also Standard Railroad, Public Service and Industrial Bonds sold in any amount for Cash or on Weekly or Monthly Payments. **Best, Easiest and Safest way to provide for your future.**

Circulars 104 on request; Correspondence invited

Resident Representatives Wanted

FUNDING COMPANY OF AMERICA

40 EXCHANGE PLACE, NEW YORK

6%

NEW YORK CENTRAL REALTY

A Good Investment

To investigate is the six per cent Realty Bond of the New York Central Realty Company issued in denominations of $1,000 $500, and $100.

It offers a high grade of security, a liberal cash availability and an interest earning of 6%.

WRITE for booklet illustrating the methods of the Company, describing its bonds, their redemption privileges and advantages over other Realty securities. Everybody knows us.

New York Central Realty Co.

Suite 1190, 1328 Broadway, Cor. 34th St., New York City

CAPITAL AND SURPLUS, $1,464,586.34

20%

Dividends on stock of the SMITH VALLEY LAND & LIVE STOCK COMPANY will be very conservative with positively no chance of losing the amount of your investment. If you are interested in dividends and absolute security back of your investments you will want some of this stock. It is a sure winner; a sure dividend payer, and a very high class investment. Write for particulars.

Glass & Meyer

56-58 Vandergrift Bldg. Pittsburg, Pa.

WANTED

Leadville (Colo.) Water Co. 4s
Omaha Water Co. 5s
Peoria Water Works Co. 4s
Bodwell Water Power Co. 5s
Austin, Texas, 4s
Warren Bros. Stock

H. C. SPILLER & CO.

Specialists in Inactive Bonds

27 STATE STREET BOSTON

GEORGIA FARM LOANS 6%

Net on first mortgage farm loans in the rich belt of Southwest Georgia. Cotton, corn, oats, wheat, hay, peaches, cantaloupes, and other money crops are produced.

Seventeen years' experience without a loss.

EMPIRE LOAN & TRUST CO.

Americus, Ga.

BENNETT'S
INFORMATION AGENCY

INVESTMENT DEPARTMENT

The wisest men in the United States are those who never make a new investment which they consider good, and never get rid of an old investment which they consider bad, until they have made an investigation of the merits of the investment through BENNETT'S INFORMATION AGENCY.

CONGRESSIONAL INFORMATION

We attend to business at the Treasury Department as well as before Congress, the Courts, and all departments of the United States government, through our Washington office, 208 Corcoran Building, and through our staff of Washington correspondents. If you desire any information from Washington, or any business transacted at the National Capital, we shall be pleased to perform the desired service for our subscribers.

PROBATE DEPARTMENT

Information respecting probate matters, in any town or city of the United States, is furnished to our subscribers gratuitously if the inquiry is answered through the columns of the INVESTOR, or for $2.00 if the reply is by private letter.

LEGAL DEPARTMENT

Questions answered by prominent attorneys upon any desired subject for $2.00 each.

MERCANTILE DEPARTMENT

A report regarding the standing and reliability of any firm or individual in the United States furnished for $2.00. Our information goes into the character and individuality of members of a firm and its methods of doing business.

MISCELLANEOUS QUESTIONS

Inquiries of any sort answered for $2.00 each. Send for descriptive pamphlet of the agency.

REAL ESTATE DEPARTMENT

A report upon any piece of property in the United States furnished for $2.00.

Conducted by

Frank P. Bennett & Co., Inc.

530 Atlantic Ave., BOSTON.
308 Chestnut St., PHILADELPHIA.
2 Rector St., NEW YORK.

INDUSTRIAL SAVINGS AND LOAN COMPANY

BROADWAY AND 42ND ST., NEW YORK

Established 18 years, under New York Banking Law — Assets $2,250,000

5% PER ANNUM

$25 to $3,000 may be deposited or withdrawn on any date desired—earnings credited for full time. For 18 years we have never paid less than 5% per annum. ¶ A good place for your temporarily idle money.

WRITE FOR FULL PARTICULARS

Digitized by Google

NOV

United States Investor

Copyright 1911, by Frank P. Bennett & Co., Inc.

Volume XXII. BOSTON, NEW YORK AND WASHINGTON, NOVEMBER 4, 1911 Number 44

To say that the stock market has shown a tendency to recuperate this week, does not begin to describe existing conditions. As far as strength is concerned, the general list has been in quite as favorable a light as it was in the days of early summer; regarding activity, it has shown a much more wholesome appearance. Indeed, it is a long time since activity has been maintained, while prices have been climbing, and commission houses are likely to have more cause for a thankful attitude at the close of the month than they anticipated a week ago. We realize, of course, that the average investor is not in a frame of mind which would lead him to follow an advance to any great length, and we doubt if the reaction from last week's scare will carry prices much higher for this movement, but the careful student of investment conditions will find in the recent news announcements signs of a turn in the tide.

Existing Conditions

Wall street believes that it now knows the worst, and that from this time forward, the general policy in the business world will be one of reconstruction, allowing, of course, for a certain amount of unsteadiness, which is likely to develop in a presidential campaign year. The public has followed Judge Gary's well-timed advice to "keep cool", and, we doubt not, have brought bitter disappointment to the bear raiders by so doing. In specialties, however, we expect to see a renewal of manipulative efforts, which, for that matter, are already much in evidence. The increase in the Norfolk & Western dividend, and the decision of the Rubber and Beet Sugar directors to divide profits with the common shareholders has encouraged the tipsters to higher flights, and such modest predictions as 175 for Union Pacific, and 60 or better for Steel common in this movement has been supplanted by tips of a more revolutionary nature.

For instance, that old prediction of 150 for Brooklyn Rapid Transit has been revived once more, and is being hawked about by one of those second-sight gentlemen who always have "special information" without money and without price. The tip is not as foolish as it may appear to conservative spirits, for the public benefactor who proposes to disseminate the information forgets to say how soon that 100 per cent advance above present levels may be looked for. We do not expect to see the stock at 150 in the near future, but with earnings increasing at the rate of about $700,000 per annum, it is evident that the shares are cheap, as we have said before.

An Old Prediction

Another sign of increased bull strength is the revival of the story of an Erie-Canadian Pacific alliance. Wall street interests have never rested content with the official denial, made early last summer, of Canadian Pacific buying of Erie, and London claims to have trustworthy evidence of continued activity in this quarter. We must confess that we are unable to find even in this story, an adequate explanation of why Erie common should be selling within 20 points of the first preferred.

Pacific Telephone & Telegraph common has also been seized upon by the pool workers as a very fit subject for a bullish display, and hope of an initial dividend payment at an early date has been revived. The American Telephone management and reputation stand behind this issue as the Pennsylvania name backs up Norfolk & Western. Pacific Telephone common will make good, sooner or later, the dividend predictions and price tips now being handed out, as Rubber common and Beet Sugar common have already done, but the management is thoroughly conservative, and may not act at once, so present purchasers should be prepared for a wait.

Prepare for a Wait

That a steel market at this time should be a buoyant market in its principal movements is in itself something of a novelty, for Steel common in recent weeks has borne but faint resemblance to a candidate for any market leadership, but that of the "forlorn hope" classification. Yet for some days past, that issue has been directly responsible for about one-third of the daily transactions on the "big board". Need any further proof be asked that knowledge of the worst, in the news that the Steel Trust is to be examined with a view of determining whether or not it is a fit subject for the Wickersham dissecting knife, has been more welcome than gnawing uncertainty, such as has been in continuous evidence ever since the September break? Midweek prices of 58⅝ represent a 5⅞-point recovery from last week's near-panic level, and the fact that the quarterly report submitted on Tuesday was more favorable or, to put it more accurately, less unfavorable than had been expected, does not explain all of this gain, by any means, since the "good news" has followed the market in place of preceding it.

A Steel Market

Of course, it is very reassuring to find that earnings for the quarter were $29,522,725, whereas, previous guesses of $27,000,000 were considered as representing the height of optimism, no one, apparently, having deemed it possible that the June quarter results would be improved upon. In view of these results, one can almost forget the fact that the showing actually made, while comparing with $28,108,520 at the end of June, and about $6,000,000 and $3,700,000 respectively, above the quarters ended March 31, and December 31, last, is still far below boom time records. The reported surplus after dividends of $2,745,494 is reassuring, but by no means a complete explanation of the preceding and subsequent advance in the common, for very few holders of Steel common felt at all apprehensive over the status of the 6 per cent rate.

Reassuring Earnings

Right here, we would like to go on record as saying that Steel common, in our opinion, is a bargain. Those who bought it on the way up from 50 were wise; those whose selling greased the ways for the downward movement should derive such poor consolation as they may from the fact that they have done the bargain seekers a good turn, and have done yeoman service in aiding the campaign of the bear captains. Further reward than that

Digitized by Google

they are unlikely to receive, for in the two or three-year period, which will elapse before the legal status of the corporations is finally determined, the shares will sell far above their present level.

Let it be remembered that, unless present appearances are very deceptive, the government is going to have a troublesome time of it in proving the Steel Corporation guilty; in fact, the opinion most frequently expressed just now is that the big combine will emerge from the fray, with flying colors and added prestige. Whereas, it was almost universally conceded, both in and out of Wall street, that the oil and tobacco trusts had done things which merited punishment, no such feeling is entertained regarding the steel trust which, on the contrary, has been looked upon as a model organization in many respects. Careful estimates of a liquidating value over $70 per share for Steel common, a valuation which is being increased year by year, ought to reassure those holders who have kept their wits about them, and have refrained from throwing their shares on the market. Selling of investment holdings, happily, has formed but a small percentage of the daily transactions of the past ten days, another proof that the investing public has increased its store of "horse sense", or that it is chiefly those already endowed with that very useful attribute who have participated in the market proceedings of the last few months.

The Common Opinion

MOHUNDRO REAPPOINTED.

Governor Marion E. Hay, of Washington, has reappointed J. L. Mohundro as state bank examiner. His work had the endorsement of bankers in Spokane and throughout the state. Lawrence Murray, a comptroller of the currency, said to Edwin T. Coman, president of the Exchange National Bank and the Spokane Chamber of Commerce, in Washington, D. C., recently: "You are to be congratulated on coming from a state that has such a strong state banking department."

The Fourth National Bank, of New York, has issued for general distribution a pamphlet showing in parallel columns the plan originally proposed by the Monetary Commission and the revision which was made public a few days ago. Each chapter carries a carefully prepared digest. This publication is a valuable contribution to a subject uppermost in the mind of the public.

SWANSBORO, N. C.—The Swansboro Banking & Trust Company is organizing. W. J. Moore and T. H. Pritchard are interested.

BORROWING ON POLICIES.

A Further Discussion Relative to Borrowing on Life Insurance Policies—What Life Insurance Is—Armstrong Law as a Reducer of Policies Lapsing.

New York, Oct. 17, 1910.

ED. UNITED STATES INVESTOR:

Owing to lack of time I have been obliged to postpone the continuation of the pros and cons relative to the "Borrowing on Life Insurance Policies."

Undoubtedly, there are instances where a father unnecessarily mortgages his property, house or borrows on good securities or his life insurance policy. I believe, however, that it is the exception and not the rule, but because the head of a household abuses his privileges and personal liberty does not warrant the inauguration of laws prohibiting banks, individuals or insurance companies loaning on real estate, insurance policies or other securities.

It would be as consistent to advocate prohibiting automobile manufacturers building machines with sufficient power to travel 60 miles an hour because some reckless hair-brained, smart aleck had broken his neck and those along with him while going the limit, or to prohibit the sale of some liniments, because, if taken internally, would cause sickness.

There is always a certain class of people, ignorant or otherwise, who abuse every good thing and it is an insult to the intelligence of the majority of policyholders to assert that they are not sufficiently capable of determining their private affairs and whether they need assistance without first consulting the officers of an insurance company.

There is altogether too much attempt by those in political and financial power to curtail the rights of the individual. For a policy-holder to be obliged to wait from 60 to 90 days for a loan, pending the decision of some one who knows absolutely nothing about their business, would be suicidal in many cases.

It seems to me ridiculous to argue that a 90 or perhaps 120 days delay would relieve the stringency and save the policy. If the policy is all the policy-holder has, the privilege of negotiating a quick loan should be his, the same as on any other collateral. To refuse him this succor, which rightfully is his (it's his money deposited with an insurance company instead of a bank), with the argument that his policy is for the protection of his family in case of his death, is as consistent as to try to convert a starving sinner before giving him a square meal.

I consider any insurance commissioner, who advocates the prohibition of loans on insurance policies, a menace to the business community, the position they are supposed to fill requiring a bigger and broader grasp of the situation than their expressions imply.

Regarding lapses, which you admit in your statistics are far less than they formerly were before loans were to be had on policies, I concede that the Armstrong law has reduced mushroom insurance, but it is folly to argue that it is responsible for the entire decrease in lapses. The undisputed mathematical fact that lapses have decreased proportionately since cash and loan values became a standard form of contract remains. Also that the popularity of life insurance has increased phenomenally.

As for your argument that (no man can see how much or how little effect this feature of insurance has figured in it), I do not agree with you from the scientific analysis reached from observation of the time when policies would be most likely to lapse, were it not for the loan values. Take, for instance, those policies which were issued in the days before loans were part of the contract and which had been in force from three years on, and compare the percentage of lapses with loan clause policies from three years on, and, I believe, you will be even more surprised at the decrease proportionately of the lapses of the latter over the former.

From there I base my argument that the policy-holders' ability to secure loans on policies has saved a large percentage from lapse, and I personally know of many cases where it has saved business failures. I have before me a case where a policy-holder in one of the large New York companies has been able, by means of the loan and cash surrender value of his policy, to start in the restaurant business where he is doing fine, before which he was getting $15 a week as a clerk.

L. P. B.

Our reader's ideas are wholly in variance with the correct ones in regard to life insurance. He regards a life insurance policy the same as he would a bank deposit, which is obviously wrong. Furthermore, his ideas, if carried out, would defeat the first principle of life insurance, which is the protection of the beneficiary. Nine-tenths, or even more, of the life insurance policies now in force, and of those being written at the present time, are for the benefit of the wife, children or some other person who is dependent on the person taking out the policy. Every cent taken out of the policy on loans is just that much less that will come to the beneficiary at the death of the policy-holder, for it is but in a few solitary cases that the loan is paid up. If a loan were secured from a bank, the bank would send duns from time to time requesting payment of the loan, but this is not done by life insurance companies. They send out notices of the loan, but the recipient of these is well aware of the fact that he is

UNDER NO OBLIGATION

to the company to pay up this loan, and as a matter of fact, he seldom does pay it up. He defers payment from year to year, each year resolving that he will pay the loan the following year, until at last his policy expires, or he dies, so that in reality he and not the insurance company is gambling on his own life.

Life insurance is not an assurance to the person taking it out that he will live, and it is not for his benefit, but rather is for the protection of some one depending on him, and as such should be kept inviolate. The same result, but reached in a different manner, is accomplished by the making of a trust fund by the insurer for those dependent on him. It is not often that one of these trusts is broken by the one making it, simply because

HE IS ASHAMED

to tell those men to whom he entrusted the fund that he wished to destroy the protection of his wife or family against his death.

Is borrowing on his life insurance policy any different? Breaking the trust fund and borrowing on a life insurance policy are identical; they both rob the beneficiary of her safeguard, yet one is a common practice, while at mention of the other, hands are thrown up in horror.

When a man enters into a life insurance company by taking out a policy, he loses his oneness, so to speak, and becomes an integral part of the whole orgapization; therefore, it is not so much a question of harming himself by abusing his privileges, as it is harming everybody else who is in the company with him, and also those dependent on him. Take the panic of 1907 as an example. During this year, there were but few companies which did not

STAND A LOSS,

simply because they were forced to loan money on policies, which necessitated selling securities on a very low market. Some of these loans were to help the policy-holder from going bankrupt, but by far the greater part

(Coutinued on page 1854.)

Digitized by Google

TRUST COMPANIES TO BECOME MEMBERS.

Philadelphia Trust Companies Become Eligible as Members of the Clearing House Association—Must Have Capital, Surplus and Undivided Profits of at Least $500,000.

An action of far-reaching importance was taken by the Philadelphia Clearing House Association, when under the revised rules which were adopted during the past week subject to the approval of a majority of the thirty national banks now voting members, thirty-seven of the sixty-three trust companies and state banks of Philadelphia will be free to enter the clearing house as full members. The new clearing house rules were drawn by a special committee made up of L. L. Rue, president of the Philadelphia National Bank; Howard W. Lewis, president of the Farmers & Mechanics National Bank, and Joseph Moore, Jr., president of the National Bank of Northern Liberties.

It has been arranged so that no state institution is eligible unless it has a capital, surplus and undivided profits of at least $500,000. Of course, in making these new rules, this action was taken with the view to excluding from the clearing house all the smaller trust companies. For it was felt that without these

THE FINANCIAL STRENGTH

of the association would be greater, and its operation would be rendered easier. As a matter of fact, this is not an unfair view to take, for no national banks having a capital of less than $250,000 can join the clearing house. The stock of a national bank carries a double liability, that is, the stockholders can be assessed up to par of their shares to make good any debts of the bank.

The clearing house has been in operation since February 1, 1858, under substantially the rules now to be revised to meet present conditions. A majority of the member banks, by formal action of their boards of directors, must approve the new rules before they become effective.

CONDITIONS OF MEMBERSHIP.

To become members of the clearing house, trust companies must comply with the conditions imposed upon banks. These include an entrance fee of $10,000 and annual dues of $750, examinations by the clearing house examiner and a deposit with the clearing house to protect its members in clearings made of from $50,000 up to an amount equal to 10 per cent of capital where this is $800,000 or more.

Efforts have been in progress for years to bring trust companies into closer relations with the banks, but heretofore propositions failed to give trust companies voice in voting, whereas under the rules formulated to-day they are to have representation. Nearly all the larger trust companies have long been favorable to going into the Clearing House Association. On each occasion when a trust company has failed in the last five years the subject has been revived, but to-day marked the first decisive step in bringing the institutions closer.

The Fourth National Bank
OF THE CITY OF NEW YORK

OFFICERS
JAMES G. CANNON, President
SAMUEL S. CAMPBELL, V. Pres.
CHARLES H. PATTERSON, V. Pres.
DANIEL J. ROGERS, Cashier.
E. W. DAVENPORT, Asst. Cashier.
CHARLES E. MEEK, Asst. Cashier.

DIRECTORS:
James G. Cannon
Robert W. Sturgis — Eugene Delano
William S. Opdyke — M. Orme Wilson
T. Frank Manville — Eldridge G. Snow
Thos. B. McKittrick — Wessing Ring
Mortimer L. Schiff — Morton F. Plant
L. F. Loree — Cornelius N. Bliss, Jr.
Samuel S. Campbell

CAPITAL AND SURPLUS - $10,000,000

THE
German National Bank
PITTSBURGH, PA.

Capital and Surplus, - $1,200,000

Can offer you the personal service of officers who regard no account as unworthy their utmost skill.

CAPITAL $1,800,000.00 — SURPLUS $2,000,000.00

Second National Bank
OF
PITTSBURGH, PENN'A.

HENRY C. BUGHMAN, President
WILLIAM McCONWAY, Vice President
THOMAS W. WELSH, JR., Vice President
JAMES M. YOUNG, Cashier
BROWN A. PATTERSON, Ass't. Cashier

Western National Bank
PHILADELPHIA

Capital - - - - - - - $600,000.00
Surplus and undivided profits - 234,136.92

GEORGE E. SHAW, President
EDWARD J. DURBAN, Vice-President
SIDNEY LABE, Vice-President
E. E. LINDEMUTH, Vice-President
CHARLES F. WIGNALL, Cashier
JOHN BAUMGARTNER, Asst. Cashier

A conservatively managed bank invites your correspondence.

The National Park Bank
OF NEW YORK
Organized 1856.

Capital .....$ 5,000,000.00
Surplus and profits 12,947,463.12
Deposits, Sept. 1, 1911.....106,580,902.48

Franklin National Bank
PHILADELPHIA

Capital $1,000,000.00
Surplus and Undivided Profits. 2,730,181.17
INCORPORATED 1900.

OFFICERS:
J. R. McALLISTER, President.
J. A. HARRIS, JR., Vice-President.
E. P. PASSMORE, Cashier. — L. H. SHRIGLEY, Assistant Cashier.
J. W. HARDT, Assistant Cashier.
Foreign Exchange Department.
WILLIAM WRIGHT, Manager.

Chartered 1836
GIRARD TRUST CO.
PHILADELPHIA

Capital and Surplus, $10,000,000

OFFICERS

E. B. MORRIS	:: ::	President
W. N. ELY	:: ::	Vice-President
A. A. JACKSON	:: ::	Vice-President
C. J. RHOADS	:: ::	Vice-Pres. & Treas.
E. S. PAGE	:: ::	Secretary
G. H. STUART, 3d.	:: ::	Asst. Treas.
S. W. MORRIS	:: ::	Asst. Secretary

THE
SEABOARD
National Bank
of the City of New York

Capital - - - $1,000,000
Surplus and Profits (Earned) $2,075,000
Accounts Solicited

S. G. BAYNE	President
R. G. NELSON	Vice-President
C. C. THOMPSON	Cashier
W. K. CLEVERLEY	Assistant Cashier
L. N. DEVAUSNEY	Assistant Cashier
J. C. EMORY	Assistant Cashier
O. M. JEFFERDS	Assistant Cashier

CAPITAL, SURPLUS AND PROFITS
$3,300,000
THE NATIONAL BANK
of the
REPUBLIC
OF CHICAGO

offers to conservative bankers its facilities developed and perfected by twenty years of close personal relations with correspondents in all parts of the country.

JOHN A. LYNCH, President,
W. T. FENTON, Vice-President,
R. M. McKINNEY, Cashier,
O. H. SWAN, Assistant Cashier,
JAMES M. HURST, Assistant Cashier,
WM. B. LAVINIA, Assistant Cashier,
W. H. HURLEY, Assistant Cashier.

OLDEST BANK IN AMERICA
Chartered by Congress, 1781.
The
Bank *of* North America
(NATIONAL BANK)
PHILADELPHIA, PA.

Capital .....$ 1,000,000.00
Surplus 2,200,000.00
Undivided Profits..... 371,000.00
Deposits 15,078,000.00

HARRY G. MICHENER.....President
SAMUEL D. JORDAN.....Cashier
WILLIAM J. MURPHY.....Asst. Cashier
RICHARD S. McKINLEY.....Asst. Cashier
Accounts Solicited
Correspondence Invited

Digitized by Google

Mellon National Bank, Pittsburgh, Pa.

"The Bank of perfect service" invites your Pittsburgh business.

CAPITAL $6,000,000 RESOURCES OVER $49,000,000

Postal Savings Depositories

How a Washington Firm of Agents Have Been Using the Postal Savings as a Means of Exacting an Unearned Fee From Our National Banks.

A letter from one of our national bank subscribers encloses a power-of-attorney sent out by a Washington firm appointing this firm their attorney before the board of trustees of the Postal Savings System or the Treasury Department in all business relating to the bank as a depository of postal savings funds. This power-of-attorney is absolutely worthless. It can have no other effect than to confuse the banks, and at the same time exact a fee from those banks which are not wide-awake and on their guard. The power-of-attorney and the literature on the subject of the Postal Savings System with which this firm is evidently deluging and at the same time deluding the banks, it is plain to see, has a two-fold purpose. First, by endeavoring to induce the banks to fill out these powers-of-attorney which are not authorized or required by law, and which cannot be filed in any of the Departments at Washington, and are only fit for the waste basket, this firm believes that it can eventually

PERSUADE THE BANKS

to execute that power-of-attorney which really amounts to something, and which the law requires every bank to have on file in the office of the comptroller of the currency for other work. Second, this firm of agents hopes by its efforts to make the banks believe that they are up to date, and that all the other firms in the business are delinquent.

The banks which are signing these worthless so-called powers-of-attorney and who are taking any stock in the literature which is being imposed upon them are simply being charged a few dollars that they might just as well have saved.

Every firm of national bank agents should stand ready, and does stand ready, without any resort to unnecessary powers-of-attorney, to serve its banks in any way that might be required in connection with the Postal Savings System.

The only business of any importance or probable advantage to the banks that can be transacted at Washington by an agent for a bank when said bank qualifies as a depository for postal savings funds, is as follows: If a bank should desire to transfer registered bonds from one bank to another, a transaction which very

SELDOM TAKES PLACE,

the Treasury Department furnishes the bank with the necessary papers to sign authorizing the bank's lawful agent to act in the matter. In case of coupon bonds held as security for postal savings, it is possible for the agent of a bank, if said bank notifies the department that it is their wish, to take the coupons from the department as they become due and forward them to the bank by registered mail-insured, instead of having the government forward them by express, thereby saving a trifling amount to the bank.

It may be, and is very probable, that the firm under discussion has also led the banks to believe that they can save considerable time by having their bonds held to secure postal savings funds deposited at the department through agents. Such is not the case. Each case of bonds tendered for any bank is filed by the Treasury Department in the order received, and taken up when reached in due course, whether deposited through an agent or received from the bank direct. There is no saving in time, therefore, for the bank to have this work done through an agent. In fact, the bank would hasten matters if the Treasury Department received the bonds from them direct. The bonds would then be placed on file immediately, whereas the agent receives the bonds and then has to present them at the department.

A PROBABLE DISCOVERY.

It would not be at all surprising to discover that the banks imagine that it is necessary for them to appoint an agent at Washington to examine their bonds held to secure postal savings funds. We understand that this firm has been endeavoring to make the Treasury Department allow them the privilege of examining this class of bonds. Bonds held to secure postal savings funds are not examined by an agent as are bonds held to secure circulation and public deposits, so our strenuous agents are still scrambling for something to do as an excuse for

Bonds to Secure Postal Savings Deposits

The regulations of the Postal Savings System provide that the bonds of any State will be received as security for postal savings deposits at 90% of their market value, such value not to exceed par, while municipal bonds are received at only 75% of such value.

We offer and recommend for this purpose the State of New York Canal Improvement 4s at market price to net about 3.85%, and will be glad to furnish full particulars to banks intending to apply for postal savings deposits.

Ask for Circular P—740.

Guaranty Trust Company
of New York
28 Nassau Street

Capital and Surplus, - $23,000,000
Deposits - - - - 163,000,000

ORGANIZED 1838 NATIONALIZED 1856

THE AMERICAN EXCHANGE NATIONAL BANK
NEW YORK

Capital, Surplus and Profits, $9,496,000

LEWIS L. CLARKE, President
EDWARD BURNS, Vice-President — WALTER H. BENNETT, Vice-Pres. and Cashier
A. K. de GUISCARD, Asst. Cashier — ARTHUR P. LEE, Asst. Cashier
ELBERT A. BENNETT Asst. Cashier — GEORGE C. HAIGH, Asst. Cashier

ACCOUNTS OF MERCANTILE FIRMS, CORPORATIONS, BANKS AND BANKERS INVITED
We Offer Every Facility Consistent With Sound Banking

Depositary of the United States, State of New York and City of New York

MARINE NATIONAL BANK BUFFALO

Capital and Surplus Earnings, - - - $3,500,000.00
Resources, - - - - - - - - - - $33,000,000.00

Accounts of [illegible]porations and individuals invited
Collections Given careful and prompt attention

Digitized by Google

UNION EXCHANGE NATIONAL BANK, NEW YORK
CLEARING HOUSE No. 100
CAPITAL AND SURPLUS $2,000,000 — Organized 1903 — DEPOSITS $10,000,000
SITUATED IN THE NEW COMMERCIAL AND MANUFACTURING DISTRICT, 5th AVE. AND 21st STREET
Banks that can handle to advantage the items payable in their locality are invited to correspond with us

that power-of-attorney and that easy-money.

It is now up to our national banks to show their cunning. We have pointed out the trap that has been set. Don't be caught. Your lawful national bank agent at Washington, D. C., can perform all the services, if any, that are required in connection with the Postal Savings System without the aid of a new power-of-attorney, and should take care of what little business there is without any additional charge.

The board of trustees of the Postal Savings System send out regulations, for the guidance of banks qualifying as depositories of postal savings funds and all the other necessary papers. Read the regulations carefully, and you will have all the information that any firm of agents can offer you in their enticing literature.

RESERVE AGENTS APPROVED.

The Hanover National Bank, of New York, has been approved as reserve agent for the Island City National Bank, Key West, Fla.

The National Commercial Bank, of Albany, N. Y., has been approved as reserve agent for the Southbridge National Bank, Southbridge, Mass.

The Fourth National Bank, of New York, has been approved as reserve agent for the Citizens National Bank, Waterbury, Conn.

The Seaboard National Bank, of New York, has been approved as reserve agent for the National Bank of Roxbury, N. Y.

The Irving National Exchange Bank, of New York, has been approved as reserve agent for the Peoples National Bank, Marlborough, Mass.

The Fourth National Bank, of New York, has been approved as reserve agent for the Second National Bank, of Orange, N. J.

The Continental and Commercial National Bank, of Indianapolis, Ind., has been approved as reserve agent for the Farmers National Bank, of Wilkinson, Ind.

The Bank of Pittsburgh National Association, Pittsburgh, Pa., has been approved as reserve agent for the Merchants National Bank, Montgomery, W. Va.

The National Nassau Bank, of New York, has been approved as reserve agent for the Corn Exchange National Bank, of Philadelphia, Pa.

The Mellon National Bank, of Pittsburgh, Pa., has been approved as reserve agent for the First National Bank, New Bethlehem, Pa.

Spitzer Rorick & Company, New York City, are offering and recommending as a safe and desirable investment, with the probability of a fine enhancement in value, $500,000 Atlantic City, New Jersey, 30-year 4½ per cent bonds, due January 1, 1941. The 1910 assessed valuation of taxable property in Atlantic City was $68,318,607, while the bonded debt, including this issue, is $7,524,000. Deductions from this amount of $1,918,000 for water debt and $1,688,000 for sinking fund, leave a net debt of $3,918,000. In 1900 and 1901, the city sold its 4 per cent bonds at 105 and 110 premium, or on a basis yielding the purchasers from 3.37 to 3.65 per cent. Since that time, the tax rate of $3.35 has been reduced to $2, yet these bonds are offered subject to prior sale, at a price to yield 4.20 per cent.

Portland National Bank
PORTLAND, MAINE
Union Mutual Life Insurance Co. Bldg.

Accounts received on the most liberal terms consistent with sound banking.
Collections receive prompt attention.
WM. W. MASON .....President
EDWARD W. COX .....Vice-President
CHAS. G. ALLEN .....Cashier
EDWARD L. PIPER .....Asst. Cashier

Directors:
Fred E. Richards, Charles G. Allen,
Henry B. Cleaves, George F. West,
William W. Mason, George Westcott Beyer,
Lyman M. Cousens, Roswell C. Bradford,
Edward W. Cox.

THE Chatham and Phenix National Bank NEW YORK

Capital and Surplus $3,000,000
All business under direct supervision of the officers.

LOUIS G. KAUFMAN, President.

GEO. M. HARD, Chairman of the Board.
F. J. HEANEY, Vice-President.
W. H. STRAWN, Vice-President.
A. M. BULL, Vice-President.
BERT L. HASKINS, Cashier.
H. L. CADMUS, Assistant Cashier.
N. P. GATLING, Assistant Cashier.
W. B. BOICE, Assistant Cashier.
H. C. HOOLEY, Assistant Cashier.
Your Account Solicited.

The Merchants National Bank Indianapolis Indiana
ESTABLISHED 1865
CAPITAL = = $1,000,000 — SURPLUS FUND AND PROFITS, $900,000
Superior facilities for handling items on Indianapolis and State of Indiana.

New York State National Bank
ALBANY, N. Y.
Capital, $500,000 — Deposits, $13,000,000 — Surplus, $500,000
LEDYARD COGSWELL, President
LEDYARD COGSWELL, JR., 2nd Vice President — LAURENCE H. HENDRICKS, Cashier
GEORGE A. WHITE, Asst. Cashier.
OVER 800 BANK DEPOSITORS IN THE UNITED STATES.

NATIONAL METROPOLITAN BANK
OF WASHINGTON, D. C.
Oldest National Bank in the District of Columbia
GEO. W. WHITE - - - President
CUNO H. RUDOLPH - - Vice-President — GEORGE O. WALSON - - - Cashier
O. H. P. JOHNSON - - - Vice-President — J. CALES MOORE - - - - Auditor

FIRST NATIONAL BANK
EUCLID AVENUE CLEVELAND

CAPITAL $2,500,000 — Surplus and Profits $1,250,000
ACCOUNTS OF BANKS AND BANKERS, MERCHANTS AND CORPORATIONS, SOLICITED
SPECIAL ATTENTION TO COLLECTIONS
DEPOSITS = = = = = $25,000,000

Planters National Bank RICHMOND VA.
ORGANIZED 1865.
Capital $300,000 — Surplus and Profits (earned) $1,160,000
Deposits $5,500,000
SUPERIOR FACILITIES FOR COLLECTING VIRGINIA ITEMS.

Digitized by Google

Wickersham Vs. United Cigar Stores

Attorney-General Demands That One Feature of Dissolution of American Tobacco Company Shall Be Its Sale of Controlling Interest in the Retail Stores—Cigar Stores Company With a Market Valuation of Over $20,000,000 Started on $100,000 Capital, and the Genius of George J. Whelan—Company By Unique Methods of Advertising, Profit-Sharing and Liberal Treatment of Employes Has Developed the Most Successful Retail Sales Organization in the World.

The most interesting feature of the government suit for dismemberment of the tobacco trust, which reached one of its periodical climaxes this week was the demand of Attorney-General Wickersham that the controlling interest of $6,000,000 of United Cigar Stores stock out of the $9,000,000 outstanding held by the American Tobacco Company should be sold, and not be re-purchased by any one of the 29 individual defendants who at the present time own the control of the American Tobacco Company.

This demand was briefly and baldly that reputable citizens should by court order be divested of the ownership of a property they had developed, and be enjoined against buying it back. This contention is a matter of importance, because it involves the right of ownership of property which has heretofore been held sacred by our constitution, and it is of more significance, because the United Cigar Stores Corporation, with its 800 retail stores happens to constitute the

MOST EFFICIENT

and successful retail selling organization which has ever been developed in the world's commercial history.

When the attorney-general demands, as he did this week in court, that the American Tobacco Company must dispose of its United Cigar Company stock, he in effect said that one of our most successful manufacturers must be deprived of his selling organization, even though that selling corporation handled less than 5 per cent of the national consumption. That this demand approached the ridiculous in extremity is perhaps best indicated by the fact that the same Attorney-General Wickersham is now on record with the statement that a corporation may safely progress to the extent of handling 40 per cent of the business of the country in any one line without being subject to interdict and demolition, according to his construction of the Sherman law.

The present status of the American Tobacco case is that following the decree of the United States Supreme Court, the company should be dissolved under the direction of the circuit court judges, to whom the case was remanded, arguments have been made before these judges by Attorney-General Wickersham, the attorneys for the Tobacco Company, and attorneys representing numerous other independent tobacco interests, including officials of several southern states. The case having now been argued on all sides, the circuit court judges are to determine whether the dissolution programme suggested complies with the decree of the Supreme Court. After their decision is rendered, either party can, of course, appeal. Attorney-General Wickersham said that for the government

HE WOULD CONSENT

to the outlined plan of the division of the original company into four new companies with certain modifications.

These modifications, however, were objected to strenuously by attorneys for the American Tobacco Company on the ground that they were confiscatory, and one of the principal items of this confiscation was declared to be the requirement that the company be compelled to sell its interest in the United Cigar Stores Company.

It is, therefore, probable that the American Tobacco Company, or those individuals who control the American Tobacco Company will continue to retain ownership of control of the United Cigar Stores Company, until the United States Supreme Court sanctions a new construction of the law which will compel individuals to sell what they own, but regardless of this eventuality, the United Cigar Stores Corporation is a very interesting institution, and one which has a record of achievement almost unparalleled in corporation history.

The first detailed story of this company appeared in the issue of the United States Investor of December 25, 1909, under the caption "A 1,000 Per Cent Dividend". The story was then told of the genius of George J. Whelan, a small tobacco merchant in Syracuse, N. Y., who originally conceived the idea which has made the big chain of retail stores possible. The original capital of the first company was $200,000, of which only about $100,000 was paid for and issued. The company developed, and the authorized capital was increased to $750,000 preferred and $1,250,000 common, of which $900,000 common stock was issued. The next development was the $10,000,000 corporation of United Cigar Stores, and $9,000,000 of this stock was issued for $900,000 of the

THE
National Commercial Bank
of ALBANY, N. Y.

Capital - - $1,000,000
Surplus and Profits 1,726,745
Deposits - - 21,276,797

OFFICERS

ROBERT C. PRUYN, President
JOHN E. WALKER, Vice-Pres. EDWARD J. HUSSEY, Cashier.
JAMES H. PERKINS, Vice-Pres. WALTER W. BATCHELDER, Asst. Cash.
JACOB H. HERZOG, Asst. Cash.

Let us collect your New York and New England items

Atlantic National Bank, Providence, R.I.

Direct connections with every Town in R. I.

SEND US YOUR COLLECTIONS. MINIMUM RATES.

FIRST NATIONAL BANK, Denver

Capital and Surplus .....$2,000,000 00 Resources $28,125,124.89
OLDEST BANK IN COLORADO.
A. V. HUNTER, President
THOMAS KEELY, Vice President J. C. HOUSTON, Asst. Cashier
F. G. MOFFAT, Vice President F. J. DENISON, Asst. Cashier
GERALD HUGHES, Vice President D. R. PLATT, Asst. Cashier
C. S. HAUGHWOUT, Cashier G. M. HAUK, Auditor

common stock of the original company. In other words,

A 1,000% STOCK DIVIDEND

was in effect disbursed, as each holder of one share exchanged his certificate for ten shares of the succeeding company.

It would be natural to assume that any such ambitious programme of stock expansion would result in a considerable decline in the relative market price of the shares. This was not the case with this company, and as a matter of fact, the stock has never stopped going up. At the present time, the shares, which were distributed on a basis of ten to one, are quoted in the open market at around 225, although dividends of only 8 per cent per annum are being paid. To put the case another way, the investor who was fortunate enough to have bought $1,000 worth of this stock a few years ago at par, now has $10,000 worth of stock which he can easily dispose of for $22,500.

Whenever these facts are presented to anyone unfamiliar with the history of the company, the inevitable comment is that this is simply the result of the development of an inside corporation, which has been nursed by the big tobacco trust, but the interesting fact is that this is not true, except as to extension of credit, because the United Cigar Stores Company has gone ahead on its own momentum, and its

SUCCESS IS ATTRIBUTABLE

to the ideas as well as the genius and efficient management of its original organizer, and now president, George J. Whelan.

Many years ago, Mr. Whelan began to reflect on the fact that he, as well as every other retail cigar dealer, was doing about 80 per cent of his business on credit. He had to pay 6 per cent interest on the money borrowed from the banks, and it occurred to him that it would be better to have his customers pay cash and give them the equivalent of the 6 per cent interest he had to pay on borrowed capital in the form of a cash discount. To make this idea more attractive and impressive he started the plan of purchase coupons and premiums which has now been developed so extensively by his corporation.

Advertising, satisfactory service to customers and unusually generous handling of employes seem to have been the cardinal features of Mr. Whelan's programme in developing the United Cigar Stores Company. Good advertising in every form has always been his long suit, and it is a well-known fact that 2 per cent of the gross sales, regardless of their rapidly increasing proportions, are religiously set aside for advertising purposes. It is, therefore, worthy of comment that the company is now every day making new high records for sales, and that these increases seem to have been larger in a proportion which corresponds with the amount of publicity given by

THE GOVERNMENT ASSAULT

on the enterprise. The independent dealers who allege that they have been damaged by the company have been filling up the newspapers with their complaints, and thereby seem to have increased the sales of the alleged trust they have been howling about.

A large part of the effectiveness of the United Cigar Stores Company must of course, be attributed to the fact that it has a staff of well-paid and well taken care of employes. The average salary, for example, paid to the clerks in the several hundred stores in New York City is $19.70 a week. The general plan of operation of the stores is that the men in charge must take care of operating expenses, including their fair salary based on the prevailing rate of wages, and after taking care of these fixed charges, 25 per cent of the profits of the individual store is distributed in the form of increased salary based on aggregate sales made by each salesman. Another feature in profit-sharing is that the company tells its most efficient workers that they have been allotted a beneficial interest in a certain number of shares of stock of the company. This means that when an employe is given ten shares he is to receive in addition to his regular compensation the dividends which may be paid on ten shares of the stock of the company. No transfer of the stock is made and no obligation is entered into by the employe to buy the stock. He simply receives an amount equivalent to the dividends paid on the number of shares which have been allotted to him in this manner. Approximately, 2,500 shares have been so allotted to about 50 employes of the company, so that a matter of $20,000 a year is being distributed in this manner.

There is probably no corporation which aside from its

PROFIT-SHARING LIBERALITY

takes better care of its employes than does the United Cigar Stores Company. A corps of doctors is retained to furnish medical service and all medicines required without charge. Whenever an employe is sick his pay continues and he has no doctor's bill. In case of an operation he is sent to the hospital, given the best of attention and all bills are paid by the company. In a recent case an employe was so successfully operated on for appendicitis by one of the company's surgeons that he was made an exhibit of in the Harvard Medical School, because he was on his feet in 12 days after his operation.

Officials of the company say that looking after their men to this extent they do not regard as a matter of charity or philanthropy, but only as a necessary incident to rendering the most efficient service to the consuming public.

Although a clerk in a cigar store is not regarded as a very important individual, the fact is that many of them are receiving from $3,000 to $4,000 a year. A further interesting fact is that the company insists that these employes continue to make progress and increase their weekly salary through their percentage on sales. When a man arrives at the $60-a-week stage and does not go ahead because he is apparently contented at having reached the maximum of his ambition, he is dropped back to a $40-a-week stand and his place taken by someone whose ambition will not be curbed by anything which he can accomplish.

The prevalent opinion that the company has a monopoly of the retail distribution of tobacco is amusing when the statistics are considered, which show that its

SALES ARE LESS THAN 5%

of our national consumption. In 1906, the company sold 2.78 per cent of the cigars in this country, and last year the sales were 3.09 per cent. In cigarettes the sales in 1906 were 5.08 per cent, as compared with 5.28 per cent last year. Notwithstanding this insignificantly small increase in percentage of total sales in the country, the company during this period of the past five years more than doubled its annual sales of tobacco in various forms

So far from being a monopoly in the retail distribution of tobacco one of the officials of the company told me this week that they had only got started. It is understood that the company now has in operation between 800 and 1,000 retail stores, and I am reliably informed that the company's bank balance, including loans on call, are sufficient to enable it to immediately open 100 new stores, so it would be fair to presume that even though the company has just made a beginning, it is quite likely to progress at a rapid rate.

It is, of course, true that the conception and development of this retailing idea of George J. Whelan has

CREATED MANY MILLIONS

in substantial profit, and the figure is somewhere around $20,000,000. He has, however, given the public better service than it ever had before, so I cannot figure out why the enterprise should be pilloried simply because it has been successful.

In the improbable event that the United States Supreme Court compels the American Tobacco Company to sell its majority holdings in this company, I shall suggest that an arrangement be made permitting the 3,000 employes of the company to buy this stock on the installment plan with allotments prorated on a salary basis.

P. De Medici.

PROPOSAL FOR BONDS.

TUSCALOOSA, ALA.—The Tuscaloosa County sealed proposals will be received until December 5, 1911, for $35,000 5 per cent 30-year public school bonds in the denomination of $500 each, payable semi-annually.

MASSACHUSETTS GAS COMPANIES.

Dividend on preferred shares. A semi-annual dividend of two per cent (2%) has been declared upon the preferred shares of the Massachusetts Gas Companies, payable December 1st, 1911. Transfer books will be closed at the close of business, November 13, 1911, and be opened December 1st, 1911.

WALLACE S. DRAPER, Treasurer.

CITY OF TUSCALOOSA

Tuscaloosa County, Ala.

Proposals will be received until Dec. 5th, 1911, for $35,000.00 5% 30-year Public School Bonds; denominations $500.00 each semi-annual, payable, New York City. For further particulars, address, S. Friedman, Commissioner.

Digitized by Google

Owners of New Bedford's Textile Industry

Capital Stock Is Distributed Among Nearly 10,000 Holders and Almost Half of Them Are Women, Guardians or Trustees—The Average Investment in Entire City Is Less Than 45 Shares—Over 6,000 Holders Have Less Than 25 Shares—Majority of Stock Is Owned There.

The query as to "Who Owns the New Bedford Mills" is one which has constantly been raised during the past few years, and the answer has been furnished—usually to satisfy the arguments of the questioner—in almost as many different ways as there are people interested in the proposition. In the halls of congress, in committee rooms at the national capitol, on political rostrums all over the country the query has gone forth, along with the discussion of New Bedford mills, and the answer has almost invariably been that the textile industry, to which great attention has been drawn of late because of the Underwood tariff bill, is owned by a very few, very rich men, who were simply getting richer with every whirr of the spindles and that financial interest in the prosperity of the cotton mills centres wholly and alone in the pocketbooks of a small circle of capitalists. The fluctuations in the rates of wages, the vast amounts, in the aggregate paid to operatives, and the value or harm to result from any change in the status of the industry are subjects that have been threshed out pretty thoroughly. But when discussion has had to do with the earnings of the mills, the amount of dividends shown or distributed by a few of the very prosperous concerns have been singled out for comment, and not only the inference is to be drawn, but the positive statement has been made that these earnings simply swell the bank account of "New England millionaire manufacturers". The impression of a small clique of immensely wealthy men as the mill owners has become

WIDELY DISSEMINATED—

outside of New Bedford, and to some extent inside of New Bedford. There are rich cotton manufacturers, just as there are rich men in every other line of industrial endeavor, but the rich men are not the only ones interested in the financiel condition of the mills. In addition to them there are, so far as the New Bedford cotton mills are concerned, thousands of persons directly concerned with the earnings of the mills. There are some 4,000 women, over 500 trustees and guardians, men responsible for trust funds which they must administer, and most of these holdings are small. In fact, large holdings, investments of more than $20,000 are the exception rather than the rule, and taking the New Bedford industry as a whole in the city which leads in the manufacture of fine cotton cloth in the whole of America, it will be found that the larger percentage of the mills is owned by comparatively small holders and that the "tremendous fortunes" invested in New Bedford mills, concerning which so much has been said, are "tremendous fortunes" simply in the aggregate, and the aggregate includes thousands of persons of relatively small means, who through thrift and long saving have accumulated amounts under $5,000 and have put that money into New Bedford cotton mills. In many cases these investments represent the entire savings of the investors, and how dependent these small holders are upon the earnings of the mills is apparent—a dependence just as real, in proportion, as is the dependence of the operatives for their pay—and just as much a dependence for income from the investment as with the person who has seen fit to place his money in real estate or in any other business.

TOTAL CAPITALIZATION.

The total capitalization of the New Bedford mills, including the mills of the New England Cotton Yarn Company, some of which are located in Fall River and Taunton, is $40,035,000, exclusive of Pierce Bros., Ltd., of New Bedford, the latter corporation being practically a family concern, with its stock very closely held. The capitalization of the Pierce Bros., Ltd., is but a very small percentage of the total capitalization of all the mills in New Bedford. Leaving out this one mill from which statistics were not obtainable, we are enabled to print a classification of the shareholdings in the other mills, a compilation absolutely correct and with but one or two exceptions carrying the detail of the stock distribution up as high as 200 shares, which would represent an initial investment of $20,000, and giving in round figures the number of stockholders owning more than 200 shares. The table given on page 1849 has the attributes of truth and comprehensiveness, and shows in detail and in the totals just how widely the stock of the mills is held, and shows that the average investment in New Bedford cotton mills is but 42 shares, representing at the par value of the stock an investment of something under $5,000. These figures, which prove beyond any argument the wide holdings in comparatively small amounts, fairly represent the status of the industry in New Bedford, in this respect, as a whole, and it is extremely doubtful if the figures could have been obtained from the Pierce Bros., Ltd., even granting that the latter is held as closely as it is reputed to be, that there would be any material difference in the

AVERAGE RATE OF HOLDINGS,

taking the industry in the city as a whole. In certain specific corporations the average holding is under 20, while in others it runs higher, some going to 100 or above. But the average, taking the largest as well as the smallest, and presenting the entire proposition, as is the only truthful way to do, is

(Continued on page 1849.)

ATLANTIC CITY, N. J. 4½% BONDS

Due January 1, 1941

Tax Exempt in New Jersey

Legal Investment for New York, New Jersey and Connecticut Savings Banks

Price to Yield 4.25%

Full Particulars on Request

SPITZER, RORICK & CO

Successors to Spitzer & Co., Established 1871

TOLEDO 5 NASSAU STREET, NEW YORK CHICAGO

WANTED

Atlanta, Birm. & Atlantic 5s, 1936
Buffalo & Susquehanna 4s, 1951
Coastwise Transportation Co.
Connecticut River Power 5s, 1937
Bodwell Water Power Receipts
Rock Island Southern R. R. 5s, 1947
Santa Fe (N. M.) 6s, 1921
Haskell County (Kan.) 4s, 1921
Omaha Water Co. 5s, 1946
Glen Falls Gas & Elec. 5s, 1919
Tiffan (Ohio) Water 6s, 1912
Adrian (Mich.) Water 5s, 1931
Michigan, Lake Superior Pwr. 5s, Rcts.
Waterville & Fairfield St. Ry. 5s
American Axe & Tool Co.
National Casket Co.
Sierra & San Francisco Pwr. 2d 5s, 1949
Idaho-Oregon Light & Pwr. 6s, 1935
Central Colorado Power 5s, 1946
National Electric Lamp 5s, Series A or B
Allentown Portland Cement Co.
Baldwin Locomotive Wrks. 5s, 1940
American Real Estate 6s

FOR SALE

Pope Manufacturing Com.
Hartford Carpet Pfd.
Sealshipt Oyster System Pfd.
U. S. Envelope Co. 5s
Douglas Shoe Pfd.
Library Bureau Pfd.
Regal Shoe Pfd.
Berkshire Cotton Mills
Pawcatuck Valley St. Ry. Bonds
American Mason Safety Tread
Am. Investment Sec's Pfd.
Sealshipt Oyster System Com.
Hudson River Elec. Pwr. 5s, 1944
Massachusetts Cotton Mills
Pere Marquette 1st Pfd.
Boston Securities
Niagara Lt., Heat & Pwr. 5s, 1922
Somerset Hotel Trust
Charleston (Ill.) Gas & Elec. 5s
Westinghouse Machine Co. 6% Notes, 1914
Great Northern Pwr. 5s, 1934
Indian Refining Co. 6s, 1919
Hudson River Elec. Pwr. 5s, 1944

HOTCHKIN & CO.

Specialists in Inactive Securities

Cable Address "HOTCHIN"

53 STATE ST., BOSTON

Telephone 460 461 462 2321 Main

Digitized by Google

Among New England Banks

Our Travelling Representative Visits the Banks of New Hampshire—Opposition to the Formation of Trust Companies—Bound By Savings Bank Law and Laws of Individual Trustees—Only One State Bank in New Hampshire.

In my travels among the New England banks this week, I covered the southeastern section of New Hampshire, where I found the bankers good fellows, but always with an eye open to business. As successors of bank men, whose past history speaks of conservativeness, they are certainly keeping up that reputation in the highest respect. I wonder though, if investors and bank men generally are aware of the fact that the state of New Hampshire can boast of but very few banking and trust companies.

If you will look at the annual report of the bank commissioner of New Hampshire for 1910, you will find that they state that there are 86 institutions under their care distributed as follows: Fifty-five savings banks, nine banking and trust companies, six of which are savings departments; 17 building and loan associations, and one co-operative credit association; and four savings banks that were then in process of liquidation. The latter, of course, have by this time probably been liquidated. The strange thing about this report, of course, is that in a state the size of New Hampshire, there should be but nine banking and trust companies, and that of these nine trust companies only six should have savings departments, whereas, in the state of Maine, owing to the laws which have permitted the trust companies to make investments to a great deal better advantage regarding earnings than the savings banks, there has been almost a mushroom growth, and that in Massachusetts there are few cities of any importance which do not boast of one, two or more trust companies.

The reason can rightfully be asked, therefore, why this is so. I would not attempt to give a reason for such, but I will simply try and give an idea of what some of the bankers in the state think this reason is.

FEW TRUST COMPANIES.

The laws of New Hampshire are very emphatic in stating that the savings departments of banking and trust companies shall make investment of their funds only in the same classes of securities that the savings banks are permitted to invest, and the savings departments, just as is the case in Maine and other states, as a matter of fact, must be conducted as a separate department. Moreover, as trustees they are bound by the very same laws as are individual trustees, and no savings bank, as far as I can learn, can act as a trustee in that state. These, as far as I could get it, are the two potent reasons for the scarcity of trust companies in the state. Hitherto, a very stiff proposition, presumably by the lawyers of the state, who practically have a monopoly on trusteeships, has been made to the granting of any charter for trust companies. To cite a case in point, my attention was drawn to the charter which was recently granted to the people connected with the Strafford Savings Bank of Dover, New Hampshire.

In that state, the Probate Court of each county, it seems, rules as to who shall be the trustee, and when occasion demanded it, the Probate Court of Strafford County ruled that a savings bank could not act as trustee, and as the Strafford Savings Bank desired to in this case, they were compelled to seek a special charter for the formation of a trust company. I understand that a very stiff fight was put up against them, but that they finally succeeded in getting the desired charter at the last session of the legislature. This then adds one more trust company to the list, making ten in all. It is readily apparent that since the savings departments in trust companies must be conducted exactly as are the savings banks, and as the investments of their funds must be made in accordance with the same laws as those of the savings banks, there is no object in securing a trust company charter, except in special cases, and this combined with the fact that for some reason or other the formation of trust companies is consistently combatted, has made the field very narrow.

Probably the

STRONGEST TRUST COMPANY

in New Hampshire, and the largest as well, is the Rochester Loan & Banking Company, of which Sumner Wallace is president, and John L. Copp, cashier. This bank occupies quarters in the very business centre of Rochester, N. H., and besides doing a good business in its trust and banking department, the savings department has shown a very healthy growth. The company also has a large and well-built storage vault, the efficiency of which was very clearly brought out, when the building was destroyed by fire several years ago. Notwithstanding the intense heat, not a thing which was inside the vault was harmed in the least, and since the building was rebuilt, it is needless to say, the vault is now taxed to its full capacity. The Rochester Loan & Banking Company has been incorporated for about 23 years, and in that time it had secured resources, by the showing of its last statement of June 5, 1911, of $2,996,320, while its saving deposits had grown to $2,268,841. The company has a capital of $100,000, and as a matter of fact, in addition to paying 10 per cent on its stock, and 3½ per cent on its savings deposits, it was able to add $50,000 to its surplus last year, a showing which was very creditable indeed, to the careful and conservative management. While the bank at the present time is renting quarters, it would not be surprising if within several years it should construct a building of its own. In this bank, the cashier looks after the real estate business, and all local matters, while the president of the bank, in addition to his other work, is a shrewd judge of investments, and buys all securities for the bank.

The banks in New Hampshire, I find in good part carrying accounts not only with Boston and New York, but with Philadelphia, and Albany as well. Few, however, appear willing to say much about the rule which the Philadelphia banks put into effect with regard to deferring interest after September 1 of this year. On the whole, most of the bankers see it in the right light, and although I interviewed one cashier who said he was planning to take his account from the Philadelphia bank, from what he told me I am quite frank in saying that, in my belief, the Philadelphia bank must have been losing money on his account. It is

INTERESTING TO NOTE,

by the way, that one of the national banks at Concord, N. H., solicits accounts from the banks in the smaller cities and towns, and I find that it is now carrying quite a number of accounts in this way. The conclusion is, of course, that this bank carries a good sized account with one of the national banks at either Philadelphia or Albany, and dumps all of its items over on to this correspondent to collect.

The New Hampshire laws allow the business of the savings department of national banks to be done over the same counter with the business of the national bank itself, although in some banks there is a savings bank in one part of the building directly connected with a national bank in another part, both banks being in control of the same people. In this latter way, of course, there can be no conflict, and yet at the same time having a separate savings bank, undoubtedly more deposits can be secured. For ordinarily, the laborer and farmer who keeps his money in some neighboring town or city in which he may live, providing he has the choice of keeping a deposit either with the savings department of a national bank or a savings bank itself, he chooses the savings bank And while, of course, both are under the very same laws, and while neither providing, of course, the resources of each are practically equivalent to each other, are stronger than each other, yet the name, "savings bank" carries to most of our good old New England farmers something synonymous of strength and security. While, of course, this theory is fallacious, yet the fact remains, nevertheless, that the idea holds among most people As a matter of fact, there were 37 savings banks in New Hampshire doing business in the same office with national or state banks.

LAWS NOT SO STRICT.

It is a well-known fact that the laws of New Hampshire are much more lenient with their savings banks in the matter of the securities in which they may invest their funds than are the laws of either Massachusetts or Maine, it being conceded by most authorities that there are probably no laws in this regard which are superior to those of Massachusetts. Among the New Hampshire bankers, I find, however, somewhat of a differ-

ence in opinion as to whether or not the laws of that state regarding such investments should be revamped, so as to limit such investments. There are many who believe that they are too lenient, and that in some cases the investments of the present time should be limited.

Several cashiers with whom I talked, however, believe that there are a number of securities listed on the New York stock exchange which might well be included in the list of investments in which New Hampshire savings banks may invest their funds. Among such securities, they would include the stock of the American Telephone & Telegraph Company, the United Fruit, and a number of other good industrials. In the light of past experience, however, most cashiers with whom I talked thought it would be an unwise policy to extend in this way, as they thought it would be a policy which might well be stretched too far. It seems to me that this latter opinion is well in accordance with the ideas held by our best bankers. For it is not too much to say that the deposits in our savings banks which represent the savings of our common people, and in many cases, their whole insurance against old age, should be most jealously guarded by those in authority. For the failure of a savings bank in an agricultural district, or in any district for that matter, in most cases, brings a good deal more misery and trouble than often comes to the surface.

INVESTMENTS IN INDUSTRIALS.

The New Hampshire laws state that savings banks can make investments in the stock or notes of any manufacturing company in the New England states that has paid regular dividends on its capital stock for five years previous to such investment, and whose net indebtedness does not exceed the amount of its capital stock fully paid in; but that not exceeding 10 per cent of the deposits shall be so invested. An examination of the reports of the New Hampshire savings banks, however, will show very few investments in such companies, the Amoskeag Savings Bank at Manchester showing a larger investment in such than any other savings bank in the state. This bank has resources, the estimated value of which by the bank commissioners, is $14,362,035, and of this amount $1,135,405, or within $100,798 of being 10 per cent of the total estimated assets, or resources, is invested in stock of manufacturing companies. As a matter of fact, however, these stocks are carried on the books at only $502,984, or less than 5 per cent of the total amount due depositors, these figures being taken from the bank commissioners' report of 1910. Last year, this bank carried $100,000 of Amoskeag manufacturing stock at par, although this stock at that time was selling on the market at close to $300 per share.

BUT ONE STATE BANK.

Up in Salmon Falls, N. H., a town with a population of about 1,000 people, located directly across the line from South Berwick, Me., and known to the textile trade especially as the place wherein is located the plant of the well-known Salmon Falls Manufacturing Company, is the only state bank in New Hampshire. This is the Salmon Falls Bank, which was established in 1851, and has always conducted its business under the old charter which it then received. There is quite an interesting story connected with the reason why this bank has never received a national bank charter. As a matter of fact, through all the years which have passed since the National Bank Act, the officials of this bank have never applied for a national charter. At the time when they first had the opportunity of so doing, the bank was in control of two men who had opposite political views, and belonged to different political parties, and I understand that on account of this, these good old New Englanders would not nationalize. As the years went by, the object in nationalizing disappeared, and to-day, since the bank has practically every power that a national bank has, with the exception that it cannot issue bank notes, the officers, I suppose, now feel that they might just as well remain as a state bank.

While I was in Salmon Falls, I was told how that part of the town called Rollinsford secured its name. It appears that many years ago, the two leading families of the place were the Rollins family and the Wallingfords. On this account, the towns people later took a part of each name and gave it to that part of the town. The only reason why I mention this here is the fact that the Rollins family here spoken of is that to which Governor Rollins, the head of the well-known banking firm of E. H. Rollins & Sons, belongs.

BANK VISITOR.

WASHINGTON, D. C.—J. L. Mohundro, state bank examiner of Washington, said in an interview: "The banks in the state of Washington are now in better condition than I have ever known them before." There has been an increase of about 20 per cent in four years in deposits, which now amount to $183,900,000, also substantial increases in savings, now placed at $39,000,000.

When You Lend Money

to a Public Utility Corporation, as you do when buying its bonds, you do not look alone to the value of its property for the safety of your principal and the prompt, continuous payment of your interest. You want to know that the company is intelligently, economically and honestly managed.

You have assurance of this when you buy the Public Utility bonds that we offer, because we are co-investors with you and devote our ability and experience as engineers to the operation and development of the companies which we absolutely control.

Write for Circular

Meikleham & Dinsmore
ENGINEERS & BANKERS

25 BROAD STREET, New York City
437 Chestnut Street, Phila.
60 State Street, Boston

We Offer To Net 5½ Per Cent

$1,344,400

Ironwood & Bessemer Railway & Light Co
(Wisconsin and Michigan)

First Mortgage 25-Year 5% Sinking Fund Gold Bonds

Due February 1, 1936

A Legal Investment for the Savings Banks of the State of Maine

Interest payable in Boston at the office of the Trustee under the mortgage, the American Trust Company, on the first of February and August in each year.

Callable as a whole or for the investment of the sinking fund at 104 after February 1, 1916.

Sinking fund retires 25% of all bonds issued under this mortgage.

Bonds may be registered as to principal.

Issued under the authority and with the consent of the Railroad Commission of Wisconsin, which has absolute control of the amount of securities, either bonds or stock, which the Company may put out.

Wisconsin franchises indeterminate (*as in Massachusetts*)—Michigan franchises run 30 years from 1910

The company furnishes without competition (and without danger of competition as it is under the control of the Railroad Commission of Wisconsin) electric light, street railway service, gas and electric power to a population of over 40,000 in the cities of Ironwood and Bessemer, Michigan, and Hurley and Ashland, Wisconsin, and the neighboring towns, which collectively make up one of the greatest power-consuming territories in the United States.

Price 93½ and Interest, Yielding 5½ per cent per year

Send for Special Circular

BURGESS, LANG & COMPANY

60 State Street
BOSTON

34 Pine Street
NEW YORK

Digitized by Google

B. & O. Common Earned 6.88

Annual Report Shows a Surplus of Only $1,343,846 Over the $11,476,144 Disbursed in Dividends—Company Paid Its $10,000,000 of Notes, Maturing March, 1911, By Selling $50,000,000 of Notes, Due June 1, 1913, Using Balance For Improvement of the Property—Market Price of Common Stock, as Well as the Facts, Suggest That Company Has Been Paying Too Much in Dividends and Borrowing Too Much Money.

Wall street was much interested in the annual report of the Baltimore & Ohio Railroad Company which was made public this week, because there has been a very widely circulated tip that a short sale of this stock would be profitable. Baltimore & Ohio common, paying 6 per cent and selling under par, has been out of line with other securities in its class, so that the market price has tended to confirm these rumors of an impending decline.

The president of the company some weeks ago was quoted as saying that he could see no reasonable prospect of a reduction in the common dividend, and further, that foreign investors had been assured in buying the stock that the dividend would be continued at the 6 per cent rate. There was naturally considerable adverse comment on this unusual announcement of a railroad president that dividends on the common stock would be continued because stock had been

SOLD ON THIS REPRESENTATION.

The report of the company for the fiscal year ending June 30, 1911, showed a surplus after payment of fixed charges and dividends on the preferred and common stock of $1,343,846. Gross earnings showed a decrease of $756,248, and the net earnings from operation resulted in a loss of $2,188,514 from the figures of the preceding year. The most significant feature of the report, however, was the company's expenditures for maintenance of way and equipment on an increased amount of gross revenue decreased to the extent of $1,873,948, so that if there had been spent last year in the up-keep of the property relatively as much as in 1910 the dividend would not have been earned and a deficit of over $500,000 would have been reported.

According to the current report, the surplus of $1,343,846 over dividend disbursements does not appear very substantial in comparison with the decrease of $1,873,948 for maintenance expenditure. The total net corporate income available for the payment of dividends was $12,819,991 from which $2,355,545 was disbursed in dividends on the 4 per cent preferred stock outstanding and $9,120,599 for 6 per cent on the common stock. The aggregate dividend disbursements, therefore, were $11,476,144 out of a total of $12,819,991 possible to distribute.

The common stock of the company, amounting to $151,950,092, in consequence, showed earnings last year of 6.88 per cent. As 6 per cent was paid out in dividends, it is quite obvious that the company is getting very close to the cushion on its dividend programme.

While last year's results were

NOT VERY FLATTERING,

they were, nevertheless, better than had been expected, and the stock advanced fractionally after the figures were made public. The great disparity between the increase in gross revenue and loss in net was officially accounted for by the large increase in transportation expense, which was explained by the increases in wages to employes which were granted. It was also stated in the report that the expenses of transportation were increased by interruptions of traffic on account

Dial Cash Register, Eastern Mills Stocks, Pay-As-You-Enter Car, Hocking Valley Products Co., bought and sold.

C. W. GILMOR, 50 Broad St., N. Y.

Wire connections to all markets

UNLISTED & INACTIVE ISSUES

We are prepared to quote actual trading markets on unlisted or inactive investment issues.

Correspondence Solicited

E. BUNGE & CO. 20 BROAD STREET, NEW YORK

Cable Address, "Emunbu, New York" Long Distance 'Phone 4735-4736 Rector

Assets Realization Company

Capital $10,000,000

Purchases Estates in Liquidation at any point in the United States

NEW YORK PHILADELPHIA CHICAGO

American Industrials Co.

Broad Exchange Building, New York

INVESTMENT SECURITIES.

6% Twenty Year First Mortgage Gold Bonds.
7 Preferred Stocks.
8% Preferred Stocks.

Hodenpyl, Hardy & Co.

BANKERS

7 Wall Street, New York

6% PREFERRED STOCKS A SPECIALTY

BODELL & CO.

PROVIDENCE, RHODE ISLAND

Boston Office, 35 Congress St.

Bonds and Preferred Stocks of Proven Value

GEO. D. COOK & CO.

BANKERS

71 BROADWAY, NEW YORK

We make a Specialty of Mexican Government and State Bonds

McCOY & COMPANY

Municipal and Corporation Bonds

181 LA SALLE STREET CHICAGO

Boody, McLellan & Co.

111 BROADWAY, NEW YORK

MEMBERS OF NEW YORK STOCK EXCHANGE

Orders Executed for Investment or on Margin

6% SEATTLE INVESTMENTS 7%

For particulars and further information write us.

WM. D. PERKINS & CO., Bankers

No. 211 Cherry St., Seattle, Wash.

Established 1893

Oldest Bond House in Washington.

DOMINION BOND COMPANY LIMITED

MONTREAL TORONTO OTTAWA LONDON, ENGLAND

Dealers in HIGH-GRADE CANADIAN BONDS

List on Application

5% BONDS

Guaranteed by

National Light Heat and Power Co

A. H. BICKMORE & CO.,

30 PINE ST., NEW YORK

6% Timber Bonds

Carrying With Them An Exceptionally Attractive Feature

American Finance & Securities Co.

5 Nassau Street New York

H. C. Gibbs & Co.

Gas and Electric Light Bonds

To yield 5% to 5 1-2%

60 State Street BOSTON

CIRCULAR ON MISCELLANEOUS UNLISTED MILL AND MANUFACTURING SECURITIES

SENT UPON REQUEST

HORNBLOWER & WEEKS, 60 Congress St., Boston

Digitized by Google

of the large amount of betterment work which was carried on during the year.

As to the reduction in maintenance charges, officials of the company claim that no impairment of the efficiency or physical condition of the property resulted from this course because property was in good condition, and even the reduced rate of maintenance charges compares very favorably with other roads in the Baltimore & Ohio class.

In analyzing the company's traffic receipts for the past year it appears that freight revenue decreased $1,788,175 or 2.56 per cent, while passenger earnings showed a substantial increase of $722,847 amounting to 4.99 per cent.

President Willard in his report says that the total of maintenance cost for the year aggregated 29.68 per cent of the gross earnings, which he believes is a liberal basis of expenditure and ample for the maintenance of both the road and its equipment. The percentage of expenses to earnings last year was 71.21, an increase of 2.22 over the preceding year.

THE RELIEF DEPARTMENT

of the company disbursed during the year in benefits over $1,000,000, and it is well known that the road has been one of the most considerate along this line. In the employes' savings department there are 7,240 depositors whose deposits aggregate $6,326,361. Out of this fund loans have been made to the extent of $3,866,107 for the purchase of homes. In the pension department 780 employes are on the retired list and they received last year $174,746.

One of the most interesting features of the report was in reference to industrial development along the line of the road. Two hundred and twenty-four manufacturing and commercial industries were located along the company's lines during the past year, from which it is officially estimated that the company will derive an increased freight revenue aggregating $1,000,000 a year. To 135 of these plants sidetracks have been extended.

The farmers along the line have not been neglected, as special trains carrying lecturers and demonstrators have been continually sent out to preach and explain the possibilities of agriculture as developed by experimental stations.

The company's $10,000,000 of short-time notes were paid off from the proceeds of the sale of $50,000,000 of three-year notes due June 1, 1913. The management apparently believes that

BEFORE THE MATURITY

of these notes there will be a more favorable bond market and that this note indebtedness can be refunded into a long-term obligation. It hardly need be suggested, however, that railroads which are straining as hard as is the Baltimore & Ohio to pay dividends on common stock are not likely to increase their credit in the investment world for the sale of long-time and low-rate bonds. The annual report states that the sale of these three-year notes was necessary in order to provide for the demands of the company's business and particularly to take care of the increasing industrial development along its line as well as to provide for increased equipment, additions and betterment work.

If the company's earnings increase very materially next year it may be easy to refund this $50,000,000 of 1913 notes, but the most obvious comment on the Baltimore & Ohio situation is that the company has been both

BORROWING TOO MUCH MONEY

and paying out too much in dividends. During the year, increased equipment was acquired at a cost of $15,439,203, and capital charges on account of additions and betterments aggregated $14,092,875. P. DE MEDICI.

REAL ESTATE INQUIRY.

West Brownville, Brooklyn.

4747. (Boston, Mass.) What is the present and prospective worth of Lot 28, block 4752, Rugby E, West Brownville, Brooklyn, sold by Wood Harmon & Company?

Ans.: A fair price for this lot and others in the same locality would probably be from $750 to $900. It is difficult to place an actual value on these lots at the present time, owing to the quietness of the real estate market in this and other directions. Building on this development is practically at a standstill for the time being, a condition which is likely to prevail for the near future, at least. The probabilities are, however, that in due course of time the development of this and surrounding properties will add substantially to lot valuations. We understand that the most recent sale of a lot similar in size and location to that mentioned by you was at $750.

LONG BEACH, CAL.—The Farmers & Merchants Bank is to increase its capital from $25,000 to $100,000.

Cumberland Telephone & Tel. Co.

8% STOCK

Of all the different subsidiary Companies of the AMERICAN TELEPHONE & TELEGRAPH CO., there are none better than the CUMBERLAND. This Company has a quarterly cash dividend record of over 27 consecutive years.

For quotations, address,

GOULDING MARR

Investment Broker

NASHVILLE = TENNESSEE

PROPOSALS FOR BONDS.

DALLAS, TEX.—Sealed bids accompanied by a certified check payable to W. T. Henderson, commissioner of finance and revenue, for 2 per cent of the face value of the bonds bid for, will be received until November 22, for $250,000 4 per cent $1,000 permanent school improvement bonds, dated July 1, 1911, and maturing serially 1 to 40 years, beginning July 1, 1912, $6,000 each year, with $8,000 each tenth year until 1951, when $10,000 will mature, average time, 20½ years. The bonds have been approved by the attorney general of the state and have been registered by the state comptroller, and the opinion of Messrs. Dillon, Thomson & Clay, New York City, as to their legality, will be furnished to the purchaser.

HOUSTON, TEX.—This city will receive sealed bids until December 11, for $521,000 5 per cent refunding bonds, dated October 16, 1911, and running 30 years, with option reserved by the city to pay in 20 years. Each bid must be accompanied by certified check on a Houston bank, payable to H. B. Rice, mayor, for 1 per cent of the face value of said issue, bonds to be delivered and money paid in Houston. Further information may be obtained from Dan C. Smith, Jr., city secretary.

SHORT TERM NOTES

with stock bonus offer an unusual investment opportunity

The notes mature in from one to two years with adequate interest and the bonus stock assures a steady income for ten years.

Write for particulars.

GILBERT H. CARR

50 Congress St., Boston.

Baker, Ayling & Co

50 Congress street, Boston

INVESTMENT BONDS

Philadelphia Office, Land Title Building

TAX EXEMPT STOCKS

List Mailed on Application

311 Main St., W. F. CROSBY Telephone 4090

WORCESTER, MASS.

YOUR INVESTMENT SHOULD EARN YOU MORE MONEY

Boston Real Estate Carefully Selected and Scientifically Managed

The United States Investor in its issue of Sept. 16, 1911, says of this company "Both the preferred stock and the bonds are well worthy of the consideration of our readers."

Address for prospectus and other information

COMMONWEALTH REALTY COMPANY, Chas. E. Jeffrey, Prest.
Room 407, 53 State St., Boston.

Digitized by Google

FINANCIAL INQUIRIES.

Rosedale & Linden Cemetery.

21317. (Worcester, N. Y.) I would be glad to learn through the columns of your paper as to what you consider the value per share, and to learn if there is any market for Rosedale & Linden Cemetery stock. These cemeteries, I think, are located at Linden, N. J., and the company, no doubt, has New York offices.

Ans.: New York brokers, we find, are offering these shares around $5, but we doubt very much if a holder of the stock would be able to dispose of it at a price within several dollars per share of that figure, in view of existing market conditions, which affect listed and unlisted securities alike. As a matter of fact, these same brokers have been offering to buy at from $3 to $3½ per share, so that this price would represent more accurately the market value of the shares. Back in 1908, the shares of the Linden Cemetery Association were sold at auction at $10.50 per share, while in the same year those of the Rosedale Cemetery Association were sold at $11.50 a share. We find no record of subsequent auction sales, but it seems to us that the price of $3 per share represents a very fair value for the stock under the conditions now existing. At this price the shares are regarded as possessing very fair speculative possibilities.

American Real Estate Co.

21341. (Hartford, Conn.) What do you think of the American Real Estate Company and its 6 per cent bonds?

Ans: We look upon this as a live well-managed company, operated along absolutely legitimate lines, and the bonds, in our opinion, are well worthy of being classed as a safe investment. Of course, from the standpoint of safety, they do not compare with such issues as United States Government bonds or even with the highest grade of railroad mortgage bonds, but on the other hand, they give a very satisfactory yield and we believe they may be purchased with a minimum of speculative risk. The one thing to be said against an investment of this kind, in our opinion, is the fact that the bonds in question are not as readily marketable as would be the bonds of a railroad company sold on the big stock exchanges, yet there is little danger of a holder of these bonds being obliged to sell at a loss in the event of forced liquidation, as the management of the company has always shown a somewhat paternal attitude towards the holders of its securities, in enabling them to market their holdings without loss wherever liquidation has been found absolutely necessary. The company's bonds do not constitute a mortgage security and the company's literature does not try to create any false impression in this respect, but states that they are not secured by a mortgage on real estate but

ARE A DEBENTURE

based upon the company's entire real estate business. In other words, they are promises to pay a definite sum at a certain time with 6 per cent interest payable semi-annually, issued by a business corporation all of whose assets are invested in its own real estate business to which it is held by its charter.

The speculative feature of these bonds is to be found in the fact that the company's prospects and the accompanying investment position of the bonds is very largely dependent upon the management. The company has been in business 23 years, and so far as we can find, its reputation and record during that entire period has been clean and unblemished. The management has shown exceptional foresight in the selection of properties, and we do not believe that there is a single one of the latter which could not be sold at a merial advance over the original purchase price. Instances of this foresight are shown in the manner in which properties in the upper section of New York City, known as the Borough of the Bronx, were secured along the lines of the present subway systems, before actual work on the systems was begun. Within two or three years after the company secured these properties, that part of the city saw a remarkable boom in real estate values, which jumped in some cases several hundred per cent. The American Real Estate Company, of course,

PROFITED GREATLY

by this condition of affairs. Within the last few years the company has done less of this rather speculative class of business and has devoted its efforts more to the control and management of investment real estate holdings, that is, improved properties which produce a steady income from month to month. Profits from this source are quite large enough to justify the payment of 6 per cent interest on the bonds and a substantial management in addition. Our opinion is that these bonds will continue to pay 6 per cent without interruption, as they have done for the past 23 years, with never a single default or delay in the payment of principal or interest. The accumulative bonds would appear to be suitable for children's savings and the combination of large yields with reasonable safety makes them, in our opinion, an unusually desirable form of investment.

NOTICE TO BOND BUYERS

City of Sioux Falls, South Dakota

Sealed bids will be received by the Board of Commissioners of the City of Sioux Falls, South Dakota, until Tuesday, November 7th, 1911, at 11 o'clock A. M., for the purchase of $200,000 (Two Hundred Thousand) of Sewerage Bonds of the City of Sioux Falls, South Dakota, for the purpose of constructing and maintaining a system of sewerage for the City of Sioux Falls. Said bonds to be in denominations of Five Hundred Dollars each, to run twenty (20) years from the date of their issuance, and shall bear interest at the rate of five per cent per annum, interest payable semi-annually; principal and interest payable in lawful money of the United States of America, in the City of New York. Bonds will be delivered at the office of the City Auditor of the City of Sioux Falls.

A certified check of Five Hundred Dollars payable to the City Treasurer of the City of Sioux Falls, must accompany each bid, and bids must be endorsed "proposals for Sewerage Bonds". The Board of Commissioners reserves the right to reject any or all bids. Information will be furnished on application, by the City Auditor of the City of Sioux Falls.

Dated at Sioux Falls, South Dakota, this 9th day of October, 1911.

WALTER C. LEYSE,
City Auditor of the City of Sioux Falls, So. Dak.

NOTICE TO BOND BUYERS

City of Sioux Falls, South Dakota

Sealed bids will be received by the Board of Commissioners of the City of Sioux Falls, South Dakota, until Tuesday, November 7th, 1911, at eleven o'clock A. M., for the purchase of One Hundred Thousand Dollars of Water Bonds of the City of Sioux Falls, South Dakota, for the purpose of providing water for domestic uses for said City. Said bonds to be in denominations of Five Hundred Dollars each, to run twenty (20) years from the date of issuance, and shall bear interest at the rate of five per cent per annum, interest payable semi-annually; principal and interest payable in lawful money of the United States of America, in the City of New York. Bonds will be delivered at the office of the City Auditor of the City of Sioux Falls, South Dakota.

A certified check of Five Hundred Dollars, payable to the City Treasurer of the City of Sioux Falls must accompany each bid, and bids must be endorsed, "Proposals for Water Bonds". The Board of Commissioners reserves the right to reject any and all bids. Information will be furnished on application, by the City Auditor of the City of Sioux Falls.

Dated at Sioux Falls, South Dakota, this 9th day of October, 1911.

WALTER C. LEYSE,
City Auditor of the City of Sioux Falls, So. Dak.

Municipal Bond Sales

MUNICIPALITY.	Date of sale.	Classification of bonds.	Amount.	Rate of interest. Per cent.	Maturity.	Sales price.	Purchaser.	Income basis.
Worcester, Mass	Oct. 23	Park	$40,000	4	**1-20	104.26	A. B. Leach & Co.	3.66
Haverhill, Mass.	Oct. 24	Municipal	119,000	4	*	101.28	Adams & Co., Boston	3.696
Haverhill, Mass.	Oct. 24	Playground	7,000	4	*[illegible]	101.28	Adams & Co., Boston	3.696
Haverhill, Mass.	Oct. 24	Bridge	40,000	4	*20	101.68	Adams & Co., Boston	3.696
Los Angeles County, Cal., Los Angeles City Sch. Dist.	Oct. 9	Building	1,191,000	4½	**1-40	104.646	J. H. Adams & Co. Los Angeles	3.953
California (State)	Oct. 20	S. Fran. harb'r	1,000,000	4	15-34	100.50	N. W. Halsey & Co., San Francisco.	3.975
California (State)	Oct. 21	Highway	1,000,000	4	1917	par	N. W. Halsey & Co., San Francisco	4
California (State)	Oct. 21	Highway	1,000,000	4	1917	par	Anglo & London Paris Nat. Bank San Francisco	4
California (State)	Oct. 21	Highway	1,000,000	4	1917	par	State Board of Control	4
Grand Rapids, Mich.	Oct. 23	Filtration	300,000	4	1951	par	Michigan Trust Co., Grand Rapids	4
Hancock County, Ohio	Oct. 23	Road	4,000	5	**1-9	101	Davies-Bertram Co., Cincinnati	4.10
Columbia, Ohio	Oct. 24	Street	4,461	6	1929	102.71	Seasongood & Mayer, Cincinnati	4.136
Hancock County, Ohio	Oct. 20	Road	3,500	5	**1-7	100.26	Davies-Bertram Co., Cincinnati	4.151
Scranton, Pa.	Oct. 25	Sewer	54,000	4½	**1-25	100.797	Harkness, Wright & Co., Phila.	4.14
Mt. Vernon, N. Y.	Oct. 17	Water	30,000	4½	1951	104.13	Jas. K. Mumford, New York	4.192
Mt. Vernon, N. Y.	Oct. 17	Highway rep.	25,000	4½	1921	101.50	Yonkers Savings Bank, Yonkers	4.194
Girard, Ohio	Oct. 16	Street assess.	11,000	5	*1-5	100.745	Provident S. L. & T. Co., Cincinnati	4.20
South Bethlehem, Pa.	Oct. 16	Storm sew. etc	40,000	4½	1-40	103.2	Rockwell & Co., Philadelphia	4.21
Columbia, Ohio	Oct. 24	Street	3,164	6	*2½	103.96	Lagonda National Bank	4.233
Monongahela, Pa.	Oct. 18	Municip. bldg.	10,000	4½	*20½	104.33	Mellon Nat. Bank, Pittsburg	4.236
Monongahela, Pa.	Oct. 18	Garbage plant	10,000	4½	*20½	104.033	Mellon Nat. Bank, Pittsburg	4.236
Monongahela, Pa.	Oct. 18	Street imp.	15,000	4½	*20½	104.233	Mellon Nat. Bank, Pittsburg	4.236
Milwaukee County, Wis.	Oct. 24	Insane Asylum	200,000	4½	*20½	103.25	Harris Tr. & Sav. Bank, Chicago	4.24
Milwaukee County, Wis.	Oct. 24	Agricult. Sch.	100,000	4½	*10½	103.18	Harris Tr. & Sav. Bank, Chicago	4.24
La Porte, Ind.	Oct. 16	Water	54,000	5	1905	103.833	Joseph T. Elliott & Sons, Gavin L. Payne, Chicago Nat. Bank	4.25
Somerville, N. J., Sch. Dist.	Oct. 19	Building	5,000	4½	*5	101.428	John T. Parker, Somerville	4.29
New Rochelle, N. Y.	Oct. 24	Sewer	9,000	4½	*20½	102.877	Lamprecht Bros. & Co., New York	4.254
New Rochelle, N. Y.	Oct. 24	St. widening	80,000	4½	*12½	102.877	Lamprecht Bros. & Co., New York	4.254
New Rochelle, N. Y.	Oct. 24	School	85,000	4½	*15	102.877	Lamprecht Bros. & Co., New York	4.254
New Rochelle, N. Y.	Oct. 24	Funding	20,000	4½	*2½	102.877	Lamprecht Bros. & Co., New York	4.254
Hornell, N. Y.	Oct. 16	Water	80,000	4½	*7½	101.763	Spencer Trask & Co., New York	4.28
Somerville, N. J., Sch. Dist.	Oct. 19	Building	1,000	4½	*2½	101.42	Somerville Nat. Bank, Somerville	4.30
Columbus, Ohio	Oct. 24	Sewer	5,500	6	*2½	101.42	Lamprecht Bros. & Co., New York	4.31
Somerville, N. J., Sch. Dist.	Oct. 19	Building	7,000	4½	*15	101.428	First National Bank, Somerville	4.31
Cumberland, Md.	Oct. 23	Water imp.	1,000	4½	1941	101	John T. Parker, Cumberland	4.32
Cumberland, Md.	Oct. 26	Water imp.	99,000	4½	1941	102.672	Baker, Watts & Co., Nelson, Cook & Co., Baltimore	4.336
Long Branch, N. J.	Oct. 23	School	40,000	4½	1941	102.5	Kissel, Kinnicut & Co., New York	4.342
Hardyston, N. J., Sch. Dist.	Oct. 16	Building	12,000	5	**1-10	101.5	[illegible]	4.35
Atlantic City, N. J.	Oct. 21	Drainage	200,000	4½	*5-16	102.247	Spencer Trask & Co., New York	4.36
Portland, Ore.	Oct. 20	Water Imp.	500,000	4	1966	94.61	Merrill, [illegible] & Co., Portland	4.06
Columbia, Ohio	Oct. 24	Street	676	6	*2½	101.48	Legonda National Bank	4.369
Liberty, N. Y., Sch. Dist. No. 1.	Oct. 23	Building	60,000	4½	*12 1-2	100.28	[illegible] & Co., New York	4.40
Harrison County, Iowa	Oct. 14	Road	45,000	4½		par	Joseph T. Elliott & Co., Indianapolis	4.50
La Porte County, Ind.	Oct. 20	Road	61,000	5½	*10	par	Wm. H. Hart-Parsons, La Porte	4.50
La Porte County, Ind.	Oct. 20	Gravel road	51,000	5½	*10	par	Wm. H. Hart-Parsons, La Porte	4.50
Regina, Saskatchewan	Oct. 16	Street railway	400,000	6½	1951	98.57	Bond & Debenture Corporation, Ltd., Toronto	4.59
Regina, Saskatchewan	Oct. 16	Trunk sewers	150,000	6½	1951	98.16	Merchants Bank	4.646
Regina, Saskatchewan	Oct. 16	Water works	150,000	6½	1951	98.16	Merchants Bank	4.646
Regina, Saskatchewan	Oct. 16	Subway	120,000	6½	1951	98.16	Merchants Bank	4.646
Regina, Saskatchewan	Oct. 16	Pavements	64,000	6½	1931	98.16	Merchants Bank	4.646
Regina, Saskatchewan	Oct. 16	Sidewalks	12,000	6½	1931	98.16	Merchants Bank	4.646
Regina, Saskatchewan	Oct. 16	Exhibit bldgs.	27,000	6½	1951	98.16	Merchants Bank	4.646
Ventura County, Cal.	Oct. 17	Court House	150,000	5	**1-40	101	N. W. Halsey & Co., San Francisco.	4.845
Calgary, Alberta	Oct. 23	Building	60,000	6½	**1-20	97.525	Canadian Investment Corporation, Ltd., Toronto	4.727
Regina, Saskatchewan	Oct. 16	Public Schools	100,000	6½	1951	97.62	Wood, Gundy & Co.	4.732
Augusta, Wis.	Oct. 18	Street imp.	6,000	5	*3 5-6	100.80	Augusta State Bank, Augusta	4.75
Santa Clara County, Cal.	Oct. 2	Building	5,000	4	*20 15	101.40	[illegible] & Co., San Jose	4.82
Locke, N. Y. Sch. Dist.	Oct. 17	Building	7,000	5	**1-11	101.10	Adams & Co., New York	4.823
Savannah, Mo.	Oct. 12	Library & rep.	20,000	5	*10	par	A. G. Edwards & Sons, St. Louis	4.872
Vilas County, Wis.	Oct. 27	Road	65,000	5	**1-20	101.25	[illegible] & Co., St. Louis	4.877
Grande Ronde, Ore.	Oct. 16	Refunding	10,000	6	**1-4	100.20	A. G. Edwards & Sons, St. Louis	4.91
Marquette, Mich.	Oct. 20	Water imp.	6,000	4½	*5	101.5	Hoyt, Dole & Chamberlin	4.919
Vancouver, Wash.	Oct. 16	Sewer	40,000	5	1	100.25	N. W. Halsey & Co., San Francisco	4.962
Iroquois, S. D.	Oct. 9	School	7,000	6	1921	par	[illegible] & Co., Des Moines	5
Jefferson, Iowa	Oct. 19	Water	10,000	5	1931	par	Geo. M. Bechtel & Co., Davenport	5
St. Elmo, Tenn.	Oct. 24	Sewer	8,000	6	1911	par	Citizens Bank, Chattanooga	6
Spokane, Wash.	Oct. 14	Spec. Wat. wks.	1,000,000	5	**1-20	100.53	Equitable Trust Co., Somerville	4.12
Portland, Ore.	Oct. 25	Street imp.	741,614	6	1921	102.66	Ladenburg, [illegible] & Co., New York	5.677
McArthur, Ohio	Oct. 18	Water & light	27,000	6	1931	100.18	[illegible] & Co., Cincinnati	5.99
Cascade Co., Mont., S. D. No. 30	Oct. 16	Building	1,000	6	5-10	par	[illegible]	6
Spirit Lake, Idaho	Oct. 16	Building	1,000	6	5-10	par	[illegible] & Co., Spokane	6
Belle Plaine, Iowa	Oct. 25	School	4,000	6½	1921	par	Mpls. National Bank, Chicago	6
Lake Bluff, Ill.	Oct. [illegible]	Road	30,000	4	1921	par	[illegible]	4
[illegible]	Oct. 19	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	Oct. 25	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	Oct. 25	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	Oct. 25	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	Oct. 25	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	Oct. 18

MUNICIPAL SHORT TERM LOANS.

ROCHESTER, N. Y.—City Comptroller Duval has sold $200,000 4 per cent eight months' tax notes at a premium of $15 to the Bankers' Trust Company, of New York.

MEDFORD, MASS.—Blake Bros. & Company, of Boston, were the successful bidders for the 6 months' temporary loan to the amount of $200,000 at 3.5 per cent and a premium of 25 cents. Other bidders were: R. L. Day & Company, Boston, 3.50 per cent; Curtis & Sanger, Boston, 3.55 per cent; Lee Higginson & Company, Boston, 3.5 per cent; Old Colony Trust Company, Boston, 3.5 per cent, and Estabrook & Company, Boston (premium $1.50), 3.5 per cent.

Bond Certification

Modern conditions make the registration and certification of municipal and corporate obligations desirable and convenient. We have a department maintained exclusively for this purpose.

First National Bank of Boston
70 Federal Street

FIRST MORTGAGE BONDS

How to Test Them:
FREE OF CHARGE

For more than 29 years the HOUSE OF STRAUS has been gathering the investment experience which is now offered to you without cost or obligation.

If you have $100 or more now lying idle or drawing only the usual 2 to 3 per cent interest, you are entitled to a more substantial earning on your money.

And there are a number of opportunities to enjoy the maximum 6% interest rate with security and protection equal to or better than that any modern savings bank could possibly offer.

This data is now

Placed at Your Disposal Absolutely Without Cost

During 29 years of business in the sale of first mortgage bonds on improved, income-producing, selected Chicago real estate, with a margin of security in no case less than 100 per cent, no investor has ever lost a dollar of principal or interest on securities purchased of us.

If you are interested in a type of investment so secure as this, quickly convertible and subject to our repurchase proposition at any time, we will gladly send you without expense the Investor's Magazine—a dependable and highly valuable investment guide, which every conservative investor should write for. Address Dept. 168.

S. W. STRAUS & CO.
Mortgage and Bond Bankers
Established 1882
STRAUS BUILDING CHICAGO

BOSTON ELEVATED RAILWAY CO.

For the purpose of the annual meeting the transfer books of the company will be closed from the close of business on Wednesday, October 25 1911, until the opening of business on Tuesday, November 7, 1911.

H. L. WILSON, Treasurer.

Dividend No. 25.
KERR LAKE MINING COMPANY.

October 10th, 1911.

The Board of Directors have this day declared a regular quarterly dividend of 2c. per share on the capital stock of the Company, payable December 15th, 1911, to stockholders of record at the close of business on December 1st, 1911. Books will not close.

J. H. SUSMANN, Treasurer.

City and Town Treasurers

The Old Colony Trust Company is one of the largest and strongest banking institutions in the country. Its tremendous resources and its strong position in the confidence of the public make our services in the preparation and certification of Municipal Bonds of unusual value to city and town treasurers.

Our plan for handling this work is the safest and most systematic that experience can suggest, and it is so economical that the entire cost is within the means of the smallest municipality.

It affords absolute protection not only to the issuing community and its officials but also to the banker and investor. It has already been adopted by many cities and towns throughout the country and has the unqualified endorsement of all bond dealers.

The marked preference shown by investors for bonds issued under our plan has resulted in a distinct enhancement of their market value. *Kindly send for descriptive pamphlet.*

OLD COLONY TRUST COMPANY

COURT STREET BOSTON TEMPLE PLACE

Notice to Bond Buyers

Five Hundred and Twenty-four Thousand Dollars ($524,000.00)
Refunding Bonds of the City of Houston, Texas

Sealed bids will be received by the City of Houston, Texas, until 12:00 o'clock noon, Monday, December 11th, 1911, for the issue of Five Hundred and Twenty-Four Thousand Dollars ($524,000.00) Five per cent (5%) Refunding Bonds, bearing date the 16th day of October, A. D. 1911, interest payable semi-annually at the office of the Union Trust Company, in the City of New York, said bonds to run Thirty (30) years, with an option reserved by the City of Houston to pay same at the expiration of Twenty (20) years.

Each bid for the above issue of bonds must be accompanied by a certified check on a Houston bank, payable to H. B. Rice, Mayor, for One per cent (1%) of the face value of said issue as a guaranty of good faith; bonds to be delivered and money paid in Houston, Texas.

The City of Houston reserves the right to reject any and all bids.

H. B. RICE,
Mayor of the City of Houston.

Attest.
Dan C. Smith, Jr.,
City Secretary.

Sealed Bids

will be received by the City of Dallas, Texas

until [illegible] o'clock, noon, Wednesday, November 22nd, 1911, for Two Hundred and Fifty Thousand Dollars ($250,000.00) four per cent (4%) Permanent School Improvement Bonds of the City of Dallas, bearing date of July 1st, 1911. Principal and interest payable at the Chase National Bank, in New York City. Interest payable semi-annually. Bonds mature one to forty years, beginning July 1st, 1912; $6,000.00 each year with $8,000.00 each fifth year, until 1951, when $10,000.00 will mature, average time twenty and one-half years.

The bonds are in denominations of $1,000.00 each. They have been approved by the Attorney General of the State, registered by the State Comptroller, and the opinion of Messrs. Dillon, Thomson and Clay, of New York City, as to the legality of the bonds, will be furnished to the purchaser.

Each bid for the above bonds must be accompanied by a certified check payable to W. T. Henderson, Commissioner of Finance & Revenue, for two per cent (2%) of the face value of the bonds bid for. Money to be paid and bonds to be delivered at Dallas, Texas.

The City of Dallas reserves the right to reject any and all bids.

W. T. HENDERSON,
Com'r of Finance & Revenue
City of Dallas, Texas.

Digitized by Google

United States Investor

Published Every Saturday Morning by

FRANK P. BENNETT & CO., Inc.

SUBSCRIPTION RATES

$5.00 per annum in United States and Mexico; $6.50 per annum in Canada.

$7.00 per annum in England, the Continent, Australia and Countries in the Postal Union.

$10.00 per annum for Investor and Inactive Securities Supplement, including privilege of inserting quotations in the Supplement.

ADVERTISING RATES

Twenty-five cents per agate line. There are fourteen agate lines to the inch.

PUBLICATION OFFICE,
530 Atlantic Avenue, Boston.

NEW YORK OFFICE,
2 Rector Street, New York.
JOSEPH L. BARKER, Manager.

Washington Office, 238 Corcoran Building; Philadelphia Office, 306 Chestnut Street.

Entered at the Post Office at Boston, Mass., as second class matter.

Comptroller of the Currency Murray's plan for the introduction of a clearing-house examiner system is proving even more successful than Mr. Murray had anticipated. Washington is the latest of the cities to appoint such an examiner. He is to perform the same duties as in the other places where a similar step has been taken, although his functions will probably be less important in a place which is directly under the eye of the national government. Washington banks, however, appreciate the freedom from continuous inspection which the comptroller has promised to those who are willing to submit with a good grace to the investigations of the clearing-house examiner. It is likely that the plan will be extended in the near future a good deal further than it has hitherto been carried and will be taken up by more and more of the reserve cities.

As was expected, Attorney-General Wickersham has filed in the United States Court for the southern district of New York some objections to the plan for the reorganization of the American Tobacco Company that was lately put before the government. Mr. Wickersham does not go to the full length that had been hoped by the independent tobacco interests. He has a number of minor criticisms to make, but his chief point is that the court shall keep the tobacco business under the eye of the government for some five years to come, the Department of Justice being allowed to intervene under certain specified conditions in case the plan needs further amendment. It is rather hard to see how this proposition differs so widely from the plan of government control of industry which President Taft has so strongly repudiated in his western addresses. Extended generally throughout the business world the government would by this scheme be kept busy overseeing the conditions of organization of an indefinite number of concerns.

It is understood that President Taft will take up the National City Bank case almost immediately upon his return to Washington, and will finally dispose of the matter within a very short time. There is, however, an intimation that the President's plan of disposing of the whole proposition may be simply to hold it in abeyance, on the ground that nothing has officially been made public thus far and no step has been taken with a view to breaking up the alliance between banks and trust companies now understood to exist in some 300 cases. By simply saying nothing, it is supposed, the whole matter would be hung up and left in the condition in which it was before Mr. Wickersham interposed. This would hardly be an accurate view. The thoughts of the banking community have been focused on this case for some time past, and the points raised in connection with it have caused some alarm. It would not be wise simply to pigeon-hole it.

MONETARY COMMISSION IN WEST.

During the past week, further progress has been made by the National Monetary Commission in ascertaining the state of public feeling in the middle West with reference to banking reform. It has held a number of hearings at places like Chicago, Minneapolis and others, and has summoned before it many expert students of banking as well as various business men and national and state bankers. Not only those who have appeared before the commission, but also various others have been led to express themselves freely. Among the outsiders who have thus stated their views are Messrs. James J. Hill and former Comptroller of the Currency Dawes. In consequence, much more careful weighing of the plans of the commission has been possible than at any time in the past.

It is evident that in the main those who believe banking reform to be necessary are friendly to "some such" plan as that which has been proposed by Mr. Aldrich. That is to say, they realize the difficulties and evils of the present system and would be gladly freed from them. They see, too, that much of the present difficulty is the result of the weakness of individual banks and the lack of discipline in the banking system. From this it is natural to draw the inference that co-operation upon some distinct system which would grant the necessary power of resistance to outside attack and would produce the necessary internal regulation of business would be desirable. But this is not saying much. The real question is not whether an abstract or ideally desirable thing is wanted by the public, but is whether a sufficient amount of unity and cohesion exists to permit its introduction. As to that the hearings of the Monetary Commission give ground for legitimate doubt. Some of the stronger western business men are positive in their assertions that it would be unwise to have the government interfering in any way with the conduct of the new institution. The Aldrich plan provides for the nomination of a certain number of directors by the President. On the other hand, men like Joseph W. Folk are urging a much larger participation by the political authorities in the affairs of the proposed institution, and are asserting that only in this way can it be kept in the service of the community. Some difference of opinion is also evident between western and eastern interests. Charges that the new institution would tend to fall under the control of "Wall street" have been prevalent ever since the beginning of this movement, and are now more numerous, it would seem, than ever, in spite of the apparent concessions made in the Aldrich plan for the purpose of meeting this objection. Along with his fear of political interference, Mr. Hill has likewise raised the bogey of "financial domination". Beside these, many other complaints are heard, and it is clear that it will be a good while before a reconciliation can be obtained.

This means that the Aldrich plan cannot be forced upon the public by any cut-and-dried method. Experience up to date shows that most of the criticisms offered are criticisms directed against details of the plan, and many of them are obviously criticisms that have been suggested because of the authorship of the scheme. The critics are right in their views that neither politics nor high finance should be allowed a hand in the management of a machine for furnishing commercial credit. The Monetary Commission must accept the role of intermediary, pure and simple. Whatever it recommends, the details will have to be threshed upon the floor of Congress. The less dogmatic and positive the commission is, the better. Ideas and general principles should be laid down, but there should be no insistence upon

the other points about which controversy is well known to centre.

COTTON FINANCE.

Many discordant voices have been raised at the conference of governors and others at New Orleans for the purpose of considering the price of cotton. This conference was called some time ago by interests which desired to see what could be done in regard to raising the price to the grower. The feeling in the South has been that the present price is not remunerative and that 15 cents a pound was not too much for the staple. Based upon this general point of view was the suggestion freely made throughout the South for some weeks past that a plan should be adopted for the purpose of "valorizing" cotton. By this was meant the adoption of some system of finance based upon funds provided either by the Federal government or by the governments of the cotton states through the sales of bonds whereby it would be possible for the cotton farmer to get loans, placing his cotton meanwhile in warehouses. Cotton sales would then be made at designated times and in designated quantities, so as to permit the maintenance of a sufficiently high price. The fact that Brazil, with the aid of certain groups of financiers, has succeeded fairly well in working out this plan afforded a parallel which has been frequently appealed to by the cotton boomers.

The conference at New Orleans can, of course, have little more result than to state the cotton problem in a somewhat clearer light. Nothing is less likely than that any such valorization scheme can get headway, in any real sense. The obstacles to be met are too great and the cost too enormous. Even a pronounced advocate of government interference like Representative Barleson, of Texas, has frankly taken the view that nothing of the sort was feasible. Mr. Barleson has advocated the adoption of a better warehousing system with a more satisfactory plan for the extension of loans to cotton farmers, thereby enabling them to carry their cotton even more successfully than they can at present do, while waiting for higher prices. At the conference itself, it was stated that some encouragement had been obtained from European bankers for a plan whose object it should be to finance a certain part of the cotton crop, thus keeping it off the market and allowing an advance in price. This may prove to be the beginning of a better system of handling cotton which will result in enabling the farmer to get all that the demand for the staple entitles him to. It is not probable, however, that efforts to establish a practical "corner" in cotton, or to "valorize" the staple will have any effect. The reasons stated by Mr. Barleson against this proposition are conclusive. Such advance as is made in the handling of cotton will probably be in the direction of cutting out unnecessary brokers' and middlemen's profits and bringing the farmer and the consumer closer together. This may result in higher prices to the farmer, but from the consumer's standpoint it is doubtful whether much increase in the price of cotton could be endured. Such an increase, entailing an increase in the cost of cotton textiles, would mean curtailment of demand—a fact which was realized by cotton mills during the recent high-price period when production was so much reduced. Foreign countries are working hard to secure the introduction of the cotton plant and to extend its culture where a successful growth can be obtained. They are succeeding better and better every year. It is not likely that any artificial price-raising scheme can be very successful in view of all these limiting considerations. The future of the southern farmer will be seen in more economical production, better credit and cheaper methods of handling the product.

THE STEEL TRUST SUIT.

Unexpectedly to most persons, Attorney-General Wickersham on October 26 filed a suit in the United States Circuit Court, Trenton, New Jersey, against the United States Steel Corporation. In the petition, he asks for a dissolution of the combination, alleging that it is in restraint of trade under the Sherman Anti-trust Law. He names the Steel Corporation and its constituent concerns as defendants, and he also included with them a long list of individual defendants, prominent among whom are J. P. Morgan, E. H. Gary and others. This is the much-talked-of "suit against the Steel Trust", whose filing has been confidently predicted for some time past.

It is already apparent that President Taft's action in this matter, for he is, of course, responsible for what the Attorney-General has done, is unfavorably received by the community at large. Very little praise has been heard for the conduct of the administration. Not only has the Steel Corporation itself a very large number of stockholders, most of them small, but it is closely intertwined with numerous other industrial organizations and its welfare touches the welfare of still more. Then, too, the independent steel companies have shown but little hostility toward it, and apparently, would have been well pleased to see it continue undisturbed. With comparatively little public opprobrium and with very considerable public support, the Steel Corporation has, therefore, been in a much stronger position than other industrial combinations. This popularity has been fostered by general honesty of management and publicity of statements, so that it must undoubtedly be conceded that President Taft's suit marks a long step in advance of anything heretofore done against the trusts. The proceeding is in an entirely different class from those instituted against the American Tobacco Company or the Standard Oil Company, both of which were practically controlled by a small ring of manipulators whose profits were earned through the most oppressive methods.

Perhaps the most unfortunate aspect of the suit against the Steel Corporation is seen in the fact that it has been so long delayed. The corporation itself has been in existence for ten years and has been allowed to continue and extend its business, while small investors have taken up its shares, considering themselves free to do so with impunity. It has thus become a standardized and recognized institution in the steel world. Not only this, but President Roosevelt practically gave to the most important recent transaction of the concern—the Tennessee Coal and Iron Deal—his approval, while the Bureau of Corporations has furnished the corporation with a nearly clean bill of health. Even while the Department of Justice was framing the petition in this suit the board of directors of the corporation was arranging to cancel the Great Northern ore leases, upon which some criticism had been passed by the Bureau of Corporations on account of their tendency toward monopoly. Unfortunate, too, is the fact that this suit falls at a time when it seems to have been dictated by political necessities, inasmuch as it was not begun until after Congress had indicated a disposition to take the failure to prosecute up and make capital out of it.

The outcome of the Steel Corporation suit must be regarded as exceedingly problematical from the government standpoint. There is much reason to believe that the concern has a good chance of winning. The outcome will at least throw a much clearer light upon the trust situation than had been furnished by the Oil and Tobacco decisions. But a long time must elapse before any verdict can be secured. Meanwhile, there will unquestionably be more or less uncertainty with the attendant evils.

Textile Manufacturing Shares

Many careful investors have recently purchased much mill stock. These are men who invest with the intention of holding this stock until conditions show that good dividends cannot be expected. Speculators have steered clear of mill stock. It is true that prices are comparatively low. It is also true that investments in mills managed by careful experienced men show good returns. There are certain mills which have continued to pay large dividends through the last two years of depression, and these do not represent all of the textile manufacturing companies whose securities are in demand. Many small textile mills have failed to make good, partly on account of their size, and partly on account of poor management. It is believed that many small southern cotton mills could be purchased by paying off the present debt. Their overhead charges are so great in comparison with the revenue from the small equipment that it has been impossible for them to succeed. Banks holding their paper would gain nothing by pushing them and due to legal technicalities, it is impossible for some combinations to take place which might otherwise work out satisfactorily.

Many of the

FALL RIVER MILLS

have held their annual meetings during the last week or ten days, and the great majority of mill treasurers agree that the last year has been the least profitable for some time. Some holders of Fall River stock have complained unduly, and by their talk, have made matters even worse. It is true that certain mills in Fall River are away behind the times in equipment, and have got to make some radical changes before they can be considered on the same level with mills like the Lincoln, Davis and many others. These few poorly-managed concerns, however, are not the only ones which have passed dividends, and the grumblers include those holding stock in mills which are thoroughly good but have thought it wise to pass one or two dividends rather than to take the chance of carrying a large debt. The Davis Mills have continued to pay a 6 per cent dividend on their capitalization of $1,250,000, and in addition to this $75,000 paid in dividends, they have decreased their net debt about $17,000. This, of course, is not large, but considering the business conditions under which this reduction has been made, it is one which speaks well for the management of this concern. The annual statement of this mill shows quick assets of $536,323, being made up of merchandise and stock in process of $425,389, cash and debts receivable of $110,934. Inabilities $13,992 for taxes accrued, floating indebtedness, $951,200.

The Lincoln Manufacturing Company has also decreased its indebtedness by a good sized amount, and at the same time has continued to pay its dividends. The

STAFFORD MILLS

have spent much money in erecting a new building, and in making extensive changes to their power plant. The management of the Stafford Mills state that some over $109,000 was spent for the mill addition and machinery installed. In addition to this, $77,000 was spent for replacing disabled engines and making miscellaneous other changes in the power department. About one hundred more looms are to be put in this mill. As soon as this is done, the corporation will be in fine condition to meet future business as soon as the cloth market recovers. It was necessary for this concern to pass dividends; the only one being declared was for 1½ per cent.

The statement of the Wampanoag Mills shows quick assets of $443,843 against a debt of $630,105, or a net debt of $186,-262. Last year, the net debt was $99,-415, and it is evident that this concern has suffered considerably during the last year. Improvements and changes in equipment were being made at the time when the present business depression commenced and the mill has not as yet been put in first-class condition.

KAYSER GETS $3,000,000.

The old firm of Julius Kayser & Company has been succeeded by a new corporation of the same name, and has sold $3,000,000 of 7 per cent first preferred cumulative stock. This selling of stock was not for the object of increasing working capital, but to give Julius Kayser, the president of the company, about $3,-000,000 in cash. The company is capitalized for $3,000,000 preferred, all of which is outstanding, $750,000 7 per cent cumulative second preferred, of which $695,000 is outstanding and $6,750,000 of common, of which $6,000,000 is outstanding. That is, the total authorized capitalization is $10,500,000, of which $9,695,-000 has been issued. The $695,000 of 7 per cent second preferred stock is held by the management, that is, by Mr. Kayser, and perhaps one or two others. The remaining $750,000 common stock may be issued only in exchange for an equal amount of second preferred stock. That may mean that besides pocketing the $3,000,000 in cash, Mr. Kayser also has the $695,000 of 7 per cent second preferred stock, and he may cling to that, paying 7 per cent annually, or about $49,-000 a year, until the common stock becomes better than the second preferred stock, that is, better than a 7 per cent stock, when it may be exchanged for the $750,000 of common stock. Of course, Julius Kayser had a right to that $3,000,-000 as the business was his, and he built it up, but a little lower down when we come to the last annual statement, it will be seen that perhaps better financing would have arranged matters otherwise.

It is the understanding that Mr. Kayser is to remain as president of the company, giving the corporation the benefit of his experience and skill in the manufacture of its goods. It is not certain, however, what portion of the common stock remains with Mr. Kayser, that is, how much of it was taken by the bankers who handled the preferred as their commission for distributing the preferred stock, but probably at least $4,000,000 of this common stock is in the hands of the bankers where it will remain until it becomes publicly recognized, that is, until the common begins to pay good dividends when it may be

KEPT AS AN INVESTMENT

by the bankers or later distributed to the public. If the above figures regarding the common stock are correct, Julius Kayser and original associates in the business retain $2,000,000 of the common. The preferred is a safe 7 per cent investment, but the company is as liberally capitalized as any textile corporation ever has been.

The business of Julius Kayser & Company was established in 1880, being the pioneer manufacturer of silk mitts in the country. The manufacture of silk mitts was continued as their chief product until the patenting in 1887 of a process for reinforcing finger tips, then the manufacture of silk gloves became the chief product. The output of gloves is between ten and eleven million pairs per annum, although the company also manufactures lisle and woolen gloves, hosiery and cotton ribbed underwear, dress nets and veilings. The reputation of the goods has been high, and has been maintained with several classes of trade, as the silk gloves retail from 25 cents up to $1.50 per pair or more. Julius Kayser & Company are the largest manufacturers of silk gloves in the world. They manufacture gloves from the raw silk, selling direct to the retailers, and have offices in New York, Chicago, San Francisco and London, for the purchase of materials, and the sale of their products, and have been successful and have grown practically every year since 1880. It is said that their plants

HAVE NEVER BEEN STOPPED A DAY

for lack of orders.

The preferred stock is redeemable at the option of the company at 120, plus accrued dividends, and the articles of incorporation provide that so long as any of the first preferred stock is outstanding, the company must reserve out of profits not less than $200,000 per annum, of which at least $150,000 is to be used in the redemption or purchase of the first preferred stock outstanding up to 120, and the remainder must be carried to a special surplus account, for the benefit of the first preferred stock, which special surplus account may also be used in the redemption or purchase of the preferred. The company may use additional earnings to redeem or retire first preferred stock in advance of these retirements. These payments are cumulative and must be made before dividends can be paid on the common stock.

The record of earnings of the Kayser Company has been good, and during the past five years, the net earnings averaged over $800,000 per annum, or about four times the first preferred dividend requirements, and for the year ending December 31, 1910, was $715,000, or about 3½ times the preferred dividend requirement. With this record of earnings, it would seem that the preferred ought to work up to 120. Perhaps not immediately, but it will never get upon a basis of conservatism yielding as low as 4 per cent through increased valuation of the preferred shares, because of the fact that the preferred is callable at 120. Dividends in excess of 4 per cent per annum cannot be declared on the common stock until the aggregate of the amount which has been carried to the special surplus account shall equal $500,000. Neither can the company without the consent of two-thirds in amount of the first preferred stock expend over $200,000 in the aggregate for additions to the fixed capital assets, unless the net quick assets equal the par value of the first preferred stock outstanding, plus the amount of such expenditure. The first preferred stock has recently been distributed at par, consequently it yields 7 per cent, and back of each share of this preferred is $83.67

Digitized by Google

of net quick assets. The balance sheet as of December 31, 1910, follows:

ASSETS.

Real estate, buildings and machinery (after providing for depreciation)		$1,283,508.09
Currents assets:		
Merchandise, material and supplies	3,268,489.21	
Bills and acc'ts receivable	498,077.60	
Cash in bank and on hand	81,456.91	
Marketable stocks and bonds	50,222.17	
	$3,898,247.89	
Deferred charges:		
Insurance paid in advance	24,112.66	
	$5,205,868.64	
Deduct—Current liabilities:		
Bills payable	$580,000.00	
Accounts payable	800,963.30	
	1,390,963.30	
Surplus of assets over current liabilities		$3,814,905.34

This is the only statement issued and has not been adjusted to include the new capitalization, this statement being of the old corporation not for the succeeding one of the same name. The new preferred stock has all been distributed to investors without giving them too much knowledge of the affairs of the company.

It will be noted that the current liabilities amount to $1,391,000. It would seem that when Mr. Kayser put out this preferred stock to the amount of $3,000,000, that these current liabilities

OUGHT TO HAVE BEEN WIPED OUT,

leaving the working capital at nearly $4,000,000 instead of at $2,500,000 and increasing the quick assets back of each share of preferred from $83.50 to about $130. Little criticism can be made of the assets item, real estate, buildings and machinery at $1,280,000, because the company owns, free of all mortgages, the following plants: No. 1 is in Brooklyn, and is the largest plant. It is of brick construction and employs about 2,000 people. This plant consists of a silk glove factory and underwear and hosiery factory, and the plants for throwing silk, which is the process of preparing the raw silk for use in manufacture—practically the spinning process. This factory supplies all the company's plants with silk. Here are operated 174 knitting and 420 sewing machines. In all of the plants, a list of which follows: Julius Kayser & Company employ about 6,000 workers, so that the Brooklyn plant would seem to be about one-third of their total manufacturing. No. 2 plant is in Amsterdam, N. Y. No. 3 mill is at Muhlau, Saxony. This is a large and important plant where about 40 per cent of the lisle gloves sold in this country are manufactured. The company also manufactures silk gloves here for supplying European and Canadian markets This plant is nearly as large as the one in Brooklyn. No. 4 mill is at Sidney, N. Y. This was formerly the property of the Clark Textile Company. Silk gloves are manufactured here, employing 300 operatives with 250 sewing and 50 knitting machines. When the Clark Textile Company operated this plant it was incorporated for $300,000. No. 5 mill is at Hornell, N. Y. This is a finishing plant for silk gloves, the fabrics being made at other plants. The company also leases plants at Owego, Port Jervis and Monticello, N. Y., which are ured for manufacturing gloves from fabrics furnished by the other plants. The total producing equipment of Julius Kayser & Company, in this country, includes 30 lamb knitting machines, 120 spring-needle machines and 60 latch-needle machines, and 1,500 sewing machines.

The original Julius Kayser & Company, which immediately preceded the new $10,000,000 corporation, was incorporated for $1,525,000. It would seem that the fixed assets item of $1,284,000 and the current assets item, merchandise, materials and supplies, $3,267,000, making a total of about $4,550,000, is fairly conservative, especially as the net quick assets equal $83.50, and also taking into account the fact that nothing except

ACTUAL PROPERTY AND CASH

has been capitalized, nothing being set down for good will, and in fact, the growing concern has a good will value in the "Kayser" trade-mark, which would stand a great deal of capitalization. The total sales of Julius Kayser & Company are about $8,000,000 a year.

Under the old capitalization of $1,525,000, Julius Kayser & Company was capitalized just about like the Ipswich Mills, for instance. These two properties differ in product, although they are both knitting concerns, and they are getting to be more nearly parallel since the Ipswich has begun to manufacture largely silk products—hosiery, however, instead of gloves. And until this new incorporation of Julius Kayser & Company, the two corporations had much in common, as they were both practically close corporations, as in the case of Kayser & Company, practically all of the stock belonged to Julius Kayser and his family, and in the case of the Ipswich mills, the control being in the Lawrence family, was just as close. One fact about these New York corporations which is a disadvantage to investors, is that it is not necessary for them to make any annual statements of their affairs, as is the case in Massachusetts. Take Julius Kayser & Company for instance, there is nothing in the articles of incorporation calling for an annual statement or a statement at any time to the preferred stockholders, and although Salomon & Company, the bankers, who put out these securities, have tentatively promised that annual statement, it is a fact that a full and detailed annual report will not go to the preferred stockholders.

FINANCIAL INQUIRIES.

Republic Iron & Steel.

21327. (Boston, Mass.) What would you consider the investment position of the Republic Iron & Steel preferred? I bought it at 93 and would like your advice on whether to keep it, or exchange it for some standard railroad stock.

Ans.: From the viewpoint of investment safety regarding the permanency of dividends, you should probably improve your position to some extent, at least, by exchanging your Republic Steel preferred for some standard railroad stock, such as Atchison or Pennsylvania. Such a step, of course, should be taken only at a sacrifice of investment yield, the present price of Republic Steel preferred discounting to a considerable extent the existing depression in the steel trade. At the present selling price, 84, the net return on the investment is 8 1-3 per cent, which is, of course, a considerably larger yield than you could obtain from any of the standard railroad shares. It is difficult, of course, to say just what the next year will bring forth regarding the prosperity of the steel industry, but thus far the Republic Company appears to have fared well in a depressed market, as is indicated by the fact that in 12 months to the end of June, last, there was over 9½ per cent earned on the preferred shares as against 11.6 per cent in 1910; 7.98 per cent in 1909, and 9.65 per cent in 1908.

In the last 12 years the company has earned an average of more than 10 per cent on its preferred stock, has expended about $17,000,000 in dividends and more than $21,000,000 for new construction. It has net liquid assets of approximately $10,700,000, reflecting a strong position in regard to working capital, especially when one considers the progressive policy of the past two or three years, taking account of improvements. These are calculated to place the company in a strong position in the matter of earning power through a lowering of operating costs, although, of course, it is quite possible that the current depression in the steel trade will delay the company's ability to make a new record regarding earnings, as it would doubtless have done in the current fiscal year, were conditions more favorable, and as it may do even yet before June 30, 1912.

Mutual Profit Realty Co.

21329. (Boston, Mass.) Some time ago you gave some space to the merits of the Mutual Profit Realty Company. What is your opinion of this company now?

Ans.: So far as we can see, the Mutual Profit Realty Company is a legitimate, well-managed corporation, based on properties which are well located and which will show a material appreciation in value in the course of the next few years.

WHITMAN, MASS.—The corporate existence of the Whitman National Bank has been extended until October 21, 1931.

Before All Else

there is found in every Union Mutual Policy the first and strongest Purpose of Life Insurance.

Protection

Clear, Faithful Reasonable Contracts. Ask for Particulars.

Union Mutual Life Insurance Co.
Portland, Maine

Fred E. Richards, President.

JANUARY 1, 1911
Insurance in force more than $140,000,000
ASSETS - $36,327,078.03
LIABILITIES 33,371,841.25
SURPLUS - $ 2,955,237.78
1910 MOST PROSPEROUS IN HISTORY OF THE COMPANY

HARTFORD LIFE INSURANCE CO.

Chartered 1866 Hartford, Conn.
OFFERS SPLENDID OPPORTUNITIES UNDER DIRECT CONTRACTS.
All Forms of Policies.

THE BOSTON MUTUAL LIFE INSURANCE COMPANY
141 MILK STREET, BOSTON, MASS.

HERBERT O. EDGERTON, Pres. FRANK H. VIELE, Sec'y and Treas.
A corporation operating under the stringent Insurance Law of Massachusetts.
All desirable forms of up-to-date policy contracts issued.
All weekly premium policies in full immediate benefit.
CORRESPONDENCE SOLICITED.

Digitized by Google

RECLAIMING MISSISSIPPI DELTA.

Louisiana Has Authorized Huge Bond Issue to Drain Delta and Make Canals Leading to Harbor and Market of New Orleans.

New Orleans, Oct. 23, 1911.

ED. UNITED STATES INVESTOR:

Nine million acres of alluvial prairie land in the Louisiana Delta of the Mississippi river are to be drained, irrigated and supplied with a complete system of navigable canals, all leading to the world harbor and market at New Orleans, with working capital to be supplied from the sale of public improvement bonds, the issuance of which was authorized a short while ago by amendment to the state constitution. During the next few years, possibly $200,000,000 of these bonds will be placed on the market in relatively small issues and at various times, and are expected to attract widespread interest because of the particular manner in which the state legislature has arranged to safeguard the investor and to promote rapid progress in settling up the now uncultivated lands of the state, to attain for the owner of the land at one stroke

PERFECT DRAINAGE,

practical irrigation and effective safeguards against weather vagaries, and to accomplish these ends at a minimum cost.

To grasp the full significance of such a plan one must understand, first, the topography of the country and the character of the soil, the economy of water transportation as used in Louisiana, the mildness of a climate that permits all-the-year cultivation. Second, that whereas the Federal government, under Congressional act, is prepared to invest as much as $100 an acre in placing water on the arid plains of the West, it is not authorized under Congressional act to remove the excess rainfall from the alluvial lands of the Delta at a cost of $25 per acre.

These lands were built up from the bottom of the sea by the soil wash of the continent, brought down in solution by the Mississippi river and its tributaries and deposited in thin layers year after year during thousands of years. Gradually, land rose above the sea and became higher and higher as the river flood season added more and more to its elevation. Then came man. Soon after man came the levees. With the levees came an end to the soil deposits. These lands have been declared by experts to be

MORE FERTILE

than was the valley of the Nile before the Egyptians began cultivation. But the levees put a stop to nature's deposits of soil before nature had completed a natural drainage system therefor. In all else, nature's provision for man's use had been completed.

Now comes the state of Louisiana, with its taxing power, and through State District Drainage Boards, the sale of 5 per cent District Public Improvement Bonds and a skilful corps of drainage engineers, and proposes to do for these highly productive lands far more than nature would have done had her efforts been left unchecked during another thousand years. Meanwhile, the soil deposits continue beyond the great river's outlets to the sea, and Louisiana, every year, is slowly extended nearer and nearer to the Central American Coast.

The new bonds will be issued by authority of the state for the account of the drainage district asking for improvement funds. The drainage district is created by the governor, through the appointment of a district drainage commission of tax payers, after an election at which a majority of the acreage had been polled in favor of it, and after the State Board of Engineers had approved the plan, both as to its practicability and as to its economy. Then the bonds are sold, the disbursement of the returns safeguarded and the work commenced.

HUGE DREDGES

are used to dig a wide navigable canal around the drainage unit, usually 5,000 or 10,000 acres in extent, to connect this canal with the nearest navigable lake or bayou, to dig another wide canal through the centre of the unit, the ends of which are closed, and to throw all the earth taken from these excavations into a levee or embankment around the unit along the inner bank of the outer canal. A drainage pump is installed, a power-propelled ditch digging machine is put to work opening up lateral drainage canals, and the whole is ready for the farmer. Thereafter, the water level in the soil is regulated by the pump which lowers or raises the water level in the reservoir canal, to the end that the farmer may have moisture when it does not rain and ample drainage when it does.

Until recently, all the artificial drainage that has been done in Louisiana, except the drainage of New Orleans, has been done with private capital, and the very profitable yields of sugar cane, rice, corn and produce of all kinds grown in a series of crops each year has given handsome returns on such investments. The new plan is much simpler, and removes the burden by

DISTRIBUTING THE COST

through several years in the shape of an acreage tax on cultivated land collected annually by the tax collector and applied to the liquidation of the bonded indebtedness of the drainage district.

Article 281 of the Louisiana State Constitution authorizes the issuance of these bonds and specifies the conditions under which they may be issued. Another article of the Constitution exempts such bonds from all municipal, parish and state taxation. Article 281 provides that the maximum tax in any one year must not exceed $3.50 an acre, which leaves an ample margin, and also provides that such tax shall be coordinate and on equal footing with state, municipal, school, parochial, levee and all other taxes, no one of which shall be collected unless all are collected; that a tax payer who becomes delinquent becomes delinquent for all taxes jointly. In this way, the bonds become part and parcel of the state's general mortgage on property in the district, [illegible] specifically levied for drainage purposes must be disbursed by the state treasurer for the liquidation of the bond principal and interest.

AN ANNUAL TAX

of $1 or $2 or even $3.50 an acre will not prove burdensome on land that nets the cultivator anywhere from $50 to $500 an acre, according to the crop planted.

In order to pave the way for the sale of these bonds when issued, the state of Louisiana, in its official capacity, will spend $30,000 on an exhibit of soil, climate, health and market facilities at the Chicago Land Show, November 18 to December 9, and other sums on similar exhibits in other cities of the North, East and West, in sending Louisiana agricultural trains over the country and in maintaining a health exhibit train which has been equipped by the Louisiana State Health Board. W. P.

FINANCIAL INQUIRY.

American Cotton Oil Co.

21334. (Baltimore, Md.) Is there reason to suppose the government will proceed against the American Cotton Oil Company, also, do you think it probable the next dividend due will be declared?

Ans.· Current gossip in Wall street is to the effect that the dividend on American Cotton Oil common will be passed as a result of the very poor earnings of the last fiscal year, when, according to these reports, the company not only failed to show anything for the junior shares, but earned only about one-half of the 6 per cent preferred dividend. There is no tangible evidence that this company is slated to receive the attentions of the Department of Justice, but Attorney-General Wickersham's reported statement that there are about 100 corporations which are liable to prosecution under the anti-trust law, has created a feeling of distrust concerning the position of practically all of the larger industrial concerns, and this company is not excepted.

It is this feeling in fact as much as the remarkable decline in earnings in the last fiscal year which has led to the belief that the dividend will be passed, and has brought the common stock down to the l west market level reached since 1909, more than 35 points below the highest mark reached that year. The prospects for the current fiscal period are very much brighter, and as the directors in the past have shown a tendency to govern their action on dividend questions almost as much by future prospects as by past results, there is no certainty that the present 5 per cent rate will not be maintained, or, at least, that a compromise will not be reached through the declaration of a smaller dividend, say, 3 per cent, following the example set by the Virginia-Carolina Chemical Company last summer. The meeting of the directors at which action will be taken on the dividends for the year, will be held on November 9.

KENNEWICK, WASH.—Emery Olmstead, vice-president of the Portland Trust Company, has acquired a large block of stock of the Bank of Kennewick. He has succeeded H. M. Howe as president, the new cashier being Charles Hemphill, of Portland. H. C. J. Tweedt and G. E. Tweedt remain as vice-president and assistant cashier. The capital, now $25,000, will be increased to meet the demands of the district.

Digitized by Google

Financial Summary of the Week

American Cotton Oil Co.—American Cotton Oil is expected to pass the dividend on the common stock, owing to the poor showing for the fiscal year ended August 31, last. Most brokers have accepted this as a fact, although no action has yet been taken on the dividend. Discussion now centres around the preferred stock, the full dividend on which, it is said, has not been earned. As the stock is non-cumulative, the company would not have to pay the full 6 per cent if not earned. Some American Cotton Oil stockholders believe the company will pay the common dividend out of surplus, but this is doubted by persons familiar with the company's status, who say that nearly all of its surplus is used as working capital, and that a distribution out of working capital as a dividend on the common stock, would be a display of poor business management.

American Hide & Leather Co.—The American Hide & Leather Company reports net earnings of $167,029 for the quarter ended September 30, last. After allowing for interest on bonds and sinking fund appropriations there was a surplus left of only $1,851.

American Woolen Co.—President Wood of American Woolen Co. says, "There has been a distinct improvement in business as affecting American Woolen Company, and the company is now operating between 70 per cent and 75 per cent of its machinery, the largest proportion so far this year.

Atchison, Topeka & Santa Fe Ry. Co.—Atchison stockholders authorized an increase in the common stock of $100,000,000 to provide for the conversion of that amount of bonds which will be disposed of. Shareholders also authorized the issue of $289,000 of common stock now in the company's treasury. Purchase of several subsidiary lines heretofore operated under lease was also approved. The attendance at the meeting was the largest in twenty years.

Baltimore & Ohio R. R. Co.—The Baltimore & Ohio has issued its eighty-fifth annual report for the year ended June 30. Gross earnings were $88,146,003, a decrease of $736,248. Operating expenses were $62,766,067, an increase of $1,432,266, leaving net earnings of $25,378,936, a shrinkage of $2,188,314. After deducting taxes and other charges, the company had net corporate income of $12,619,991 available for disbursement on the preferred and common stock, which consumed $11,476,144, leaving $1,343,846. On June 30, the company had a total surplus of $78,452,419. Earnings from freight traffic decreased 2.56 per cent. Operating expenses were 2.22 per cent larger, while the percentage of operating expenses to earnings rose from 68.99, the previous year to 71.21. Considerable new track was laid by the company during the year, and announcement is made that within a short time the company's entire main line to Chicago, with the exception of about thirty-four miles, will have been doubled-tracked. The company has spent nearly $50,000,000 and President Willard states that it has realized very little benefit from the use of the additional capital.

Bethlehem Steel Co.—This company is operating its complete battery of six blast furnaces, and is completing construction of one additional stack which will be blown in as soon as unished. Rolling department is running at about 65 per cent of capacity, while the machine department where projectiles are made is working in full. The company is well supplied with orders for this class of work, and also has a fair supply of orders for its special class of structural columns which keep the fabricating department working for some time. The officials say they have nothing to complain of in the matter of orders, but the present price of steel products are such as to decrease profits to a low figure. Orders at present are about the same as last month, although unfilled tonnage has decreased. Operations of the whole plant are between 75 per cent and 80 per cent, or about the same as for several months

Canadian Pacific Ry. Co.—Canadian Pacific reports an increase in gross earnings of $733,871 for September. Operating expenses were $728,021 larger, so that net was only $5,847 in excess of that for the same month last year. For the three months ended September 30, net earnings show an increase of $608,154, compared with the corresponding period of last year.

Copper Market.—The copper market is dull, with few buyers, due to the fact that requirements for two months ahead were satisfied during the recent buying movement. As a result of the better demand for copper, the Copper Producers' figures for October are expected to show up more favorably than expected. Deliveries and exports have increased in the last half of the month, and it is believed the increase in surplus will not be much in excess of 10,000,000 pounds.

Cumberland Tel. & Tel.—The September statement of this company shows an encouraging condition of affairs. The increase in gross revenue over the corresponding month of last year is $51,173.25, with an increase in net revenue of $8,487.72. On October 1, 1911, there were 231,929 subscribers, as against 218,557 on January 1, 1911. In view of the general condition of business, this company is to be congratulated on the above showing.

Delaware & Hudson Co.—Delaware & Hudson has received permission from the Public Service Commission to issue $1,000,000 of common stock and $125,000 of preferred to purchase the property of the Delaware & Eastern Railroad Company. The company also has permission to issue $125,000 additional of preferred for the purchase of equipment and improvements.

Detroit Edison Co.—The stockholders of this company will hold a special meeting November 15 to authorize an increase in the capital stock from $9,000,000 to $15,000,000. The company has $8,000,000 of stock outstanding, and $3,000,000 reserved in the treasury to take care of convertible bonds. Of the proposed new issue, $1,500,000 will be offered to shareholders at par to the extent of 25 per cent of their holdings.

Du Pont (E. I.) De Nemours Powder Co.—This company, otherwise known as the Powder Trust, shows gross receipts for the nine months ended September 30, of $25,839,725, an increase of $1,538,645, compared with the corresponding period the previous year. Net earnings were $4,960,779, an increase of $401,052. After allowing for nine months' interest on the company's bonds and preferred stock, there was a balance of $3,843,425 available for dividends on the common stock, equal to 13.06 per cent, an increase of 1.51 per per cent over last year. The percentage earned on the common stock is equivalent to an annual rate of 17.41 per cent, an increase of 2.01 per cent.

Erie Railroad Co.—This company has asked the Public Service Commission for authority to issue $4,600,000 of equipment trust certificates. The commission will consider the matter at Albany, Tuesday. Proceeds from the sale of the proposed equipment trust certificates will be used to pay for equipment placed some time ago, which called for the expenditure of about $6,000,000. The Erie Railroad Company issued its report for September, showing a decrease in gross of $17,918, but an increase in operating expenses and taxes of $58,245, leaving operating income $76,163 less than in the same month last year. For the three months ended September 30, Erie shows a shrinkage in operating income of only $73,795.

Goldfield Consolidated Mines Co.—Goldfield Consolidated earned gross of $676,383 in September, or an average extraction of $25.28 per ton. Net profits amounted to $444,346, or an average of $16.60 per ton. Net cost of operation was $7.20 per ton. The company treated 26,760 tons during the month.

La Rose Consolidated Mines Co.—This company did not declare an extra dividend, which was contrary to expectation in the financial district. The directors decided that the $1,500,000 surplus cash now in the company's treasury should not be distributed until after December 31, the end of the company's fiscal year, if at all.

Kansas City, Mexico & Orient Ry Co.—Freight and passenger service on the Kansas City, Mexico & Orient Railway was extended from Barnhart, Texas, to Big Lake, a distance of nineteen miles, on October 22. Big Lake is seventy-four miles southwest of San Angelo. This stretch of track has been constructed and put into operation since the first of the year. Construction work is being pushed right along, and it is expected that the Orient will be operating trains into Fort Stockton, the centre of a large irrigated district, by January, 1912. Big Lake will become an important cattle shipping point on the Orient. Live stock shipments will be received from Upton, Crane and Pecos County, which have heretofore been turned over to the Texas Pacific. It is expected that the connection with the Southern Pacific at Alpine, 116 miles beyond Big Lake, will be made early in the summer of 1912. Financial arrangements are now under way to enable the lines in Texas to be connected with lines in Mexico at an early date.

Missouri Pacific Ry. Co.—Missouri Pacific reports an increase in gross of $36,829 in August Operating expenses were $342,961 larger, so that net showed a shrinkage of $306,132. For the two months ended September 30, net operating revenue shows a falling off of $457,011.

Nevada Consolidated Copper Co.—The Nevada Consolidated announces earnings of $986,934 for the quarter ended September 30, $176,884 less than was earned in the same three months last year. After deducting dividends and depreciation,

MONATON
REALTY INVESTING
CORPORATION

Pays

6% COMPOUND INTEREST

On Money Invested in

Its Accumulative Certificates
Running terms of 10, 15 or 20 yr.

Payments may be made annually, semi-annually, quarterly or monthly.

SECURITY

OWNERSHIP OF NEW YORK INCOME PROPERTY

Affording

Immediate returns on investments and Opportunity for increase of valuation.

For illustrated Booklet, inquire:

Publicity Department

Times Building

Broadway & 42nd Street,
New York City

INTERNATIONAL TRUST COMPANY
45 Milk St
BOSTON
MASS

INCORPORATED 1879

CAPITAL - - $1,000,000.00
SURPLUS (EARNED) 4,000,000.00
ASSETS - - 20,396,841.43

Collections and Accounts Invited. Interest allowed on deposits.

NEW SAFE DEPOSIT VAULTS

Largest and most Perfectly Appointed in New England

JOHN M. GRAHAM, President
FREDERICK AYER, Vice Prest
HERBERT WELLINGTON, Vice Prest
HENRY L. JEWETT, Secretary

TIMBER and FARM LANDS

There are good opportunities now to secure land and timber that will bring large returns for the money invested.

J. L. WHITNEY & CO.
18 Ziegler Block, Spokane, Wash.

Digitized by Google

there were undivided profits left of $100,555, a decrease of $179,755. The company produced 15,873,079 pounds of copper during the quarter, which compares with 15,677,065 pounds in the previous quarter.

New York, New Haven & Hartford R. R. Co.—New Haven announced a decrease in operating revenue of $16,299 for September. Operating expenses were $62,713 smaller, so that net showed an increase of $46,414. After allowing for outside operations and taxes, there was operating income left of $109,070 in excess of that for the same month last year. For the three months ended September 30, operating income shows an increase of $104,935.

Norfolk & Western Ry.—Norfolk & Western put its stock on a 6 per cent annual basis, when it declared a quarterly dividend of 1½ per cent, payable December 18, to stock of record November 30. For some time, Wall street has had a report that the dividend would be increased from 5 to 6 per cent, but the idea of a railroad increasing its dividend when all others are cutting expenses to the bone and rumors of dividend reductions are circulated seemed idle talk. The Pennsylvania Railroad and its subsidiaries own more than 51 per cent of the outstanding stock. Dividends at the rate of 2 per cent were begun on Norfolk & Western common in 1901, and have been increased steadily. The increase of one per cent a year means the addition of about $371,435 a year to the income of the Pennsylvania.

Northern Pacific Ry. Co.—The report of the Northern Pacific Railway Company for the year ended June 30 shows gross earnings of $74,525,826, a decrease of $9,695,173, as compared with 1910; expenses of $45,987,405, a decrease of $6,267,644; net earnings of $28,538,420, a decrease of $3,355,349, and a final net income of $4,868,259, a decrease of $1,853,992. Freight business fell off 11.15 per cent and passenger business, 19.01 per cent. Charges for maintenance of equipment decreased $1,080,905, or 12.02 per cent. Transportation expenses decreased $2,443,719 or 10.16 per cent. Maintenance of way and structures cost $2,777,492 or 25.62 per cent less. Of the $6,257,644 decrease in all expenses $3,788,917 came out of labor. The balance sheet shows assets of $648,795,956. The profit and loss surplus stood at $78,074,261.

Pacific Gas & Electric Co.—The stockholders have ratified the proposition to increase the capital stock of the company to $160,000,000, and authorize an issue of $150,000,000 of first and refunding 5 per cent bonds. Of the bonds, $55,000,000 will be reserved for refunding outstanding issues, while the balance will be used for improvements, betterments and extensions that are needed from time to time. None of the issue will be sold in the near future.

Philadelphia Co.—This company reports for September an increase in gross earnings of $16,389. Operating expenses and taxes increased $115,028, so that net earnings showed a shrinkage of $98,639. For the six months ended September 30, net earnings show a shrinkage of $663,412.

Pullman Co.—Although Pullman did the largest gross business in its history during the fiscal year ended July 31, last, viz., $38,994,610, the amount which it earned on its outstanding stock, i. e., 9.28 per cent, was the smallest that has been recorded since 1900. For the 1910 fiscal year, the balance for dividends was 11.61 per cent and for the 1909 fiscal year 10.94 per cent.

Southern Railway Co.—Southern Railway made a most favorable showing in its statement of earnings for September. Gross increased $388,242. Operating expenses were $270,138 larger, so that net showed an increase of $118,104. After allowing for taxes, there was operating income left $114,972 greater than for the same month last year. The large increase in gross earnings of this system is due largely to the abnormal shipments of cotton in that month. For the three months ended September 30, operating income of the company shows an increase of $276,122.

Steel Market.—Manufacturers report orders coming in slowly with no indication at the moment of an increase in prices from the present low level. Mill operations, including all steel companies, are estimated at 10 per cent below what they were on October 1. The United States Steel Corporation is doing a fairly good business from the standpoint of orders, but the independent companies with one or two exceptions are booking little tonnage. The decline in wire prices has not stimulated business to any extent, and steel rail orders are scarce. The same can be said of sheets, tin plate and structural steel. A reduction in production of finished steel is looked for next month.

United States Steel Corporation.—The usual quarterly dividend of 1¼ per cent on United States Steel common was declared October 31, as generally expected by Wall street. There had been a few predictions in Wall street that a reduction would be announced.

Utah Copper Co.—This company announces net profits of $1,150,524 for the quarter ended September 30, an increase of $204,498 compared with the corresponding three months last year. Adding miscellaneous income together with dividends from the Nevada Consolidated stock, the company reports total profits of $1,538,711, an increase of $[illegible],744. After deducting dividends, there was surplus left of $361,039, a gain of $200,514. Production during the quarter was 25,-851,756 pounds compared with 24,468,812 in the previous quarter. The average net cost per pound of net copper produced during the quarter, after making allowance for smelters' reduction and without crediting miscellaneous income, was 7.56 cents, the lowest in the history of the company.

Virginian Railway Co.—This company which was the pet project of H. H. Rogers, has issued its second annual report covering the twelve months ended June 30. Although gross showed an increase of $1,668,634 compared with the previous year, the property was operated at a deficit of $1,113,355. This report was considered better than that for the previous year, as the deficit was $568,111 smaller.

MINING INQUIRIES.

Utah Copper.

21336. (Denver, Colo.) Kindly advise what you think of Utah Copper as an investment buying at a figure less than 45 and what their dividend period is?

Ans.: We believe that at any price under $45 per share Utah Copper is cheap. We also believe that it is one of the very best of the copper shares. At $45 per share the net return is 6 2-3 per cent, while at the price at which it is selling as this is written, $43.75, the net yield is 6.85 per cent. The shares have sold this year as high as 52¼, and in 1910, went above 60, while in 1909, a high price of 67¼ was established. In view of the fact that at no time since 1907 have copper metal prices shown any pronounced strength, it is evident that a 15-cent copper market would be bound to benefit the Utah Company very materially, to add to its dividend paying possibilities, and, in the natural course of events, to bring about much higher prices for the shares. For the fiscal and calendar year of 1910, the company earned $3.46 per share, as against $3 actually paid out in dividends; 1909, $2.90 per share, against $2 paid, and in 1908, $2.34 per share, as against $1 per share in dividends. For the six months to the end of June, last, the company showed earnings approximating $1.63 per share or at the rate of $3.26 per share per annum, a very satisfactory showing when the sickly condition of the metal market is taken into consideration. For the first quarter of the current year, producing costs were 8.424 cents per pound, while in the second quarter they were reduced to 8.02 cents. Of course, the company's established ability to produce copper at this figure gives it a distinct advantage over the majority of the companies producing at the present time in the face of a weak metal market, and explains why this and other porphyries are gaining in popularity at the expense of the deep vein propositions.

The company's approximate dividend dates are as follows: Dividend meetings, February 23, May 31, August 25, November 26; ex-dividend, March 17, June 17, September 16, December 15; dividends payable, March 31, June 30, September 30 and December 31.

Federal Mining & Smelting.

21328. (Boston, Mass.) What is your opinion of Federal Mining & Smelting preferred?

Ans.: At 52, the preferred stock of this company, which has paid its 7 per cent dividends without interruption since organization in 1903, nets approximately 13½ per cent, and is, we believe, an attractive speculative investment at this price. The annual report recently submitted shows profits large enough to pay this 7 per cent preferred dividend and leave a balance of $402,088, equal to 5.7 per cent on $6,000,000 common stock. This is a much better showing than was recorded in the preceding fiscal year, when the company not only failed to earn anything on its common shares, but showed a deficit of $95,230 after the payment of the 7 per cent preferred dividend. In other words, there was earned on the preferred in that year, only 6.2 per cent. In 1909, however, the company earned 5.77 per cent on the common, as compared with 3.78 per cent in 1908. In 1907, the company was at the height of its prosperity and earned over 28 per cent on its common stock.

The company's recent troubles, which were reflected in last year's poor earnings, have been very largely due to a change in the character of the ore, but this difficulty has been largely overcome by a change in the methods of treatment. President Brownell says that there is no likelihood of any immediate cut in the preferred dividend rate, but that the outlook for the common stockholders is not particularly promising. Under present conditions the Federal should be able to continue to show earnings as good as those in the last fiscal year.

FOR

Oil and Gas Land Leases

WRITE

C. W. DEMING

Tulsa, Okla.

FOR HIGH GRADE OIL STOCKS

EQUITY BOND & SECURITY CO.

37 WALL STREET, NEW YORK CITY

EMNAHA GOLD MINING COMPANY

Incorporated under the laws of the State of Idaho. Capitalization, $500,000, divided into 500,000 shares. Par value $1.00 per share. Of which 200,000 shares have been placed in the Treasury, for the development of the property.

This Company owns and controls nine claims on Battle Creek, Imnaha, Willowa Co., Ore., on which there are three well defined parallel veins, carrying very rich gold quarts. A limited amount of the shares of the stock have been sold.

For full particulars, address

JOHN SENNETT, Treasurer

79 Milk Street, Room 602 Boston, Mass.

Digitized by Google

Russia's Copper Industry

Official Statistics Substantiate Our Reports of Increasing Production in the Czar's Domain—Foreign Consumption and Its Influence on Domestic Metal Prices—No Real Letup in Foreign Buying—Russia, However, Will Now Take Care of Its Own Metal Requirements—Evidences That Production Is Overtaking Consumption—Returns From the Producing Districts—A New Era Marked By Construction of Modern Refining Works—The Effect Upon Domestic Copper Markets.

Some time ago in commenting upon the affect of the growth of copper production in several foreign countries upon the status of the metal market in the United States, I discussed at some length the evidences of greater activity in certain Russian properties which heretofore have been doing comparatively little in the way of actual mining operations, compared with the scale upon which those operations are carried in the big producing mines of this and other countries. Of course, it is apparent that any marked increase in production, provided there was no equalizing

EXPANSION OF CONSUMPTION

in the various foreign countries, would have a distinct effect upon the selling price of the metal on this side of the Atlantic, and, of course, upon copper share prices as well, since the position of the latter is, to a great extent, dependent upon that of the metal market.

We have already been treated to an impressive demonstration of the effect of foreign demand upon the domestic copper market, for, during the period when American consumption of the metal has been considerably below normal, as a result of depression in the brass trade and other industries, foreign consumption has been a great sustaining power. A few weeks ago general discussion regarding the probability of serious business depression in Germany, as well as in other European countries which are large users of American copper, pulled the crops out from under a none too stable market, with the result that the price of the metal dropped to around 12¼ cents per pound, to the great discomfiture of the directors and shareholders of a number of companies to which another half cent decline might mean serious embarrassment if not actual disaster. Within the past week or so, we have seen a recovery up to a 12½-cent thirty-day price, this figure being asked by nearly all of the large agencies in this country.

FOREIGN BUYING LARGE.

While there may be some little truth in the intimation that the establishment of this price is an arbitrary action by the selling agencies designed to impress domestic consumers, there are very good reasons for believing that the primary reason has been the maintenance of active buying by European consumers, particularly by those of Germany, where, according to previous bear reports, buying power had been diminished to a very marked degree. As a matter of fact, German buying of American copper within the last few weeks has been abnormally active, from which it would appear that consumers of the metal in that country are not very greatly impressed with the probability of their being able to secure supplies on a materially lower market.

THE RUSSIAN SITUATION.

In connection with this question of the relation between foreign consumption and American price standards, figures recently submitted by the Department of Mines at St. Petersburg, relating to the Russian Copper industry, should prove of general interest to those who are interested in the maintenance of the foreign demand as a means of strengthening the market position not only of American copper but of American copper shares as well. The copper industry in Russia employs from 25,000 to 30,000 miners, the number of which will presumably show a substantial increase as the plan for increased mineral development throughout the empire are carried out. The apparent consumption of Russia, which at the beginning of the present century was from 15,000 to 18,000 long tons, has increased this year to about 28,000 tons, and is estimated for next year at about 32,000 tons. The official figures regarding the consumption of native and foreign copper in Russia during recent years, as obtained from official sources, are as follows, the figures given being in long tons: 1912 (estimated) 32,000; 1911, 28,000; 1910, 25,000; 1909, 21,565; 1904, 30,032; 1901, 19,340. It will be seen that 1911 consumption, the figures for which are incomplete for obvious reasons, will be larger than for any previous year with the exception of 1904, and the Russian authorities anticipate that next year's consumption will break all previous records. The year 1904, which up to the present time holds the record for consumption in that country, was an exceptional one. The imports rose in that year to 20,355 tons, as compared with 11,004 tons three years previous. In 1909, imports declined to 3,435 tons, and have since averaged from 4,000 to 5,000 tons per annum.

HOW PRODUCTION GROWS.

On the producing side the increase is more striking, the estimated smeltings for the year 1912 in tons of 2,240 pounds being 26,403, as against 24,243 tons in 1911, 22,193 tons in 1910, 18,-.30 tons in 1909, 16,573 tons in 1908, 14,580 tons in 1907, 9,677 tons in 1904 and 8,340 tons in 1901. From these figures it will appear that production has been practically trebled in the ten-year period since 1901, and the Russian authorities, to judge by their estimates for 1912, anticipate a further development along these lines.

The principal producing districts of the country at the present time are the Ural, which in 1909 contributed to the total production 8,520 tons; the Caucasus, 6,290 tons; Altai, 80 tons; Siberia and Khirgez Steppe, 2,420 tons; with chemical and refining works adding 820 tons and completing the total for that year of 18,130 tons, as reported above. Since that time there has been

A NOTABLE INCREASE

in the production of copper from Siberia and from the Khirgez Steppe, which in 1907 amounted to only a little over 1,000 tons. The Caucasian Metallurgical Company, for instance, has practically doubled its production within the last four years, when it amounted to only 1,450 tons. In 1907, the Kyshtim Works produced less than 300 tons, whereas production this year, it is said, will be at least four times that figure, with the company just getting into its stride.

The Kyshtim Works, with a few other companies, notably the Bogoslovsk Works and the Rosencranz Works, the latter founded in 1906, are responsible for the establishing of a new era in Russian copper affairs, through the erection of suitable plants of their own, which means, of course, that they are now able to do their own refining on a large scale. Heretofore, the country's limited copper mining interests have been compelled to send their ores to Germany, and occasionally to other countries to be refined. The result has been that Russia has missed the credit for a considerable portion of its actual performances in the development of its mineral resources, these shipments having given a fictitious expansion to the copper statistics of the countries to which they were sent, although a considerable portion of the metal thus treated was immediately returned to the country where it had been mined. Conditions in this respect are now changed and only a very small proportion of the ore produced is sent abroad to be electrolyzed.

These figures do not of themselves prove that in the years to come there will be no need of American copper in Russia. They do, however, indicate that the country's production of copper is increasing quite as rapidly as its consumption of the same metal, and if this condition is maintained, it is obvious that Russia is not likely to be a very good customer for American producers. On the other hand, the awakening tendency of commercial activity throughout the empire point to a substantial expansion in consumption within the next few years, and it is possible that the result will be an increased demand for the American metal.

P. De Medici.

BANK ITEMS.

ELLIOTT, IOWA.—The First National Bank has increased its capital to $50,000.

JACKSONVILLE, FLA.—The Heard National Bank has been organized by E. H. Tomlinson, J. G. Boyd, F. R. McConnell and D. H. McMillan. The bank has a capital of $1,000,000.

PLACENTIA, CAL.—The Placentia National Bank has been chartered with a capital of $30,000. A. S. Bradford is president; Thos. E. Barry, vice-president, and E. C. Hazzard, cashier.

PARLIER, CAL.—The First National Bank of Parlier, has been organized, with a capital of $25,000. J. F. Hayhurst, I. N. Parlier, W. J. Lohman, R. C. Traber and J. Hamilton, are interested.

Digitized by Google

The Best Purchases on the Industrial List

As Indicated by the Two Standards of Comparison: of Present Investment Yield on Basis of Current Dividends and Prevailing Market Price, and on Basis of Present Earnings on Prevailing Market Values

The average net yield of the 50 industrial stocks quoted in the following table was 6.59 per cent on October 31, as compared with 6.44 per cent on October 24, 6.30 per cent on January 3, and 5.76 per cent on January 2, 1910.

To judge from the inquiries which are being received from investors concerning the shares of producing copper companies, interest in investments of this class is on the increase. The optimistic predictions made by the majority of our most competent copper authorities regarding the course of the metal market within the next few years seem to be bearing fruit.

In selecting shares of this class, the exercise of caution is necessary to an even greater extent than in the choice of railroad or industrial shares The copper stocks listed on the New York exchange, however, are certainly deserving of consideration at current prices, which are fairly representative not only of the generally depressed condition of the security market, but also of four consecutive years of unsatisfactory copper market conditions. Among the dividend paying stocks listed below are the shares of three representative copper companies, the Amalgamated, Tennessee and Utah. These, of course, are not the only copper stocks listed on the exchange. There is, for instance, the Anaconda Copper Mining Company, which is controlled by the Amalgamated through ownership of about 75 per cent of the stock. Another important issue is the Nevada Consolidated, of which the Utah Copper Company is in control through ownership of a majority of the outstanding capital stock. Amalgamated, to-day, is hardly likely to attract and retain the attention of the man who believes that in a speculative investment of this kind, the yield ought to be large, say, in excess of 5 per cent At its present price of 51, paying 2 per cent per annum, as it has done for the past four years, the investment basis is approximately 3.90 per cent. Tennessee Copper pays 6 per cent, and sells at $35 per share, which is 140 per cent of par, so that the net return is a trifle over 4¼ per cent. The Anaconda has paid 8 per cent per annum for the past four years, although none of the annual reports since the boom year of 1907 have shown that this amount has been earned. At the present price of $33 per share on a par value of $25, Anaconda yields a trifle over 6 per cent.

Two of the best of the dividend paying coppers are Utah Copper and Nevada Consolidated, which it controls. Both of these issues pay dividends of 30 per cent per annum on par, which is $10 per share in the case of the former, and $5 per share in the case of the latter. Utah sells at $44 per share, which represents a net basis of 6.80 per cent, while Nevada Consolidated at $16 yields about 9.40 per cent. Both of these companies have just presented reports covering the three months ended September 30, and showing decidedly encouraging results in view of the sagging tendency of the metal market. Utah's report shows a surplus for the quarter of over $360,000 after the payment of dividends.

Stocks.	Present dividend.	Price.	Yield on present price.	Present rank.	Stocks	Price	Earnings on present price.	Year ended
Am. Cotton Oil, com.	5%	46	10.87	1	Inter. Merc. Marine, pref..	15	24.45	Dec. 31, 1910
U. S. Rubber, com.	4%	42	9.52	2	Allis Chalmers, pref.	11	28.60	Dec. 31, 1910
U. S. Steel, com.	5%	54	9.26	3	Bethlehem Steel, pref.	56	23.96	Dec. 31, 1910
Republic I. & S., pref.	7%	78	8.98	4	Va. Steel Spring, com.	4	37.50	Dec. 31, 1910
Am. Beet Sugar, com.	5%	56	8.93	5	Am. Locomotive, com.	33	22.00	Dec. 30, 1911
U. S. Rubber, 2d pref...	6%	72	8.33	6	Westinghouse, com.....	83	6.86	May 31, 1911
Am. Woolen, pref.	7%	84	8.10	7	Am. Beet Sugar, com.	6	19.75	Mar. 31, 1911
United Dry Goods, com.	8%	99	8.08	8	Crucible Steel Co., com.	1	18.50	Dec. 31, 1910
Am. Writing Paper, pref.	2%	35	8.00	9	Am. Ag. Chem., com.....	49	18.70	Jan. 31, 1911
Central Leather, pref...	7%	92	7.61	10	Sloss-Sheffield, com.	130	12.45	Dec. 31, 1910
Union Bag & Paper, pref.	4%	54	7.55	11	Am. Car & Fdy., com.	47	14.00	Apr. 30, 1911
Nat. Enam. & Stmp., pref.	7%	94	7.45	12	Va.-Carolina Chem., com.	46	11.80	Aug. 31, 1910
Pressed Steel Car, pref.	7%	95	7.37	13	Crucible Steel	105	14.50	Sept. 30, 1910
U. S. Realty & Impt.	5%	68	7.35	14	Inter. Harvester, com.	105	14.15	Dec. 31, 1910
Inter. Steam Pump, pref	6%	82	7.32	15	Am. Ice Sec. Co.	15	14.00	Oct. 31, 1910
Ry. Steel Spring, pref.	7%	96	7.29	16	Am. Malt Corp., pref....	41	14.80	Aug. 31, 1911
Am. Smelt. & Ref., pref.	7	100	7.00	17	U. S. Realty & Impt.	68	18.65	Apr. 30, 1911
Va.-Carolina Chem., pref.	8%	116	6.90	18	Am. Woolen, com.	9	11.50	Dec. 31, 1910
Am. Locomotive, pref.	7	102	6.86	19	Republic I. & S., com.....	19	7.00	June 30, 1911
National Lead, com.	5	74	6.75	20	Cuba Cane & Dom. com.	25	7.85	Dec. 31, 1911
Corn Prod. Rfg., pref..	6%	94	6.70	21	Nat. Enam. & Stmp., com.	14	11.45	June 30, 1911
National Lead, pref.	7	104	6.73	22	Inter. Paper, pref.....	46	11.50	Dec. 31, 1910
Laclede Gas.	7	104	6.73	23	General Electric	143	11.50	Dec. 31, 1910
U. S. Steel, pref.	7	104	6.73	24	Penn. Cot. & Linseed, pref.	61	10.45	Jan. 31, 1911
Am. Smelt. & Ref., com.	5	74	6.75	25	Am. Smelt. & Ref., com.	74	10.45	Apr. 30, 1911
People's Gas.	7	107	6.54	26	U. S. Steel, com.	44	10.00	June 30, 1911 (3 mos.)
Va.-Carolina Chem., com.	4	56	6.43	27	National Lead, com.	74	9.80	June 30, 1910
Distillers Sec. Co.	4	71	6.33	28	Corn Products Rfg., pref.	94	9.85	Feb. 28, 1911
Am. Tobacco, pref.....	8%	84	6.25	29	Distillers Sec. Co.	71	6.50	Dec. 30, 1911
Am. Car & Fdy., pref.	7	113	6.21	30	Am. Linseed, pref.	78	6.50	Dec. 31, 1911
Westinghouse, 1st pref.	7	113	6.21	31	N. Y. Air Brake	47	6.86	June 30, 1910
Am. Sugar, pref.....	7	115	6.09	32	U. S. Cast Iron Pipe, pref.	12	9.15	May 31, 1911
Am. Sugar, com.	4	115	6.09	33	Western Union	77	6.14	Sept. 30, 1911
Am. Beet Sugar, pref..	6	99	6.06	34	United Dry Goods, com.	55	6.10	Dec. 31, 1911 (6 mos.)
Am. Car & Fdy.	4	104	5.77	35	People's Gas	107	6.54	Dec. 31, 1910
Inter. Harvester, pref....	7	119	5.88	36	Am. Car & Fdy., com.	30	7.63	June 30, 1910
Distillers Sec. Corp.	4	70	5.71	37	National Enam. com.	30	7.50	Dec. 31, 1911
Montana Copper, com.	2	35	5.71	38	Amalgamated Copper	51	7.40	Sept. 30, 1911 (9 mos.)
Am. Cot. Oil, pref.	7	85	5.81	39	Am. Tel. & Tel.	131	7.40	June 30, 1911 (9 mos.)
National Lead, com.	5	74	6.75	40	Inter. Paper	46	7.11	Sept. 30, 1911 (9 mos.)
General Electric	6%	143	5.94	41	Va.-Carolina Chem., com...	46	6.85	May 31, 1911
Sears, Roebuck, com.	3%	132	5.68	42	Tennessee Copper	35	6.00	Dec. 31, 1910
Am. Malt Corp., pref.	6	41	5.61	43	Am. Sugar, com.	115	6.09	Dec. 31, 1910
Int. Harvester, com.	5	105	4.76	44	Montana Copper, com.	6	5.71	Jan. 31, 1911
Consolidated Gas.	6%	157	4.14	45	General Electric	143	5.95	Dec. 31, 1910
Inter. Paper, pref.....	2	46	4.35	46	U. S. Rubber, com.	42	5.95	May 31, 1911
Am. Car & Fdy., com..	2%	47	4.26	47	Sloss-Sheffield, com.	30	5.66	Nov. 30, 1910
Underwood Typewriter	4%	96	4.17	48	Central Leather, pref.	92	5.43	Dec. 31, 1910
Amalgamated Copper	3%	51	3.92	49	Am. Steel Foundries	51	4.89	Mar. 31, 1911 (9 mos.)
Western Union	3%	77	3.90	50	Inter. Steam Pump, com.	31	5.16	Dec. 30, 1911 (3 mos.)

Digitized by Google

OWNERS OF NEW BEDFORD'S TEXTILE INDUSTRY.

(Continued from page 1832.)

as the figures in the table show, 42 shares.

A glance at the table will show that by far the greater number of holdings are under 25 shares, 1,689 persons holding five or less, 2,341 persons holding 10 or less, and a total of 6,108 persons holding 25 or less. The columns devoted to the holders of 100 or 200 shares show how relatively few are the shareholders who have more than $20,000 worth of stock, at its par value, invested in the New Bedford mills.

With the older mills, as would be expected, the distribution is considerably more widespread than in the newer mills, although these show an average holding surprisingly low to those who are not conversant with the facts of stock distribution. Through death and the settling of estates, and through sales from time to time, the stock of the mills is split up into smaller holdings. In the case of an older mill, this is almost invariably found to be true, until the older mills give today the smallest average percentage and the widest distribution in small lots. New mills, as with new concerns in any lines of business, are started by a comparatively few men, who take large blocks of stock. Almost invariably, however, it does not happen that one man or one very small group of men secure more than

Mill.	Capital stock.	Number of shares.	Number of stockholders.	Average shares per stockholder.	Number of male stockholders.	Number of female stockholders.	Estates holding stock	Stockholders in New Bedford.	Stockholders in Fall River.	—Number of stockholders owning— 1 to 5 shares.	6 to 10 shares.	11 to 25 shares.	26 to 50 shares.	51 to 100 shares.	101 to 200 shares.	Over 200 shares.
Acushnet	$1,000,000	10,000	363	29	1,7	185	50	219	4	78	78	111	53	23	7	8
Booth	$1,250,000	12,500	156	80	116	29	11	76	6	10	28	22	11	14	4	10
Bristol	$1,000,000	10,000	[illegible]	28	190	164	15	237	2	***	170	108	46	22	13	5
Butler	$1,500,000	15,000	215	70	1,8	70	8	118	2	387	44	65	29	19	12	9
City	$750,000	7,500	490	15	1,4	246	10	299	3	**	...	...	...	...	...	...
Dartmouth	$1,200,000	12,000	371	32	2,5	121	15	85	2	***	281	68	20	10	8	4
Gosnold	$825,000	8,250	182	45	72	82	28	72	12	27	33	52	34	13	11	7
Grinnell	$1,000,000	10,000	401	25	126	195	80	214	0	101	92	124	48	19	7	15
Hathaway	$800,000	8,000	49	163	19	27	3	30	2	**	...	...	...	...	...	...
Holmes	$1,200,000	12,000	362	33	209	130	23	211	1	67	129	74	21	34	7	10
Kilburn	$1,500,000	15,000	234	64	114	102	13	156	4	22	49	53	51	19	*30	...
Manomet Naahawena	$5,000,000	50,000	925	54	545	316	64	229	0	215	248	192	135	26	*109	...
N. B. Cotton Mills	$1,100,000	11,000	136	8	102	32	2	28	0	13	29	26	35	19	9	10
Nelid	$800,000	8,000	195	41	155	35	5	140	8	26	62	41	21	25	7	3
N. E. Cotton Yarn	$5,900,000	59,000	1,294	46	547	589	148	105	26	290	350	315	178	111	21	40
Nonquitt	$2,400,000	24,000	313	76	178	115	20	138	0	***	127	79	40	28	11	13
Page	$1,000,000	10,000	158	63	85	58	16	131	0	13	27	37	11	26	13	7
Pierce	$600,000	6,000	207	29	72	88	45	130	3	60	41	54	26	14	4	8
Potomska	$1,200,000	12,000	444	27	150	225	68	258	8	119	89	102	73	27	9	6
Quissett	$1,250,000	12,500	125	100	112	13	0	74	2	14	33	29	11	17	11	10
Sharp	$1,200,000	12,000	192	64	152	33	8	74	0	65	38	34	18	13	6	18
Soule	$1,260,000	12,600	263	33	234	140	9	221	4	71	89	124	48	24	11	9
Taber	$1,300,000	13,000	266	49	135	93	22	149	7	57	70	62	40	13	9	15
Wamsutta	$3,000,000	30,000	1,178	25	299	620	72	465	8	342	251	295	163	87	25	15
Whitman	$2,000,000	20,000	329	61	161	136	32	204	1	**	...	...	...	...	...	...
	$40,035,000	400,350	9,326	42	4,469	3,740	821	4,467	99	1,689	2,341	2,078	1,151	601	266	227

* Figure includes all above 100. ** Classification of holdings unobtainable. *** Numbers in 6 to 10 columns include holders of 1 to 5 shares. Pierce Bros. Ltd., not included in this table. Gosnold preferred stock alone given.

Digitized by Google

half of the stock, and there is hardly a corporation in New Bedford which does not have its

LIST OF SMALL INVESTORS,

in the aggregate as large as the list of big holders, made up of holdings from one share up. From detailed figures furnished, which it is practically impossible to publish in tabulated form, there is shown a list of well over 800 persons holding but one share; a thousand persons holding two shares; more than a thousand persons holding three shares, and two thousand persons five shares, which is the largest number for one figure in the whole classification. Up to 25-share lots, the number of holders in the whole city runs well up into the hundreds for every lot, the total being 6,108, while in addition to this figure there should be counted in the small shareholders in the three mills which were not classified in detail. Above 25 there is a rapid decline until over that figure the number of holders is relatively very small.

As an investment, the shares of New Bedford cotton mills have widely appealed to women and to those who have under their control trust funds. In the column marked "Estates" is also included trustees and guardians. Of all the stockholders in the New Bedford mills 40 per cent of them are women and a considerable per cent of them are trustees, guardians or administrators of estates. The directors of the New Bedford cotton mills have some others than themselves to think of in the

MANAGEMENT OF THE MILLS

in their charge, and in the declaring of dividends from their earnings. Entrusted in their care are the investments of women and of the trust funds represented in their stock.

A large number of the shares in New Bedford mills are held in New Bedford, the exact figures for the mills included in this article being 4,063 shareholders in New Bedford and 5,263 shareholders outside of New Bedford, the geographical distribution being quite large and extending over the whole of New England, a situation which makes the financial condition of New Bedford mills of immediate interest even outside of New Bedford.

In round numbers there are 32,000 operatives in the New Bedford mills, and the ownership of the mills is spread out in nearly 10,000 different holdings. Both operatives and owners share in the success or the non-success of the industry in New Bedford. The operatives are dependent upon their wages for their living; the stockholders, thousands of them, are dependent in greater or less degree upon the earnings of the mills, and of these owners by far the greater number of them hold small investments—the result of their saving and thrift.

DISTRIBUTION OF COTTON MILL SHARES.

Total capital (26 mills)	$40,035,000
Number of shares	400,350
Number of stockholders	9,326
Average shares per holder	42
Number of women stockholders.	3,740
Number of men stockholders	4,467
Per cent of women owners	40%
Number holders under 25 shares.	6,108

BOSTON STOCKS AND BONDS

For the Week Ending Thursday Evening, November 2, 1911.

Names.	RANGE FOR WEEK		Last Sale	Sales for Week	RANGE FOR YEAR OF 1911				RANGE FROM JAN., 1879, TO JAN., 1911.			
					Lowest		Highest		Lowest		Highest	
Railroads.	Low	High										
Boston & Albany	220½	221	220½	22	219	Sept	226	Feb 15	129	1879	*230	1906
Boston Elevated	124½	125	125½	119	124½	Oct 2	136½	Aug 2	63¾	1898	190	1901
Boston & Maine	96¾	97¼	96½	261	96¾	Oct 30	122¾	Feb 15	106¾	1879	230	1887
do. pref.	...	...	141	.....	143	Oct 25	154	June 5	124¾	1891	180	1902
Cent. Verm't 4s	93¾	93¾	93¾	1,000	82½	Sept 20	92	Mar 22	75	1904	96¼	1909
C. B. & Q. Jt. 4s	96½	96½	96½	24,000	96¼	Jan 5	98¾	June 2	82½	1907	103	1906
Chic. Junc. R...	...	...	158	.....	156	Apr 29	165	Aug 22	50	1883	183	1904
do. 5s	...	...	101¼	.....	101¼	Sept 23	102	Aug 21	89¾	1891	116	1899
Fitchburg pref.	125½	126	125½	50	125	Oct 25	130	Jan 9	63½	1859	140	1906
K.C.,Ft.S.&M.5s	...	...	116¾	.....	116	Mar 22	116¾	Jan ...	76	1896	124	1906
K.C.M.&B.new5s	91	92	92	1,500	91	Oct 25	93½	Jan ...	125¾	1894	102	1906
do. inc. 5s	87½	87½	87½	5	87½	Oct 25	90	Mar 14	8	1896	104	1906
N.Y., N.H. & H.	133	136¾	136	1,521	128¾	Sept 14	151¾	Feb 22	127	1907	279	1899
Old Colony	187½	188½	188½	72	183	Mar 15	189	June 14	96	1879	221	1899
Rutland pref.	...	...	73¾	.....	72	Jan 26	85	Aug 4	6¼	1879	125¼	1902
West End	96	97½	97½	171	85	Oct 4	96	Feb 6	42	1894	102	1906
do. pref.	101	101½	101½	131	100	Sept 26	106	June 22	78	1888	113¼	1901
Miscellaneous.												
Am. Agri. Chem.	49	50	50	315	46¼	Oct 6	60¼	May 18	6	1903	60¾	1906
do. pref.	100	101½	101¾	478	99	Jan 6	105¼	Mar 1	75¼	1903	105	1910
Am. Pneu. Ser.	4½	4¾	4¾	581	3½	Oct 7	6½	Jan 31	2	1903	20	1906
do. pref.	16	16¾	16¾	947	12¾	Sept 1	19¼	Jan 31	9½	1908	46	1906
Am. Tel. & Tel.	153½	156	155¾	7,911	131¾	Aug 30	153¼	Jan 5	82	1907	186	1906
do. 4s	90	90½	90½	$60,000	89¾	Mar 22	92	May 27	71	1907	107¼	1906
do. conv. 4s	...	...	106	.....	104	Aug 25	111¾	June 19	80¾	1908	107¾	1906
Am. Woolen	30½	30½	30½	2	27½	Sept 19	36¼	Mar 20	7¾	1908	48	1906
do. pref.	85¼	85¼	85¼	547	85¼	Oct 27	96¾	June 15	66	1903	110¾	1906
B. & Wor. Elec.	...	...	9	.....	6	Feb 15	13	July 13	8	1910	39¼	1906
do. pref.	...	...	70	.....	28¾	Jan 27	58	July 1	25	1910	90	1906
Cumberl'd Tels.	150½	153½	150½	65	146	Jan 19	158	June 2	98½	1907	152¼	1910
Dom. Coal 6s	...	...	96	.....	90	Jan 4	96¾	Sept 22	90	1908	101¾	1906
E. Boston Land.	9¾	9¾	9½	11	7¼	Jan 1	12	May 1	3¾	1893	18¾	1906
Edis. Elec. Ill.	297	294	292	227	275	Sept 9	294	Oct 31	80	1893	310	1906
Gen'l Elec. Co.	146½	152	152	881	142	Sept 22	167¾	May 29	20¼	1896	238¼	1906
Mass. Elec.	20½	23¼	22	1,937	16	Apr 21	24	June 1	6½	1907	45¾	1906
Mass. pref.	93	94½	94¼	1,959	83¾	Jan 9	96½	Oct 25	87	1907	99	1906
Mass. Gas.	91¾	92½	91¾	1,810	87¾	Sept 26	98¾	Aug 1	80	1903	91¾	1910
do. pref.	95	97½	97½	43	91¾	Apr 12	98½	Oct 18	74½	1903	97	1910
Mergenthaler	229	230	229	30	211	Jan 3	250	July 31	118¾	1897	278	1910
N. E. Cot. Y'n.	103	106	103	82	103	Nov 1	119	Mar 14	40	1908	125	1906
do. pref.	102	102	102	22	102	Nov 1	116½	Mar 17	24¾	1903	118	1906
do. 5s	99¼	99¼	99¼	4,000	99	Oct 6	103	June 20	83	1908	105¾	1907
N. E. Telephone	144	145½	145½	136	137	Jan 17	150¾	June 10	78¾	1879	270	1906
Portland Elec.	...	...	66½	.....	63¾	July 29	65¼	Sept 5	.....	.....	.....	.....
Pullman Car.	126	128¼	127	580	153	Sept 25	163	Jan 30	5¾	1901	133¼	1906
Reece But. H.	13	13	13	25	12	Jan 5	16¾	May 22	7¼	1884	163	1906
Torr'g'n Co. Cl. A	29½	29¾	29½	142	29	Oct 9	36	Jan 7	18	1905	37	1910
do. pref.	25	25	25	10	27	Sept 6	30	July 26	20	1907	35	1906
U'ted Fruit Co.	187	187½	187	201	180	Aug 28	197	June 12	73	1901	200	1910
U'ted Fruit 4½s	96¾	96¾	96¾	5,000	93¾	Oct 17	97¼	Jan 6	86	1910	97¼	1910
Un. Shoe Mach'y.	41	42¾	42¼	1,779	40¾	Aug 28	58¾	Feb 16	*28	1900	86¼	1906
do. pref.	27	27½	27¾	340	26¾	Sept 22	29½	Mar 7	22	1900	39¼	1906
West. Tel. & T.	20½	21¾	21¾	4,007	15	Sept 26	27¾	Oct 18	4	1908	23¼	1906
do. pref.	104¼	106¾	106¾	43	89	Jan 27	106½	Oct 25	60	1907	106¾	1906
do. 5s	99½	99¾	99¾	22,000	90¾	Jan 3	100	Oct 25	74	1907	106¾	1906
Mining.												
Adventure	4¾	4¾	4¾	80	4	Oct 9	7¼	May 15	†.62½	1907	33	1901
Allouez	27	28¾	28½	100	21	Aug 25	39	Jan 5	3c	1894	74¼	1907
Amalgamated	50¾	54¾	54¾	6,600	44½	Sept 25	71½	June 20	33¾	1900	129¼	1906
Am. Zinc	27¼	27¾	27½	2,300	19¾	Oct 5	30¾	June 14	6	1901	67	1906
Arizona Com.	40	50	49	3,610	.25	Oct 19	18¾	June 19	7¾	1907	51¾	1906
Bos. & Corbin	5	5½	5½	50	3¾	Aug 24	15¼	June 6	6	1907	35	1906
Butte Bal'k'l'a	4	4	3¾	210	3¼	Aug 29	6¾	Jan 4	4½	1910	18¼	1910
Butte Coalition	17¼	17	17	2,667	14	Sept 26	20½	May 24	10	1907	43	1906
Calumet & Ariz.	48	50	49½	1,475	45	Sept 25	63	June 10	44¾	1910	188	1907
Calum. & Hecla	375	380	380	78	360	Sept 25	545	Jan 4	126	1884	1060	1907
Centennial	9	9	9	10	8	Sept 27	16	Jan 3	10c	1896	61	1906
Copper Range	71	71½	72	679	46½	Sept 25	69¾	Feb 2	37	1903	166	1907
Daly-West	7½	7½	7½	2	3	Feb 15	6¾	June 21	3½	1910	58	1907
East Butte	10¾	10¾	10¾	1,125	8¼	Aug 28	14¾	June 26	3½	1908	18¼	1907
Elm River	...	...	50	.....	.10	July 24	20	Jan 6	.06	1910	7	1906
Franklin	6¾	7¾	7¾	1,000	5¼	Aug 24	14	June 14	4	1879	30	1899
Giroux	4 7-16	4 7-16	4 7-16	5,000	3¾	Sept 26	8¼	Feb 6	3¾	1907	13¾	1907
Granby	29	30	30	5	26	Aug 25	43½	June 27	20	1910	151	1907
Greene Cananea	6 9-16	7¼	7	2,100	5 5-16	Feb 9	8	June 26	5	1907	18	1907
Hancock, Con.	19½	19½	19½	70	17	Sept 26	30¼	June 19	1¾	1907	36	1710
Helvetia	2¾	2¾	2¾	5	2¾	Nov 1	5	Mar 4	1¾	1910	38	1906
Isl'd C'k Coal**	30½	30½	30½	427	29¼	May 9	40¾	June 3	30¾	1910	338	1753
do. pref.**	85	85	85	221	82¼	Sept 25	91	June 13	84½	1910	90¾	1910
Isle Royale	14¼	14¼	14¼	1,175	11¾	Aug 24	19¼	June 17	5¾	1908	76	1906
Kerr Lake	3	3¼	3¼	100	2¾	Oct 21	7¾	Jan 23	6	1910	35	1907
Keweenaw	17¾	17¾	17¾	60	14¾	May 10	28¾	June 14	3½	1909	77¾	1906
La Salle	3	4¼	4¼	1,100	3	Oct 31	6	Jan 3	3	1908	22¾	1906
Lake Copper	208¾	210¾	208¾	6,217	214¾	Aug 28	40	June 13	4	1907	94¼	1910
Mass. Cons.	...	...	22	.....	4¼	Aug 25	10	June 19	3¾	1908	27¾	1906
Miami	18	18¾	18¾	200	16¾	Oct 3	22¾	June 21	4¾	1908	29	1910
Michigan	5¼	5¼	5¼	50	5¼	Oct 31	6¾	May 6	3	1900	24¼	1907
Mohawk	46	46	47¼	11	36	Apr 24	53	June 15	11½	1900	*97	1907
Nev. Cons.	14¾	16¾	16¾	675	15	Sept 25	21¾	June 15	6¾	1907	30	1906
New Arcadian	31	31	31	250	2	Sept 29	4¾	May 17	1¼	1905	126¼	1906
Nipissing	7 11-16	7 11-16	7¾	110	7¼	Oct 21	11½	Feb 17	5	1906	33¾	1906
North Butte	25	25¼	25	1,450	20	Sept 25	36	June 13	13½	1910	120	1907
North Lake	4	4¾	4¾	617	3¾	Aug 23	9¾	June 3	4½	1909	11¾	1906
Old Dominion	40	40½	40	830	34¾	Sept 25	49	June 19	9¾	1904	66¾	1906
Osceola	87	88	88	195	81	Sept 22	134	Jan 4	7½	1889	181	1907
Parrot	9	9¼	9¼	125	7¾	Sept 22	13¾	May 22	8¾	1907	73¼	1906
Quincy	56	56½	56½	40	55	Sept 22	74	July 24	10	1879	190	1906
Ray Consol'ted	13¾	14	14	1,225	12	Sept 25	18¾	Jan ...	7¼	1908	27¼	1906
Santa Fe	99	99	99	50	.75	Apr 26	1¾	June 13	1	1903	22	1907
Shannon	7¼	7¼	7¼	7	Oct 9	12¾	Feb 8	3¼	1904	34¾	1907	
Superior Copper	21	21¼	21¼	1,175	20	Oct 30	34½	June 14	7	1907	85¼	1910
Sup. & Boston	3	3¾	3¾	675	2	Oct 23	8¾	June 15	18¾	1908	1¾	1906
Tamarack	24¼	24	24	20	20	Sept 26	32	Jan 3	45¾	1910	283	1907
Tennessee	36¾	36	36	50	36¾	Aug 9	43½	June 12	9¾	1901	85¼	1907
Trinity	3¾	3	3	74	2¾	Oct 5	5	June 20	3¾	1904	47¼	1907
U. S. Smelting	31	32¼	31¾	947	30¾	Sept 27	60¼	June 14	24¾	1907	70	1907
do. pref.	47¾	48¼	46	625	45¼	Oct 10	49¼	June 20	37¾	1907	84¼	1906
Utah Cons.	13¾	13¾	13¾	1,000	9¾	Jan 20	20	June 20	12¾	1910	*79	1907
Utah Apex	2 3-16	2 3-16	2 3-16	2	Oct 3	3¼	June 15	1¾	1907	10¾	1906	
Victoria	1¾	2¼	2¼	1,000	1	Aug 19	2¾	Feb 7	1	1900	13	1906
Winona	4	4	4	100	4	Oct 28	9¼	Feb 8	1	1908	22	1906
Wolverine	71	65	78	650	74	Nov 2	122	Feb 10	The	1884	280	1907

* Ex dividend. † Assessment paid. ‡ Rights off. ‖ Auction. § Old securities. e Old stock.
** Temporary certificates.

Southern Ry. 4% Bonds or Pref. Stock?

The Securities Are Selling Only Eight Points Apart, Although the Stock Pays But 2 Per Cent—Company Last Year Made a High Record in Both Gross and Net Earnings—Over 11 Per Cent Was Earned on the 5 Per Cent Preferred Stock, Although Only 2 Per Cent Was Paid—Earnings For the Past Three Months Have Exceeded Last Year's Figures—Interest on the 4 Per Cent Bonds Being Earned Almost Four Times Over and at 79, They Look Like a Better Purchase Than the Preferred Stock.

One of our subscribers very pertinently asks why the general mortgage 4 per cent bonds of the Southern Railway Company and its 5 per cent preferred stock paying only 2 per cent should both be selling in the seventies and as to which security is selling too high and which one too low.

The best answer to this question is that the bonds are selling relatively lower than the preferred stock and lower than they should, but I do not think that the preferred stock is selling too high, even though there is a considerable disparity between its quotations and those of the bonds which come ahead of it.

The Southern Railway last year made new high records in both gross and net earnings. The gross revenue for the first time in its history exceeded $60,000,000. In the three months which have been reported on since the close of the fiscal year on June 30, 1911, each month has shown an increase in both gross and net returns over last year's figures. These results have been unusual in the case of our large railroad systems, and considerable comment has naturally been suggested because of the fact that this substantial progress has resulted in a greater relative

ADVANCE IN THE PREFERRED

stock than in the bonds. The general mortgage and development 4 per cent bonds closed on Thursday of this week at 79, while the preferred stock on the same day closed at 71¼. The preferred stock is entitled to 5 per cent when earned and declared by the board of directors, and apparently the predominance of speculative and investment opinion is that there is a greater possibility of advance in the near future in the preferred stock than is the case as to the bonds. The theory doubtless is that the preferred stock will soon be receiving its full 5 per cent rate and will then work up towards par, while the bonds, judging from their past performances, are not likely to go above 90.

In the fiscal year ending June 30, 1911, on gross operating revenues of $60,345,062 there remained after all expenses and fixed charges a balance of net income of $6,670,003, which was an increase over the preceding year of $912,984. Two dividends of 1 per cent on the preferred stock amounting to $1,200,000 were paid during the year, and the balance of $5,470,000 was carried to surplus and betterment account. It will be noted that over 11 per cent was earned last year on the preferred stock, although only 2 per cent was paid. There were, naturally,

LIBERAL EXPENDITURES

for maintenance, the figures being $1,000 per mile for maintenance of way and $1,344 per mile for maintenance of equipment. These figures represent the highest expenditures in the history of the company for maintenance of way, and the expenditure for maintenance of equipment was exceeded in only one other year, that is, 1910.

A 5 per cent preferred railroad stock which is earning more than double the amount of its stipulated dividend and is paying only 2 per cent is inevitably attractive to speculators as well as investors, but an analysis of the figures makes the same argument much more appealing when the general mortgage 4 per cent bonds are considered. The amount of these bonds outstanding is $61,333,000, calling for an interest payment of $2,453,320 a year. Last year, after paying all other fixed charges of the company, including interest on some accounts which were junior in lien to the 4 per cent bonds, there was a balance available to take care of the interest due on these bonds of $9,123,323. In other words, the interest on them was earned last year nearly four times over and bonds of much inferior rank are sold every day on the representation that the issuing corporation has during the past year earned more than double the amount necessary to pay their interest.

For the three months of the current fiscal year which has elapsed, ending September 30, 1911, the company's net

PHILADELPHIA STOCKS

For the Week Ending Wednesday Evening, November 1, 1911.

Names.	RANGE FOR WEEK Low	RANGE FOR WEEK High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911 Lowest	RANGE FOR YEAR OF 1911 Highest	RANGE FROM JAN., 1879, TO JAN., 1911. Lowest	RANGE FROM JAN., 1879, TO JAN., 1911. Highest
Amer. Cement..	...	...	10	.....	10 Sept 19	17¼ Jan 4	5¼ 1906	46 1900
Amer. Railways.	43½	44	44	50	42 Jan 14	46¾ Aug 5	21¼ 1900	58¾ 1902
Bell Telephone..	...	...	116½	.....	.....	.....	45 1907	124¾ 1909
Cambria Steel...	42¾	44¾	43¾	2,925	40¾ Sept 22	48¾ Feb 18	13¼ 1908	49¾ 1909
do. Iron	44	44½	44	30	42 Oct 2	46 Mar 27	42 1907	138 1883
Elec. Co. of Am.	11⅝	12	12	600	11⅛ Oct 2	12¼ Jan 14	5¾ 1902	25 1899
Elec. Storage....	51¼	53⅜	53¾	1,231	48½ Jan 3	58¼ June 15	15 1894	194 1899
Gen'l Asphalt...	36	39	38¾	3,695	28¾ Aug 25	39¼ Oct 22	3 1907	34¾ 1909
do. pref.	74¾	76¼	76	842	68 Aug 29	85¾ Jan 20	11 1905	86¼ 1910
Hunt. & B. T....	5	5	5	44	5 Oct 21	8 June 19	7 1910	43 1898
do. pref.	...	...	14	.....	14 Oct 23	27 Feb 1	7¾ 1890	59¾ 1902
Lake Sup. Corp.	27¼	28⅝	28⅝	5,852	21⅛ Sept 26	31¾ Feb 4	3⅝ 1908	25¾ 1899
Lehigh Valley...	81 1-16	84½	84¼	2,673	76 Sept 12	90½ Feb 2	17⅛ 1897	121¼ 1910
Lehigh Navig'n.	88½	91¼	91¼	790	*84½ Sept 12	92½ July 29	36 1898	131¼ 1904
Marsden	...	...	1¾	.....	.....	.....	⅝ 1907	23¾ 1899
Penn. Steel.....	...	...	60	.....	.....	.....	5 1894	300 1881
do. pref.	103	103	103	8	103 Oct 26	108¼ Apr 13	10 1897	117¼ 1900
Phila. Co.....	50⅞	52¼	52½	706	48¼ Sept 21	60¾ June 5	23¾ 1907	55¼ 1905
do. pref.	42½	43	42¾	151	42 Oct 18	45 Feb 8	24 1908	52 1906
Phil. Elec.....	16	16⅝	16¼	2,855	16 Oct 27	18 July 17	2 1900	16⅝ 1910
Phil Rap. Trans	22¼	**23¼	23	1,305	16⅝ Apr 18	24¼ Aug 4	13 1907	37¾ 1909
Phil. Traction...	83¾	84½	84½	150	82 Oct 12	87¼ July 14	5 1895	102½ 1905
Tonopah Min'g..	6⅝	7 3-16	7 1-16	3,550	5 3-16 Aug 23	8⅝ Jan 17	2 3-16 1907	21¼ 1906
United Gas Imp.	85	86	85⅝	1,673	84¼ Sept 29	93⅝ Jan 9	50 1902	176 1899
Union Traction..	50	51¼	51¼	2,170	43 Jan 4	52⅝ July 14	8⅝ 1897	65¼ 1908
Warwick Steel..	10	10	10	12	9¾ Jan 16	11¼ Feb 28	2¾ 1908	18 1890
W'stm'l'd Co'L	...	...	79	.....	79 Sept 19	91½ Mar 10	46½ 1879	114 1906

* Ex-dividend. † Trust certificates. ** Temporary certificates.

CHICAGO STOCKS

For the Week Ending Wednesday Evening, November 1, 1911.

Names.	RANGE FOR WEEK Low	RANGE FOR WEEK High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911 Lowest	RANGE FOR YEAR OF 1911 Highest	RANGE FROM JAN., 1879, TO JAN., 1911. Lowest	RANGE FROM JAN., 1879, TO JAN., 1911. Highest
Am. Can.....	94½	105½	105¾	1,520	88¾ Jan 27	123½ May 22	2¾ 1908	31¼ 1901
do. pref.	84½	87½	87½	1,268	76¼ Jan 7	88¾ May 22	25¼ 1902	88 1908
Am. Radiator....	...	...	300	.....	265 Jan 9	305 Feb 18	30 1900	280¼ 1910
do. pref.	...	...	130	.....	126¼ Mar 9	131 Aug 29	98 1899	126 1908
Am. Shipbldg...	...	...	49	.....	49 Oct 12	79 Feb 4	19 1904	84¼ 1910
do. pref.	...	...	106½	.....	110¾ Jan 16	113 May 15	82 1904	113 1910
Chic. City Ry...	...	...	190	.....	185 Mar 28	199 Apr 28	140 1906	476 1899
Chic. Pneu. Tl.	41½	46	46	365	39¼ Sept 22	68¼ Feb 22	18 1904	107½ 1902
Chic. Subway...	⅞	1⅛	1	1,450	⅞ Oct 26	6 Mar 1	2½ 1910	87¾ 1905
Chic. Telephone	121	121	121	175	115 Jan 25	124¼ May 17	95 1907	226 1901
Com'nw'th Edis.	128½	133	133	1,315	113 Jan 26	137¾ July 15	77 1907	158 1910
Diamond Match.	100½	102¼	101¼	776	99 Jan 18	105½ July 11	82½ 1910	183 1898
Kan. City Light.	16	16½	16	150	15 Sept 26	25 May 23	20 1910	63¼ 1906
do. pref.	...	...	90	.....	89 Sept 28	97¼ Feb 8	68 1908	98½ 1906
Met. El.....	...	...	27	.....	19¼ Feb 1	29¾ June 28	12 1899	43 1900
do. pref.	...	...	75	.....	64 Mar 16	***76 July 17	33 1909	98¼ 1901
Nat. Carbon.....	...	...	104	.....	100 Sept 13	120 June 3	15 1889	146 1910
do. pref.	...	...	119	.....	106¾ Aug 27	130 Apr 12	72 1900	124 1900
No. West. El....	...	...	29¼	.....	29¼ Apr 27	29¾ June 30	12¾ 1908	55 1901
do. pref.	...	...	68¼	.....	60 Mar 1	67 Mar 30	44 1904	97 1901
Quaker Oats....	195	197½	197½	90	165 Mar 17	198 June 22	85½ 1904	186 1910
do. pref.	104	105½	104¾	215	102¼ Feb 8	107¾ July 24	72 1903	109¼ 1905
So. Side El.....	...	...	80	.....	68 Feb 16	90 June 30	46¾ 1897	190 1901
Streets' Car.....	8½	8½	8½	40	8 May 31	13¼ Feb 24	10⅞ 1910	64½ 1900
do. pref.	40	40	40	10	40 Oct 21	50 Aug 11	40 1910	111¾ 1900
Swift & Co.....	98	99¾	99¾	1,321	97¾ Sept 25	104 June 8	75½ 1907	177¼ 1900
Un. Box Board..	2	2	2	805	1⅛ Sept 29	7 Jan 6	⅛ 1903	17¼ 1902
do. pref.	...	...	7¾	.....	.....	.....	1¾ 1908	71 1900
Western Stone..	...	...	19½	.....	19¼ July 25	24¾ Jan 24	14 1908	50 1900

* Ex-dividend. † New. *** Receipts. ‡ Assessment paid.

operating income has been $4,527,563, an increase of $276,122 over the corresponding period of last year. Subsequent figures are likely to enhance this showing, as it is now beyond question that the South will harvest a record cotton crop and the Southern Railway will, of course,

BENEFIT TO A GREATER EXTENT

in gross revenue through this fact than any other railroad.

The whole story about the progress of the road is perhaps best told in its decreasing transportation cost. In 1906 the company earned $53,641,438 gross and the cost of transportation was $20,810,036. Last year, however, the gross revenue had increased practically $7,000,000, and yet the cost of transportation was a little less or, to be exact, $20,662,085. These figures very eloquently tell the whole story of increased efficiency as well as reflect that there has been an abundant supply of capital to work with.

The late President Spencer, of the Southern, has been frequently criticised because he was regarded as having been too ambitious in his plans for expansion of the property. He secured, however, the execution of a $200,000,000-bond issue known as the development and improvement mortgage, and laid broad, well-founded and far-reaching plans for the development of the property. Mr. Spencer died, but his plans have been carried out, and security holders are now well able to see the tangible results therefrom.

A competent railroad analyst well summarizes the situation in the statement that the road's present efficiency of operation is best shown by the fact that it moved 10½ per cent more tonnage in 1911 than in 1906, with 8½ per cent less engine miles and 16 per cent less freight train miles. This, of course, means a

VERY SUBSTANTIAL SAVING

in wages and cost of fuel as well as economy in use of equipment. In the matter of switching-engine mileage alone, there has been a decrease of over 16 per cent, and the average trainload has been increased from 204 to 240 tons per train.

The company's progress during the past six years in gross earnings, as well as the amount available for dividends on the preferred stock, is shown in the following table:

Year.	Gross earnings	Bal. after charges	Earned on pref.
1906	$53,641,438	$5,279,005	8.71
1907	58,657,694	2,950,221	3.91
1908	52,911,716	401,149	0.06
1909	57,588,106	3,369,305	5.08
1910	57,291,708	5,757,018	9.00
1911	60,347,462	6,670,103	10.02

The Southern has been handicapped by poor credit in the bond market, or, in any event, this statement is justified by the quotations on its bonds. This fact has been accounted for in various ways. One of the idle suggestions was that a speculative brokerage house which was supposed to look after the market got loaded up to such an extent with other securities that it could not give proper attention to securities of the Southern Railway. Another explanation, and one which is generally accepted, involves the circumstance that J. P. Morgan, who has always been and still is an enthusiastic believer of the property, has, whenever the company required capital, taken over

NEW YORK STOCKS AND BONDS

For the Week Ending Thursday Evening, November 2, 1911.

Names.	RANGE FOR WEEK Low	High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911 Lowest		Highest		RANGE FROM JAN., 1879, TO JAN., 1911. Lowest	Highest
Atch. & T. R.R.	104	105½	105¾	42,5 0	99¾	Sept 27	116⅝	June 1	3 1-16	1894 152¾ 1899
Atch. & Top. pf.	103½	104⅜	103⅞	5 0	103⅝	Jun 3	106½	June 1	14	1896 107½ 1901
Atch. & Top 4s	9	9	9	136,0 0	92⅜	Sept 20	99⅝	Jan 4	61	1894 103⅜ 1903
do. adj. 4s....	91⅜	91⅞	91⅞	15,0 0	90⅜	Mar 29	92⅛	Jan 2	26	1896 99½ 1903
Atlic C'st Line.	124	125½	125	4,7 0	117	Jan 3	132½	July 22	58	1900 170 1906
B & O. Gold 4s.	95⅝	96	95	50,0 0	87½	Sept 30	99¾	Oct 1	63	1907 106¾ 1908
B & O.S. W.3½s.	90⅝	90⅞	90⅝	6,0 0	89½	Sept 29	93	Mar 11	90	1907 96 1910
Balti. & Ohio...	98⅜	98⅝	98⅛	7,150	93⅜	Sept 29	109⅜	July 22	9	1897 125¾ 1906
do. pref.	....	....	88½	.....	85½	Aug 30	91	Jan 4	67¼	1899 100 1905
Brooklyn R. T..	73½	76	75½	8,000	72	Sept 25	85⅝	July 20	18	1896 137 1900
B R.T.conv't 4s.	84	84⅝	84⅝	173,0 0	82⅜	Oct 2	93⅜	Jan 25	54	1907 102¼ 1908
Canadian Pac...	250	253½	253	42,450	190⅜	Jan 3	247	July 21	23	1895 202¾ 1910
Canada South...	....	....	63	.....	62	Mar 3	68	May 12	23	1898 97 1903
Cen. of Ga. Con. 5s.	106½	106⅝	106½	6,0 0	107¼	Jan 13	110	July 29	86	1907 120¾ 1901
do. 1st inc....	96	96	96	6,0 0	95	Oct 24	114¾	Apr 18	30	1899 102 1910
do. 2d inc....	95	95	95	11,0 0	91	Oct 17	106¾	Apr 7	9	1899 107 1910
do. 3d inc....	96	96	96	8,0 0	85	Feb 24	102	Apr 4	4	1898 100 1910
Central N. J....	....	....	....	250	200	Sept 16	286	June 3	21	1885 212 1911
Cent'l Pac. 3½s.	....	....	....	.....	90	Oct 7	92	Mar 8	75	1907 91 1910
Ches.O. gen.4½s.	101⅜	101⅜	101⅜	7,0 0	100½	Sept 25	108	May 18	61	1893 111 1908
Chesapeake & O.	73⅝	73⅞	73¾	3,12	65⅝	Sept 25	86¾	Feb 10	1	1858 123⅞ 1881
Chic. & Alton...	19	19	19	10	15	Aug 28	31¾	May 23	8¼	1907 74⅝ 1909
do. pref.	....	....	40	.....	40	Oct 6	53	Jan 27	47	1906 82¾ 1910
Chic. Gt'l West.	18	19⅜	19½	2,600	17⅛	Sept 14	25⅛	June 5	3⅜	1897 37⅝ 1902
do. pref. A..	37	39	38½	9,1 0	36	Sept 27	49⅛	Feb 8	15⅛	1898 90¼ 1901
Chic. M. & St.P.	109⅝	110½	109⅝	56,2 0	105⅝	Oct 6	122¾	Feb 7	34⅝	1879 199⅝ 1903
do. pref.	142	142	142	10	138½	Sept 14	153¾	June 15	74⅝	1879 218 1903
Chic. & N. W....	145¾	145⅝	145⅝	2,90	138½	Sept 22	150¾	June 12	48⅞	1879 211½ 1902
do. pref.	....	....	197	.....	187	Aug 30	201½	Aug 9	128	1893 274⅛ 1902
Chi.,St.P. & Om.	....	....	144	.....	130½	Apr 20	144	June 15	114½	1880 225 1905
do. pref.	....	....	150	.....	152	Feb 18	152	Feb 18	90	1885 220 1908
Chic. Un. Trac..	....	....	....	1⅝	1⅝	Sept 20	6	June 3	⅝	1908 22 1907
do. pref.	....	....	....	4⅜	4⅜	Oct 18	7⅝	Feb 6	3	1905 60 1908
C.,C.,C. & St. L.	61	61	61	240	45½	Sept 15	66	Jan 17	19½	1896 111 1906
do. pref.	....	....	94½	.....	94½	Aug 22	98	Feb 1	62	1897 124¼ 1903
Colo. & South'n.	47	48½	48½	700	43	Sept 23	60	Jan 19	4⅝	1899 68¼ 1909
Col. & So. 1st pf.	74½	74⅝	74½	200	73	Oct 20	84⅝	July 10	35	1899 96 1908
do. 2d pref....	....	....	69⅝	.....	66	Sept 18	78	Aug 8	12½	1899 84¼ 1908
Del. & Hudson...	162⅜	164⅛	164⅛	800	159½	Sept 27	175⅜	June 6	28	1879 240⅜ 1905
Del., L'ck & W.	550	555	555	500	505	Sept 25	580	Oct 26	48	1879 680 1909
Den. & Rio G'de	23	24½	24⅜	900	21⅜	Sept 14	35	Feb 21	4⅝	1885 [illegible] 1910
do. pref.	47	48½	48½	5,0	44	Sept 14	74	Feb 21	24	1894 103⅜ 1901
Dul.,So.Sh. & Atl.	....	....	9½	.....	9½	Sept 6	15¼	May 1	3⅜	1896 24 1902
do. pref.	....	....	19	.....	19⅜	Sept 27	28⅝	Apr 4	6	1898 46⅝ 1908
Erie 1st gen. 4s.	21	21	21	100	73½	Jan 3	79⅝	July 19	55	1908 86 1908
Erie	78	79⅛	78⅛	75,0 0	27⅛	Jan 11	38⅝	June 30	3⅜	1894 62⅜ 1931
Erie 1st pref....	53⅝	53½	53⅜	80,1 0	45⅜	Jan 12	61⅛	July 1	15	1893 86 1931
Erie 2d pref....	49½	53¾	52½	22,4 0	35	Jan 13	49⅛	July 3	13	1896 78⅝ 1908
Ev'v'le & T. H.	42	44	44	1,900	30	Feb 1	88	July 24	30	1897 162 1923
do. pref.	....	....	41	.....	85	June 5	90	July 24	72	1904 104⅝ 1908
Gr'nd & W'dom B.	....	....	82½	.....	11	Sept 25	15½	Jan 28	3½	1896 27⅛ 1908
Gt. Northern pf.	128⅜	131⅛	130⅜	50,0 0	119	Sept 25	140	June 8	64½	1880 248 1908
Hock'g Valley...	122	126¼	125	9,10	122	May 24	134	Apr 20	22	1899 140 1910
do. pref.	....	....	129¼	.....	....		....		53½	1899 101¾ 1910
Illinois Central..	137¼	139⅜	138⅝	600	122	Jan 3	147	July 20	79⅝	1879 164½ 1906
Inter-Met (w.I.).	13⅞	15½	14⅝	11,200	13¼	Sept 25	20⅜	Feb 15	4⅜	1907 22⅜ 1908
do. pf. (w. I.)	43⅛	45⅜	45¼	3,700	39¼	Sept 25	55⅜	Feb 10	16	1907 57⅜ 1908
Iowa Central....	17	17	17	100	15	May 12	22	Sept 8	2	1888 51⅜ 1909
do. pref.	....	....	36½	.....	28	Apr 27	39	Sept 8	12	1898 80⅜ 1909
Kan. City & So.	29½	29⅞	29⅝	600	25¼	Sept 25	34¼	June 15	7	1900 60¾ 1909
do. pref.	65	66	66	900	61½	Sept 25	70	May 26	27½	1900 75¼ 1909
K.C.,Ft.S.&M.pf	....	....	75	.....	75	Aug 7	76	May 3	50	1898 88 1902
L'ke E. & West.	....	....	19	.....	19	Sept 25	16¼	Feb 1	1⅜	1895 76⅛ 1901
do. pref.	....	....	35	.....	35	Sept 5	38	Jan 13	24	1908 128 1908
Louis. & Nashv.	131½	131½	131½	100	126½	Sept 14	156¼	July 19	22	1885 182¼ 1909
Manh'ttan Elev.	149	149	149	925	131½	Sept 25	142¾	July 18	64¼	1894 175 1905
Minn. & St. L...	134½	135	134½	200	21½	Apr 26	34⅜	Aug 23	3½	1899 115 1909
do. pref.	31½	32¾	32⅜	2,0 0	25	Mar 13	44	Sept 13	7⅜	1899 127⅜ 1903
M.S.P. & S.S.M.	58	58	58	100	124¾	Sept 22	152¼	Mar 30	6	1897 164 1906
do. pref.	132	136	135½	3,500	145⅜	Aug 26	156⅞	July 21	10	1897 193⅜ 1906
M., K.&T. 1st 4s.	....	....	156⅝	.....	87½	Sept 8	98	Jan 21	50	1893 104¾ 1905
do. 2d 4s.....	97⅝	97⅝	97⅜	8,000	87½	Jan 6	88¼	Feb 17	27	1895 [illegible] 1905
M.K. & T. 1st 5s	....	....	84½	.....	97¾	Oct 25	106⅜	July 10	72	1896 114⅜ 1906
Mo., K. & Tex..	101	101½	101	4,000	27	Sept 26	38¼	June 14	8⅜	1879 54 1881
do. pref.	79⅜	82⅛	81½	6,7 0	62⅜	Sept 25	70	Oct 17	13⅜	1879 [illegible] 1909
Missouri Pacific.	67⅜	67¾	67¼	1,400	51⅜	Sept 27	62	Feb 15	10	1897 125½ 1902
N. Y. Central...	59	61⅜	60	12,8 0	99⅝	Sept 27	115¼	Feb 1	31⅜	1885 174⅛ 1907
N.Y.,C. & St. L.	100¼	100½	100	9,2 5	65	Oct 9	88	Jan 30	9	1896 73⅜ 1905
do. 1st pref....	49	49	49	300	98⅜	Sept 25	101⅝	Mar 28	4	1896 124½ 1902
do. 2d pref....	....	....	98⅜	.....	92⅛	Aug 25	98	Jan 26	18	1892 100 1902
N.Y., Ont. & W.	....	....	82½	.....	37⅜	Sept 25	46⅝	July 22	6⅜	1885 64 1905
No.& W.Con. 4s.	98½	98⅝	98⅜	2,0 0	96¼	Oct 27	99½	Feb 3	74	1898 106 1908
Norfolk & West.	107⅜	108⅛	108⅛	27,60	99⅜	Sept 25	110¼	June 26	¼	1896 108⅜ 1910
do. pref.	89	89	89	200	82⅜	Apr 28	91	May 22	41¼	1896 91 1902
N. Pac. prior 4s.	100	100⅜	100¼	102,0 0	96⅝	Sept 22	102⅛	Nov 2	90¼	1898 109 1890
do. gen. 3s....	69½	70	69⅝	14,0 0	68	Sept 25	71¼	Aug 4	57	1898 79 1905
North'n Pacific.	114⅛	115⅛	114⅝	22,20	111½	Sept 27	137⅜	June 8	11	1897 1600 1901
Pacific Coast....	....	....	102	.....	100	Jan 11	102	Jan 10	34	1899 142 1906
do. 1st pref....	....	....	110	.....	....		....		65	1900 105 1910
do. 2d pref....	....	....	101	.....	101	Jan 11	101	Jan 11	50⅝	1900 135 1906
Penn. R. R.....	....	....	118⅜	10,800	118⅜	Sept 25	130¼	Feb 1	97¼	1899 170 1902
Peoria & East'n.	121¼	123½	123⅜	.....	....		....		2	1896 50 1901
P.,C.,C. & St. L.	....	....	20	.....	90¼	Sept 26	100	Jan 17	16½	1894 105¼ 1902
do. pref.	96	97	97	500	102½	Sept 25	112	Feb 17	60	1902 120 1902
Reading gen. 4s.	....	....	102½	.....	96⅜	Mar 15	98½	Aug 7	77	1896 104½ 1905
Reading	96⅛	96⅝	96⅛	100,0 0	134	Sept 25	161⅜	June 8	17⅜	1896 117⅛ 1909
do. 1st pref...	137⅛	143½	142	52,0 0	88	Sept 20	92	July 14	11⅜	1900 81 1909
do. 2d pref....	....	....	91	.....	80½	Sept 29	100	May 2	26½	1897 84⅜ 1908
R'k Island, new	20	20	20	200	22⅜	Sept 25	34⅜	June 14	8½	1897 98⅛ 1901
do. pref.	24	26½	25⅞	38,10	44	Sept 25	68⅜	June 14	9⅜	1879 120 1907
St L. & S F.1st 4s	16⅜	16⅝	16½	5,0 0	77	Oct 3	83	May 4	4⅛	1879 84½ 1907
St L.& S F.1st pf.	29½	30⅛	30⅛	29,0 0	59	Sept 19	69	July 27	50	1897 116¾ 1908
St L.& S F.2d pf.	....	....	65	.....	36	Apr 21	49¼	July 24	12	1897 90½ 1902
St L. &SW 1st 4s	39½	41⅞	41⅜	7,00	93⅜	Jan 24	92⅜	Aug 2	4⅜	1896 [illegible] 1990
do. 2d gen. 4s.	90¼	91¼	91¼	4,60	78	Jan 9	82¼	June 25	16	1896 97 1905
St L. Southw....	....	....	61½	.....	24	Jan 13	34	Feb 6	1	1897 [illegible] 1991
do. pref.	50	50	50	100	56⅜	Jan 3	73	June 27	21⅜	1900 90 1903
S'b'd A.L. adj 5s	....	....	70½	50	74½	Sept 25	82	July 11	69⅜	1910 [illegible] 1910
San.Ant.& A P 4s	....	....	80½	77,0 0	66	Sept 11	88	Oct 13	45	1896 82½ 1908
So Pac. rfd 4s.	....	....	87⅞	1,0 0	93⅜	Sept 25	97⅛	Nov 2	94¼	[illegible] 1905
South'n Pac.....	....	....	96	93,0 0	104½	Sept 25	130⅜	June 30	12	1896 179¼ 1909
do pref	....	....	102	45,70	....		....		64⅜	1899 127 1909

Digitized by Google

NEW YORK STOCKS AND BONDS

For the Week Ending Thursday Evening, November 2, 1911.

Names.	RANGE FOR WEEK Low	RANGE FOR WEEK High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911 Lowest		RANGE FOR YEAR OF 1911 Highest		RANGE FROM JAN., 1879, TO JAN., 1911. Lowest	RANGE FROM JAN., 1879, TO JAN., 1911. Highest
Southern	35	36¾	36½	116,400	34¾	Sept 26	53¾	July 22	6[illegible]	1881
do. pref.	69½	71½	71½	5,100	61¾	Jan 11	75¾	July 2	613	1886
Texas & Pacific	24	25½	25½	2,000	22¾	Sept 2,	39½	June 9	9¾	1888
Third Avenue...	8½	10½	10	3,700	7¾	Sept 27	26	Mar 2	5½	1910
Tol.Rys.& Light	.....	.....	7	.....	6½	Aug 16	8¾	Jan 17	5½	1910
Tol., St. L. & W	18½	19¾	19¾	1,000	17	Sept 11	34¾	Feb 8	10¾	1901
do. pref.	41½	43½	43½	2,900	38	Sept 1	63¾	Feb 8	23¾	1908
Twin City R. T.	106	106	106	100	104	Sept 13	111	Feb 3	9½	1897
U.P.cv. 4s, 1927	101½	102¾	102	269,400	100	Sept 25	108¾	June 27	73¼	1907
Union Pacific...	156¾	165¼	167	414,400	138¾	Sept 25	193¾	July 22	8	1896
do pref.	91¼	91⅝	91½	1,300	89	Sept 21	96	July 24	47	1896
Wabash 1st Se...	105¾	106	106	2,000	99¼	Aug 28	110	Mar 10	93	1890
do deb. B's..	.....	.....	101	.....	.....	.....	.....	.....	19	1893
Wabash	12	12½	12½	700	10	Sept 30	18¾	Feb 23	2	1885
do. pref.	24	26	25¾	1,700	19	Sept 27	40¾	Feb 23	8	1864
West. Md., pref.	.....	.....	28	.....	26	Jan 14	68¼	July 24	67	1910
Wheel. & L. E.	3¾	4	4	300	2½	Sept 28	6¾	Feb 3	½	1892
do. 1st pref...	.....	.....	8	.....	7¾	July 21	17¾	Feb 3	3¾	1897
do. 2d pref....	4½	5¾	5¾	600	3	Sept 5	8	Feb 23	1	1910
Wis. Central....	58	57½	57	900	48	Sept 21	73¼	May 1	40	1899
do. pref.	.....	.....	83½	.....	.....	.....	.....	.....	60c	1899
do. 1st 4s....	92½	93	93¾	14,000	93	Aug 28	98¾	July 5	127	1898
Miscel. St'ks.										
Adams Express.	.....	.....	140	.....	205	Jan 20	243	June 14	97¼	1898
Allis Chalmers	2½	3	3	3,100	2	Oct 9	9¾	May 31	4	1907
do. pref.	10	11	11	400	9¾	Oct 18	34	Feb 3	14	1908
Amal. Cop.....	50¾	53½	54	82,400	44¾	Sept 25	73¾	June 19	33¾	1899
Am. Beet Sugar.	36	37¾	36¾	30,500	29¾	Jan 13	50¾	Oct 24	9½	1908
Am. Car & F'd.	46	50¼	49	9,600	42¾	Sept 2.	68¾	July 19	19¾	1899
do. pref.	114	114¾	114¾	1,350	113	Oct 25	120	May 25	81	1899
Amer. Cot. Oil..	41¾	45¾	42½	18,500	41¾	Nov 2	63¾	Feb 25	8	1896
do. pref.	.....	.....	95	.....	86	Oct 25	106¾	Mar 21	27¾	1899
Amer. Express..	.....	.....	210	.....	201	Sept 26	245	Mar 27	100	1898
Am. H. & L....	37¾	37¾	37¾	100	8	Oct 9	5	July 21	2¾	1903
do. pref.	17½	17¾	17¾	200	17¾	Oct 31	36¾	June 14	10	1907
Am. Ice Sec....	17¾	18½	17¾	400	16¾	Aug 28	28¾	July 12	8¾	1907
Am. Linseed Co.	8¾	8¾	8½	600	8	Aug 11	12¾	Feb 14	5	1908
do. pref.	26¾	27¾	27¾	300	26¾	Oct 27	34	Feb 14	16½	1907
Am. Loco.....	32½	34	35	2,200	34	Sept 30	43¾	May 22	11½	1903
do. pref.	103	103½	103	400	102	Oct 25	110¾	Mar 1	67½	1902
Amer. Malt Co..	3¾	4	4	700	3	Sept 25	5¾	July 11	2½	1907
do. pref.	40	41¾	41	700	31¾	Mar 3	65¾	Oct 18	14½	1903
Am. Smtl. & Ref	59¾	63¾	63¼	225,800	56¾	Sept 25	83½	June 16	30	1899
do. pref.	99¾	101¾	101¾	4,200	98¾	Sept 21	108¾	June 15	77½	1899
Am. St'l F'dry..	22½	23¼	23¼	2,000	25	Sept 25	53½	Feb 9	8½	1904
Am. Sugar Ref.	116	118½	117½	2,200	112¾	Sept 25	131½	June 14	66	1889
do. pref.	115	115¾	115½	500	111	Jan 5	119½	Feb 14	86¾	1898
Am. Tob. pref..	93¾	97¾	97	5,500	87	Aug 24	108	May 23	60	1907
Anaconda|||	33	35	35	1,900	29	Sept 25	41¾	June 20	18	1907
Br'k Un'n Gas..	133	135¾	135¾	200	129	Sept 15	145½	June 8	80	1907
Central Leather.	19¼	21¾	21½	2,100	13¾	Sept 25	33¾	Feb 2	11¾	1907
do. pref.	91¾	93¼	92½	1,700	81¾	Oct 30	105	Feb 7	60	1907
Chino Copper....	19¾	20¾	20¾	6,500	16¾	Sept 25	25¾	May 19	3¾	1910
Colo. Ind. Se....	74¾	74¾	74¾	11,400	72	Aug 12	79¼	Feb 22	35	1907
Colo. F'l & Ir'n.	25¾	27	26¾	2,100	25	Sept 25	36¾	Feb 4	14	1907
do. pref.	108	108	108	100	106	Oct 23	110¾	Jan 9	80	1907
C.&H.V.Co'l&Ir.	.....	.....	12	.....	4	Feb 9	4	Feb 9	⅝	1896
Consolid't'd Gas.	135½	144¾	139½	24,700	129	Sept 25	148¾	June 6	67	1887
Con. Tobacco 4s.	91½	91¾	91½	7,000	81¾	Jan 11	89¾	July 10	51¾	1908
Corn Prod'ts R.	9¾	11	11	3,500	9¾	Oct 2	15¾	May 17	8	1907
do. pref.	74¾	78	78	400	73	Oct 10	85	May 20	46	1907
Dist. Secur.....	29½	32½	31¾	3,000	29	Sept 26	35¾	June 6	19¾	1904
Fed. M. & Smlt.	15	15¾	15	200	15	Oct 27	26	Feb 16	4[illegible]	1904
do. pref.	43½	47½	45¾	100	47	Oct 13	66¾	May 19	47	1907
Goldfield Con....	4½	4¾	4½	9,000	2½	Oct 18	7¾	Jan 2	2½	1907
Internat. Paper.	10	10	10	200	9	Sept 9	13¾	Feb 3	7¾	1907
do. pref.	45¾	46	45¾	1,700	44¾	May 15	56¾	Jan 21	47	1900
Int. Harvester..	102	103¾	103	6,300	99¾	Sept 20	129¾	May 5	52	1902
do. pref.	117	120¼	120¼	500	115	Sept 22	128¾	May 4	89	1902
Inter. Stm. P'mp	27	28	28	4,400	25	Oct 31	44	Feb 10	7¾	1907
do. pref.	80	81	81	700	80	Nov 1	100¼	June 12	50	1907
Laclede Gas.....	104½	104¾	104¾	1,400	101¼	Sept 25	114¾	Jan 23	93¾	1910
Mackay, pref....	.....	.....	77½	.....	72	Aug 11	77	Mar 7	50	1907
Nation'l Biscuit.	125¾	128	128	700	117¼	Jan 16	141	Apr 4	22	1900
do. pref.	125	126¾	127¾	300	124	Jan 20	130	Feb 4	79½	1900
Nat. En. & St'p.	13¾	16¼	15¾	400	13¾	Oct 30	22	July 31	6½	1907
do pref.	84	84	84	100	83	Jan 6	100¾	July 22	70	1908
Nat. Lead.....	47½	47¾	47¼	5,300	45½	Oct 27	58¾	Mar 15	210¾	1907
do. pref.	104½	105	104¾	700	104	Sept 26	106¾	Aug 15	48	1893
N.Y. Air Brake	46	50	50	500	51	Sept 20	76	June 19	14	1899
North Amer. Co	69	70	70	1,700	64	Jan 10	76¼	May 22	2¾	1892
Pacific Mail....	20	20¾	20¾	1,100	20¼	Apr 24	31¾	Oct 6	8¾	1893
P'ple's G.L.& C.	140½	141¾	141	100	140½	Aug 7	161½	Aug 2	109	Jan 19
Pressed St'l Car	26	28	27	3,200	25	Sept 25	37¾	July 5	15¾	1907
do. pref.	87½	91½	91	400	91	Sept 22	102¾	June 16	52½	1907
Pr. Stl. Spring	22	24¾	24¾	2,400	24¾	Aug 28	39	June 14	15¾	1894
do. pref.	100	100	100	100	88¾	Aug 30	102¼	May 24	67	1903
Rep'b Ir. & St'l	35	37	37	2,500	34	Oct 27	55¾	Feb 6	5	1904
do pref.	74½	76¾	76	6,400	74¼	Oct 27	99¾	Mar 14	36¾	1903
Sloss-Sh. S. & I	28	29¾	29¾	300	34	Sept 27	56¾	Feb 6	17½	1900
do. pref.	.....	.....	112	.....	112	Feb 15	112	Feb 15	59¾	1900
T. Pac. Ld Tr ..	85	87	86	400	84	Sept 11	92	Jan 24	5	1898
Texas Company.	82½	90	90	1,900	84	Aug 31	126½	Feb 1	134½	1910
Underw'd Type..	98	103	103	1,500	63	Mar 29	111	June 26	44	1909
Un. Bag & Pap.	7¾	8	7¾	900	5¾	Sept 29	9	Feb 10	3¾	1904
do. pref.	50¾	51	51	2,000	50¾	Nov 1	59½	Jan 30	38	1900
U.S.Cast IP & Y	.....	.....	11	.....	11	Sept 25	19	Feb 21	8	1901
do. pref.	40½	40¾	40¾	100	40¼	Sept 25	59¾	Feb 24	32	1903
U. S. Express....	96	96	96	100	95	Sept 25	104	Feb 1	35	1906
U.S.R'lty & Imp	70½	70¾	70¾	100	67¾	Jan 27	79¾	May 29	38	1907
U. S. Rubber....	41½	44¾	44¾	2,500	39¼	Sept 27	47¾	Mar 1	7	1903
U. S. Rubber pf.	107½	107	107	1,200	104	Sept 25	115½	July 7	30¾	1903
U. S. Steel.....	70	70¾	70¾	13,500	70	Oct 27	82¾	Feb 6	8¾	1904
do. pref.	109	110	109¾	1,700	107	Oct 27	120¾	Feb 4	49¾	1901
do. 5s	100½	100¾	100¾	1,000	100	Sept 20	106¾	May 27	85	1903
Utah Copper....	44½	46¾	46¾	1,100	38	Sept 25	52	June 14	13	1907
Virg. Car Chem	42½	43¾	43¾	1,200	42¾	Sept 27	70¾	Feb 28	12¾	1907
do. pref.	116	116	116	200	114	Sept 27	128½	Mar 17	75	1907
West. U'n Tel	70½	70¾	70¼	6,000	71¾	Mar 20	84¼	May 24	41	1900
West. Mfg. Co.	66¾	67¾	67½	6,800	58¾	Sept 27	79	May 25	20¼	1906
do. pref.	.....	.....	115	.....	110½	Aug 16	122	Jan 5	45½	1906

* Ex-dividend. ** New. † Assessment paid. ‡ Ex-rights. § Price bid. ‖ Price asked. ¶ Old securities. † Certificates. x Ex-interest ‡‡ Par value basis. *** Receipts.

an issue of the company's general mortgage bonds and allotted in accordance with his custom a share in the underwriting to other bankers who have been associated with him in other issues. The bond-buying public, apparently, has not as much confidence or enthusiasm about these bonds as has Mr. Morgan, and in consequence, these issues have not been successful from

THE VIEWPOINT

of the underwriter who put his name down for a few hundred thousand, expecting to sell them out promptly at a profit, while, as a matter of fact, he has been compelled to take up the bonds and carry them. The large amount of these bonds in the hands of original participants in the Morgan underwritings tells the whole story about their market price at the present time. These holders have been impatient and have spoiled their own market.

From the standpoint of the company, this situation has been a handicap, because bonds cannot be sold to secure needed new capital above their market price, and the discount of over 20 per cent on every new dollar of capital secured by the sale of bonds makes a bad hole in the surplus account. A few years ago, an item of over $10,000,000 was carried as discount on bonds sold. This has been steadily reduced, and, according to the last annual report, they amounted to only $1,688,029. In this connection it should be noted that during the past year $3,000,000 of the account for discount on securities sold was wiped out.

A very significant statement in the company's report is that, while its custom is to charge off this item of discount proportionately during the life of the securities on the generally accepted plan of amortization and to make this fixed charge out of current income, it has done more. Although the amount called for out of income for this purpose was only $125,814,

AN ADDITIONAL $3,000,000

was taken out of the surplus, making the total reduction for the year in the discount item amount to $3,165,114.

It is very apparent, therefore, that next year's annual report is likely to show the complete extinguishment of this entry of discount on securities sold.

The financial condition of the company, so far as current assets and current liabilities are concerned, is all that could be desired, the net liquid working capital being $25,190,791, of which $10,377,361 was in cash.

Both the preferred stock and general mortgage 4 per cent bonds appear attractive at ruling prices, but from the standpoint of intrinsic merit, there ought to be a surer if not a quicker ten-point advance in the bonds than in the preferred stock.

P. DE MEDICI.

GREENCASTLE, IND.—The Greencastle Savings & Loan Association has been organized with $250,000 capital. James B. Martin, president; Andrew B. Hanna, vice-president; C. W. Brandstreet, treasurer, and W. B. Peck, secretary.

HASTINGS, OKLA.—The National Bank of Hastings has been chartered with a capital of $25,000. J. A. Smith is president; J. H. Porter, vice-president; A. R. Arnold, cashier, and L. C. Wagner, assistant cashier.

Digitized by Google

BORROWING ON POLICIES.

(Continued from page 1826.)

were taken out for the purpose of speculating on the then low market. Those who borrowed perhaps helped themselves, but the organization, as a whole, was greatly harmed. Suppose 5,000 policy-holders were to decide to get the full amount of loan on their policy, which we will say was $200. This would mean that the insurance company must dig up $1,000,000 at once, a sum which it is simply impossible for most any company to get at any minute's notice. Therefore, they must resort to their securities, and as the stock market is very variable, and may happen to be depressed at that time, there is liable to be a very heavy loss entailed. If the company could bridge over this period by a delay of 90 to 120 days, they would have time to turn around and figure out how to meet the loan so that they would not stand to lose as large a sum as might otherwise be the case. Then, again, if the policy-holder can ask for a loan on demand, he puts the company in a very

EMBARRASSING POSITION.

If, by demand, immediate payment is made, and the company cannot make an immediate payment, is not the policy-holder in a position to bring suit against the company for failure of contract. This, of course, is radically wrong, and should not be allowed.

In all insurance the theory is that by small but regular contributions for a common fund, those who suffer from the misfortune insured against may be indemnified. It is the same as a pool in which there are 20 men, each paying a dollar a month for 20 months. They draw numbers from a hat, and they get 20 dollars each in whatever rotation their grab in the hat gets them. So it is with life insurance, the only difference being that the Almighty is the one who draws the numbers. These numbers are in an endless chain, and each man's turn comes at the allotted time. The cost of life insurance, roughly speaking, is determined by the cost of paying death losses as they occur plus the cost of the management of the company. These figures are

BASED ON THE SUPPOSITION

that each man will pay his premium when it is due, and until the end of the contract. Therefore, to carry out the system, each man should pay his premium until the end of the contract.

Of course, as our reader no doubt well knows there is a decided advantage to any policy-holder to have access to quick assets, for that is what a life insurance policy amounts to at the present day, of $500, $1,000, or $5,000, with which to speculate on a low market. He may get larger returns on his money, it is true, but suppose the market goes against him, as it does with most small speculators, and he loses his money. The market does not always move according to rumors around the Street, and it is by no means a rare occurrence to have a man go broke on it. It is a fact that in 99 cases out of 100, where money is wanted at once, it is for speculative purposes. There are but few men who cannot look a month ahead and see what bills they have to meet and make arrangements for them, so that even though they were forced to borrow on their policy, it would not be in the nature of a quick loan, as is now the case.

It is the making of policies into commercial securities, which can be

BARTERED AT WILL,

and which helps defeat the principal of life insurance to which the company complains. Insurance companies, of course, are not in the business for their health, but with the large competition of to-day, they must each and all anticipate the future, and they are all striving to make themselves institutions which will have a future, which is a very commendable ambition. If the old-time policy is compared with that of to-day, the rapid stride of improvements will be most apparent. An old policy had no loaning privilege, no surrender value, and unless the premiums were kept up until the expiration of the contract, all the money paid in before was a dead loss to the policy-holder. To-day this is all changed, and the holder of a policy has every advantage which could be thought of.

One of our reader's arguments in favor of loaning on policies is in regard to the smaller amount of lapses that there have been since the loaning clause was inserted in the policy. He has no ground for argument on this source, however, for it must be apparent to everyone who studies the matter at all that it was the Armstrong law and not the loaning clause which has brought this about. Previous to the time that this law went into effect, there were a large number of companies who wrote up fully

ONE-HALF OF THEIR BUSINESS

during the months of November and December. This was accomplished by omitting the first payment. A year or two later, these mushroom policies were given up by the holder, and this was the cause of their being such a large number of lapses. Furthermore, we find that insurance companies, as a general rule, do not object to loaning on a policy if the loan is to be used to pay the premium. In fact, the original purpose of loans on policies was to prevent policies lapsing on account of non-payment of premiums. As stated above, it is loaning for speculative purposes on a low market, which might lead to a run on the company, to which there is an objection. Our reader cites an instance where good has come of loaning, but to each one resulting this way, there are nine that prove to be the reverse. One solitary case, or even ten does not prove a point, and in fact, this one case might be termed the exception to the rule that borrowing on policies will always result in a loss to the one who borrows.

The incentive to our reader's letters was the proposed law advocated by Commissioner Prues, of Minnesota. This law would compel every life insurance company to insert a

DEFERRING CLAUSE

in the cash value and loan paragraph of its policy, and under the terms of it, companies would be able to defer payments on loans. However, the law, as suggested by Commissioner Prues, would not be absolutely compulsory, having more of a permissive aspect. The company would not have to pay the loan, and the cash surrender value on demand, but still they would not be forbidden to do so if they so elected, so that in reality, the law is against the promise and not the payment. This would be a very wise insertion in every insurance policy.

There are

BUT TWO TIMES

when a man should turn to his life policy. One is when in order to pay his premium he must have recourse to his capital; the other is when he needs it to relieve any money stringency or temporary financial embarrassment. Both of these are good reasons for borrowing, but aside from them there is none. It is too often the case nowadays to have loans made on policies to gratify some passing whim, which later brings no joy or good, and which leaves the policy worth that much less than the amount borrowed. As we have pointed out before, it is a very easy thing to let the loan run, paying the interest on it, but it is not so easy to pay it up. There is no money so hard to raise as that which is dug up to pay a debt. This is often the cause for letting the loan run so long that the policy-holder decides to surrender or cancel his policy, thereby taking away the only protection of his family against his death.

FINANCIAL INQUIRY.

C. L. Nassauer Estates.

21318. (Syracuse, N. Y.) Please give me a report on the C. L. Nassauer Estates, No. 15 Broad street, New York city. Where is the property located and what is the character of the management. The company has issued some 6 per cent debenture bonds. Please state what is thought of these bonds.

Ans.: The C. L. Nassauer Estates is a private business, conducted by Gustavus Nassauer, under the name of his wife, Clare L. Nassauer. The proposition comprises the issuing of bonds and their transfer to real estate holders of mortgaged property in cases where these holders find themselves unable to take care of the mortgage. Under this plan, Mr. Nassauer takes over the property, with an agreement to carry the mortgage, giving in exchange the 6 per cent debenture bonds to which the inquirer refers, and which have been authorized to the amount of $50,000, of which, it is understood, but a comparatively small proportion has been issued. We are told that these bonds have not been offered for sale, and they are of a class for which it would be presumably more or less difficult to find a ready market.

The properties include some 22 lots on the line of the New York, Westchester & Boston Railway, several pieces of improved property in Jamaica, Long Island, property in Montclair, and a parcel on Lenox avenue, New York City, for which extensive improvement plans are reported to have been made.

TWELVE MILE, IND.—The Twelve Mile State Bank is organizing. The directors are: Aaron Plank, C. Kinaman, G. A. Raub, Abram Moss, M. W. Edlett, G. S. Kistler, William Murden and W. Carson.

Digitized by Google

The Best Purchases on the Railroad List

As Indicated by the Two Standards of Comparison: of Present Investment Yield on Basis of Current Dividends and Prevailing Market Price, and on Basis of Present Earnings on Prevailing Market Values.

The average net yield of the 50 railroad stocks quoted in the following table was 5.35 per cent on November 1, as compared with 5.35 per cent on October 25, 5.43 per cent on January 1, and with 4.71 per cent on January 2, 1910.

The report of the Baltimore & Ohio Railroad for the last fiscal year should, and probably will, serve to set at rest, for the time being at least, much of the uncertainty which has been felt regarding the common dividend rate. There has been a growing tendency in Wall street of late, despite reassuring statements emanating from official sources, to look upon Baltimore & Ohio common as a 5 per cent issue, but the annual report shows that the road in its last fiscal year earned its present 6 per cent dividend with something to spare, although to be sure, the margin is by no means as great as might be desired from the viewpoint of those who have in mind the peace of mind of the shareholders in this country and in Europe. In 1910, there was earned on the common stock 9.13 per cent, whereas in the last fiscal year the surplus available for the common amounted to only 8.87 per cent.

Chesapeake & Ohio common has been affected to an even more marked degree by apprehension concerning the maintenance of the present 5 per cent dividend rate. This state of affairs has been reflected in the market position of the stock, which is now selling close to a 7 per cent investment basis, being a leader in point of investment return of the 5 per cent stocks, although Brooklyn Rapid Transit and Detroit United are not far behind. This road looks very large in comparison with that afforded by New York Central, another 5 per cent issue which at present prices nets about 4½ per cent, while Buffalo, Rochester & Pittsburgh common, also a 5 per cent dividend payer, sells at par. The Chesapeake & Ohio in its last fiscal year showed a surplus of only $88,659 after the payment of dividends, while in 1910 there was a margin of safety of $3,021,808, and in 1909 one of $1,171,910. In fact, in the matter of surplus the 1911 fiscal year is the poorest since 1907, when the surplus after dividends was $61,070. The growing tendency of expenses is evident from the fact that the company has made a very encouraging showing in this five-year period in the matter of gross earnings, which were $32,582,411 in 1911, as compared with $25,796,860. Net earnings in 1911 were $10,780,706, as against $8,146,554 in 1907. It has been intimated by those who are seemingly interested in behalving the present value and future possibilities of Chesapeake & Ohio that the road would not have earned its 5 per cent dividend in the last year had it not practiced excessive and dangerous economy in the upkeep of the property. As a matter of fact, total maintenance expenditures for 1911 were $4,441 per mile, which compares with $4,775 per mile in 1910.

Clover Leaf preferred maintains its position at the head of the list of dividend payers giving an investment yield of 9.30 per cent. The present price of 43 evidently discounts to a very great degree, a probable reduction or suspension of dividends. So far as can be determined, the road is barely earning its charges at present.

STOCKS SHOWING BEST INVESTMENT YIELD.

Present rank.	Stock.	Present dividend	Price.	Yield on present price.
1	Toledo, St. L. & W., pref.	4	43	9.30
II	Chesapeake & Ohio, com....	5	72	6.94
3	B. R. T.	5	74	6.76
4	Detroit United	4	75	6.66
5	St. Paul, com.	7½	108	6.48
6	Colo. & Southern, 1d pref.	4	63	6.35
7	Baltimore & Ohio, com.	6	97	6.29
8	K. C. Southern, pref.	4	65	6.15
9	St. L. & San F., 1st pref...	4	65	6.15
10	Union Pacific, com.	10	163	6.14
11	N. Y., C. & St. L., com....	4	89	5.12
12	Lehigh Valley	10	195	6.06
12	N. Y., N. H. & H.	8	132	6.02
14	Northern Pacific	7	117	5.98
15	St. Louis S. W., pref....	4	69	5.80
16	M., K. & T., pref.	4	69	5.80
17	Twin City R. T., com.	6	106	5.66
18	Great Northern, pref...	7	124	5.65
19	Atchison, com.	6	107	5.60
20	Norfolk & Western, com.	6	108	5.55
21	Southern Pacific, com.	6	109	5.50
22	Delaware & Hudson	9	164	5.49
23	Colo. & Southern, 1st pref.	4	74	5.41
24	C., C., C. & St. L., pref.	5	94	5.32
25	C., St. P., M. & O., com...	7	132	5.30
26	M., St. P. & S. S. M., com..	7	135	5.26
27	P., C., C. & St. L., com....	5	96	5.21
28	K. C., F. S. & M., pref....	4	77	5.19
29	N. V., O. & W.	2	39	5.13
30	Western Maryland, pref...	4	78	5.13
31	Illinois Central	7	138	5.07
32	Buffalo, R. & P., com.	5	100	5.00
33	Pennsylvania	6	122	4.92
34	Atchison, pref.	5	103	4.85
35	Chicago & N. W., com.	7	145	4.83
36	Louisville & Nashville	7	147	4.76
37	N. Y. Central	5	105	4.76
38	St. Paul, pref.	7	147	4.76
39	Atlantic Coast Line	6	126	4.76
40	M., St. P. & S. S. M., pref...	7	150	4.66
41	Baltimore & Ohio, pref.	4	86	4.49
42	Norfolk & Western, pref.	4	90	4.44
43	Union Pacific, pref.	4	91	4.40
44	Reading, com.	6	134	4.32
45	Central of N. J.	12	280	4.28
46	Canadian Pacific	10	236	4.24
47	Boston & Maine	4	98	4.08
48	Colo. & Southern, com.	2	49	4.08
49	D., L. & W.	20	560	3.57
50	Southern Railway, pref....	2	70	2.85

STOCKS SHOWING BEST EARNINGS.

Present rank.	Stock.	Price.	Earning on present price.
1	St. L. & San F., 2d pref.	40	29.80
2	Erie, 1st pref.	52	20.45
3	M., K. & T., pref.	69	19.80
4	Detroit United	75	18.00
5	Southern Railway, pref.	70	18.00
6	N. Y., C. & St. L., com.	49	15.59
7	Hocking Valley, com.	128	14.70
8	Buffalo, R. & P., com.	100	14.45
9	Louisville & Nashville	147	12.55
10	Norfolk & Western, com.	108	10.75
11	Twin City R. T., com.	106	10.25
12	P. R. T.	74	9.75
13	Atlantic Coast Line	126	9.70
14	Union Pacific, com.	163	9.35
15	Colo. & Southern, com.	49	8.75
16	Lehigh Valley	165	8.50
17	United Rys. Invt., pref.	57	8.40
18	Great Northern, pref.	124	8.40
19	Central of N. J.	280	8.25
20	D. & R. G., pref.	48	8.25
21	St. Louis S. W., pref.	69	8.00
22	Delaware & Hudson	164	7.80
23	Southern Pacific, com.	109	7.70
24	Canadian Pacific	236	7.60
25	Baltimore & Ohio, com.	97	7.30
26	Chesapeake & Ohio, com.	72	7.15
27	Erie, Com.	32	7.05
28	P., C., C. & St. L., com.	96	7.00
29	K. C. Southern, pref.	65	6.60
30	Northern Pacific	117	6.60
31	St. Paul, com.	108	6.60
32	M., St. P. & S. S. M., com.	134	6.45
33	M., K. & T., com.	31	6.40
34	C., C., C. & St. L., com.	60	6.35
35	Illinois Central	138	6.20
36	N. Y. Central	105	5.95
37	Atchison, com.	107	5.55
38	Pennsylvania	122	5.40
39	Chicago, G. Western, pref.	37	5.15
40	N. Y., O. & W.	39	5.05
41	D., L. & W.	560	5.00
42	Reading, com.	138	4.80
43	N. Y., N. H. & H.	133	4.75
44	Chicago & N. W. com.	145	4.60
45	Rock Island, pref.	48	4.50
46	Western Maryland, pref.	78	4.25
47	C., St. P., M. & O., com.	132	4.15
48	Toledo St. L. & W., pref.	43	1.75
49	K. C. Southern, com.	28	0.75
50	Boston & Maine	98	0.45

Digitized by Google

UPON PRESENTATION

at the Office of

THE MIDDLESEX BANKING COMPANY

OF MIDDLETOWN, CONN.

DEBENTURES of Series E14, maturing November first, 1911, and Series E15, maturing December first, 1911 WILL BE PAID at par with interest to the date of payment.

HANCOCK

TONAPAH BELMONT

Our weekly market letter mentions the above, also Giroux, Nevada Hills, Tonapah Mining, "Coppers" and "Curb" stocks in general. Mailed free upon request.

"Coppers" and Curb Stocks bought and sold for Cash or Carried on Margin

H. A. BROWN & CO.

Members Boston Curb Exchange

60 State St., Boston — 74 Broadway, New York

6 PER CENT INTEREST PAID

By Coupon on Bonds Secured by Well Selected New York Real Estate.

"We Deal in No Other Securities"

THE DEBENTURE CORPORATION OF NEW YORK

334 Fifth Avenue, New York City

SIX NUMBERS FREE

Financial Converse (published every two months) answers more questions on mines than any periodical published. S. F. Campbell, of Chicago, says: "This paper is worth more than any other mining publication in the United States." Cut this out and send for six copies free covering the next year.

FINANCIAL CONVERSE

339 Monadnock Block, Chicago, Ill

TINTICS AND OTHER UTAH STOCKS

Write for reports and for Weekly Market Letter.

WM. H. TIBBALS, Salt Lake, Utah.

20%

Dividends on stock of the SMITH VALLEY LAND & LIVE STOCK COMPANY will be very conservative with positively no chance of losing the amount of your investment. If you are interested in dividends and absolute security back of your investments you will want some of this stock. It is a sure winner; a sure dividend payer, and a very high class investment. Write for particulars.

Glass & Meyer

66-68 Vandergrift Bldg. Pittsburg, Pa.

6% BONDS

Certainty Adaptability Convertibility

NO element of an investment approaches in importance that of *certainty*—certainty that it will conserve and return principal intact, and pay the contract rate of interest. A-R-E 6's have done this for nearly a quarter of a century.

¶ They are adaptable, being issued to return interest on current funds or to provide for saving surplus earnings, returning the latter with interest compounded at 6%.

¶ Their *cash convertibility* safeguards the investor against temporary financial need.

¶ This Company is engaged solely in the business of investment and operation in New York real estate, a stable and profitable investment field, and offers its 6% Gold Bonds in these forms:

6% COUPON BONDS

For those who wish to invest $100 or more

6% ACCUMULATIVE BONDS

For those who wish to save $25 or more a year

Descriptive Booklets and map of New York showing location of properties sent on request.

AMERICAN REAL ESTATE COMPANY

Capital and Surplus, $2,011,247.80

Founded 1888 Assets $23,026,889.67

Room 502, 527 Fifth Avenue, New York

6% NEW YORK CENTRAL REALTY BONDS

A Good Investment

To investigate is the six per cent Realty Bond of the New York Central Realty Company issued in denominations of $1,000, $500, and $100.

It offers a high grade of security, a liberal cash availability and an interest earning of 6%.

WRITE for booklet illustrating the methods of the Company, explaining its bonds, their redemption privileges and advantages over other Realty securities. Everybody knows us.

New York Central Realty Co.

Suite 1190, 1328 Broadway, Cor. 34th St., New York City

CAPITAL AND SURPLUS, $1,464,588.34

First Mortgage Bonds

For Small Investors

WEEKLY OR MONTHLY PAYMENTS

Government, State and Municipal Issues, also Standard Railroad, Public Service and Industrial Bonds sold in any amount for Cash or on Weekly or Monthly Payments. Best, Easiest and Safest way to provide for your future.

Circulars 104 on request; Correspondence invited

Resident Representatives Wanted

FUNDING COMPANY OF AMERICA

40 EXCHANGE PLACE, NEW YORK

WANTED

Leadville (Colo.) Water Co. 4s
Omaha Water Co. 5s
Peoria Water Works Co. 4s
Bodwell Water Power Co. 5s
Austin, Texas, 4s
Warren Bros. Stock

H. C. SPILLER & CO.

Specialists in Inactive Bonds

27 STATE STREET BOSTON

GEORGIA FARM LOANS 6%

Net on first mortgage farm loans in the rich belt of Southwest Georgia. Cotton, corn, oats, wheat, hay, peaches, cantaloupes, and other money crops are produced.

Seventeen years' experience without a loss.

EMPIRE LOAN & TRUST CO.

Americus, Ga.

BENNETT'S

INFORMATION AGENCY

INVESTMENT DEPARTMENT

The wisest men in the United States are those who never make a new investment which they consider good, and never get rid of an old investment which they consider bad, until they have made an investigation of the merits of the investment through BENNETT'S INFORMATION AGENCY.

CONGRESSIONAL INFORMATION

We attend to business at the Treasury Department as well as before Congress, the Courts, and all departments of the United States government, through our Washington office, 208 Corcoran Building, and through our staff of Washington correspondents. If you desire any information from Washington, or any business transacted at the Nation Capital, we shall be pleased to perform the desired service for our subscribers.

PROBATE DEPARTMENT

Information respecting probate matters, in any town or city of the United States, is furnished to our subscribers gratuitously if the inquiry is answered through the columns of the INVESTOR, or for $2.00 if the reply is by private letter.

LEGAL DEPARTMENT

Questions answered by prominent attorneys upon any desired subject for $2.00 each.

MERCANTILE DEPARTMENT

A report regarding the standing and reliability of any firm or individual in the United States furnished for $2.00. Our investigations look into the character and individuality of members of a firm and its methods of doing business.

MISCELLANEOUS QUESTIONS

Inquiries of any sort answered for $2.00 each. Send for descriptive pamphlet of the agency.

REAL ESTATE DEPARTMENT

A report upon any piece of property in the United States furnished for $2.00.

Conducted by

Frank P. Bennett & Co., Inc.

530 Atlantic Ave., BOSTON.
308 Chestnut St., PHILADELPHIA.
2 Rector St., NEW YORK.

Digitized by Google

NOV 18 1911

United States Investor

Copyright 1911, by Frank P. Bennett & Co., Inc.

Volume XXII. BOSTON, NEW YORK AND WASHINGTON, NOVEMBER 11, 1911 Number 45

Delay in Remittances

The perplexed transit man has a new ally. He has appeared from an unexpected quarter. In his wildest dreams, the bank man who grapples daily with all the puzzling problems of routing checks has never dared hope to receive aid from the source in question. He has always supposed that the fight he must ever be making with reluctant or worse than reluctant correspondents is one in which he must struggle on single handed. He always has had to find his own weapons, and has always expected that he must continue in this fix until the end of time. When, therefore, from an official source, a declaration recently came that the fight is no longer to be a single-handed one, but that a new assistant for the transit man is to be found in one who has authority, as well as ability to render valuable aid, the average transit man must have been well nigh overcome with surprise and joy to about equal degrees.

This new ally is the comptroller of the currency. Mr. Murray has shown almost from the moment of his induction into office that he is no reactionary. To break out new ground, and do things that none of his predecessors have attempted, has not seemed to him to be either presumptuous or erratic. He has been careful of his ground before starting, but once reasonably assured he has applied new methods, and must be much gratified at the successes he has met, and the general approval of his policies that is heard now on every hand. Nevertheless, one would hardly have ventured to predict that his office would intervene to rectify faulty collection arrangements between banks. Although such intervention is clearly within the scope of his office, one would have imagined that with all the new and exacting labors he has undertaken as comptroller, he might fairly have left the collection field uninvestigated. Apparently, however, he does not intend to permit any phase of banking activity to go unsupervised, where supervision would have salutary effects. Certainly, his circular letter to his examiners, which bears the number 71, indicates both a keen interest in the matter of arrangements between banks and a deliberate purpose to lend his aid in rectifying the more flagrant faults of such arrangements.

Murray to the Rescue

Mr. Murray declares that unreasonable delay of remittances on collection items by any national bank will not be tolerated by his office. What has led him to issue his ukase on the subject is the continuous stream of complaints he has been receiving against some of the national banks. He has been impressed with the fact that in our national bank system are some institutions which are chronic offenders in delaying remittances. From now on, he is not going to wait for complaints. He instructs his examiners to be on the lookout for this sort of thing. Whenever they have completed the examination of a bank, they must always ask its officers whether they have had trouble with any other national bank from delay of remittances. If trouble has been experienced, the examiner is to learn and report at once to Mr. Murray the name of the offending bank or banks. An investigation will at once be made. The offending banks will be called upon for an explanation. The comptroller will not rest, however, with the matter in this stage. If the explanation is insufficient, he will send a special examiner to the offending institution, and the investigation which that examiner will make will be no perfunctory affair. His instructions will be to probe deep. Mr. Murray is determined to know why these delays occur, and those who have had occasion to parley with this aggressive incumbent of the comptroller's office, know that he will not stop short of complete knowledge of the situation.

Why Not Before?

And when one pauses to consider the matter, one is surprised to think that no comptroller has ever undertaken this sort of investigation before. The banks under the comptroller's charge certainly ought not to be free to victimize each other. Although it is no function of the comptroller's office to prevent usurious charges by one bank against another, it is a function of his office to prevent one bank from retaining assets which rightfully belong to another. Thus, while he might look with merely silent disapproval upon the charge by some bank for remittances that is outrageously large, he can hardly be expected to remain silent when a bank retains the proceeds of a collection beyond a reasonable length of time. Theoretically, a bank is offering another bank the same terms when it agrees to remit daily at a charge of one-tenth of one per cent, or to remit weekly at par. Transit men figure that a week's delay in remittance is equivalent to a charge of one-tenth of one per cent. Anyone can see, however, that there is a vital distinction between the two offers after all. The expense to the bank which must pay the charge, or permit the delay, may fairly be called the same in either event, but the risks involved are different. Arrangements involving daily remittance are far less hazardous for the bank which is to pay the freight than are arrangements for weekly remittance. Before the passage of a week of time, the remitting bank may get into financial difficulty. For it to be in possession of the proceeds of several days' letters from some other bank is an unfortunate condition. A week of time, moreover, is not the maximum period that the proceeds of letters are retained by some banks.

Right to Intervene

In some parts of the country, banks have been known to retain the proceeds for a much longer time than that. There have been instances of delays aggregating several weeks. Very likely, the remitting bank has not been the only blameworthy party in every instance. Some banks are altogether too ready to permit their agents to keep items longer before remitting than should be allowed. Unless a bank is pretty sure as to the soundness of a correspondent, it should arrange with each correspondent for daily remittances, rather than for weekly or longer delayed ones. Many banks do not sufficiently appreciate this fact; consequently, in the event of the failure of their correspondent in some other place, they are themselves to be blamed for the magnitude of the amount they have involved in the embarrassment. Very frequently, howev-

Digitized by Google

er, one does find small country banks prone to take advantage of the fact that they are without competitors in their neighborhood, and to retain the proceeds of checks sent them for an unconscionably long time. The big city bank which sent the items, may rave and threaten. The country bank remains obdurate. Only when it is good and ready to do so will it forward the proceeds. Country banks of this variety are the culprits for whose reform Mr. Murray has determined to labor. We have no idea that he would deprive a single bank of a decent profit from exchange. We do not even understand that he would prevent the usurious profit. What he will not tolerate is an attempt to wring this usurious profit by a withholding of remittances. If the country bank is determined to be a buccaneer, it must ply its trade in another fashion. It must exact its toll in the form of high exchange charges for prompt remittances, rather than in the more subtle form of par remittances long delayed. Probably, the comptroller has no legal right to prevent a bank from charging an exorbitant exchange. He plainly has a right, however, to interfere, if one bank under his charge is retaining money that belongs to another one of his wards.

A Ruse For Profit

The ruses and clever plans to which some banks resort to make their collection business inordinately profitable are numerous, and some of them are by no means novel. Holding the proceeds of items unreasonably long is no uncommon device. A somewhat less common one is sometimes resorted to by banks which are links in a chain of banks in different parts owned by one and the same group of investors. A bank in Philadelphia, let us say, will receive a check on a bank in the mountains of Virginia or Georgia, which is the only bank in its community, but is linked through common ownership to several other banks. This Virginia or Georgia bank of diminutive size is determined to make the Philadelphia bank pay roundly for remittances, and is at the same time unwilling to hold back remittances beyond the normal time. It remits with some promptness, therefore, but makes its remittance in the form of a draft upon some other bank of the chain, instead of in the form of a New York draft. It knows full well that this draft will be of as little value to the Philadelphia bank, as will the checks for which it remitted. The Philadelphia bank must forward this draft to the bank on which it is drawn, and await its pleasure.

Thus, although the first bank to which the items were sent for collection may realize no more from this ruse than it would have realized from a remittance by New York draft, it will have assisted another bank of the chain to obtain an undeserved profit. Attempts to break up this practice by sending checks forward by express have not been uniformly successful. The banks of the chain have had a weapon for combatting collection by express. They have printed upon their checks the statement that the check is collectable only through some other bank. Thus, the check is not presentable by an express company, but only by mail. On just what theory of ethics any banker can justify this sort of an expedient, we are not able to state. We are quite convinced that any banker which resorts to such a device for evading his responsibilities will find other bankers inclined to let no opportunity pass to retalliate upon him, if ever he shall find himself in straits.

A Southern Device

Northern banks have been in receipt during the past several weeks of more letters from Texas banks and others in cotton belt offering "for the time being" to remit at exceedingly low rates than is usual, even at this time of the year. The cause for this outpouring of seemingly benevolent offers is not difficult of discovery. For the time being, the cotton belt banks have been in possession of more New York funds than they know what to do with. Debits by northern banks to southern ones are for the time being large. These debits have been created by the arrival of the cotton picking and the consequent sale of cotton to northern mills. Upon the southern banks has fallen, of course, the task of getting the money from the northern banks down to the section where the cotton is grown. Each southern bank is not to be blamed if it seeks some means of unloading upon the other banks in its vicinity as much as possible of its share of this task.

The more alert southern banks, therefore, have for years been ready at this season to receive items for collection on their part of the country from any quarter, and to remit for the same at a most reasonable charge in New York exchange. Why shouldn't they be ready so to do? Every item they thus receive, which they can present for payment to some other bank in their neighborhood puts them in possession of an equal volume of cash. For this cash, they remit to the bank which sent them the items in New York exchange. What they really have done has been to convert without expense to themselves a considerable quantity of New York exchange into cash on hand. If they had not resorted to this scheme, they must have brought the money to New York. Now, they have unloaded upon a neighbor bank, from which they obtained the cash the problem of bringing money to the community from New York. No wonder that the custom of being singularly lenient just at this period of the year in the matter of exchange charges on items for which payment can be made in New York exchange is spreading in the South. No wonder that northern banks have this year been in receipt of more than their usual quota of letters of this nature. It is worthy of remark, though, that these letters have not aroused much enthusiasm among northern banks. They have not been disposed to alter their existing arrangements with southern banks to take on the new arrangements which have been offered to them. They know that just as soon as the temporary plethora of New York exchange in the South has passed away, many of these banks which have been so liberal with their offers of late will discontinue the new arrangement, and demand a more lucrative one.

4% on Balances

The unwillingness of some of the uptown national banks of New York City to become members of the New York Clearing House is not difficult of understanding. The advantages to them of membership are not particularly alluring. They can enjoy most of them after all without actually becoming members. They can maintain a balance with a member bank, and transfer to its ample shoulders the task of converting their clearing house checks into cash. To be sure, there appears on the face of this arrangement to be one out about it. It ties up cash that otherwise might be loaned. The uptown bank must carry its 25 per cent of cash reserve in its vaults, just as if it did not have this deposit with a strong clearing house bank down town. This deposit cannot be reckoned in the lawful reserve. But what of it? Why need the uptown bank be disturbed about its inability to count as reserve or lend to customers this downtown money? The fact is, that lying in the downtown bank the balance is about as profitable as it would be if available for loans and kept steadily at work. The downtown bank allows 2 per cent of interest upon the balance which its books show. Those books actually show more balance than the uptown bank can show to be due it from its downtown depository. The uptown bank, you see, is constantly

Digitized by Google

IF YOU HAVE NO CORRESPONDENT

IN CINCINNATI

WE WILL WELCOME THE OPPORTUNITY OF PROVING TO YOU THE BENEFITS WHICH WILL ACCRUE FROM FORMING A CONNECTION WITH US.

RESOURCES

TWENTY-FIVE MILLION DOLLARS

And every facility for the satisfactory handling of Bank Accounts.

THE FIFTH-THIRD NAT'L BANK CINTI O

checking against its downtown balance, but these checks naturally do not find their way to payment by the downtown bank instantly. They are out two or three days, some of them for longer than that. Meantime, the balance against which these outstanding checks have been drawn appears as large on the downtown bank's books, as though these checks were not in existence, and interest is allowed on the full amount. An uptown cashier has figured that as a result of this tradition, his downtown balance is actually earning him 4 per cent, instead of 2 per cent. This would mean that his balance downtown is ordinarily twice as large on his depository's books as it is on his own books. One can readily see how your uptown bank under such conditions might well be quite indifferent to the fact that its downtown balance cannot lawfully be reckoned as part of its reserve. That balance is earning so substantially, that it is almost as desirable a possession as a first-class loan.

New York's Par List

Philadelphia bankers usually answer when they are asked why their city is made a par point by New York clearing house banks, although many other cities are refused this recognition at the hands of the New York associated banks, that they have earned their right to this inclusion in the par list by their very rational treatment of New York banks which deal with them. They state that they go out of their way to make frequent remittances on items sent them from New York banks. One big bank in Philadelphia, for instance, has no less than eight correspondents in New York City. From them it receives each day a perfect deluge of items and remits for them twice a week at par. Such an undertaking as this puts the Philadelphia bank steadily upon its mettle. To make New York exchange sufficient for these remittances is a big task, and shipments of cash to New York must often be resorted to because the stock of New York exchange runs low. All in all, it is the conclusion of this big bank that its dealings with New York banks are a source of a most insignificant profit, if of any profit at all. Why does it continue, then, to carry out such extensive arrangements and make such liberal trades for its New York friends? The answer is that it feels impelled to do so not merely in a spirit of comity for New York, but in a spirit of regard for the good fame of its own city as a financial centre. It desires to have Philadelphia retained on the New York par list, and to make its continued inclusion there so much an advantage to New York banks that they would not listen to a suggestion that Philadelphia banks be placed on the charge list. Very likely, too, it has found that it can obtain accounts from big New York merchants, who wish to use its collection facilities, but who would open no accounts in Philadelphia, if checks drawn against such accounts were not to be received at par at their New York depositories. In any event, Philadelphia banks are disposed to recommend to the banks of the other cities who would like to have New York banks place their names on the New York par list, that they proceed to acquire a claim to such recognition by according New York banks equally liberal remittance arrangements.

The Fourth National Bank

OF THE CITY OF NEW YORK

OFFICERS

JAMES G. CANNON, President
SAMUEL S. CAMPBELL, V. Pres.
CHARLES H. PATTERSON, V. Pres.
DANIEL J. ROGERS, Cashier.
E. W. DAVENPORT, Asst. Cashier.
CHARLES E. MEEK, Asst. Cashier.

DIRECTORS:

James G. Cannon

Robert W. Stuart	Eugene Delano
William S. Opdyke	M. Orme Wilson
T. Frank Manville	Elbridge G. Snow
Thos. H. McKittrick	Welding Ring
Mortimer L. Schiff	Morton F. Plant
L. F. Loree	Cornelius N. Bliss, Jr.

Samuel S. Campbell

CAPITAL AND SURPLUS - $10,000,000

Chase National Bank

NEW YORK

Capital .....$ 5,000,000
Surplus and Profits (earned) 8,382,871
Deposits 118,548,760

A. BARTON HEPBURN, Chairman of the Board
ALBERT H. WIGGIN, President
SAMUEL H. MILLER, Vice-President
HENRY M. CONKEY, Cashier
CHARLES C. SLADE, Ass't Cashier
EDWIN A. LEE, Ass't Cashier
WILLIAM E. PURDY, Ass't Cashier
ALFRED C. ANDREWS, Ass't Cashier

DIRECTORS

Henry W. Cannon

James J. Hill	George F. Baker
Grant B. Schley	Albert H. Wiggin
A. Barton Hepburn	George F. Baker, Jr.
John I. Waterbury	Francis L. Hine

FOREIGN EXCHANGE DEPARTMENT

Franklin National Bank

PHILADELPHIA

Capital $1,000,000.00
Surplus and Undivided Profits. 2,730,181.17

INCORPORATED 1900.

OFFICERS:

J. R. McALLISTER, President.
J. A. HARRIS, JR., Vice-President.
E. P. PASSMORE, Cashier. L. H. SHRIGLEY, Assistant Cashier.
J. W. HARDT, Assistant Cashier.

Foreign Exchange Department.
WILLIAM WRIGHT, Manager.

Portland National Bank

PORTLAND, MAINE

Union Mutual Life Insurance Co. Bldg.

Accounts received on the most liberal terms consistent with sound banking.
Collections receive prompt attention.

WM. W. MASON .....President
EDWARD W. COX .....Vice-President
CHAS. G. ALLEN .....Cashier
EDWARD L. PIPER .....Asst. Cashier

Directors:

Fred E. Richards,	Charles G. Allen,
Henry B. Cleaves,	George F. West,
William W. Mason,	George Westcott Beyer,
Lyman M. Cousens,	Roswell C. Bradford,

Edward W. Cox.

Ladd & Tilton Bank

PORTLAND, OREGON.

Established 1858.

Capital $1,000,000.
Surplus & Undivided Profits $700,000.

OFFICERS

W. M. LADD, President
EDWARD COOKINGHAM, Vice Pres.
W. H. DUNCKLEY, Cashier
ROBERT S. HOWARD, Asst. Cashier
J. W. LADD, Asst. Cashier
WALTER M. COOK, Asst. Cashier

DIRECTORS:

EDWARD COOKINGHAM J. WESLEY LADD
WILLIAM M. LADD S. B. LINTHICUM
HENRY L. CORBETT FREDERIC B. PRATT
CHARLES E. LADD THEODORE B. WILCOX

OLDEST BANK IN AMERICA
Chartered by Congress, 1781.

The Bank of North America

(NATIONAL BANK)
PHILADELPHIA, PA.

Capital .....$ 1,000,000.00
Surplus 2,250,000.00
Undivided Profits..... 371,000.00
Deposits 15,075,000.00

HARRY G. MICHENER.....President
SAMUEL D. JORDAN.....Cashier
WILLIAM J. MURPHY.....Asst. Cashier
RICHARD S. McKINLEY.....Asst. Cashier

Accounts solicited
Correspondence invited

The National Park Bank

OF NEW YORK

Organized 1856.

Capital .....$ 5,000,000.00
Surplus and profits 12,947,483.12
Deposits, Sept. 1, 1911.....105,550,902.49

Digitized by Google

NATIONAL BANK 3rd OF ST. LOUIS

CAPITAL $2,000,000
SURPLUS $2,000,000
DEPOSITS $35,000,000

NATIONAL BANK 3rd OF ST. LOUIS

BANKERS' CONVENTION.

Programme of Banking Section of the Big Meeting at New Orleans.

We have received the programme of the banking section of the 37th annual convention of the American Bankers' Association, which opens at New Orleans, Monday, November 20. It is as follows:

TUESDAY, NOVEMBER 21, 1911.

Convention called to order at 10 o'clock A. M. sharp by the president, F. O. Watts.

Invocation by Most Rev. James H. Blenk, Archbishop Catholic Diocese of New Orleans.

Addresses of Welcome: Hon. J. Y. Sanders, Governor of Louisiana; Hon. Martin Behrmann, Mayor of New Orleans; R. M. Walmsley, president New Orleans Clearing House Section.

Response to Address of Welcome: Hon. Myron T. Herrick, Chairman, Society for Savings, Cleveland.

Annual Report of the General Secretary: Fred E. Farnsworth, New York City.

Annual Report of the Treasurer: Arthur Reynolds, Des Moines, Iowa.

Appointment of Auditing Committee by the President.

Annual Report of the General Counsel: Thomas B. Paton, New York City.

Annual Report of the Executive Council: C. H. Huttig, chairman, St. Louis, Mo.

Amendments to the Constitution: Reported out from Executive Council by C. H. Huttig, chairman.

Annual Report of the Standing Protective Committee: Fred E. Farnsworth, secretary.

ELEVEN-THIRTY O'CLOCK.

Address by the Hon. Nelson W. Aldrich, president National Monetary Commission: "The Proposed Monetary Plan".

Announcements.

Recess for Luncheon.

TRUST COMPANY SECTION.

Meeting to be called to order by the president of the section at 10 A. M., November 23.

Prayer by Rev. Wm. Alexander Barr, Rector of Trinity Church, New Orleans.

Address of Welcome on behalf of Louisiana and the City of New Orleans: Hon. Jared Y. Sanders, Governor of Louisiana.

Address of Welcome on behalf of the Trust Companies of Louisiana: Lynn H. Dinkins, president Interstate Banking & Trust Company.

Reply to Address of Welcome and Annual Address of the President: Oliver C. Fuller.

Report of the Executive Committee: F. H. Fries, Chairman.

Report of the Secretary: Philip S. Babcock.

Report of the Committee on Protective Laws: Lynn H. Dinkins, Chairman.

Address by Marquis Eaton, Esq., Chicago, Ill.: "The Relation of the Trust Company to the Lawyer".

Address by Fred I. Kent, vice-president Bankers' Trust Company, New York City: "Registration of Commercial Paper".

Address by A. A. Jackson, vice-president Girard Trust Company, Philadelphia, Pa.: "The Protector of Property".

Report of Committee on Legislation: Oliver C. Fuller, Chairman.

General Discussion.

Roll-Call of States, to be answered by the vice-presidents of the section in brief written reports dealing with the history of the trust companies in the several states during the preceding year, and with the conditions under which they are now operating, and other matters of interest now pertaining to them.

(Vice-presidents may be heard from in brief addresses amplifying or explaining any topics contained in their reports by giving previous notice of their intention to the secretary.)

Election and Installation of Officers.

Unfinished Business.

SAVINGS BANK SECTION.

Following is order of proceedings of Savings Bank Section and Clearing House Section, Thursday, November 23, at New Orleans Convention of the American Bankers' Association:

Invocation: Rev. Robert S. Coupland, D. D., Rector of Trinity Church, New Orleans, La.

Greetings: G. Ad. Blaffer, vice-president Commercial Germania Trust & Savings Bank, New Orleans, La.

President's Address: Edward L. Robinson, vice-president Eutaw Savings Bank, Baltimore, Md.

Report of Executive Committee: R. C. Stephenson, vice-president St. Joseph County Savings Bank, South Bend, Indiana.

Report of Secretary: Wm. H. Kniffin, Jr., 11 Pine street, New York.

Report of Law Committee: Lucius Teter, Chairman, President Chicago Savings Bank & Trust Company, Chicago, Illinois.

Report of Membership Committee: Myron T. Herrick, Chairman, Society for Savings, Cleveland, Ohio.

Report of Committee on Methods and Systems: Charles E. Sprague, Chairman, President Union Dime Savings Bank, New York.

Address by William E. Knox, Comptroller, Bowery Savings Bank, New York: "The Ethics of the Savings Bank".

Address by J. J. McLoughlin, Attor-

THE
OLD NATIONAL BANK
OF SPOKANE
OFFERS ITS CORRESPONDENTS
Better Banking Service
The Largest Number of direct connections of any bank in the Inland Empire.
Send us your Washington, Oregon, Idaho and Montana Items.

RUEL W. POOR, President
JAMES McCUTCHEON, Vice-President — ARTHUR W. SNOW, Cashier
W. L. DOUGLASS, Second Vice-President — RALPH T. THORN, Asst. Cashier
The Garfield National Bank
OF NEW YORK CITY
Capital and Surplus - - - $2,000,000
Offers to Banks, Bankers, Corporations and Firms the services of a thoroughly equipped and conservatively managed bank.
YOUR BUSINESS SOLICITED

METACOMET NATIONAL BANK
OF FALL RIVER, MASS.
Capital, $750,000 — Surplus and Undivided Profits, $333,000
SIMEON B. CHASE, President
MILTON REED, Vice-President — CHARLES B. COOK, Cashier
Special attention given to the handling and collecting of cotton drafts, sent direct from the South

THE DEXTER HORTON NATIONAL BANK of Seattle
maintains a department organized for the especial care of the accounts of banks and bankers. Our officers will be pleased to correspond with bankers contemplating the establishment of relations in the Pacific Nor
CAPITAL & SURPLUS $1,440,000

Digitized by Google

THE NATIONAL CITY BANK OF CHICAGO

CAPITAL :: :: $2,000,000.00
SURPLUS & PROFITS 500,000.00
RESOURCES :: :: $29,300,000.00

United States Depository — *Accounts of Banks and Bankers solicited. Correspondence Invited.* — Organized 1907

ney, New Orleans, La.; "Banks and Bankers; Their Ways and By-Ways as They Appear to Jack Lafaience".

Address by J. F. Sartori, President Security Savings Bank, Los Angeles, Cal.: "Departmental Banking Laws—Regulation and Segregation".

Address by E. St. Elmo Lewis, Advertising Manager, Burroughs Adding Machine Company, Detroit: "The Public and the Savings Bank Idea".

Address by Hon. A. B. Chapin, Bank Commissioner, Boston, Mass.: "Efficiency of Supervision".

Symposium Conducted by Mr. Chapin: "The Internal Audit of a Savings Bank".

Business Session, 12. 30 o'clock.

Report of Nominating Committee.

Elections: President, First Vice-President, Three Members of Executive Committee to serve three years. State Vice-Presidents.

Installation of Officers.

Adjournment at 1 o'clock.

Meeting of the Executive Committee immediately after adjournment.

CLEARING HOUSE SECTION.

Programme of the Annual Meeting at the St. Charles Hotel (Banquet Hall A), New Orleans, November 23. Following is the order of proceedings, 9.30 a. m

Call to Order by President E. R. Fancher.

Invocation by Rev. John F. Prim, Rector Mater Dolorosa Catholic Church, New Orleans.

Roll Call.

Address of Welcome by Charles Godchaux, President Whitney-Central National Bank, and vice-president New Orleans Clearing House Association.

Response to Address of Welcome.

Annual Address of the President, E. R. Fancher.

Annual Report Executive Committee: Ralph Van Vechten, Chairman.

Annual Report of Secretary: Fred E. Farnsworth.

Action on Recommendations Embodied in Above Reports.

Address by Jos. B. Martindale, President Chemical National Bank, New York; "The Business of a Commercial Bank and How to Safeguard the Investment of Its Funds".

Address by H. M. Zimmerman, Detroit, Mich., President National Association of Supervisors of State Banks: "Co-operation Between Clearing House Association and State Banking Department".

Address by John W. Wilson, Clearing House Examiner of Los Angeles, Cal.: "The Work of the Clearing House Examiner".

Discussion of the Above Subject.

Address by C. R. McKay, First National Bank, Chicago: "The Advantages of Handling Country Checks Through Clearing Houses in Natural Collecting Centres".

Discussion of the Numerical Transit System: Led by Members of the Numerical Committee.

Nominations and Elections for President, Vice-President, Two Members of Executive Committee.

Call of Cities Represented.

Questions.

Installation of Officers Elected.

Adjournment.

Immediately on Adjournment the

THE
People's State Bank
DETROIT, MICH.

Capital, $1,500,000.00
Surplus, 1,500,000.00

Collections a specialty
Correspondence Invited

FREDERICK S. HOLMES
Vault Engineer
2 RECTOR STREET, NEW YORK

THE
Chatham and Phenix National Bank
NEW YORK

Capital and Surplus
$3,000,000

All business under direct supervision of the officers.

LOUIS G. KAUFMAN, President.

GEO. M. HARD, Chairman of the Board.
F. J. HEANEY, Vice-President.
W. H. STRAWN, Vice-President.
A. M. BULL, Vice-President.
BERT L. HASKINS, Cashier.
H. L. CADMUS, Assistant Cashier.
N. P. GATLING, Assistant Cashier.
W. B. BOICE, Assistant Cashier.
H. C. HOOLEY, Assistant Cashier.

Your Account Solicited.

The MECHANICS and METALS NATIONAL BANK
OF THE CITY OF NEW YORK

OFFICERS

GATES W. McGARRAH, President
ALEXANDER E. ORR, Vice-Pres.
NICHOLAS F. PALMER, Vice-Pres.
FREDERIC W. ALLEN, Vice-Pres.
FRANK O. ROE, Vice-Pres.
WALTER F. ALBERTSEN, Vice-Pres.
JOSEPH S. HOUSE, Cash.
ROBERT U. GRAFF, Ass't Cash.
JOHN ROBINSON, Ass't Cash.
CHARLES E. MILLER, Asst. Cash.

Capital, Surplus and Undivided Profits, $14,000,000

The Commercial National Bank OF WASHINGTON D. C.
Capital $500,000 Surplus and Undivided Profits $296,000

ASHTON G. CLAPHAM, President
ELDRIDGE E. JORDAN, First Vice-pres. N. H. SHEA, Second Vice-pres.
T. K. SANDS, Third Vice-president
JOHN POOLE, Cashier HERBERT V. HUNT, Asst. Cashier.

FIDELITY TRUST CO. TACOMA, WASHINGTON
CAPITAL AND SURPLUS, $900,000
General Banking
Oldest Trust Company in the State of Washington.

CITIZENS NATIONAL BANK BALTIMORE, MD.
CAPITAL, $1,000,000 SURPLUS, $2,000,000

Digitized by Google

Executive Committee will meet for the purpose of electing its Chairman and Secretary of the Section.

THURSDAY, NOVEMBER 23.

(Organization of Secretaries of State Bankers' Associations.)

Organized November 13, 1902.

Programme of the Annual Meeting at the St. Charles Hotel (Parlor), New Orleans. Order of proceedings, 9.50 a. m., follows:

Meeting Called to Order by the President.

Invocation by Rev. George H. Cornelson, Jr., Pastor First Presbyterian Church, New Orleans.

Roll Call.

Regrets.

Address of Welcome: L. O. Broussard, Secretary Louisiana Bankers' Association, Abbeville.

Response to Address of Welcome: William J. Henry, New York City, Secretary New York State Bankers Association.

President's Address: W. F. Keyser.

Report of the Secretary and Treasurer: Fred E. Farnsworth.

Address by Raymond B. Cox, Baltimore, Md., President American Institute of Banking: "The Development of Our Mutual Interests".

Address by W. J. Burns, of the W. J. Burns National Detective Agency: "Modern Methods of Protecting Banks".

Address by Preston T. Slayback, Denver, Secretary Colorado Bankers Association: "The Organization's Possibilities as a Section of the American Bankers' Association".

Address by Mrs. Helen M. Brown, Detroit, Mich., Secretary Michigan Bankers' Association.

Address by McLane Tilton, Jr., Pell City, Secretary Alabama Bankers' Association: "Banking Legislation in Alabama and How the Association Prepared and Passed It".

Address by W. W. Bowman, Topeka, Secretary Kansas Bankers' Association: "Ladies' Meetings at State Conventions".

Address by L. P. Hillyer, Macon, Secretary Georgia Bankers' Association: "The Publishing of a Daily Registration List for State Meetings".

General Discussion.

Unfinished Business.

New Business.

Election and Installation of Officers.

Adjournment.

GENERAL TOPICS.

1. Proper Functions of a Bankers' Association: (a) Limitations. (b) True Objectives. (c) Keeping on the Track. (d) Keeping Off the Grass.

2. Reciprocal Relations Between Bankers' Associations.

3. The Every-day Service of the Secretary.

4. Closer Relationship Between State Associations and the American Bankers' Association.

5. Continuity of Convention Dates.

Adjournment at 1.30 for Luncheon at the St. Charles Hotel.

FRIDAY, NOVEMBER 24.

Convention called to order at 10 o'clock A. M. sharp by the president, F. O. Watts.

Invocation by Rev. I. L. Leucht, Rabbi Touro Synagogue.

Invitations for Next Convention.

Reports of Sections: Trust Company, Savings Bank, Clearing House, American Institute of Banking, State Secretaries.

Reports of Committees: Currency Commission, J. B. Forgan, Vice-Chairman; Law, Pierre Jay, Chairman; Federal Legislative, Arthur Reynolds, Chairman; Bills of Lading, Clay H. Hollister, Chairman; Express Companies and Money Orders, Joseph Chapman, Jr., Chairman.

Announcements.

Recess for Luncheon.

AFTERNOON SESSION.

Reports of Committees: Fidelity Bonds and Burglary Insurance, John L. Hamilton, Chairman; Forms for National and State Banks, John M. Miller, Jr., Chairman.

Unfinished Business.

Communications from Executive Council.

Resolutions.

Report of Committee on Nominations.

Action on Same.

Installation of Officers.

Announcements.

Adjournment.

The following addresses will be delivered at the Tuesday afternoon session and the morning and afternoon sessions of Wednesday:

Address by Paul M. Warburg, of Kuhn, Loeb & Company, New York: "Circulating Credits".

Address by F. J. Wade, President Mercantile Trust Company, St. Louis, Mo: "Benefits of the Reserve Association to the Trans-Mississippi States".

Address by F. H. Goff, President Cleveland Trust Company, Cleveland, Ohio: "Relation of the State Banks, Savings Banks and Trust Companies to the National Reserve Association".

Address by George M. Reynolds, President Continental and Commercial National Bank, Chicago, Ill.: "Rediscounts and Book Credits".

Address by James B. Forgan, President First National Bank, Chicago, Ill.: "The Mobilization and Control of the Reserves of the Country".

Address by Benjamin Strong, Jr., Vice-President Bankers' Trust Company, New York City: "Interest Rates, Earnings, Dividends and Taxation".

Address by Hon. L. P. Padgett, Columbia, Tenn.: "Keeping the National Reserve Association Apart from Partisan Politics and Special Control".

Address by Jos. G. Brown, President Citizens' National Bank, Raleigh, N. C.: "The Needs of the Farm and Its Benefits from the National Reserve Association".

Address by C. Stuart Patterson, President Western Savings Fund Society, Philadelphia, Pa.: "Benefits from the National Reserve Association to the Manufacturer and Laborer".

Address by Hon. Arsene P. Pujo, M. C., Lake Charles, La.: "Benefits of the National Reserve Association to the Country as a Whole".

Address by Frank B. Anderson, President Bank of California, N. A..

THE BOARD OF DIRECTORS OF THE AMERICAN Cotton Oil Company, on November 9, 1911, declared a semi-annual dividend of THREE PER CENT upon the Preferred Stock of the Company, payable December 1, 1911, at the Banking House of Winslow, Lanier & Co., 59 Cedar Street, New York City. The stock Transfer Books of the Company will be closed on November 16, 1911, at 3 P. M., and will remain closed until December 8, 1911, at 10 A. M. JUSTUS E. RALPH, Secretary.

THE ANNUAL MEETING OF THE STOCKHOLDERS of The American Cotton Oil Company will be held at the principal office of the Company, the Refinery, near Guttenberg, Hudson County, New Jersey, on Thursday, the 7th day of December, 1911, at 12 o'clock noon, for the purpose of electing Directors and for the transaction of such other business as may properly come before the meeting. The Stock Transfer Books will be closed on November 16, 1911, at 3 P. M., and will remain closed until December 8, 1911, at 10 A. M.

By order of the Board of Directors.

JUSTUS E. RALPH, Secretary.

New York, Nov. 9, 1911.

UNION PACIFIC RAILROAD COMPANY

A Quarterly Dividend of

$2.50 per share on the Common Stock

of this Company has this day been declared, payable at the Treasurer's office, 120 Broadway, New York, N. Y., on January 2, 1912, to stockholders of record at 3 o'clock P. M. on Friday, December 1, 1911.

The stock transfer books will not be closed for the payment of this dividend.

Stockholders who have not already done so are requested to promptly file mailing orders for dividends with the undersigned, from whom blank orders can be had on application.

FREDERIC V. S. CROSBY, Treasurer.

New York, N. Y., Nov. 9, 1911.

H. K. Taylor & Co.

75 PEARL ST., HARTFORD, CONN.

GET A FREE SAFE DEPOSIT BOX

We will furnish a Safe Deposit Box, FREE FOR A YEAR, in a bank in the town nearest to you, to any purchaser of any safe seasoned bond which we own, offer, and recommend.

You to select the box and have the bank send us the bill.

We make this offer because:—

(1) Some investors are hesitating about purchasing bonds as they have no safe place to keep them.

(2) Some people keep large sums of money in their homes. This is dangerous. Invest this money, obtain an income, and under our new plan, the negotiable security will be safe from fire, loss and theft.

(3) Every time we secure a new customer, it is a good thing both for him and for us.

Neither YOU nor WE can afford NOT to do business together.

It makes no difference where you live, you can do business with us as well in Maine or Vermont as you can in Rhode Island or Connecticut.

Ask for our Special Descriptive Circular giving full data on one of our good bonds.

WRITE US TODAY.

Digitized by Google

San Francisco, Cal.: "Relation of the National Reserve Association to Foreign Trade and Banks and the World's Financial Centre".

Address by Jacob G. Schuerman, President of Cornell University, Ithaca, N. Y.: "Public Opinion on National Reserve Association Plan".

Address by John J. Perrine, Indianapolis, Ind., chairman of the board of directors of the Fletcher American National Bank: "Trade Fluctuation and Panics".

The American Bankers' Association now has a membership of 12,200, the largest in its history, and at the New Orleans meeting a petition will be presented and a resolution will doubtless be offered and voted on, to provide for an Investment Bond Department. Petitions are being circulated in the principal cities with this object in view, and have received many signatures.

ENTERTAINMENT.

Monday Afternoon, November 20: Visit by the bankers to the city waterworks plant, in special street cars, which will start from the neutral ground on Canal and Camp streets, at 3 P. M., and short intervals thereafter.

Evening: Executive Council Banquet, tendered by the bankers of New Orleans in the banquet hall of the Hotel Grunewald (tenth floor) at 7.30 P. M.

Ladies to be entertained same evening at a special reception and musicale to be given at the St. Charles Hotel at 8 P. M.

TUESDAY, NOVEMBER 21.

Evening: Reception at the Country Club at 8 P. M. and Fete Champetre at City Park, where the club is located. Fireworks and illuminations in the park and on the lakes.

Tickets in Unimatic Booklet will admit visitors to Country Club.

WEDNESDAY, NOVEMBER 22.

Afternoon: Automobile rides throughout the city for the ladies. These will be available at the ladies' entrance of the St. Charles Hotel, on Common street, at 2 P. M.

Polo game at Audubon Park at 4 P. M.

Evening: Reception and invitation ball to be given at French Opera House, on Bourbon street, at 8 P. M.

Dancing at 9 P. M.

Tickets for ball in Unimatic Booklet.

THURSDAY, NOVEMBER 23.

Afternoon: Visiting the harbor and excursion by three boats to Kenilworth Sugar Plantation below the city, where the grinding of cane will be in operation. Boats will start from head of Canal street at 3 P. M., returning about 7 P. M. Lunch will be served on board the boats.

Tickets for boat ride in Unimatic Booklet.

Evening: Third annual dinner of the Council Club, at the St. Charles Hotel.

To be left open to enable local bankers to entertain visiting delegates, their friends and others.

FRIDAY, NOVEMBER 24.

Evening: Gala performance to be given at the French Opera House, on Bourbon street, at 8 P. M.

The Unimatic Booklet will contain tickets, which can be exchanged for reserved seats at the box office of the French Opera House, at Werlein's Music Store, 605-9 Canal street.

The four following Theatres: Tulane, "Get Rich Quick, Wallingford"; Crescent, "The Goose Girl"; Orpheum, Vaudeville; Dauphine, Robert Mantell in Repertoire, will entertain visiting delegates. Cards in the Unimatic Booklet must be exchanged at the box office of the threatres named for reserved seat tickets.

CHICAGO CHAPTER.

The meeting of October 24, held by the Chicago Chapter proved intensely interesting. There was a good attendance, the speakers were men of ability, and all those present must have derived much of value from the talks.

Mr. F. W. Ellsworth, publicity manager of the Guaranty Trust Company, New York City, was the principal speaker. He is past president of the Chicago Chapter, and a true American Institute of Banking man, and in his address he answers a question which has lodged in the minds of many bank men. His address, "Does the Institute Pay Dividends?", follows:

When the American Institute of Banking was organized back in 1901 there

WAS CONSIDERABLE SKEPTICISM

as to the usefulness and ultimate success of such an enterprise. At first, those who doubted its feasibility greatly outnumbered its friends, but this ratio has experienced, through the years, a gradual change, and is now practically reversed, so that to-day comparatively few men interested in banking have anything but a good word for the organization.

What has brought about this decided change? I think that it is nothing more nor less than the fact that the Institute has achieved results; it has paid dividends. And not only has it paid dividends, but it is going to keep right on paying dividends, and they are to be larger ones, and there will be more of them as time goes on. The Institute is gathering momentum.

As is well known, for the first few years the Institute had some difficulty in "finding itself", in determining just how best to accomplish its purpose. Some of its early members tried to make of it a "glad hand" organization, others were rather inclined to the club idea, but, fortunately, still another class believed thoroughly and enthusiastically that the Institute should be just what it started out to be, and so we have it as it is to-day, a great national school of banking and

FINANCIAL EDUCATION.

Hundreds of bank men have given of their time and of their brains to better equip themselves for their various bank duties, and the several hundred Institute certificates which have been issued to these men are concrete evidence that work has been done, that things have been accomplished, that the standard of efficiency among bank men is on the up-grade.

Should there be one who doubts the present popularity of the Institute, let him but contemplate the hundreds of influential bank officers throughout the country who are members and who recommend membership to their employes. There are but few of the progressive banks in any of the chapter cities whose officers are not identified with the local chapter. In one of the largest trust companies in New York City, for instance, every one of the fifteen officers is an active member of New York Chapter. Within the last few months a number of the New York banks have contributed a large sum to make possible permanent headquarters for the New York Chapter. I mention these instances merely because I happen to be familiar with them, but the same conditions, or similar ones, are true in San Francisco, in Los Angeles, in Kansas City, in Chicago, and in other cities.

According to a recent issue of the Bankman, 14 per cent of the charter members of Chicago Chapter are now

HOLDING OFFICIAL POSITIONS

in banks. That's a pretty fair dividend, isn't it? But we can go even further than that on the authority of the same publication, which states that 90 per cent of Chicago bank officers appointed in the last five years are from the ranks of Chicago Chapter. A commercial business which could pay such a dividend in the same length of time would fill its stockholders' hearts with joy and their pockets with jingling shekels.

Brandt Downey, who needs no introduction to a Chicago audience (nor to any other institute audience for that matter), stated at the Rochester Convention last month that as a result of considerable investigation he has ascertained that 700 men, members of the American Institute of Banking, have been promoted to official bank positions since the Institute was founded. But not all the members of the Chicago Chapter, nor of any other Chapter, can become officers, there are not enough official positions to supply the demand. Neither can all secure the higher positions for the same reason.

In confirmation of this sentiment, not only are there to-day hundreds of bank men throughout the country who are further advanced in their respective offices than would have been the case had they not become actively interested in the work of the American Institute of Banking, but there are also hundreds who are doing their work in a more intelligent manner, who know better just why they do the particular work allotted to them. They no longer put down sixes and sevens at a particular time and in a particular way, because their predecessor on the job so instructed them, but hey

THOROUGHLY UNDERSTAND

the reasons for so doing, and can explain those reasons, many of them on the platform, and a still larger number of them in a readable succinct article.

"But", you say, "wouldn't those men have been promoted just the same if they had not belonged to the Institute? Isn't the Institute getting a lot of credit for promotions that would have occurred anyhow?"

My answer to that is this: The Institute surely is getting credit for many promotions which would have come to the same men in the natural course of events even though there was no Institute, but isn't it a significant fact that a very large per cent of such promotions came to Institute men even

(Continued on page 1889.)

Among New England Bankers

How a Banker in a Small Maine Town of Not More Than 3,000 Inhabitants Has Built Up Deposits Now Totalling $500,000—An Amusing Incident With a Cashier Which Practically Cost His Bank An Account—Many Maine Banks Now Carrying an Account in Portland, Even Though It Does Not Count As Reserve.

One of the most interesting country banks with which I have come in contact in my travels recently is a bank situated in a town of no very considerable size in southwestern Maine. This town, as a matter of fact, has a population of not over 3,500 people. It seems that the present cashier of this bank had been for years a successful merchant in the town of which I speak. He was obliged, however, to do his banking either in a little larger town or in Portland, an hour's ride distant. He finally conceived the idea that the town itself could afford a bank, and that a bank once established, there would be a very successful enterprise. One day, a salesman who had been selling him for some years, came in, and Mr. S. told him that he thought of starting a bank.

"Have you had any experience in banking?" asked the travelling man "If not, are you not taking quite a chance?"

Mr. S. admitted never having had any actual experience as a banker, but he said that the opportunity was there, and that he did not believe the chances of failure were great.

"Well," said the travelling man, "I can introduce you to a pretty good friend of mine who has been a banker for years, and perhaps he can help you out, and give you some good advice."

Mr. S. accepted the kind offer, and one day, while he was in Boston, his friend took him over to Mr. T. G. Hiler, who was then cashier of the Old Fanueil Hall National Bank, which several years ago was consolidated with another bank.

Mr. Hiler was very much surprised when Mr. S. told him he had never had any experience in the banking line, but after estimating the calibre of the man, having talked with him, said "I will give you a try, and you can start an account with us." Mr. S., of course, already had his paid-in capital, and with it he immediately

STARTED AN ACCOUNT

with the Fanueil Hall National Bank He went back to his home town, opened up banking quarters, and with that capital of $25,000, began to solicit business. The bank established a savings department, and to-day, that bank has deposits of about $500,000, and, mark you, this half-million in deposits has been built up in the short space of only five years; it pays 4 per cent on all its savings deposits; and, although it has not yet paid a dividend on its stock, it earned about 26 per cent last year, a record that is not bad at all. I think my readers will agree with me in saying that the cashier of this bank who has been responsible for its growth, has good reason to feel proud of the work that he has accomplished in such a short space of time, for I can point out many banks in much larger places which have no more competition, and have not built up so many deposits.

There are three or four much larger cities and towns which can boast of three or four banks within a radius of 25 or 30 miles of this bank, and yet it has been successful in securing deposits which might well have gone to banks which were fully as near, or almost as near, as this bank is. It might well be asked, therefore, the reason for the success which this merchant banker has had.

I believe this reason can be given in one short sentence: "A knowledge of people and a knowledge of how to advertise in order to reach the community from which he expects to get results."

Mr. S. is a very

FIRM BELIEVER IN ADVERTISING.

He advertises in several weekly papers, which have a large circulation, comparatively speaking, among the farmers in his vicinity, and he advertises in these papers right along, changing his advertisements, practically every week, and making them interesting, and writing them in such a way as to appeal directly to the class of people from which he expects deposits. That is to say, he makes them catchy and interesting, and yet conservative, for there is no man probably who deals more in cold, hard facts where his pocket-book is concerned, than does the average Maine small merchant and farmer. I asked several people in that town about Mr. S., and it was certainly edifying to perceive the esteem in which he was held by them, the confidence they placed in him, and the general high regard for his business sense. He is courteous, a good banker, and with everything about him indicating that he is a man slated for a position in a larger banking community.

When I reached another city in Maine, I had to smile in contrasting the story which a cashier of that city told me about the cashier of one of the banks in Portland, Maine. This cashier carries an account with the Portland bank in question, and one day he went down there to meet the officers, and to see if he could not learn something to benefit himself and his bank. He went in to see the cashier and found the latter munching an apple. He introduced himself, Mr. A we will call him, and was met with a cold, frigid stare, and a feeble "How do you do". The Portland cashier then took him into the president's office, introducing him as Mr. Z., of the Waterville National Bank, the meanwhile munching away at his apple, and presumably thinking of something which might have happened at the time of the flood. Mr. A. naturally corrected his mistake.

This was very good, but what was the latter's surprise when he was taken to another bank official and again introduced as Mr. Z., of the Waterville National Bank, the Portland cashier still munching his apple. Yet he again corrected the mistake.

Finally, after about six introductions as Mr. Z., of the Waterville National Bank, each time modestly acknowledging that he was not the man, he got tired of it, and let the Portland cashier, who continued to munch is apple, go ahead and introduce him as Mr. Z., of the Waterville National Bank.

Naturally, however, he came back feeling somewhat put out, for no man wants to be constantly correcting a mistake when he is introduced, and naturally, too, he came back with his idea of having met a man who was hardly large enough to fill his position

A COMPARISON.

How poorly does this Portland cashier stand out in comparison with the cashier of the small town previously mentioned, who was courteous to all his customers, and always made them feel welcome, and as though it was a pleasure for him to do business with them. The Portland cashier, on the other hand, always keeps depositors at a distance with his frigid manner, and it is hardly conceivable that if he were to treat all his correspondents in the manner that he did this particular cashier, he cannot hope to make a success of his present position. As a matter of fact, however, the other officers of this bank are very courteous, and have the confidence of the community, so that they more than make up for the failings of the cashier. However, I know that the cashier of the country bank is very much displeased, and I would not be surprised but that his account with this Portland bank at the present time had decreased in size from the time he made his visit.

Speaking of advertising, I want to say that a good many of the Maine banks appreciate its value to a high degree. Many of them advertise as does the bank about which I was speaking earlier in this article, in the papers which reach the surrounding country, and from which they draw deposits, and at the same time, they issue regular statements in a form which must appeal to the depositors. One small bank that I know of, issues an almanac each year. Everybody knows that if there is one thing in particular that the average New England farmer must have, it is an almanac. He sagely consults it at all times, and without it, he would feel as if it would be impossible to reap his crops. The cashier of the bank in question utilized this characteristic, and realized that an almanac would be a most powerful medium for advertising in his community. He therefore, issues an almanac each year, and sends it not only to his depositors, but to everybody within the immediate circle from which he would expect to receive business. A very attractive little ad., which must appeal to his depositors, appears on the statement of

ONE OF OUR MAINE BANKS.

It is as follows: "Conservation is a policy to which the Sanford National

(Continued on page 1889.)

Digitized by Google

Mr. Belmont's Extra $4,500,000 Interborough Profit

Two Horse-Car Lines, Costing $32,000, Are Said to Have Been Turned Over to the Interborough Rapid Transit Company By Belmont and His Associates At an Ultimate Profit of Around $4,500,000—Stockholders Are Suing For Restitution, and the Subway Promoters Among Other Dilatory Tactics Have Pleaded the Statute of Limitation—Amount Involved Is 25 Per Cent of the Market Value of All the Interborough Metropolitan Preferred Stock Outstanding, and Would Make Possible an Extra Dividend of 10 Per Cent on That Issue.

That August Belmont received no less than $4,500,000 by selling to the Interborough Rapid Transit Company two horse-car lines, which cost him only $32,000, that Interborough stockholders are making a determined effort to compel restitution of this money, and that Mr. Belmont and his associates have been pleading the statute of limitations to escape liability, are among the interesting facts which have been alleged in a suit now pending, entitled the Continental Securities Company against August Belmont and his subway associates.

The two horse-car lines turned over under this arrangement were the Pelham Park Railroad Company, which had a mile and a half of track, eleven cars and sixteen horses, and is said to have always been operated at a loss, and the City Island Railroad Company, with two miles of single track, which ran cars once an hour, and is claimed to have always earned a deficit. The actual cost of these properties to Mr. Belmont, it is alleged, was exactly $32,185.97. The sale of these valuable properties to the Interborough Rapid Transit Company was effected on May 14, 1902, at a meeting of the board of directors, although none of

THE DETAILS LEAKED OUT

until five years later, when the Public Service Commission made an exhaustive examination of the company's books and records.

The directors voted to give Mr. Belmont for the two horse-car lines $1,500,000 in par value of Interborough Rapid Transit stock. This stock afterwards sold as high as 240 in the market, so in making their claim against Mr. Belmont, the stockholders contend that he should be charged with the value of this stock at the highest price ever recorded. At 240, the 15,000 shares were worth $3,600,000. Since that time, dividends aggregating over $900,000 have been paid on the stock, and stockholders further claim that interest on all the amounts so received should be added to the charge which would add something like another $1,000,000 to the account.

It was significant that some years after the transaction the officials concluded that the company might not be able to justify the issue of $1,500,000 of stock for the Pelham Park and City Island horse car lines, which were practically worthless and had only cost about $32,000, so they made some additional entries in the line of dress parade bookkeeping. They, therefore, added a charge of $1,500,000 to the cost of leases and entered up the actual cost of the horse-car lines, i. e., $32,185, to the investment or property account, which should, of course, have been the original and only entry covering the transaction.

The amount of Interborough Metropolitan preferred outstanding at the present time is $45,740,000, so that if the stockholders succeed in recovering from Mr. Belmont, there could be declared an extra dividend of 10 per cent on all of the preferred stock outstanding. At ruling prices of 44, the total market value of all the Interborough Metropolitan preferred outstanding is only about $20,000,000, so that viewed from this standpoint, the stockholders are prosecuting a claim which aggregates about

25% OF THE MARKET VALUE

of all the preferred stock.

With these facts in mind, it is only natural that the several thousand holders of Interborough Metropolitan stock should be considerably interested in the final outcome of the present suit.

Mr. Belmont contends that this particular transaction represented only a part of the whole programme in the carrying out of which he received his legitimate profits as promoter of the enterprise. The very careful concealment of the transaction, as well as pleading the statute of limitations, however, do not tend to confirm this view. It will be recalled Mr. Belmont's original subway company was the Rapid Transit Subway Construction Company, which was capitalized at $6,000,000, and on which stock $60 per share was paid in. When the construction company was taken over by the Interborough Rapid Transit Company, $160 in Interborough Rapid Transit stock was given for each share of the construction company stock, for which only $60 was paid. In other words, $9,600,000 in par value of the Interborough Rapid Transit was given for the $3,600,000 invested in the construction company stock, or a profit of $6,600,000, which can hardly be regarded as otherwise than a substantial return, and this is particularly so in view of the fact that the stock, soon afterwards sold above 200, and was exchanged by the Interborough Metropolitan Company, on a basis of $200 in 4½ per cent bonds for each $100 share. On a basis of market value therefore, Mr. Belmont is claimed to have

GOT ABOUT $20,000,000

for his original investment of $3,600,000 in the subway, and that ought to have satisfied most any one.

It did not satisfy Mr. Belmont, however, as he demanded and accepted for his firm of August Belmont & Company the sum of $75,000 for his services as financial agent of the company from May 6, 1902, to May 6, 1903. It is the general understanding that an agent who works on a fixed salary is not supposed to, in addition, make as big a rake-off as possible out of every transaction he handles, and at the present time, perhaps, Mr Belmont is very sorry that he received that $75,000-a-year salary. In any event, it was after he had made his big profit by turning over his construction company, and the sale of the McDonald contract for $2,500,000 in par value of Interborough Rapid Transit stock, and while he was receiving his $75,000 salary, that he apparently thought that he had not got enough, so he picked up the two horse-car lines mentioned, and proceeded to turn them over at a profit of something like $4,500,000. Now, certain stockholders want him to pay that $4,500,000 back into the treasury, and it is difficult to see how anyone can criticize them in their ambition.

The most significant feature of the pending suit is that Mr. Belmont, as well as all the other individual defendants,

HAVE PLEADED THE STATUTE

of limitations, which provides that unless a common law action for fraud is begun within six years the guilty parties are immune. The statute of limitations, however, does not apply to these subway trustees, because this action is not a common law proceeding, but is an equity action, and further, it is the well-settled law of New York that the period of limitation only begins to run in the case of trustees from the date of discovery of the fraud.

The public knew nothing about this particular rake off until 1907, when the Public Service Commission dug into the records of the Interborough Company, and as soon as the facts became known to the plaintiff stockholders, demand was made in writing on March 12, 1910, by a letter mailed to every director of the company that full restitution be made. In the case of trustees, also, the law of New York provides that the statute of limitations is ten years, instead of six, so that it can be assumed that Mr. Belmont has no serious idea of being able to escape liability on this ground.

It may occur to some honest men that a trustee who pleads the statute of limitation to protect himself, when called to account for acts which he has concealed from his cestui que trust (or stockholders) is departing somewhat from the straight and narrow path which the public has the right to expect trustees to follow.

The record of the case proves conclusively that Mr. Belmont has been resorting to every device known in the legal profession to delay the trial of the case. On July 21, 1911, the plaintiffs secured from Judge Crane, of the Supreme Court, in Brooklyn, an order for examination of Mr. Belmont before trial. He promptly made a motion to vacate this order before Judge Putnam on August 11, and on August 29 Judge Putnam refused to vacate the order. On August 30, Mr. Belmont appealed from this order to the appellate division, but no decision has yet been handed down on this appeal

He also applied before Judge Jaycox on September 8, for a stay of the order for his examination. This request was denied by Judge Jaycox on October 13, and Mr. Belmont must now submit to an examination before trial.

The contending stockholders regarding the defense of the statute of limitation

AS ENTIRELY FRIVOLOUS

declined to reply to the same, and thereupon on July 29, 1911, Mr. Belmont moved for an order to compel reply. This motion was argued before Judge Kelley, on August 2, and on August 15, he denied the motion. Mr. Belmont, of course, promptly appealed from this order, and although the appeal has been argued, no decision has been handed down.

On September 6, the stockholders obtained from Judge Clark, an order for examination of the officers of the Interborough Rapid Transit Company, and the inspection of its books. The company moved for a stay of the order, which motion was denied by Judge Jaycox, on October 13, and the judge at the same time denied the Belmont request for a separate trial of the issues of law and fact relative to the statute of limitation.

The court record hence shows very clearly that Mr. Belmont and his associates have been defeated in every effort they have made to delay the trial of the case. Their technical strategies are construed as indicating that they have a rather hard case to defend. Mr. Belmont is claimed to have been trading with himself through his various companies and taking profits in the millions at every turn, while getting a salary of $75,000 in addition. The investment public was invited to buy the securities, and if the facts had been told, instead of being concealed, the present difficulty, of course, would never have arisen. Mr Belmont naturally appreciates that this is a bad season for the disclosure of

SECRET RAKE-OFFS

of high financiers, and his appreciation of this fact is alleged to be the cause of his effort to delay the trial of the action.

The defense of Mr. Belmont, so far as disclosed in the court records, appears rather ludicrous. The resolution of the board of directors, in which the criticised horse-car lines were acquired, recites the fact that the large price paid was also for the purpose of awarding "full compensation" to Belmont & Company for their services in procuring the McDonald contract, the stock of the construction company and for securing some subscriptions to the stock of the company. In other words, when Mr. Belmont, as constructor, sold to Mr. Belmont as incorporator at an eventual profit of $17,000,000 on a $3,600,000 investment, and when Mr. Belmont as contractor sold the so-called McDonald contract to Mr. Belmont as incorporator at an eventual profit of between $3,000,000 and $4,000,000, and when Mr. Belmont received an annual salary of $75,000 for dealing with himself he had not made a sufficient profit to give him proper and "full compensation", the board of directors permitted him to get an additional profit of upwards of $4,500,000 on two practically defunct horse-car lines.

In the complaint of the stockholders, it is stated that Mr.

BELMONT DEFENDS HIS PROFIT.

by the statement that the horse-car lines were believed to be of great value, and were possessed of large potential possibilities in consequence of which the purchase of securities representing their ownership was a delicate and difficult transaction. Further, it was suggested that the bonus given represented only a fair reward for the courage, public spirit and enterprise of Mr. Belmont in promoting the company, as well as in sympathy for him in the great risk he took of losing his entire fortune in carrying out the project.

These arguments are convincing indeed, and I cannot imagine anyone conversant with the facts who will not express regret that Mr. Belmont and his associates did not get more for their patriotic services, particularly in view of the fact that the city of New York furnished them with the opportunity and a good part of the money, and the investment public furnished most of the balance of the money needed not only to carry out the enterprise, but to convert their profits into substantial cash.

P. DE MEDICI.

Dial Cash Register, Pay-As-You-Enter Car, Eastern Mills Stocks, Hocking Valley Products Co., bought and sold.

C. W. GILMOR, 50 Broad St., N. Y.

Wire connections to all markets

UNLISTED & INACTIVE ISSUES

We are prepared to quote actual trading markets on unlisted or inactive investment issues.

Correspondence Solicited

E. BUNGE & CO. 20 BROAD STREET, NEW YORK

Cable Address, "Emetus, New York" Long Distance 'Phone 4735-4736 Rector

Assets Realization Company

Capital $10,000,000

Purchases Estates in Liquidation at any point in the United States

NEW YORK PHILADELPHIA CHICAGO

Hodenpyl, Hardy & Co.

BANKERS

7 Wall Street, New York

6% PREFERRED STOCKS A SPECIALTY

BODELL & CO.

PROVIDENCE, RHODE ISLAND

Boston Office, 35 Congress St.

Bonds and Preferred Stocks of Proven Value

GEO. D. COOK & CO.

BANKERS

71 BROADWAY, NEW YORK

We make a Specialty of Mexican Government and State Bonds

McCOY & COMPANY

Municipal and Corporation Bonds

181 LA SALLE STREET

CHICAGO

Boody, McLellan & Co.

111 BROADWAY, NEW YORK

MEMBERS OF NEW YORK STOCK EXCHANGE

Orders Executed for Investment or on Margin

We Have For Sale

Bank Stocks—Paying Dividends of 6%, 8%, 10%, 20%.

WM. D. PERKINS & CO., Bankers

No. 211 Cherry St., Seattle, Wash.

Established 1893

Oldest Bond House In Washington.

DOMINION BOND COMPANY LIMITED

MONTREAL TORONTO OTTAWA LONDON, ENGLAND

Dealers in HIGH-GRADE CANADIAN BONDS

List on Application

5% BONDS

Guaranteed by

National Light Heat and Power Co

A. H. BICKMORE & CO.,

30 PINE ST., NEW YORK

6% Timber Bonds

Carrying With Them An Exceptionally Attractive Feature.

American Finance & Securities Co.

5 Nassau Street New York

H. C. Gibbs & Co.

Gas and Electric Light Bonds

To yield 5% to 5 1-2%

60 State Street BOSTON

CIRCULAR ON MISCELLANEOUS UNLISTED MILL AND MANUFACTURING SECURITIES

SENT UPON REQUEST

HORNBLOWER & WEEKS, 60 Congress St., Boston

Digitized by Google

Is Chesapeake & Ohio Too Low?

At Ruling Prices Stock Yields Nearly 7 Per Cent, the Highest Return of Any Railroad Stock in Its Class—Last Year's Surplus Was Only $88,659 Over Dividends of $3,139,625 paid—Chicago Extension Which Will Be Profitable Was a Loss to Profit Account Last Year of About $1,000,000—Hocking Valley Stock Held Could Have Paid $500,000 More in Dividends—Main Line From Newport News to Cincinnati Will Be Double Tracked Before the End of the Year.

Chesapeake & Ohio, at 74, yields well up toward 7 per cent on the investment, which is a higher yield than can be secured by the purchase of any other railroad stock in its class At 72½, a 5 per cent stock yields exactly 6.90. In December, Chesapeake & Ohio stockholders will receive their regular quarterly dividend of 1¼ per cent, so that the stock is now selling at so close to a 7 per cent basis, and so much below other railroad stocks with which it should be compared, that a discussion of its actualities and possibilities is of interest.

A good many reasons have been suggested as to why the stock is selling out of line with other railroad stocks. Several Wall street analysts declare that Hawley has been too liberal in the payment of dividends, and that the Chesapeake & Ohio is tainted because some of the other Hawley roads have not done as well as Wall street had anticipated. Another explanation has been that the earnings, as was indicated by the recently published annual report, made a poor showing, and that when a railroad had left for the surplus account only $88,659 after the payment of dividends aggregating $3,139,625, as was the case in the fiscal year ended June 30, 1911, that the management had

BEEN RUNNING TOO CLOSE

to the cushion on dividend distributions.

The fact seems to have been overlooked in the superficial criticisms which have appeared that the Hawley management has been very busy in double-tracking its line, extending its system to Chicago, and making rapid progress in a very extensive programme of development, which does not show results in traffic returns the first year.

A more important fact to be considered, however, is that Edwin Hawley, who has demonstrated that he is a genius in the strategies of railroad control, does not play for five or ten-point turns on his purchases. After making a very substantial profit by selling out his Colorado & Southern at around 58 for the common stock, he organized another syndicate to buy Chesapeake & Ohio, and the price he paid for its control was generally believed to be about 65. Chesapeake & Ohio stock is now selling only about 9 points above the figure at which control was purchased, so unless Mr. Hawley has changed his system of operation, this stock will sell much higher before his syndicate disposes of its holdings.

Another fact which may be well borne in mind is that Hawley is a good buyer and never pays an eighth more than he has to, that he does not buy control of a railroad unless there is a generous profit available from its purchase within a reasonable time, and that he always stays with his purchases until he is able to secure very close to the top figure of value. It is, in all probability, therefore, almost trite to say that Hawley and his associates bought the controlling interest in Chesapeake & Ohio

FOR PAR OR BETTER,

or they would not have bothered with it. Incidentally, it might be remarked that in his Chesapeake & Ohio syndicate was included the C. P. Huntington estate, represented by Henry E. Huntington; National City Bank interests represented by Frank A. Vanderlip, as well as other interests, of which President Shonts, of the Interborough Rapid Transit Company, of New York City, may be mentioned as one.

The present prices in the stock market seem to minimize, rather than recognize what has been going on in the development of the Chesapeake & Ohio, so that all of the facts with reference to this property are well worthy of consideration.

Before Hawley acquired control, the road might almost have been called a local and coal line, although it extended from Newport News to Cincinnati and Louisville. Now the road extends to Chicago and Toledo, and comprises one of the important short lines between the Great Lakes and tidewater. This rapid transformation has, of course, necessitated a considerable investment of capital, which calls for interest payments, and temporarily shows no results.

The new lines acquired are being rapidly developed, however, and before the end of the year, the complete double-tracking of the main line from Newport News to Cincinnati will be completed. For example, on the company's Chicago extension alone, known as the Chesapeake & Ohio of Indiana, a total investment of approximately $10,000,000 made no returns in profits in the last fiscal year. Assuming that this money cost 4½ per cent, there was

A LOSS OF $450,000

for the year, so far as the income account was concerned. In addition, on this property there was a deficit in operation, sinking funds and equipment obligations had to be taken care of, and these items aggregated something like $300,000 to $400,000 more.

In other words, the Chicago extension last year practically resulted in a loss of $1,000,000, while a year or so hence there will be no loss, and a profit ranging up toward the present $1,000,000-a-year loss.

This fact is well worthy of consideration, because there has been considerable comment about the small surplus of $88,659 over dividends paid on last year's operations, and it has further been suggested that there would have been no surplus at all if other items of deduction had been taken out of current income, instead of surplus account. The discount, less premiums, on bonds and notes sold during the year, was $186,210, and the sinking fund appropriation and sundry adjustments amounted to $105,299, making a total of $291,509. Had these items been deducted from current surplus income, the balance of $88,659 would have been wiped out, and a considerable amount in addition. The profit and loss credit in consequence which was $1,913,950 on June 30, 1910, was reduced to $1,711,100 on June 30, 1911.

These figures

APPEAR IN A DIFFERENT LIGHT,

however, when it is borne in mind that the surplus earnings beyond dividends paid amounted to $1,514,464 in 1909, and to $3,621,869 in 1910. The facts may be presented more forcibly by the statement that during the past three years, the total amount of dividends paid have aggregated $7,064,056 while the remaining surplus which has been put back into the property has amounted to $5,229,993. This, of course, is not quite up to that standard occasionally heard about of a dollar for the property for every dollar in dividends, but it comes so close that it is worthy of consideration in this respect.

Although the Hawley management has been accused of being extravagant in the payment of dividends, it is worthy of note that the company's expenditures for maintenance have been continued in generous proportions. The maintenance of way per mile in 1911 was $1,941, as compared with $1,750 in 1910. The maintenance of equipment per mile was $3,000 last year, as compared with $3,023 the preceding year. The basis of calculating maintenance of equipment per mile of road, however, is not reliable in the case of the Chesapeake & Ohio, or any other railroad. A much better, and the only reliable standard is the amount of expenditure for each item of equipment. The amount expended per locomotive last year was $2,395, the amount on each passenger car $822, and the amount on each freight car $62, which figures compare very favorably with all railroads, and particularly with those in the class of the Chesapeake & Ohio. Another fact which may be borne in mind in connection with the small reduction in the per mile expenditure for maintenance of equipment is that during the past year $3,500 new modern steel cars were purchased, and, of course, the necessity for upkeep of this class of equipment is materially less than on the old style type of car.

Perhaps the

MOST ELOQUENT FACT

regarding the maintenance of the company's equipment is in the circumstance that the percentage of its cars and engines in bad order or in shop for repair was only 4.10 per cent, as compared with 6.5 per cent in the case of the Norfolk & Western, which is frequently referred to as a line of the same character as the Chesapeake

Digitized by Google

& Ohio, and one which is being operated on a much higher standard.

Like all other railroads, last year, the Chesapeake & Ohio had to pay out a considerable amount in increased wages. The increase in operating expenses amounted to $2,856,916, and the decrease in net operating revenue was $1,510,674. Just about one-half of this decrease in net operating revenue can be accounted for by the increase of $750,000 in wages paid to its old employes.

The continuing progress in efficiency of operation of the property is well indicated by the figures just compiled for the month of August, as compared with the figures for the year ending June 30, 1911. In this month, the average number of tons hauled per locomotive, including the company's freight, was 705, as compared with 521 for the year; the average trainload was 766 tons, as compared with 689; the average number of loaded cars on each train was 23.7, as compared with 22.5; the total cars per train were 38.2, as compared with 36.2.

One factor which may account to a limited extent for the present low price of the stock, and the disinclination of investors to purchase it is doubtless the amount of litigation which the company has had with reference to its acquisitions of property in Ohio and Indiana.

SEVERAL OF THESE SUITS

which officials of the company say were clean-cut strike-hold-ups, have been settled, and incidentally, it might be remarked that an influential member of the present Hawley syndicate said recently, with significant emphasis that a prominent New York lawyer would never again assail any of the companies in which he was interested.

The company still has some litigation pending which involves its ownership of coal properties, and the buying lines alleged to be competing and parallel. A river runs between the Kanawha & Michigan, and the Chesapeake & Ohio lines, but nevertheless, some of the ambitious politicians in that section of the middle West are vigorously prosecuting a suit to compel the company to dispose of its Kanawha holdings. Another suit involves the ownership of the Sunday Creek Coal Company, which was in the treasury of the Hocking Valley Company. This coal stock was deposited in a New York City trust company for the benefit of the railroad stockholders, and since that time, no control of it has been exercised by railroad officials. The only thing which can be accomplished by the suit is segregation, and as this was effected some years ago, this litigation is not regarded as of serious importance.

Another significant fact in connection with these suits is that several of them have been brought by a man very closely identified with another railroad, which might be benefited by any general smashup, and a forced sale of the property to the highest bidder.

In acquiring its holdings of 88,258 shares of Hocking Valley stock, the company

HAS BEEN CRITICISED

on account of borrowing money at 5 per cent, and investing it at 3½ per cent. The bulk of the Hocking Valley was purchased at 120, and as the present dividend rate is only 4 per cent, the present return to the purchasing company is not profitable. For some years, however, the Hocking Valley has earned an average of over 17 per cent on its stock, and last year earned 16½ per cent. It is obvious, therefore, that a 10 per cent dividend could easily have been paid, instead of 4 per cent, and this would have added a matter of $500,000 to the Chesapeake & Ohio's profit account.

The Kanawha & Michigan, too, could have paid more in dividends, so taking into consideration these increases in the income account, which the management would have arranged for had it been necessary, as well as the fact that the acquisition and development of the Chicago extension represents a loss to income of a matter of $1,000,000 a year, I am inclined to think that Chesapeake & Ohio should not, and will not, sell for an indefinite time

AT THE LOWEST PRICE

of any railroad stock in its class. It should be further borne in mind that the company has outstanding $31,390,000 of convertible 4½ per cent bonds, which are convertible into stock at par, and which the officials would naturally like to have converted, and further that a blanket mortgage of $125,000,000 was issued some months ago to provide for the refunding of outstanding obligations and extensions, as well as additions to the property.

P. De Medici.

American Industrials Co.

Broad Exchange Building, New York

INVESTMENT SECURITIES.

6% Twenty Year First Mortgage Gold Bonds.
7 Preferred Stocks.
8% Preferred Stocks.

I. M. TAYLOR & CO.

8 Congress Street, Boston
115 Broadway, New York

Members of New York, Boston and Chicago Stock Exchanges

Cumberland Telephone & Tel. Co.

8% STOCK

Of all the different subsidiary Companies of the AMERICAN TELEPHONE & TELEGRAPH CO., there are none better than the CUMBERLAND. This Company has a quarterly cash dividend record of over 27 consecutive years.

For quotations, address,

GOULDING MARR
Investment Broker
NASHVILLE : TENNESSEE

SHORT TERM NOTES

with stock bonus offer an unusual investment opportunity

The notes mature in from one to two years with adequate interest and the bonus stock assures a steady income for ten years.

Write for particulars.

GILBERT H. CARR
50 Congress St., Boston.

TAX EXEMPT STOCKS

List Mailed on Application

311 Main St., **W. F. CROSBY** Telephone 4090
WORCESTER, MASS.

JOHN P. DAVIS, President. WM. M. WELLCOME, Vice-President. BYRON H. DAVIS, Sec'y-Treas.

The Davis Wellcome Mortgage Co.

(Incorporated)
TOPEKA, KANSAS.

Gilt-edge first mortgage loans for sale at 5½% and 6% net to the investor. Security well-selected, improved farm lands, in no case to exceed 50% actual value of the farm. Every loan personally examined by one of our inspectors. No better or safer security for money anywhere.

We point with pride to a record of twenty-five years, loaned over $12,000,000, without foreclosing a mortgage or the loss of a dollar in either interest or principal.

Bank References:
BANK OF TOPEKA
CENTRAL NATIONAL BANK, TOPEKA

Correspondence Solicited

Digitized by Google

BIG PROFITS IN CANDY.

An Industry With a Wonderful Record For Making Money—United States Census Bureau Tells an Eloquent Story of Its Growth.

There is probably no industry in this country that can show a greater net return on the capital invested than the manufacture of candy. It is a business, however, concerning which the public knows but little, because it has in the past been confined, with few exceptions, to close corporations, firms and individuals, to many of whom this industry has yielded great wealth. Shares in these companies cannot be purchased at any price, earnings and dividend disbursements are not disclosed and public statements of condition are not required. It is an industry, however, which is developing with rapid strides, yet the demand for the product is still much in excess of the supply. The consumption of candy in this country is estimated at approximately 2,000,000,000 pounds per annum, and it is steadily increasing and calling for the construction of hundreds of factories throughout the country to keep pace with the demand.

According to the latest available statistics furnished by the Census Bureau at Washington, there has been an increase over a period of five years of 40 per cent in the number of candy manufacturing establishments, 64 per cent in the amount of capital employed, 35 per cent in the number of wage earners, 46 per cent in the total wage earnings, 38 per cent in the cost of materials used and 43 per cent in the value of the product sold.

A REMARKABLE GROWTH.

In view of these facts and the wide margin of profit in the business, it is no wonder that capital is being attracted to it. Perhaps as fair an example of the remarkable growth of the confectionery business in this country is furnished by the city of Baltimore. Statistics show that in five years there has been an increase of $2,413,000 or 93 per cent in the production of the confectionery industry in that city.

There can be no question that the profits to be derived from the manufacture of candy are very large, and to prove this assertion we have only to point to the success of such widely known manufacturers as Huyler, Repetti, Maillard, Lowney, Loft, Heide, the Mirror and many others, and to such well-known corporations as the Autosales Gum & Chocolate Company, underwritten and financed last year by several of the large banking houses in New York, and to the Sen Sen Company, another semi-confectionery concern, also financed successfully by prominent Wall street bankers. Both of these concerns are doing a large and prosperous business, and their shares sell at a premium, while other concerns, starting in an extremely modest way, are to-day the most prominent and successful manufacturers of candy in the world.

According to the best statistics available, the manufacturers of "hard" candy make a net profit of about 10 cents per pound, or 125 per cent, 3 cents per pound representing the first or factory cost; so that when this immense return on invested capital is considered, it is not strange that the business should prove attractive or that the stock of these companies is held so closely.

A GREAT STAPLE.

This is an industry producing a great staple, consumed in all seasons, by all classes, with a constant and universal demand, not affected by hard times, drouth and the various other vicissitudes from which so many of our industrials suner. It would, therefore, seem that a properly organized candy business, in the hands of a thoroughly capable management, ought to prove a profitable investment.

With the object in view of creating such an opportunity, there has recently been organized under the laws of New Jersey a corporation known as Franklin's, Inc., with a capital of $100,000, all common stock of the par value of $10, full paid and non-assessable, for the manufacture of candy in New York City, headed by Floyd N. Franklin as president (late of Huyler's and Repetti). This company plans to manufacture, from the best of materials, a uniform and high-quality product and to inaugurate speedily one of the most extensive candy-selling campaigns in the history of the business in this country. It has nearly completed its factory at 251-253 Canal street, New York City, and within a few weeks will be producing candies for the trade.

It seems to us that this company has started right. First, it is organized under the laws of a state affording the maximum of protection to the rights of both stockholder and corporation. Second, its capitalization is modest and there are no preferential shares or bonds ahead of the stock. Third, it has no connection whatsoever with any other candy manufacturers. Fourth, it has secured as its head a gentleman of wide experience in candy manufacturing, a successful man coming into the company with the highest of recommendations from his former employers and with such confidence in the ultimate success of the enterprise that he has invested his own money in it. All things being equal, this enterprise should meet with a large measure of success.

JOSEPH L. BARKER.

BANK ITEMS.

ATLANTA, GA.—The Pankers Trust Company is organizing here. H. S. Johnson, Asa G. Candler, J. R. Smith, W. S. Cosgrove, W. D. Manley and Alex W. Smith are interested. The capital will be $100,000.

CHATTANOOGA, TENN.—C. L. Knoedler, cashier of the Hamilton National Bank, is organizing a new bank with $100,000 capital. It will be named the Bank of Commerce & Savings Company.

LONE WOLF, OKLA.—The First National Bank of Lone Wolf has been chartered with a capital of $25,000. C. H. Griffith is president, A. S. Griffith, vice-president; H. P. Griffith, cashier, and E. C. Tempe, assistant cashier.

SPRINGFIELD, MO.—The Drovers Bank is organizing here with $50,000 capital. W. F. Frazier, of Willard, and W. F. Morgan, of Joplin, are interested.

A first mortgage 5% bond to yield 5.45%.

Average net earnings for past five years nearly three times interest on these bonds.

Company has paid dividends of 6% for 13 years on its outstanding Preferred stock.

Price and particulars on application.

Write for Circular 123

Knauth, Nachod & Kühne

BANKERS

15 William St., New York City

Baker, Ayling & Co

60 Congress street, Boston

INVESTMENT BONDS

Philadelphia Office, Land Title Building

"In the Heart of Things"

HOTEL

MARTINIQUE

Absolutely Fireproof

B'way, 32d-33d Sts., New York City

ONE BLOCK FROM NEW PENN. R. R. DEPOT

and opposite

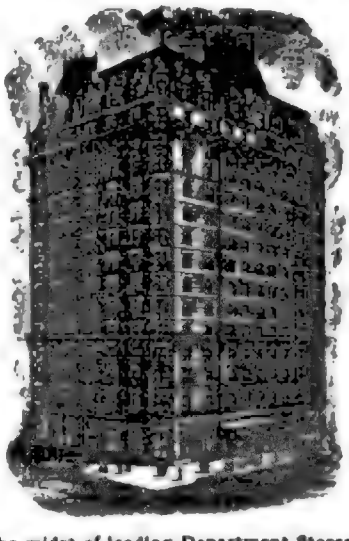
HUDSON TERMINAL

connecting with

Erie Lackawanna Lehigh Valley Pennsylvania Railroads

from which

BAGGAGE TRANSFERRED FREE TO AND FROM HOTEL



In the midst of leading Department Stores and Theatres

600 ROOMS 400 BATHS

Rooms with use of bath, - - $1.50 up

Rooms with private bath, - - $2.50 up

CHAS. L. TAYLOR, Pres. W. S. GILSON, Vice-Pres.

WALTER CHANDLER, Jr., Mgr.

Also Proprietors of St. Denis Hotel

ed by Google

Municipal Bond Sales

MUNICIPALITY.	Date of sale.	Classification of bonds.	Amount.	Rate of Interest. Per cent.	Maturity.	Sales price.	Purchaser.	Income basis.
Littleton, Mass.	Oct. 31	Water	$30,000	4	**5-19	102.782	R. L. Day & Co., Boston	3.71
Beverly, Mass.	Oct. 31	Sewer	9,000	4	**1-2	100.48	Lee, Higginson & Co., Boston	3.76
Pleasant Ridge, Ohio	Oct. 23	Sewer	15,000	4	1941	101.25	Ohio Nat. Bank, Cincinnati	3.925
East Cleveland, Ohio	Oct. 25	Water main	9,000	4½	1921	101.76	Cleveland Trust Co., Cleveland	4.02
East Cleveland, Ohio	Oct. 25	Sewer	18,500	4½	1921	101.75	Cleveland Trust Co., Cleveland	4.02
Delaware County, Ohio	Oct. 31	Road imp	78,500	4½	*5½	101.79	Depos. Banking Co. Delaware	4.10
Middletown, Ohio	Oct. 21	St. imp. assess	19,716	4½	**1-10	101.79	Weil, Roth & Co., Cincinnati	4.10
Niles Ohio	Oct. 25	Sew. D. No. 2	14,245	4½	*4	101.404	Niles Trust Co.	4.11
Canton, Ohio	Oct. 30	Sewer	1,650	4½	1921	101.606	Hayden, Miller & Co., Cleveland	4.17
Canton, Ohio	Oct. 30	Street imp	4,200	4½	*8½	101.606	Hayden, Miller & Co., Cleveland	4.17
Canton, Ohio	Oct. 30	Sewer	1,700	4½	*3½	101.606	Hayden, Miller & Co., Cleveland	4.17
Canton, Ohio	Oct. 30	St. imp. (c. p.)	500	4½	1925	101.606	Hayden, Miller & Co., Cleveland	4.17
Canton, Ohio	Oct. 30	Street imp.	10,800	4½	*5	101.606	Hayden, Miller & Co., Cleveland	4.17
Canton, Ohio	Oct. 30	St. imp. (c. p.)	8,000	4½	1920	101.606	Hayden, Miller & Co., Cleveland	4.17
Ravenna, Ohio	Oct. 30	Special assess.	11,151	4½	**1-10	101.54	A. E. Aub & Co., Cincinnati	4.183
Massillon, Ohio	Oct. 30	Bridge	3,000	4½	**5-21	100.85	Provident S. L. & T. Co., Cincinnati	4.21
Yonkers, N. Y.	Oct. 21	Hospital	75,000	4½	**1-20	102.93	Kissel, Kinnicut & Co., New York	4.227
Yonkers, N. Y.	Oct. 21	City Hall	250,000	4½	**1-20	102.93	Kissel, Kinnicut & Co., New York	4.227
Yonkers, N. Y.	Oct. 21	Road imp.	50,000	4½	**1-20	102.93	Kissel, Kinnicut & Co., New York	4.227
Yonkers, N. Y.	Oct. 31	Hospital	50,000	4½	*10½	102.93	Kissel, Kinnicut & Co., New York	4.227
Marietta, Ohio	Nov. 1	Water works	10,000	4½	**2-21	102.10	First Nat. Bank, Marietta	4.269
Verona, Pa.	Oct. 23	General imp.	15,000	4½	*2½	103.06	H. F. Bachtel & Co., Pittsburg	4.291
Kenmore Ohio, Sch. Dist.	Oct. 14	Building	1,700	5	*3½	100.41	Somerset Bank, Somerset	4.322
Middletown, Ohio	Oct. 21	Street imp.	1,915	4½	**1-10	100.70	Seasongood & Mayer, Cincinnati	4.328
Swanton, Ohio	Oct. 28	Wat. wks. ext.	17,000		*8½	101.025	Huebler & Cummings, Toledo	4.363
Alliance Ohio	Oct. 31	Special assess.	5,200		**2-5	101.25	W. K. Bond Supervisor	4.39
Eaton, Ohio	Oct. 29	Sidew'k assess.	7,345		**5-7	101.62	Seasongood & Mayer, Cincinnati	4.42
Ridgewood, N. J.	Oct. 31	Sewer funding	60,000	4	*8 1-2	103.77	N. W. Harris & Co., New York	4.45
Oakland, Cal.	Nov. 1	Aud. m. & sch.	1,000,000	4½	**2-40	100.25	N. W. Halsey & Co., E. H. Rollins & Sons	4.478
Oakland, Cal.	Nov. 1	Municip. imp.	600,000	4½	*1 2-3	100.25	N. W. Halsey & Co., E. H. Rollins & Sons	4.478
Ramsey, N. J., Sch. Dist.	Oct. 31	Building	32,000	4½	*12½	102.01	Adams & Co., New York	4.597
Calgary, R. C. Sep. Dist. No. 1, Alberta	Oct. 23	Building	60,000	4½	1941	97.525	Canadian Debenture Corp., Ltd.	4.66
Mineola, N. Y.	Oct. 23	Paving	5,000	4½	**5-7	100.542	J. H. Hart, Albany	4.73
Mineola, N. Y.	Oct. 23	Water	1,000	4½	**5-7	100.542	J. H. Hart, Albany	4.73
Regina, Saskatchewan	Oct. 16	Debentures	100,000	4½	1931	97.02	Wood, Gundy & Co., Toronto	4.73
San Bernardino County, Cal., Chaffee Heat. Sch. Dist.	Oct. 23	Building	100,000	5	**7-58	103	N. W. Halsey & Co., San Francisco	4.77
Jackson County, Fla.	Oct. 17	County	100,000	5	1942	103.075	Wm. D. Fennimore	4.826
Santa Clara County, Cal. Mayfield Sch. Dist.	Oct. 16	Building	2,500	5	**3-4	100.10	Bank of Mayfield, Mayfield	4.831
Wilkes-Barre, Pa.	Oct. 12	Paving	27,100	5	1926	100.52	Yarnall, Biddle & Co.	4.868
Lincoln, Neb.	Oct. 2	Paving	11,750	6	**1-10	100.55	Spitzer, Rorick & Co., Toledo	4.87
Lawton, Okla.	Oct. 30	Funding	70,000	5	1929	101.187	Dix Securities Co., Day Moines	4.895
West Mansfield, Ohio	Oct. 9	Street imp.	3,000	5	*7½	100.288	C. E. Denison & Co., Cleveland	4.94
West Mansfield, Ohio	Oct. 9	Street imp.	5,000	5	*6½	100.288	C. E. Denison & Co., Cleveland	4.94
Pecos, Tex. Sch. Dist.	Oct. 2	Building	18,500	5	1930-40	105.05	A. E. Hood & Co., Detroit	4.99
Madrid, S. D.	Oct. 26	Sewer	7,500	5	*14	par	Thos. J. Bogert & Co., Chicago	6
Madrid, S. D.	Oct. 26	Water works	7,000	5	*15½	par	Thos. J. Bogert & Co., Chicago	6
Madrid, S. D.	Oct. 26	Jail	3,000	5	*6½	par	Thos. J. Bogert & Co., Chicago	6
Hill City, Minn.	Oct. 30	Water works	15,000	5½		par	Security Trust Co., Duluth	5.50
Holland, Mich.	Nov. 1	Street imp.	2,000	5½	**1-5	par	Denison & Kelly	5.50
Kipabiskau, Saskatchewan	July 21	Road	18,000	6	1926	par	National Financial Co., Regina	5.57
Dupree, Ohio	Oct. 17	Bridge	10,000	6	1931	100.17	Dupree National Bank	5.931
Edgeley, N. D.	Oct. 16	Funding	12,000	6	1931	par	Minnesota Loan & Trust Co., Minneapolis	6
Hancock, Mich.	Nov. 1	Sewer	5,000	6	**1-5	par	Hancock City State Bank	6
Richland, Mich.	Nov. 1	Street imp.	11,000	6	**1-5	par	Denison & Kelly	6
Lumsden, Saskatchewan	Sept. 25	Sinking fund	4,000	6	1931	par	Union Bank of Canada	6
Yerington, Nevada	Oct. 21	Water system	25,000	6	*15-22½	par	Am. Trust & Water Co., Chicago	6
Cincinnati, Ohio		Debentures	5,270	4	1921		Province of Ontario	
Cornwall Township, Ont.		Debentures	5,225	5	1931		Ontario Securities Corp., Ltd., Toronto	
Deep River, Iowa	Oct. 20	Electric light	7,000				Dickinson	
Dundas, Ontario		Debentures	14,200		**1-15		A. E. Ames & Co., Toronto	
Govan, Saskatchewan		Fire	600	6	1926		Ontario Sec. Corp., Ltd., Toronto	
Hamlin, Me.	Nov. 2	Refunding	11,000	4			Dickinson	
Lakefield, Ontario	Nov. 2	City	2,000	4½	1941		Dominion Securities Corp., Toronto	
Port of Ontario	Oct. 18	Light & power	25,000	4½	1941		Dominion Securities Corp., Toronto	
Redfield, S. D.	Nov. 2	Water works	5,000				Dickinson	
Lake Co., La.	Oct. 6	Dept. of public	40,000	5	**1-20		Commercial-Germania Bank & Trust Co., New York	
Mansfield, Manitoba	Sept. 27	Debentures	4,000	4	1959		Alloway & Champion	
Moose Creek, Ont.	Oct. 27	Refunding	30,000	6	*15		Dickinson	
Myrtle Sch. Dist. No. 2, Saskatchewan	July 25	Building	1,200	7½		100.375	H. O'Hara & Co., Winnipeg	
Mortonsburg, Ky.	Oct. 27	School	10,000	6	1931		Dickinson	
Mossbank, Ont.		Debentures	6,000	5	1941		C. H. Burgess & Co., Toronto	
Munroe, Ont.		Debentures	4,000	5	1941		C. H. Burgess & Co., Toronto	
Muscowpetung, Manitoba		Debentures	4,000	5	1941		National Finance Co., Toronto	
New Liskeard, Ontario		Debentures	7,000	5	1931		C. H. Burgess & Co., Toronto	
Newport, Ky.	Oct. 18	Sewer	11,000	5		107.281	Seasongood & Mayer, Cincinnati	
Orange County, Cal., Anaheim Sch. Dist.	Nov. 2	Building	5,000			102.50	L. H. Vernon & Co., Los Angeles	
Petrolia, Ontario		Debentures	15,000	6½	**10-15		W. A. McKenzie & Co., Toronto	
Pincher, Wyo.	Nov. 2	Paving	7,000				Sinking Fund Commissioners	
Pinellas County, Fla. Sch. Dist. No. 2	Oct. 26	Building	25,000	6½			A. E. Aub & Co.	
Rahway, N. J.	Nov. 2	Land	10,000				Rahway National Bank	
Redcliff, Township, Ont.		Debentures	10,000	5	1921		A. E. Ames & Co., Toronto	
Regina Separate Sch. Dist.	Oct. 16	Debentures	30,000	4½		98.16	Mackinnon, Ed. & Co., Montreal	
Schenectady, N. Y.	Oct. 9	Water dept.	1,000	4.70	**5-7		Farmers Bank, Schenectady	
Schenectady, N. Y.	Oct. 9	Gas & elec.	1,000	4.70	**1-7		Farmers Bank, Schenectady	
Toronto, Ont.	Oct. 27	Special assess.	22,000	7			Dominion	
Weyburn, Manitoba		Debentures	15,000	6½	1931		H. O'Hara & Co., Toronto	
Wapella Sep. Sch. Dist.	Oct. 23	Building	2,000				Geo. M. Bechtel & Co., Davenport	
West Allis, Wis.	Nov. 1	School	500,000				Dominion	
West Allis, Wis.	Nov. 1	Sewer	10,000				Dickinson	
Wetburn, Saskatchewan		Debentures	7,000				Hanson Bros., Montreal	

* Average ** Year serial † Year optional

Digitized by Google

PROPOSAL FOR BONDS.

CLARKSVILLE, TEX.—This city will offer at private sale $10,000 of 5 per cent 40-year water extension improvement bonds for sale, one-half optional after ten years and one-half optional after twenty years. John R. Webb is city clerk.

BANK ITEMS.

CLEARFIELD, PA.—The County National Bank has increased its capital from $300,000 to $500,000.

DETROIT, MICH.—The First State Bank is organizing with $20,000 capital.

DICKSON, TENN.—The Dickson State Bank has been organized with the following officers: J. T. Holbrook, president, S. H. Bryan and D. E Beasly, vice-presidents, and Ourey Harris, cashier. The capital is $40,000.

GRIFFITHSVILLE, W. VA.—The Oil Field Bank, capitalized at $25,000, has been converted into the Oil Field National Bank. H. W. Miller is president, H. C. Osborne, vice-president; J. C. Riger, cashier, and Thos. J. Grass, assistant cashier.

KANSAS CITY, MO.—The Seavy & Flarsheim Brokerage Company has been organized with $60,000 capital. Henry Flarsheim, C. Flarsheim and H. D. Seavey are interested.

KRAMER, NEB.—The Farmers State Bank has been organized with $10,000 capital. Louis Helmer, J. H. Lohmann, Herman Freese, E. H. Wellage, W. J. Weber and Valentine Glebe are interested.

Bond Certification

Modern conditions make the registration and certification of municipal and corporate obligations desirable and convenient. We have a department maintained exclusively for this purpose.

First National Bank of Boston
70 Federal Street

THE
CITY OF CLARKSVILLE
TEXAS

has $10,000.00 of 5% 40 year Water Extension and Improvement bonds for sale, one-half optional after 10 years and one-half after 20 years. Private sale.

JNO. R. WEBB, *City Clerk*

CITY OF TUSCALOOSA
Tuscaloosa County, Ala.

Proposals will be received until Dec. 5th, 1911, for $35,000.00 5% 30-year Public School Bonds; denominations $500.00 each semi-annual, payable, New York City. For further particulars, address, S. Friedman, Commissioner.

City and Town Treasurers

The Old Colony Trust Company is one of the largest and strongest banking institutions in the country. Its tremendous resources and its strong position in the confidence of the public make our services in the preparation and certification of Municipal Bonds of unusual value to city and town treasurers.

Our plan for handling this work is the safest and most systematic that experience can suggest, and it is so economical that the entire cost is within the means of the smallest municipality.

It affords absolute protection not only to the issuing community and its officials' but also to the banker and investor. It has already been adopted by many cities and towns throughout the country and has the unqualified endorsement of all bond dealers.

The marked preference shown by investors for bonds issued under our plan has resulted in a distinct enhancement of their market value. *Kindly send for descriptive pamphlet.*

OLD COLONY TRUST COMPANY

COURT STREET BOSTON TEMPLE PLACE

Notice to Bond Buyers

Five Hundred and Twenty-four Thousand Dollars ($524,000.00)
Refunding Bonds of the City of Houston, Texas

Sealed bids will be received by the City of Houston, Texas, until 12:00 o'clock noon, Monday, December 11th, 1911, for the issue of Five Hundred and Twenty-Four Thousand Dollars ($524,000.00) Five per cent (5%) Refunding Bonds, bearing date the 16th day of October, A. D. 1911, interest payable semi-annually at the office of the Union Trust Company, in the City of New York, said bonds to run Thirty (30) years, with an option reserved by the City of Houston to pay same at the expiration of Twenty (20) years.

Each bid for the above issue of bonds must be accompanied by a certified check on a Houston bank, payable to H. B. Rice, Mayor, for One per cent (1%) of the face value of said issue as a guaranty of good faith; bonds to be delivered and money paid in Houston, Texas.

The City of Houston reserves the right to reject any and all bids.

H. B. RICE,
Mayor of the City of Houston.

Attest.
Dan C. Smith, Jr.,
City Secretary.

Sealed Bids

will be received by the City of Dallas, Texas

until 12:00 o'clock, noon, Wednesday, November 22nd, 1911, for Two Hundred and Fifty Thousand Dollars ($250,000.00) four per cent (4%) Permanent School Improvement Bonds of the City of Dallas, bearing date of July 1st, 1911. Principal and interest payable at the Chase National Bank, in New York City. Interest payable semi-annually. Bonds mature serially, one to forty years, beginning July 1st, 1912; $6,000.00 each year with $8,000.00 each tenth year, until 1951, when $10,000.00 will mature—average time twenty and one-half years.

The bonds are in denominations of $1,000.00 each. They have been approved by the Attorney General of the State, registered by the State Comptroller, and the opinion of Messrs. Dillon, Thomson and Clay, of New York City, as to the legality of the bonds, will be furnished to the purchaser.

Each bid for the above bonds must be accompanied by a certified check payable to W. T. Henderson, Commissioner of Finance & Revenue, for two per cent (2%) of the face value of the bonds bid for. Money to be paid and bonds to be delivered at Dallas, Texas.

The City of Dallas reserves the right to reject any and all bids.

W. T. HENDERSON,
Com'r of Finance & Revenue,
City of Dallas, Texas.

Digitized by Google

United States Investor

Published Every Saturday Morning by
FRANK P. BENNETT & CO., Inc.

SUBSCRIPTION RATES

$5.00 per annum in United States and Mexico; $5.50 per annum in Canada.

$7.00 per annum in England, the Continent, Australia and Countries in the Postal Union.

$10.00 per annum for Investor and Inactive Securities Supplement, including privilege of inserting quotations in the Supplement.

ADVERTISING RATES

Twenty-five cents per agate line. There are fourteen agate lines to the inch.

PUBLICATION OFFICE.
530 Atlantic Avenue, Boston.

NEW YORK OFFICE.
2 Rector Street, New York.
JOSEPH L. BARKER, Manager.

Washington Office, 308 Corcoran Building; Philadelphia Office, 308 Chestnut Street.

Entered at the Post Office at Boston, Mass., as second class matter.

According to statements of congressmen who have lately been in Washington, a movement is on foot for an investigation of the comptroller of the currency's office. There is an apparent disposition to give the inquiry a somewhat wide scope, permitting the persons who have demanded it to introduce evidence tending to prove the desirability of placing the examinerships upon a salaried basis and subjecting both them and the receiverships to civil service requirements. But there is also the usual congressional inclination to give the inquiry a somewhat muck-raking tendency by probing for bad conditions in the bureau. The incident which has attracted attention in this connection is the case of an employe of the office who was recently elected an officer of a Pittsburgh bank and succeeded in obtaining a considerable bonus from the bank for services of an unknown character. It is not known whether this is an isolated example of the kind or not.

The meeting of the Western Economic Society at Chicago, to-day, November 11, will be an important event in the forward movement of the banking reform cause. It is intended to hear the views of ex-Senator Aldrich as chairman of the Monetary Commission, Secretary MacVeagh, of the Treasury Department, and a number of others who are known as experts on banking questions. This will be followed by a meeting of the Monetary Commission in Chicago immediately afterward, at which will be heard reports from sub-committees that have been engaged in taking testimony in the West for some time past. It is expected that the meetings at Chicago will result in the offering of important amendments to the so-called Aldrich plan, and also in a general and emphatic endorsement of legislation designed to put an end to the evils of the present banking situation.

A new compilation of the laws relating to the national banking system, with suggested changes designed to indicate what is in force now and what alterations are desired has been prepared at the Treasury Department in Washington. This is expected to serve as a guide to legislation by Congress during the coming winter, and will be useful in the discussion of the general question of administrative reform of the National Bank Act. It is probable that Congress will take up this phase of the banking question, no matter whether it deals with the more general aspects of the subject or not. In fact, the postponement of action upon banking reform in general, should it prove unavoidable, would be a strong argument for the introduction of a separate bill designed to improve the administrative conditions which exist to-day.

POSTAL SAVINGS BONDS.

Considerable comment has been produced in investment circles by the fact that the first sales of government two and one-half per cent bonds on the open market have netted their holders only about 92½. The quantities of bonds sold have been small, and, consequently, had nothing to do with the general question of demand and supply. They had no circulation privilege, and, therefore, were uninfluenced by the artificial element of value due to the national bank circulation system. Altogether, the sales have been made under conditions that are probably as favorable to the bonds as could have been had. The market might have been stronger, generally speaking, but on the whole, the 92½ realized represents about the true investment value of these securities.

It is many years since a government bond sold in the open market below par, and the episode is full of meaning from many standpoints. Some months ago, when Congress was discussing the question whether to take away the circulation privilege from new issues of Panamas and permit the raising of the rate of interest on these bonds to 3 per cent, the claim was made that without the circulation privilege, Panama twos would sell down to little more than 80. The present quotations of Panama 3's without the circulation privilege is only about 102. If the loss of one-half of 1 per cent reduces the selling price of the bond by 10 points, presumably another half per cent off would take away at least 10 per cent more of value, in which case the two per cents without the circulation privileges, if there were any, would bring 82 on the market. This shows that the predictions about these bonds were well founded and that if to-day the circulation privilege were to be taken away from existing two per cent bonds without raising their rate of interest, the effect would be to make them sell probably below 80, because of the large volume which would probably be thrown on the market. There is no imagination about this outlook, for the facts are too plain to be misunderstood. It would not be at all impossible, if such deprivation of the circulation privilege were to be made hastily and without much care, that the price of the bonds should be driven down to 75 or lower.

The sale of postal savings bonds at 92½ thus has a very interesting relationship both to the future of the postal savings system and to that of the national banking system. There is evidently very little inducement for a postal savings depositor to put his money into postal savings bonds at 2½ per cent, knowing that he will have to wait 20 years to get back par for them. This means that all such bonds will be taken out in future in very small quantities. In future, then, the government must look to placing its interest charges upon a decidedly higher rate than in the past. Future issues of Panamas will bear 3 per cent, and if it is really desired to convert savings into postal bonds, the rate of interest on the latter will also have to be raised. In fact, there is no reason why there should not be. Under such conditions, it is unthinkable that the United States will repudiate a part of its debt by adopting legislation that will cut the value of the bonds held by the banks to three-fourths or four-fifths of its present amount. To do so would be a plain act of repudiation. It would be too costly in its disastrous effect upon public credit to be considered even for a moment.

SELLING BANK STOCKS.

An interesting new turn has been given to the government's case against the National City Bank of New York by the announcement of the National City Company, which is closely affiliated with the National City Bank, that it intends to dispose of its holdings of bank stocks. This announcement has been made after very careful consideration of the situation, and

Digitized by Google

undoubtedly represents a feeling on the part of the concern that it cannot maintain a strong position so long as it holds these shares. The ownership of the shares and the announced intention to hold more of them was, it will be remembered, the first phase of the matter which attracted the attention of Attorney-General Wickersham and led him to investigate the legality of the company and its holdings. Therefore, there can be very little doubt that the sale of the stocks will promote a more friendly feeling toward the bank and its affiliated trust company on the part of the national government. Secretary MacVeagh has already expressed his pleasure at the new policy, and it is even possible that the alteration in business methods announced by the company will lead to a temporary withholding of the President's decision pending the possible action of Congress on the whole banking question.

It must be clear, however, that the mere change in the holdings of the National City Company has not materially affected the real question raised by its organization. Granting that it is not able to hold or own bank stocks, and granting that it is not inclined to disregard the injunctions of the government in that particular, how does its change of policy help matters? The ownership of stocks is only one of the things that the national bank is forbidden to do. Into many other fields it is likewise restrained from penetrating. Yet, through the ownership or joint control of trust companies, at least 300 national banks the country over are obtaining what amounts to an extension of their powers so as to include the powers of trust companies. Attorney-General Wickersham, in his original opinion in this case, took the view that the ownership of national bank stocks by the National City Company could not be tolerated, because it was in effect the accomplishment of something forbidden by the National Bank Act. Would not the same criticism apply equally well to all of those other powers and functions which are not strictly permitted by the National Bank Act, but which are practically assumed by the banks through their stockholders, when they control trust companies, and thus acquire the privilege of doing certain things which otherwise would be ultravires?

The question is one that probably cannot be settled at all by the government, but will have to be dealt with by Congress. It involves the whole question of the relationship between national banks and the public. If national banks are to be debarred from doing certain kinds of business, it may well be asked whether there will long continue to be much inducement for them to remain in the national system. In speaking of this question heretofore, we have often noted that the inducement to remain in the system will be very greatly reduced if banks are obliged to turn away all business which they cannot now legally do under the National Bank Act. This is the real question which Attorney-General Wickersham's opinion in the National City case has raised, and which is in no way affected by the action of the National City Company in selling its shares.

AN ANTI-TRUST REACTION.

Considerable strength in the quotations of the United States Steel stocks has been exhibited during the past ten days somewhat to the surprise of the pessimists who had expected to see a still further shrinkage of values. The strength of the stock has been very interesting, because it has shown that, so far as can now be judged the effect of the government's suit had been very fully discounted. Much weight must also be given to the favorable showing of earnings made by the company. Earnings after all are the real test of the worth of the shares, and since the monopoly power of the corporation has an important effect upon such earnings, the question of possible disintegration as a result of the government's suit is of importance only in so far as it has a bearing upon the probable degree of concentration of the industry. It is just this question—whether disintegration necessarily leads to the abolition of monopoly—that has been raised in the tobacco case. That is why so much importance is attached to Mr. Wickersham's attitude in the Tobacco proceedings and why these proceedings have had so direct an effect upon the course of Steel.

In accepting most of the American Tobacco Company's proposed plans for reorganization, subject to a general demand for continued government oversight during a five-year period, Mr. Wickersham practically concedes the difficulty of restoring competition. Only in a relatively small number of particulars did he accept the views of the independent tobacco interests, and even there he was by far less drastic than the opponents of American Tobacco would have had him be. The independents have contended that the plan of the American Tobacco Company would result in the practical continuation of monopoly control of the industry, and the same view has been expressed by many disinterested observers. Suppose now that five years elapse without any considerable change in existing arrangements, and without any interference on the part of the government. Suppose further that, at the end of that time, government oversight is discontinued, will not monopoly control in the tobacco interest be again developed upon the firm foundation afforded for it in the present plan of reorganization, and will it not, within a very short time, put things back where they are at present? That is undoubtedly the expectation of many who are watching the situation very closely to-day. They do not believe that the change in organization is anything more than formal.

Of course, if such a formal change in organization is all that can be accomplished by the use of the full power of the government during a long period devoted to an attempt to break up a combination, the effect of the litigation already had is really that of strengthening the trust system as an institution. In fact, that is quite likely to be the case. The government can cause an immense amount of disturbance and annoyance to stockholders, and can temporarily produce changes in the type of corporation organization existing at any moment. Can it go further than that? There is nothing in the experience thus far to afford definite proof that it can. The Sherman Act is thus exhibited in the same light that has heretofore been cast upon it—as an impotent statute incapable of any serious accomplishment. In that view of the case it is not strange that thoughtful holders of shares in existing combinations are indisposed to throw them overboard simply as a result of an attack which in the nature of the case cannot go far under existing legislation.

BANK ITEMS.

BAY CITY, MICH.—The Farmers State Bank has incorporated with $30,000 capital. W. S. Fotheringham is president; J. E. Kinane, vice-president, and W. S. Dickin, cashier.

FREDERICK, OKLA.—The National Bank of Commerce has been chartered with a capital of $50,000. W. T. Waggoner is president; C. W. Howard, vice-president; A. L. Zumwalt, cashier, and W. C. Wright, assistant cashier.

HOUSTON, MINN.—The Security State Bank has incorporated with $10,000 capital. L. H. Briggs is cashier.

JARRELL, TEXAS.—The First State Bank has been organized with $10,000 capital. A. M. McRea, E. M. Wilson, W. W. Walton and C. C. Baily are interested.

LANGMONT, COLO.—The corporate existence of the Farmers National Bank has been extended until October 24, 1931.

RANGER, TEX.—The Farmers & Merchants State Bank is organizing with $25,000 capital.

Digitized by Google

Reading Ex-Coal Lands

Recent Advance of Stock on Wall Street Rumor That Company Would Voluntarily Segregate Its Valuable Coal Property—Another and More Authentic Story Is That a Substantial Extra Dividend Is in Prospect—Coal Lands Said to Be Worth the Company's Entire Bond and Stock Capitalization, But There Would Be Many Difficulties in Separating Them From the Railroad Property—Railroad Company Has Advanced on Open Account to Coal Company Over $74,000,000, and Both Coal and Railroad Properties Are Under Lien of Company's $100,000,000 General Mortgage.

The story has again become persistent that the Reading Company is going to indulge in voluntary segregation without waiting for the final results of the attorney-general's efforts to dismember the individual parts of what he calls the coal trust. Reading stock, in any event, has advanced relatively more than any other railroad stock, selling this week at within a fraction of 150, against a low price for the year of 134, on September 25.

It is a matter of interest that only a few weeks ago, when Reading was lagging behind the rest of the list, and seemed to be under greater pressure than other railroad securities, the explanation given was that it was feared that success of the government plan to separate the company from its ownership of coal lands, would be a very unfavorable result, while now on the rumor that exactly the same result is to be accomplished by voluntary action of the controlling interests, the stock has been advanced from its low figure about 16 points, and is said to be going much higher.

There an be no question but that if the Reading Company willingly or unwillingly turned over its coal lands to its shareholders, they would

PROFIT VERY MATERIALLY,

both in dividend returns and appreciation in market value of the securities held. Unfortunately, however, it is very difficult to figure out how this segregation can be equitably effected, since the company's $100,000,000 of general mortgage 4 per cent bonds cover both the railroad and coal property, and have no provision for redemption before their maturity in 1997, and in addition, there are outstanding issues of first preferred and second preferred, as well as common stock. Bondholders would, of course, object to any of the property being taken out from under the lien of their mortgage, and while the common shareholders would not object to receiving as large a dividend as possible in the form of a new coal company stock, the preferred stockholders on the other hand, who are limited to dividends of 4 per cent, would be sure to resent any programme looking toward the distribution of treasury assets, and thereby reducing the securities and earning capacity by which their dividends are assured.

While no official information is available, those who are best posted on Reading affairs say that there is no probability of any voluntary procedure on the part of the company to divert itself of its coal land, and that if this ever happens, it will be because of a decree by the court of last resort. On the other hand, these same authorities say that President Baer has already suggested informally to some of the directors that the common shareholders should be permitted to participate in the profits to a greater extent than their present dividends of 6 per cent per annum, and it is thought that instead of increasing the regular dividend rate, this idea will be carried out through the declaration of

AN EXTRA DIVIDEND

of substantial proportions.

In view of the fact, however, that the Reading and its controlled Jersey Central own about 63 per cent of all the unmined anthracite coal in Pennsylvania, and that these coal lands have been variously estimated to be worth from $200,000,000 to $300,000,000, the possibilities of a separation of the two properties is very attractive to shareholders, and there is probably no holder of Reading common who does not hope that the government will endow them with a decree of dissolution. The joyful experience of Delaware and Lackawanna stockholders in a similar proceeding is, of course, fresh in their minds. It will be recalled that prior to 1909, when the Lackawanna Company distributed its coal stock dividend, the high prices for the stock had been from 500 to 540, and that after the generous dividend was distributed, including cash, stock of the railroad company, and stock of the coal company, the stock is now selling, and has been for some time as high as it ever did before. In other words, Lackawanna stockholders ate their cake, kept it, and continue to see it grow.

The Lackawanna dividend in 1909 was 50 per cent in cash, and 15 per cent in par value of Lackawanna stock. Shareholders were given the privilege of using one-half of their cash dividends for the purchase of $6,800,000 of coal company stock at par. The coal company stock is now quoted around 320, so that the final result of the coal and land segregation was an extra

DIVIDEND OF ABOUT 100%,

with the remaining stock selling about as high as it ever did.

The Lackawanna Company, however, had no preferred stock or bonds outstanding, so that its distribution was very easily accomplished. The Reading Company has outstanding $28,000,000 of first preferred stock, and $42,000,000 of second preferred stock, both of which can be redeemed, so that these issues do not constitute any serious barrier to such a plant. The first preferred can be redeemed at par in cash, and the second preferred can be redeemed by giving the option of conversion into one-half first preferred stock and one-half common stock. The outstanding issue of Reading general mortgage bonds, however, present a much more difficult problem. These bonds are a lien on all the company's coal and railroad property, and one of the provisions of the mortgage is that a sinking fund of five cents per ton on all coal mined shall be set aside, provided the dividends paid on the stock during any year shall equal that amount, and if the equivalent of five cents a ton is not paid in dividends, then such smaller proportionate amount must be set aside for this purpose.

Of the $140,000,000 of Reading first and second preferred and common stock outstanding, the Baltimore & Ohio, and the Lake Shore own $68,565,000, or practically

A CONTROLLING INTEREST,

so that whatever is done by the Reading Company voluntarily in the way of distribution of its assets will necessarily be indicated by the dominant interests in these two other railroads.

Aside from the other difficulties in the way of a segregation of the Reading's coal lands is the fact that there has been advanced to the coal company by the Reading Company on open account on which there is still due and unpaid, according to the balance sheet of June 30, 1911, a matter of $74,423,817. This, of course, means that if in disposing of the coal property, the Reading Company could secure only the amount due for advances on open account a 100 per cent cash dividend could be paid on the $70,000,000 of Reading common outstanding, and a few odd millions left over.

As to the value of the coal lands, much has been written in the way of fact and estimate. The original cost in the seventies was about $300 per acre, and 160,000 acres were acquired. Of the total purchases, however, 60,000 acres were of inconsiderable value, so that about $450 per acre represented the original cost of the land, which contained workable coal deposits. These same lands at the present time are worth in the market something like $3,000 per acre, and sales of small lots are frequently made at around these figures. If the 100,000 acres could be sold at even $2,700 an acre, the result would be par for the entire amount of bonds, and common stock of the Reading Company outstanding, leaving intact, without capital obligation, its railroad property, terminals and controlling interest in the Jersey Central, which stock is earning about 30 per cent a year.

It hardly need be suggested, however, that while small lots of coal lands can be sold at

AROUND $3,000 AN ACRE,

any such wholesale lot as is owned by the Reading Company would speedily swamp the market if they were offered for sale.

It should be borne in mind that the Reading Company, whose securities are listed on the New York stock exchange, is purely and simply a holding company, and has in its treasury,

Digitized by Google

all the stock of the railroad company, which is the Philadelphia & Reading, of the coal company, which is the Philadelphia & Reading Coal & Iron Company, and all the stock of another very profitable subsidiary, the Reading Coal & Iron Company. This latter company is only capitalized at $1,000,000, but earns net about $2,000,000 a year. Its first dividend was paid in 1909, and was $1,500,000, or at the rate of 150 per cent, the equivalent of more than 2 per cent on the amount of Reading common stock outstanding. President Baer admits that although this is carried on the books at the nominal valuation of its outstanding stock of $1,000,000, this particular asset is actually worth "upwards of $20,000,000".

The more the figures and bookkeeping methods of the Reading Company are analyzed, the more impressive is the extent of earnings which have been buried in the property ever since its organization. As a 4 per cent stock, as well latterly as a 6 per cent stock Reading common has always sold in the market much higher than other railroad stocks paying larger dividends. The general explanation for this fact has always been that it was a highly manipulated security, as evidenced by the fact that the entire issue of capital stock is traded in a good many times during the year on the stock exchange. A more accurate explanation of its relatively high price, however, is very easily discovered in the immense amounts which have been put back into the property and

THE OPULENT TREASURIES

of its subsidiary companies.

For example, all of the $20,000,000 of stock of the railroad company, the Philadelphia & Reading, is in the treasury of the holding company, and as the bonds of the railroad company could be purchased, and when they matured, they were all acquired by the holding company, without issuing any new capital obligation. After these bonds were all acquired, the holding company reimbursed its treasury by having the railroad company issue $25,000,000 more stock.

Wall street, therefore, seems to be amply justified in predicting that a substantial extra dividend to Reading shareholders is near at hand, and if this is not the case it surely cannot be because the company itself has not an abundance of resources in its bulging treasury. P. De Medici.

FINANCIAL INQUIRIES.

Amalgamated Properties, Inc.

21347. (New York.) Can you advise us by early mail what data you have with reference to the Amalgamated Properties, Incorporated, a Delaware corporation, organized in 1908. This information should deal with the company's capitalization, assets, liabilities, and if you have any knowledge on the subject, could you advise us to whom to turn to make a disposition of a good sized block of the shares of this corporation.

Ans.: This company was organized three years ago as a form of reorganization and amalgamation of some 40 different mining and oil companies which were promoted by Douglas, Lacey & Company, of New York, and grossly mismanaged by them. The stock was issued in May, 1909, and the committee which had the reorganization in charge turned its affairs over to the new company in June of that year. The company was capitalized at 15,000,000 shares of a par value of one dollar each, 5,000,000 shares being 6 per cent cumulative preferred stock. This stock was offered to the shareholders of the various Douglas, Lacey & Company, promotions in exchange for the shares of the individual concerns and a ten per cent cash payment, and in this way the stocks, properties and other assets of the companies involved in the reorganization were acquired.

In the last two and one-half years, the management of the Amalgamated Properties, Incorporated, have been working with the object of liquidating by the sale, bond or lease of the various properties, and in a measure have met with a fair degree of success in these efforts, when one considers that the affairs of the various subsidiaries were well-nigh hopelessly involved by the time that the original promoters were through with them. In these cases, distributions have been made to the shareholders as far as the amounts realized from the sale would permit. In other directions, negotiations to the same end have been under way, and presumably there may be further distributions of a similar character in the future, although we do not believe that any considerable dividends will be possible, as it is logical to believe that the most valuable of the various properties were the first to be disposed of at the best prices.

As to finding a market for the shares, we believe that it would be a difficult matter to do so; certainly, if it were possible to obtain a bid it would be a very low one.

American Chicle Co.

21345. (New York.) Please report on the American Chicle Company. What is the investment position of the stock?

Ans.: The American Chicle Company, popularly spoken of as "the chewing gum trust", was incorporated June 2, 1899, under New Jersey laws, as a consolidation of leading chewing gum manufacturers of the United States, the following concerns being absorbed: Adams & Sons Company, Brooklyn, N. Y.; Beeman Chemical Company, Cleveland, O.; Stephen T. Britten, Toronto, Ont.; Kisme Gum Company, Louisville, Ky.; J. P. Primley, Chicago, Ill., and W. J. White, Cleveland, O. The company operates the greater part of the chicle producing land in Mexico, having about 3,000,000 acres under cultivation, and operates modern factories at Newark, Cleveland, Chicago, New Orleans, Louisville, Toronto, Portland (Ore.) Kansas City (Mo.) and London, England. In January, 1910, a controlling interest in the Sen-Sen Chiclets Company was acquired, this latter concern, in turn, being a combination of some seven chewing-gum manufacturers.

The American Chicle Company has no bonds, its sole authorized and outstanding capital being $6,000,000 common and $3,000,000 6 per cent cumulative preferred, which also has preference as to assets. The 6 per cent dividends have been paid without interruption on this latter issue ever since the formation of the company, while disbursements have been made upon the common as follows: 1899, 1½ per cent; 1900, 9 per cent; 1901, 8 per cent; 1902, January, 2 per cent; April, 1902, to September, 1911, 1 per cent monthly, and from May, 1906, to September, 1911, 1 per cent extra bi-monthly. In other words, for the past 5 years and more, the company has been paying 18 per cent per annum on par and each year has shown a good sized margin over these liberal disbursements. For the last fiscal and calendar year, there was a balance after all dividends of $442,844, which compares with $270,000 in 1909, and $398,000 in 1907, no report being submitted for 1908. At the present bid price of 235, the investment return on the common shares is 7.66 per cent. This issue, as well as the preferred, is quoted on the New York curb market, where in 1908 it sold as low at 135. In 1909, it ranged between 182 and 235, and in 1910, the range was from 210 to 235.

COTTONWOOD, ALA.—The Bank of Cottonwood has been organized with $15,000. L. P. Carroll is president, W. S. Wood, vice-president, S. J. Goff, R. B. Tucker and N. M. Sellers are interested.

Before All Else

there is found in every Union Mutual Policy the first and strongest Purpose of Life Insurance.

Protection

Clear, Faithful Reasonable Contracts. Ask for Particulars.

Union Mutual Life Insurance Co.
Portland, Maine

Fred E. Richards, President.

National Life Insurance Company
MONTPELIER, VERMONT.

Mutual. Organized 850.

This company has increased its dividend scale this year for the third successive year, and the increase applies to all participating policies in force from 1850 to date.

An attractive monthly income policy just placed on the market.

A good agency opportunity for the right man.

Correspondence invited.

UNUSUAL FEATURES
In Life, Accident and Health Insurance

New Methods of Compensation
Short Form Policies Clear—Terse
Easy to Read and Understand
Low Non-participating Rates

The Columbian National Life Insurance Company, Boston, Mass.

ARTHUR E. CHILDS, President
Wm. C. Johnson, Vice-Pres. and Gen'l Mgr

JANUARY 1, 1911

Insurance in force more than $140,000,000

ASSETS - $36,327,079.03
LIABILITIES $33,371,841.25
SURPLUS - $ 2,955,237.78

1910 MOST PROSPEROUS IN HISTORY OF THE COMPANY

North American Accident Insurance Co.
CHICAGO

Net Surplus & Capital..$ 749,061.67
Income 1910..... 1,151,828.28
Will aid good men in Establishing Agencies.
Best Policies — Largest Commissions or Profit Sharing Contract.
A. E. Forrest, Vice-Pres. & Sec'y. Chicago.

Digitized by Google

Textile Manufacturing Shares

Many mills were represented in the auction offerings this week, but in spite of this, stock in only four of these changed hands. At a casual glance this would seem to indicate that mill securities were not wanted by well informed investors. Although considerable mill stock was offered at this week's auctions, nearly every lot had price restrictions, which prevented sales taking place at any great reduction. Buyers are looking for low prices and holders are not willing to make concessions. This has been the case for some time and the market is really stronger than it would at first seem from the auctions.

TREMONT & SUFFOLK.

Perhaps one of the most interesting features of the auction sales was an advance in the Tremont & Suffolk stock of nearly 11 points. This concern has been criticised more or less for passing dividends. Much of this criticism has been unfounded. At the time when the Tremont & Suffolk Company was changing a large indebtedness to a surplus, it was necessary to discontinue the payment of certain dividends. The stockholders have been benefited, however, for the indebtedness of the plant has been wiped out and machinery and other equipment brought up to time. Treasurer Young has put this mill on an entirely new financial standing. He has received hearty co-operation from the directors and management, and superintendents and overseers have been employed who understand their business and have been able to increase profits by watching the small points and reducing the cost of production.

Within the last seven or eight years, much money has been spent for new machinery. New steam turbines have been installed together with electrical apparatus for generating and distributing electricity to every department of the many mill buildings. By introducing the electric drive, it has been possible to throw out large belts, which were uneconomical in their use of power, and the machinery has been arranged to drive in groups from motors ranging from 35 to 75 horse power.

BUILDING RECONSTRUCTED.

During this period a new dyehouse has been built, having a capacity of 60,000 pounds of raw stock per week, and 40,000 pounds of chain and yarn dyeing. One mill has been entirely reconstructed and arranged for a bleachery capable of handling 60,000 to 75,000 pounds of fine bleached flannels. Some three or four years ago the Tremont & Suffolk Company commenced the manufacture of men's ribbed underwear. They now produce something like 3,000 dozen pieces per week and this end of the business is in charge of men thoroughly familiar with the knitting industry. Since 1902 this corporation has changed an indebtedness of $3,400,000 to a surplus of about the same size Treasurer Young has been closely connected with the concern for nearly 40 years, and there is a feeling at present that the Tremont & Suffolk stock will soon be worth a much better figure than 110½, which was the price brought at this week's auction.

Purchasers at the present prices are getting securities which have a mighty good plant behind them. There are 240,000 spindles, 6,000 looms and a hosiery yarn department which produces between 240,000 and 300,000 pounds of sole yarn per week. The statement of this corporation, which was filed last March, shows net quick assets amounting to $1,870,000. The corporation is capitalized for $2,000,000, so that its quick assets amount to over $91 per share. In addition to this the real estate and machinery are together valued at $2,350,000.

COTTON COMBERS.

Although this year's cotton crop will probably be the largest on record, the crop of long staple cotton will not be so much larger as this would at first indicate. Due to considerable dry weather, the cotton was held back, and while subsequent rains have brought along the cotton sufficiently to insure a bumper crop, the long staple cotton has been seriously affected. The coarse goods mills will, therefore, derive more benefit from the large growth of cotton than the fine mills, but improvements in combing machinery make it possible to comb fibres as short or even somewhat shorter than one inch, and this progress in equipment means much to the fine goods mills.

THE PAGE MFG. COMPANY

of New Bedford, has closed down indefinitely, statements being made that market conditions make this necessary. It has been intimated that this mill has closed down for purely political reasons, but rumors of this kind have absolutely no foundation. The fact that this mill has closed down will, of course, tend to make investors more conservative, but curtailment will probably bring a more healthy market. The Manomet and the Nonquit Mills have just announced that they will pay their regular quarterly dividends of 2 per cent and 1½ per cent, respectively Shares of the Manomet sold at 217, ex-dividend, and at this price, they net nearly 9 per cent. Sales of the Nonquit have taken place at 105, netting the investor nearly 6 per cent.

The annual statement of the

LINCOLN MFG. COMPANY.

shows quick assets amounting to $356,315. This consists of cash and debts receivable, amounting to $119,189 and merchandise and stock in process of $305,223. As already mentioned, the Lincoln Manufacturing Company has reduced its net debt and paid $10,500 in dividends at a time when many well-established mills have been obliged to pass dividends. The debt has been reduced nearly $42,000 and the mill and machinery are brand new and in first-class condition. It has already been voted to increase the capital stock to $1,250,000 for building an addition large enough to accommodate 35,000 more spindles. With this additional equipment, this concern will have facilities for manufacturing medium as well as fine goods, and if anything can be determined from the successful way in which the management have already operated their mill, a year or two will see the stock in this concern selling at a well advanced figure

The general condition of the

FALL RIVER MILLS

is not half so bad as many paint it. The Iron Works mills were shut down for many weeks and thus threw hundreds of operatives out of employment. The other mills in Fall River curtailed their output considerably but the length of time which the Iron Works mills were closed down would indicate that conditions in that city are really worse than they are. There have been few years when the margin of profit for the manufacturer of print cloth has been as large as it is at present The unusually large cotton crop means low-priced cotton for Fall River's coarse mills, and concerns which have kept machinery up-to-date and which are run by progressive, practical men are bound to pay good dividends

During the last quarter the total dividends paid by the Fall River mills aggregates approximately $900,000. For the third quarter, the amount was $900,617. During this fourth quarter, 10 corporations have passed their dividends entirely. Several of these could easily have met these payments, but have wisely looked into the future and used considerable money on their plant. There are some Fall River mills which are far less fortunate.

The cotton market has been rather quiet for some time and northern mills have not been buying large amounts of cotton. There is much competition among the sellers in the New York market, and they are accepting prices which mean a considerable decrease in the manufacturer's profit.

REGULATING PRICES.

The move made by the Page Mill in closing down its plant is probably a wise one. There is no doubt but that some of our mills have been operating at a loss and this is one thing which has made it extremely hard to regulate the proper cost for certain lines of cloth. The fact that so many mills have been running only part of their machinery has made their expenses exceptionally high, as many costs are nearly as large when running but a part of the machinery.

The present political unrest makes many unnecessarily pessimistic. There is more money in the United States at the present time than there has been for a long while, and just as soon as confidence is once more obtained, the mills will move forward rapidly. It must be remembered that much additional machinery was installed just previous to the present business depression, so that many mills have the proper equipment to handle a good large business without making any more expensive alterations in their plants. As soon as the increased business arrives, which it is bound to do, the mills which have been progressive and provided for future requirements will be in a position to show good returns.

BANK ITEMS.

BALMORHEA, TEXAS.—The Toyah Valley Bank has been organized with $15,000 capital. Richard P. Head is president; R. W. Van Deran, vice-president and R. H. King, cashier.

DUCOR, CAL.—The First National Bank of Ducor, capitalized at $25,000, has been organized by J. B. Dennis, W. H. Braley, Elise Zimmerman, C. G. Tibbens and H. C. Carr.

HAMLET, N. C.—The Citizens Bank has been organized with $25,000. O. T. Goodwin is president; W. R. Land, vice-president, and Samuel Abbott, cashier.

HARTSVILLE, S. C.—The Farmers & Merchants Bank, capitalized at $50,000, has been converted into the First National Bank of Hartsville.

MOULTON, ALA.—The Citizens Bank is organizing with $15,000 capital.

PORT WASHINGTON, N. Y.—The Bank of Port Washington is organizing with $50,000 capital.

SCOTTSVILLE, MICH.—The State Savings Bank has increased its capital to $35,000.

TERRA CEIA, FLA.—The Bank of Terra Ceia has been organized with $15,000 capital. J. M. Harvey is president; C. S. Hood, vice-president, and Clifford Armstrong, cashier.

WAUCOMA, IOWA.—The First State Savings Bank has been organized with $15,000 capital. Peter Soukup is president; Henry Faust, vice-president, and Joseph Reilly, cashier.

Digitized by Google

Financial Summary of the Week

American Can Co.—For the first eight months of 1911, the net earnings of the American Can Company show an increase of about 10 per cent, or at the same rate, a total for the year of about $3,115,200. Net earnings for 1910 were $2,832,972, equal to 6.84 per cent on the $41,233,300 preferred stock outstanding, compared with 6.44 per cent earned on the same amount of stock for 1909. With the increase noted for the first eight months of this year, the percentage earned should be about 7.53 per cent. As September and October are the best months with canners, however, it is expected that these figures will be swelled by earnings for the two months, until it would not be improbable if the net earnings for the year would be equal to between 7.6 and 8 per cent. The next dividend on the preferred stock of the Can Company will be declared next month. There will be no change in the rate, which is one and one-quarter per cent quarterly. As the stock is 7 per cent cumulative, this puts the accrued dividends one-half of one per cent back each quarter. The company is now fairly well supplied with funds and could, if the officials wished, increase the dividend, but the time is not ripe according to their minds, and it is being put off indefinitely.

American Steel Foundries Co.—Although the financial statement of the American Steel Foundries Company for the fourteen months ended September 30, last, is anything but encouraging, an official states that during October there was a marked betterment in orders and inquiries so that the outlook is a little brighter. Operations, however, continue at about 40 per cent of capacity, the improvement not yet having affected plant activity. The odd period covered by the statement is the result of the change in the fiscal year from July 31 to December 31. Owing to the deficit, the dividend payments, which were paid out of surplus, will not appear except in the balance sheet to be made public after the close of the year.

Barcelona Co.—This company has been organized under the laws of Canada, with a capital of $25,000,000. The company will develop water power of over 250,000-horse power, and it will also construct hydro-electric power plants to supply light and power to the city of Barcelona, and the northeast section of Spain. The company has also acquired one of the tramways in Barcelona and valuable concessions for suburban railways, which will be built at once. The syndicate that will finance these new enterprises is headed by Dr. F. S. Pearson. Associated with him is the same group that controls the Rio de Janeiro Tramway, Light & Power Company, the San Paulo Tramway Light & Power Co., and the Mexico Tramways Co. The Barcelona Company contemplates an expenditure of $25,000,000. Construction work on its new enterprises will commence forthwith.

Boston & Maine R. R.—For the three-month period ended September 30, gross shows an increase of $167,688, and net outside revenue an increase of $54,231, yet operating income after the payment of the quarter's proportion of taxes shows a decrease of $342,002. The primary cause of this was an expansion of $549,730 in operating expenses.

Braden Copper Co.—Application for listing Braden Copper Company stock on the New York stock exchange is being prepared and will be presented to the "big board" very soon. There is outstanding $6,000,000 in stock and $8,000,000 is in treasury to provide for conversion of bonds. There are outstanding $4,000,000 first mortgage 6 per cent convertible bonds due in 1918, $1,000,000 five-year second mortgage 7 per cent convertible bonds with $1,000,000 unissued and $2,000,000 of 7 per cent three-year convertible debentures. Braden's properties are in Chile, and the company has just reached the operating stage. The first unit of the mill is in operation and treated 7,000 tons of ore in September. The stock is traded in on the curb.

Brooklyn Rapid Transit Co.—In the last fiscal year, Brooklyn Rapid Transit showed a surplus of $3,148,800 for dividends, equal to 6.99 per cent on the $45,000,000 capital stock outstanding. It is said that the ratio of expenses to gross for the four months of this fiscal year to the end of October has been maintained at last year's level, and that a large proportion, approximately 50 per cent, of the gain in gross has been saved for net. It can, therefore, be figured that net earnings of Brooklyn Rapid Transit are increasing at the rate of approximately $700,000 per annum.

Chicago, Milwaukee & Puget Sound Ry. Co.—This road, which is the St. Paul's extension to the Pacific coast, reported an increase of $206,965 in operating revenue for September. Operating expenses and taxes were $196,028 larger, so that net operating income showed a gain of $10,937. For the three months ended September 30, net operating revenue shows a decrease of $18,420.

Chicago, Milwaukee & St. Paul Ry. Co.—St. Paul's showing for September was most discouraging. Operating revenues were $541,935 smaller, but operating expenses and taxes were $82,182 larger, so that net operating income showed a shrinkage of $624,117 for the month. For the three months ended September 30, net operating income shows a shrinkage of $1,333,102.

Colorado & Southern Ry.—A decrease of nearly $1,000,000 in the gross earnings of the Colorado Southern, since July, represents extraordinary traffic changes. The loss for the fourth week of October was $150,524, or 26 per cent, and is 16 per cent for the fiscal year. Since the first of January, the gross decrease has been over $9,000,000.

Copper Trade.—Advance sheets from the Monthly Summary of Commerce and Finance of the Bureau of Statistics give total value of exports of copper, not including ore, for September, as $7,591,130, as compared with $10,314,452 in September, 1910. Total value for nine months was $74,996,283, as compared with $66,411,010 in 1910, and $69,413,852 for the same period of 1909. Total value of imports of copper for September, 1911, were $3,256,343, as compared with $2,927,410 in September, 1910. For nine months, 1911, imports were $24,308,720, as compared with $22,772,295 in 1910, and $21,246,720 for the same period in 1909. Transactions in copper are small, with the large selling agencies and producers quoting 12½ cents for electrolytic.

Crex Carpet Co.—While earnings have not shown any great increase so far this year, they have fully held their own, and the annual report for the fiscal year to December 31, 1911, should make at least as good a showing as did the record report for 1910, when 10.13 per cent was earned on the $3,000,000 capital stock. Growth of profits has been a steady factor since 1908, when the name of the concern was changed from the American Grass Twine Company. This is evidenced by gross earnings for 1910, of $534,278, as against $278,863 in 1908, and a growth in the percentage earned on the capital stock from 4.72 per cent in 1908 to 8.37 per cent in 1909 and 10.13 in 1910. Dividend disbursements on the stock have increased steadily in conjunction with the growth of earnings. In 1908, 2 per cent was paid; in 1909, 5 per cent; in 1910, 5½ per cent, and 6 per cent, this year.

Federal Sugar Refining Co.—The Federal Sugar Refining Company has sold $7,500,000 three-year 5 per cent notes, the proceeds of which will be used for working capital. The company has in the past financed its operations with commercial paper running only sixty or ninety days.

Goldfield Consolidated Mines Co.—Preliminary estimates of Goldfield Consolidated's operations for October indicate that for the fiscal year ended October 31 the company earned net about 17 cents a share in excess of its dividend requirements of $2 a share. The increase of net earnings over those for the preceding year is estimated at only $200,000, or two and one-half per cent, despite an increase of 10 per cent in the tonnage treated.

Kansas City, Mexico & Orient R. R.—This road, which is known in Wall street as the Stilwell road, has sold an issue of 50,000,000 francs of its four per cent first mortgage bonds in Paris. The company is also said to have given an option on an additional issue of 50,000,000 francs. The company has applied to the Kansas Public utilities commission for permission to issue $30,000,000 of gold notes for general construction in Mexico and Southern Texas. Announcement is made that the extension to Alpine, which connects with the Southern Pacific, will be completed early in 1912.

Lackawanna R. R. Co. of N. J.—The increase in the capital stock of the Lackawanna Railroad Company of New Jersey, from $8,000,000 to $11,000,000, marks the expenditure on the new twelve-mile cut-off line between Slateford, Pa. and Fort Morris, N. J., up to December 31, 1911. Up to the close of December, 1910, $7,902,805 was expended, so that approximately $3,000,000 has been spent in the past year. This line will be turned over to the operating department of the Delaware, Lackawanna & Western during the winter. The cut-off has been paid for entirely by appropriations from the yearly earnings of the railroad company. It will shorten the running time between New York and Buffalo, as the twelve miles will be placed over against the present route of approximately thirty-five miles. It should also make for economy of operation.

Laclede Gas Light Co.—Earnings for the calendar year 1911 will equal nearly 6½ per cent on total capitalization. The company continued to pay about 5 per cent of gross for depreciation, besides spending considerable amounts on adequate maintenance. The payment of the certificates of indebtedness was satisfied through proceeds of subscription to new common stock. The recent increase of $818,000 in funded debt was wholly used to reimburse the company for completed extensions and additions.

New York Central & Hudson River R. R. Co.—The balance sheet of the New York Central & Hudson River Railroad Company as of June 30, last, shows total permanent investment of $433,101,968, compared with $394,785,994 on June 30, 1910; cash, $20,708,255, compared with $7,333,501; total working assets and accrued income, $102,906,060, against $88,556,046; total deferred dividends $20,217,157, against $51,727,570; funded debt $300,677,268 contrasted with $268,592,427; loans and bills payable $1,390,000, against $80,000; corporate surplus $18,969,502, compared with $18,078,099; deferred credit items $832,384, compared with $2,896,140, and total assets and liabilities of $566,224,175, against $536,069,520 on June 30, 1910. With the publication of each succeeding monthly statement of earnings, prospects of New York Central earning a large balance over its present 5 per cent dividend requirements in the current year grow more favorable. Results of operations for three-quarters of the year are now known and it appears altogether likely that the company will show a balance for dividends equal to more than 7½ per cent on the $222,729,000 stock outstanding. To figure it in dollars, the dividend balance promises to be upwards of $6,000,000 in excess of requirements.

Norfolk & Western Railway.—Norfolk & Western now has $74,429,000 common stock outstanding and dividend requirements at the new 6 per cent rate will amount to $4,465,740 per annum. On October 1, last, there were $17,140,000 con-

INTERNATIONAL TRUST COMPANY } 45 Milk St BOSTON MASS

INCORPORATED 1879

CAPITAL - - $1,000,000.00
SURPLUS (EARNED) 4,000,000.00
ASSETS - - 20,396,841.43

Collections and Accounts Invited. Interest allowed on deposits.

NEW SAFE DEPOSIT VAULTS

Largest and most Perfectly Appointed in New England

JOHN M. GRAHAM, President
FREDERICK AYER, Vice Prest
HERBERT WELLINGTON, Vice Prest
HENRY L. JEWETT, Secretary

TIMBER and FARM LANDS

There are good opportunities now to secure land and timber that will bring large returns for the money invested.

J. L. WHITNEY & CO.
18 Ziegler Block, Spokane, Wash.

Digitized by Google

vertible 4s outstanding, which, when converted, will bring the amount of outstanding stock up to $91,569,000. Common dividend requirements will then amount to $5,494,140 per annum. In the last fiscal year, the balance available for common dividends amounted to $6,672,700 or, $7,178,560 in excess of dividend requirements at the new 6 per cent rate, and allowing for the conversion of the bonds; but it must also be figured that $685,000 will be saved in interest charges annually through the conversion of the bonds, which brings the margin of safety on the basis of last year's earnings up to $1,864,160.

Pacific T. & T. Co.—While there was no news current to explain the sudden activity and strength, sufficient incentive can be found in the net earnings of the company which, for the seven months of the current year, were about 16 per cent in excess of those for the same period last year. In the past, this company, which is controlled by the American Telephone & Telegraph Company, has been very liberal in making improvements out of earnings. The increased earnings now being reported reflect the benefits being reaped from those expenditures. The recent announcement that the American Telephone & Telegraph desired to purchase the minority stock of the Western Telephone & Telegraph Company, one of its subsidiaries, caused some persons to believe that such a proposition might be extended to the Pacific Telephone & Telegraph minority shareholders in the near future.

Pennsylvania R. R. Co.—Earnings of the Pennsylvania system, which, it is estimated, handles about one-fourth of the total freight tonnage in the United States, made an unfavorable showing for September. Lines east and west showed a falling off in total operating revenue of $689,-615. Operating expenses increased $34,-778, so that net operating revenue was $723,793 smaller than in the same month last year. For the nine months ended September 30, net operating revenue of lines east and west shows a shrinkage of $5,158,965. In September, the eastern lines earned $129,544 less in gross. Operating expenses were $252,853 larger, so that net operating revenue was $382,397 smaller. Total operating revenue of the Western lines shrunk $559,470 in the same month, but a decrease in operating expenses of $218,074, partly offset this, leaving net $341,396 under that for the same month last year.

Pullman Co.—The gross business of the Pullman Company has never failed to show a yearly increase with the one exception in 1908, when there was a falling off of $500,000. The smallest increase was in 1911 over 1910, which was only $114,000. Since 1906, the tendency of profits has been steadily downward, and in the 1911 year, earnings for the stock were but 9.28 per cent, for it took 59.09 per cent of gross for expenses, and the depreciation of car equipment called for the writing off of $4,477,000. The company is now operating 5,694 cars, compared with 5,285 the previous year, and 4,742 in 1909, and practically all its profits are derived from the operation of its sleeping cars, as the car manufacturing business has been dead.

Railway Steel Spring Co.—Recent acquirement of the Interocean Steel plant at Chicago Heights, Ill., will increase the company's steel tire output 38.8 per cent to an annual capacity of 125,000 tons, and may add from $500,000 to $600,000 to the company's net earning capacity. As interest and sinking fund charges on the $3,500,000 bonds issued to pay for the new property come to only $200,000 per annum, its acquisition should add from $300,000 to $300,000 to the surplus over preferred dividends equal to 1.48 per cent to 2.22 per cent on the $13,500,000 common stock.

St. Joseph & Grand Island Ry.—Suits have been filed in the District Court of Clay County, Neb., asking that a receiver be appointed for the St. Joseph & Grand Island Railway, petitioning for an injunction to restrain the Union Pacific Railroad Company from further expending any of the funds of the St. Joseph & Grand Island Railway and demanding an accounting from the Union Pacific Railroad of all St. Joseph & Grand Island funds heretofore expended, either from surplus or from current earnings.

St. Louis & San Francisco R. R. Co.—St. Louis & San Francisco lines report a decrease in gross of $128,182 for September. Operating expenses were $34,719 smaller and net showed a shrinkage of $93,463. After allowing for taxes and outside operation, there was operating income left that was $90,132 smaller than in the same month last year. For the three months ended September 30, operating income shows a shrinkage of $136,-012, compared with the corresponding three months last year.

Sears, Roebuck & Co.—Sales made by Sears, Roebuck & Company in October, show an increase of between 11 and 12 per cent, compared with the corresponding period last year. Although the figures for ten months are not given out officially, the gross business of the big mail order concern is said to show a small percentage of gain compared with 1910.

United States Steel Corporation.—As far as earnings are concerned, the continuation of the present 5 per cent rate over the next meeting seems to be fully warranted. It is true that the Steel Corporation is not earning its common dividend at the present time, nor will it be earned in the present quarter, but the annual report will show a balance after charges and preferred requirements equal to approximately 6 per cent on the common stock. This figure, however, does not allow for any appropriations for new construction and additions.

Westinghouse E. & Mfg. Co.—The company announces to holders of its assenting stock that at the last annual meeting of stockholders the name of that security was changed to common stock. This change in name involves no change in stockholders' rights, and was made because all the stock of the company outstanding other than the preferred consists of the so-called assenting stock, and that it is, in fact, as it should be in name, common stock. New forms of stock certificates have been prepared and all holders of assenting stock certificates are entitled to receive in exchange certificates in the new form, on presentation of their old certificates at the offices of the Union Trust Company, Pittsburgh; United States Mortgage & Trust Company, New York, and the New England Trust Company, Boston.

MINING INQUIRIES.

Wells Bay Mining Co.

21343. (New York City,) Please tell me what you can about the Wells Bay Mining Company, Prince William Sound, Alaska.

Ans.: So far as can be learned, this company is inactive at the present time, and is likely to remain so until metal conditions or local ore treatment facilities, or both, show a material improvement. Under present conditions, all the copper ore from Copper River and from the big low-grade properties on Prince William Sound is shipped 1,500 miles to Tacoma, to be smelted with coke brought from British Columbia or Australia. Moreover, there are no aids to navigation in Alaskan waters, marine insurance thereby adding to the costs of operating, which would eat up all possible profits on a 12½-cent copper market.

The Wells Bay Mining Company operating as a copper property in a section where there is a lively gold rush on at the present time, was brought out when copper prices were at a very high level, but it is reported that little has been done during the last few seasons, presumably for reasons previously enumerated. When the Alaskan copper industry can be centred at Cordova, with a smelter or smelters and other needful equipment supplied, these big low-grade properties, it is predicted, will produce the red metal at a lower cost than is possible elsewhere along the coast. The Wells Bay property planned to carry its ores to tidewater from its mines, which were several miles inland, by gravity, and in respect to transportation would probably have an advantage over many others, but is not likely to accomplish much, if anything, in the face of existing conditions.

Present appearances indicate that it would be next to impossible to find a market for the shares, so there is little to do, apparently, but hang on and hope for the best.

Mines Company of America.

21342. (Middletown, Conn.) Will you kindly explain regarding the reduction of the dividend as declared on stock of Mines Company of America, September 29, 1911, and payable on October 25, 1911. What is your opinion of the stock? Would you hold it?

Ans.: Despite the somewhat unexpected action of the directors of this company a few weeks ago in reducing the quarterly dividend from 2¼ to 1¼ per cent, we do not believe that a holder of the stock is warranted in selling, for the cut in the rates was apparently a matter of expediency rather than of financial necessity. The management states that the money can be used to much better advantage at the moment in picking up good properties in Mexico, thereby strengthening the property resources. The company is apparently earning a substantial margin over the present dividend rate, and it seems to us that at four dollars a share, at which price the net yield is 15 per cent, the stock is a purchase rather than a sale, keeping in mind of course, the fact that it is a speculative investment. We are assured by those who are in a position to know the facts that physical and financial conditions generally are favorable, and the weakness of the stock is no doubt due in some measure, at least, to the fact that the company is mining in Mexico rather than on Broad street, or on the London exchange, where the shares were listed last June.

FOR

Oil and Gas Land Leases

WRITE

C. W. DEMING

Tulsa, Okla.

FOR HIGH GRADE OIL STOCKS

EQUITY BOND & SECURITY CO.

37 WALL STREET, NEW YORK CITY

EMNAHA COLD MINING COMPANY

Incorporated under the laws of the State of Idaho. Capitalization, $500,000, divided into 500,000 shares. Par value $1.00 per share. Of which 200,000 shares have been placed in the Treasury, for the development of the property.

This Company owns and controls nine claims on Battle Creek, Imnaha, Willowa Co., Ore., on which there are three well defined parallel veins, carrying very rich gold quartz. A limited amount of the shares of the stock have been sold.

For full particulars, address

JOHN SENNETT, Treasurer

79 Milk Street, Room 602 Boston, Mass.

Digitized by Google

The New Anaconda

A Deep Vein Copper Proposition Which Is Waging a Winning Fight Against Odds—Cutting Producing Costs to Counterbalance Lower Selling Prices—Modern Methods Work Wonders in Re-Establishing the Prestige of the World's Biggest Copper Producer—Copper Costs to Be Brought Down to 8½ Cents—Butte Advices Report Company As Earning Its Dividend For the First Time Since 1906—A Method of Arriving at the Results of Lower Costs and Better Metal Prices.

In discussing the affairs of the Amalgamated Copper Company recently, I referred necessarily to the performances of the Anaconda, but I realize that the affairs of the latter corporation deserve to be treated at greater length, especially as the Amalgamated is dependent to so great an extent upon the earning ability of its subsidiary, which is itself a mammoth proposition. It is true, of course, that the annual reports covering the last three fiscal and calendar years show up in a more or less unfavorable light by reason of the fact that in none of these years did the balance available for dividends equal the amount actually disbursed to the shareholders. On the other hand, it is evident that any deep vein copper mining proposition which can earn an average of 5.38 per cent per annum through three years of exceptionally marked depression in the red metal industry is

NOT A DEAD ISSUE,

by any means. The truth of the matter is that the Anaconda has shown a degree of recuperative ability which has come very near to establishing a new record in that direction, if I mistake not, costs having been reduced to a point which would have been looked upon as a decided improbability, if not an absolute impossibility, four years ago, when the prodigality, which was everywhere in evidence, was shown in producing costs, and to some extent justified by the then current selling price of the metal. If any justifiable criticism is to be directed against the Anaconda management, so far as its operations of the last four years are concerned, it should come not because of the fact that the average annual earnings have been less than 5½ per cent, but because the dividend policy has been more liberal than copper trade conditions have justified.

A WONDERFUL PROPOSITION

In more respects than one, the Anaconda is the world's most wonderful copper mining proposition. Some idea of the magnitude of the scale of operations may be obtained from the purely incidental statement contained in the annual report for 1910, that 31 miles of development work had been done during the year, in which period 3,330,640 tons of ore were produced. The company is the world's largest producer, and operates the greatest smelting plant of this or any other country.

The properties, which, prior to 21 months ago, were owned by this company, comprised 1,168 acres of mining claims in Silver Bow county, near Butte, Montana, upon which are located the Anaconda, Diamond, High Ore, Green Mountain, Neversweat, St. Lawrence, Mountain Consolidated, Modoc, Bell and other mines.

THE NEW ANACONDA.

really dates from March 23, 1910, when the shareholders authorized an increase in the capital stock from $30,000,000 to $150,000,000 for the purpose of adding to the property holdings, which was done through the acquisition of the Alice Gold & Silver, Big Blackfoot Lumber Company, Boston & Montana, Butte & Boston, Colusa-Parrot, Diamond Coal & Coke, Original Consolidated, Parrot Silver & Copper, Red Metal, Trenton Mining & Development and Washoe Copper properties, with a total area of something like 1,750,000 acres. Indeed, everything connected with Anaconda operations is shown on so large a scale that the ordinary mind is likely to become confused in attempting to measure these results by ordinary standards of comparison.

Anaconda's present performance in the direction of securing a

NEW LEASE OF LIFE

is not its first in that direction, for the Anaconda property proper, when it was first opened in 1880, was a silver mine. At a depth of 150 feet, it was found that the silver values were diminishing, but on going a little deeper, high-grade copper ores were discovered, and it was at this point that the property really began to come into its own, net earnings for the ensuing 15 years being estimated conservatively at not less than $50,000,000. Again, at a depth of about 1,600 feet, there was a decided impoverishment in metal values, but almost immediately another change for the better developed, and high-grade ore has been mined to a depth of over half a mile, the deepest shaft in the camp being down 2,800 feet. During the copper boom years of 1905, 1906 and 1907, the company encountered no difficulty in showing large earnings, and paying substantial dividends, but with the slump in metal prices, which developed four years ago, a slump which brought steam-shovel propositions

INTO THE LIMELIGHT

of public attention and favor, it became evident that to "let well enough alone" would not do for the management or for the public owners of the old vein development propositions. The men at the head of the proposition set to work to re-establish a more satisfactory relation between producing costs and metal selling prices; that they have succeeded is apparent from the fact that a mine, which within comparatively recent memory seemed to be on the down grade, now merits attention as one of the most progressive, profitable and promising of American copper properties.

Centralization of hoisting and pumping plants with the aid of the most modern machinery is one of the means employed to bring about an era of greater economy of mine operation. Electricity has supplanted the mule for the underground transportation of ore, compressed air has superseded steam for hoisting purposes; electric pumps have been installed, and, in fact, there has been

A REMARKABLE DISPLAY

of increased efficiency in every department of the company's activities.

I am informed that in this manner Anaconda's costs have been brought down to about 9 cents per pound, and a further reduction of 8½ cents may be looked for as a logical development dependent upon the completion of these economy-working plans. It is a matter for regret that the company's annual reports do not enlighten one as to the amount of copper sold or the price obtained per pound. Having adopted the progressive methods of the porphyry producers in the other directions, the Anaconda might well go a step further, and adopt the system of quarterly reports, in which the Utah Copper and Nevada Consolidated cost and profits are detailed to shareholders, and the public generally.

A REVIEW OF EARNINGS.

A summary of the results of the last four fiscal periods shows the following results:

	1910.	1909.	1908.
Total receipts..	$46,391,126	$18,000,084	$15,604,481
Disbursem'ts ..	40,529,993	15,990,142	14,658,518
Net income...	$5,861,133	$2,009,942	$945,963
Interest	*140,230	124,833	137,017
Balance	$5,720,903	$2,134,773	$1,082,980
Dividends (8%)..	6,930,000	2,400,000	2,400,000
Deficit	$1,209,097	$265,227	$1,317,020
Earn on capital stock.....	5.42%	7.11%	3.61%

* Decrease.

This period covers the time since the slump in metal values began to make itself felt, so these figures undoubtedly furnish a fair test of Anaconda's ability to cope with conditions of an extraordinary character. In 1907, when metal prices were at an inflated level, the company earned 11.26 per cent on its $30,000,000 capital, and paid 21 per cent. In 1906, dividends were 23 per cent, while the amount actually earned was 29.47 per cent on the then outstanding capital.

ANACONDA'S 1910 PRODUCTION

of refined copper was 223,808,546 pounds. On the basis of these figures, each advance of one cent per pound in the metal market would increase the company's earnings by about $2,250,000, or 53 cents per share, and of course, a reduction of one-half cent per pound in costs would work a proportionate increase in profits. An increase of one-half cent per pound in profits, on the basis of 1910 production, would just about cover that $1,209,097 deficit shown in the last annual report, so that, I believe, there is justification for the advices from Butte sources to the effect that with copper at 12½ cents per pound, the company is more than earning its $2 per share dividend on an average production of 20,000,000 pounds per month.

P. De Medici.

Digitized by Google

The Best Purchases on the Industrial List

As Indicated by the Two Standards of Comparison: of Present Investment Yield on Basis of Current Dividends and Prevailing Market Price, and on Basis of Present Earnings on Prevailing Market Values

The average net yield of the 50 industrial stocks quoted in the following table was 6.45 per cent on November 7, as compared with 6.59 per cent on October 31, 6.30 per cent on January 3, and 5.76 per cent on January 2, 1910.

Abundant evidence of the stock market's increased strength is found in the above summary showing a material reduction in average net yield for the week under review, which means, of course, an advance in the average net price of the fifty industrial issues quoted. Inasmuch as it was the industrial shares which were most seriously disturbed by the September near-panic, it is but natural that issues of that classification should have recorded the greatest recovery within the past week or two. That the advance will be maintained for any length of time is open to doubt, for it should be recalled that during the period when Steel shares were under fire a large amount of stock was taken by substantial interests to prevent a dangerous spread of the panicky feeling, and it is to be expected, in the natural course of events, that the stocks thus acquired will be distributed once more now that the danger seems to be past. Such distribution, of course, is likely to prove a drug on a recuperating market. Again, Wall street's better feeling does not justify the opinion that the barriers which blocked the market's progress six weeks ago have been destroyed or even entirely removed. There are still rough places to be passed over, the advancing tendency of prices being a reflection of a growing belief that eventually they will be left behind in safety. The bear element is still active, and may be expected to attack the market once more on the theory that the advance has been too rapid to be lasting.

There is no doubt, however, that the country generally is taking a more optimistic view of the situation than it was inclined to do as recently as a month ago, and the change in sentiment has been particularly pronounced in Wall street and its environs. The "big men" in the industrial world, generally speaking, are disposed to speak reassuring words regarding the maintenance of industrial activity. With a presidential political campaign before the country and trust-prosecution still in a more or less confused state, it is not to be expected that 1912 will be a boom year in the industrial world, but, on the other hand, there is reason to believe that the cry of "hard times" has been overdone to a considerable extent.

Some proof of this is found in the quarterly report of the United States Steel Corporation to the end of September, showing that in the first 9 months of the year the 5 per cent common dividend was earned with a fair margin to spare, although, to be sure, there is a decided probability that the earnings for the last quarter of the fiscal and calendar year will be insufficient for dividend and other requirements. This does not mean, of course, that the next annual report will show less than 5 per cent earned on the common stock issue. It may be, too, that the growing trend of optimism will find its way into the steel trade, enlivening the latter to such an extent that the closing quarter of the year will surpass expectations, just as the September quarter did.

Stocks.	Present dividend.	Price.	Yield on present price.	Present rank.	Stocks.	Price.	Earnings on present price	Year ended
Am. Cotton Oil, com.	5%	44	11.36	1	Inter. Mere. Marine, pref.	35	92.45	Dec. 31, 1910
U. S. Rubber, com.	4%	45	8.88	2	Allis Chalmers, pref.	11	28.11	Jne. 30, 1911
Am. Beet Sugar, com.	5%	57	8.77	3	Bethlehem Steel, pref.	58	25.17	Dec. 31, 1910
Republic I. & S., pref.	7%	80	8.75	4	Am. Locomotive, pref.	95	20.75	Jne. 30, 1911
U. S. Steel, com.	5%	60	8.33	5	Ry. Steel Spring, com.	20	20.70	Dec. 31, 1910
U. S. Rubber 1st pref.	8%	92	8.24	6	Westinghouse, com.	92	20.70	Mar. 31, 1911
United Dry Goods, com.	8%	99	8.08	7	Am. Beet Sugar, com.	57	19.20	Mar. 31, 1912
Am. Woolen, pref.	7%	88	7.95	8	Am. Ag. Chem., com.	31	17.77	Jne. 30, 1911
Union Bag & Paper, pref.	8%	92	7.65	9	Pressed Steel Car, com.	32	17.77	Dec. 31, 1910
Central Leather, pref.	8%	92	7.61	10	Am. Cotton Oil, com.	46	17.40	Aug. 31, 1910
Nat. Enam. & Stmp., pref.	7%	91	7.45	11	Sears, Roebuck, com.	176	17.05	Dec. 31, 1910
Am. Writing Paper, pref.	7%	97	7.41	12	Lorillard, com.	181	14.36	Sept. 30, 1910
Inter. Steam Pump, pref.	6%	85	7.34	13	Am. Car & Fdy., com.	71	14.08	Apr. 30, 1911
Pressed Steel Car, pref.	7%	96	7.29	14	Am. Ice Sec. Co., com.	15	14.00	Oct. 31, 1910
U. S. Realty & Imp.	5%	70	7.14	15	Inter. Harvester, com.	100	13.50	Dec. 31, 1910
Ry. Steel Spring, pref.	7%	100	7.00	16	Am. Malt Corp., pref.	30	13.33	Aug. 31, 1911
Va.-Carolina Chem., pref.	8%	116	6.90	17	U. S. Realty & Imp.	74	13.33	Apr. 30, 1911
Am. Smelt. & Ref., pref.	7%	105	6.66	18	Am. Woolen, com.	30	13.33	Dec. 31, 1910
Am. Ice Secy., pref.	7%	105	6.66	19	Am. Linseed & Strg., com.	11	12.50	Jne. 30, 1911
National Lead, pref.	7%	104	6.73	20	Corn Prod. Ref. Co., com.	17	11.76	Dec. 31, 1910
Int. Salt Co.	7%	104	6.73	21	Central L. & S., com.	8	11.76	Dec. 31, 1911
U. S. Steel, pref.	7%	105	6.67	22	Int. Harvester, pref.	10	11.50	Jne. 30, 1911
Corn Products Rfg., pref.	7%	77	6.49	23	Central Leather, com.	14	10.55	Dec. 31, 1910
People's Gas.	6%	100	6.00	24	Union Bag & Paper, pref.	8	10.34	Jne. 30, 1911
Distillers Sec. Corp.	6%	93	6.45	25	U. S. Steel, com.	60	10.34	Mar. 31, 1911 (9 mos.)
Va.-Carolina Chem., com.	6%	93	6.45	26	Distillers Sec. Corp.	6	10.00	Jne. 30, 1911
National Lead, com.	5%	78	6.41	27	Am. Smelt. & Ref., pref.	105	9.52	Dec. 31, 1911
Am. Linseed, pref.	6%	94	6.38	28	Am. Locomotive, com. pref.	75	9.40	Dec. 31, 1911
Westinghouse, com.	5%	77	6.49	29	U. S. Rubber, 1st pref.	92	9.40	Mar. 31, 1911
Am. Beet Sugar, pref.	7%	116	6.03	30	Am. Sugar Ref. & Rfg., com.	116	9.20	Mar. 31, 1911
Am. Car & Foundry, pref.	7%	116	6.03	31	Am. Car & Foundry, com.	116	9.20	Dec. 31, 1911 (9 mos.)
Am. Sugar, pref.	7%	116	6.03	32	Am. Sugar, com.	116	9.20	Dec. 31, 1911
Am. Sugar, com.	7%	116	6.03	33	N. Y. Air Brake.	43	9.09	Dec. 31, 1911
Pacific Coast, com.	5%	85	5.88	34	Pacific Coast, 1st pref.	100	8.50	Dec. 31, 1910
Am. Ice Secy., com.	5%	85	5.88	35	Am. Ice Secy., com.	100	8.50	Dec. 31, 1910
Am. Sugar Ref.	7%	120	5.83	36	Am. Sugar Ref.	120	8.50	Dec. 31, 1910
Am. Smelt. & Ref., com.	5%	87	5.74	37	National Biscuit, com.	87	8.05	Dec. 31, 1911
Inter. Harvester, pref.	7%	120	5.83	38	Am. Tel. & Tel.	120	7.20	Sept. 30, 1911 (9 mos.)
Am. Tel. & Tel.	8%	133	6.01	39	Am. Tobacco, com.	133	6.76	Dec. 31, 1911
Am. Tobacco, com.	8%	133	6.01	40	Am. Tobacco, pref.	133	6.76	Dec. 31, 1911
Am. Tobacco, pref.	8%	133	6.01	41	Am. Tobacco, pref.	133	6.76	Dec. 31, 1911
Am. Ag. Chem., com.	7%	116	6.03	42	Am. Ag. Chem., com.	116	6.76	Dec. 31, 1911
Am. Ag. Chem., pref.	7%	116	6.03	43	Am. Ag. Chem., pref.	116	6.76	Dec. 31, 1911
Consolidated Gas.	8%	133	6.01	44	Consolidated Gas.	133	6.76	Dec. 31, 1911
Am. Malt Corp., com.	7%	116	6.03	45	Am. Malt Corp., com.	116	6.76	Dec. 31, 1911
Am. Malt Corp., pref.	7%	116	6.03	46	Am. Malt Corp., pref.	116	6.76	Dec. 31, 1911
Am. Writing Paper, com.	7%	116	6.03	47	Am. Writing Paper, com.	116	6.76	Dec. 31, 1911
Am. Writing Paper, pref.	7%	116	6.03	48	Am. Writing Paper, pref.	116	6.76	Dec. 31, 1911
Am. Ice Secy., pref.	7%	116	6.03	49	Am. Ice Secy., pref.	116	6.76	Dec. 31, 1911
Am. Ice Secy., com.	7%	116	6.03	50	Am. Ice Secy., com.	116	6.76	Dec. 31, 1911

Digitized by Google

AMONG NEW ENGLAND BANKERS.

(Continued from page 1872.)

Bank adheres strongly. This bank does not invest your earnings in large dividend-paying schemes, neither does it buy notes of persons or firms whose credit is not strictly first class. Being conservative retards our earnings, but we always consider safety before profit.

"This policy has caused people who think to become our depositors, as is proven by the personnel of our customers, also by our ever increasing savings and commercial departments. We respectfully solicit your account."

A few years ago, there was doing business in one of our New England cities, a savings bank and trust company, both controlled by the same people. It was found, however, that the trust company was more profitable than was the savings bank, so the officials began to devise a plan for bringing about a consolidation. They could not very well consolidate at once, for the savings bank was a conservative institution, had always given good service, and had the confidence of the community. Therefore, instead of immediately consolidating, the officials decided to have the savings department of the trust company pay more interest on its deposits than the savings bank did. So, for several years, the trust company paid 5 per cent on its savings deposits, while the savings bank gave only 3½ and 4 per cent on its deposits. Naturally, the higher interest being paid by the trust company began to attract more deposits, and although the savings bank did not lose any of the confidence which the depositors had in it, yet the natural desire for money in the way of better interest began to force the savings bank depositors to look with longing eyes at the 5 per cent being paid by the trust company. Deposits then began to go to the trust company, after which the officials were enabled to consolidate without any controversy. There was nothing out of the way with this plan, and it seemed to me a pretty good way to have brought about the consolidation. To-day, this trust company is a large company, comparatively speaking, and a strong one; its savings department

HAS ALL THE CONFIDENCE

which once reposed in the savings bank; and the depositors are safeguarded just as well, if not better, than before.

A cashier of a national bank, with deposits of about half a million dollars, made the statement to me that during the last six months he had not bought a bit of commercial paper. Yet, nevertheless, his deposits have been growing at the rate of about $9,000 per month. This would seem to me as pretty good evidence that the community in which this bank is located, is in a prosperous condition, for the fact that he can invest his funds without calling upon outside help, shows that the people are prosperous, or they would not have any use for the money.

The Union National Bank of Brunswick has no savings department, and does not pay any interest on any of its deposits. It is an old bank, having been established in 1865, and has deposits close to $100,000. Its directors are very conservative, and few banks are held in higher regard than that in which this bank is held by its customers.

The fact that bankers sometimes get stranded, even as do actors and travelling newspaper men, came home to me in a story that was told to me by one of the leading bankers in one of the smaller cities of Maine the other day. It seems he had paid a visit to Portland, and went down the harbor, and returning back late, found that he would have to stay in Portland over night. He had not expected such a contingency to arise, and as it was late, he took the only means that he knew of to obtain money that would hold him over until the next day. He went to one of Portland's largest trust companies, which was then, and I do not know but that it is today, the only Portland bank which was

OPEN AT NIGHT.

He had all kinds of credentials, he told me, and the most complete evidence that he was the man he claimed to be. He wanted them to give him a loan of $10, but after due deliberation, they decided to give him only $5. Naturally, this did not make him feel any too well disposed toward this bank, and I should not wonder but that this particular trust company might be carrying an account with him, had this incident not happened.

Possibly, in no part of Maine are the banks more dissatisfied with the new deferred interest rule, which the Philadelphia National Banks have had in effect since September 1, than are the banks in Bangor. One of the bankers admitted its justice, and they certainly do not feel that the Philadelphia banks are taking advantage of them What they are looking for, however, is the place where they can get the best return for the funds, I find, therefore, that most of them are carrying an account with a Portland trust company, which collects all items, both in this country and Canada, at par, and that all of them, I understand, are now carrying accounts with Albany. The story of how one Bangor cashier saved money on his foreign business, which he used for advertising his home business, has already been told in the United States Investor. It is an interesting story, and the results which this live cashier achieved through this policy may be had from the statement that the deposits of this bank have doubled during the past year. This bank, by the way, is the Merchants National Bank, which has a very strong board of directors, treats its customers courteously, and has the full confidence of them all.

BANK VISITOR.

PITTSVIEW, ALA.—The Bank of Pittsview has increased its capital to $50,000.

PLYMOUTH, ILL.—The Plymouth State Bank has been organized with $25,000 capital. T. E. Burner and W. L. Irwin are interested.

PRINCETON, W. VA.—The Virginian Bank of Commerce has been organized here with $25,000 capital. W. D. Pendleton, S. J. Evans, R. E. Thornton, J. P. Dunn and W. W. Fulp are interested.

CHICAGO CHAPTER.

(Continued from page 1871.)

though the ratio of membership to the total number of bank men is relatively small, and doesn't it follow that the live men in banks are in the Institute?

I would say further in reply to your question, if it were possible to analyze the promotions in, say, a score of banks, that, as a rule, the men who are remaining in the rut, those who are looked upon as permanent fixtures in their respective positions, are the men who have not allied themselves with the Institute, while those who are progressing are, as a rule, those who are not only members, but are actively engaged in the work of the chapter.

The men who have served on your executive committee during the past ten years, and more especially those who have been privileged to act as its president, can

GIVE SCORES OF INSTANCES

of men in the Chicago Chapter who have been placed in better positions through the instrumentality of the chapter. The chapter makes no pretense of being an employment bureau, but from the very nature of things, banks who are looking for men and men who are looking for positions find it convenient to apply to some official of the chapter, and I believe I am safe in saying that since the Chicago Chapter was established 150 men have been placed in positions which meant to them a substantial increase in salary and a corresponding rise in rank.

Mr. James G. Cannon, president of the Fourth National Bank, of New York, speaking before the Rochester Convention, recommended that the Institute establish a "Clearing House" where men seeking better positions and banks seeking good men can be brought together. As a matter of fact, most of the chapters have been doing this work in a quiet way for several years, and if this work does not mean that the Institute is paying dividends I do not know what it can be called.

But I don't want to leave with you the idea that the only dividends worth while are those which come from higher positions or even increased salaries—we all want those, of course. What I do wish to impress upon you is the fact that the very biggest, and broadest and

BEST DIVIDENDS,

which can come to any of us through our association with the Institute is that dividend which means a better and more thorough knowledge of the business in which we are engaged, which means a broader and more tolerant attitude toward our fellowman, and which means a more intelligent and, therefore, a more loyal and patriotic citizenship. This is the kind of dividend which I am sure will in the most significant manner justify and confirm the splendid judgment displayed by the American Bankers' Association when they founded the American Institute of Banking.

Mr. Marvin E. Eldridge, of the Continental Commercial National Bank, drilled the members well in that part of the work pertaining to the opening and handling of accounts, signature

Digitized by Google

cards, corporation accounts, partnership, etc.

In connection with the meeting, the members were entertained by George A. Hertzog, of the Corn Exchange National Bank, with a piano solo, and by A. W. Moline, of the Union Trust Company, with a vocal solo. The play, "Janitress Janet", which is now being given by the Chicago Chapter, is having great success, and November 9 marks the last performance.

FINANCIAL INQUIRY.

Consolidated Telephone Companies.

21315. (Reading, Pa.) Please advise me regarding the Consolidated Telephone Companies of Pennsylvania.

Ans.: The above named company is controlled by the American Union Telephone Company, which, in turn, is controlled by the Continental Telephone & Telegraph Company. The latter company acquired $10,000,000 capital stock of the National Telephone Corporation, which acquisition led to litigation on the ground that the stock has been illegally secured, and resulted in the Continental Telephone & Telegraph Company being placed in the hands of receivers, January 30, 1911.

The Consolidated Telephone Companies of Pennsylvania was incorporated July 22, 1901, under the laws of the state of Pennsylvania as a merger of a number of small companies in the state. In August 1908, control of this company was secured by the American Union Telephone.

The latest information available gives the number of exchanges as 33, telephones, 17,330, and miles of wire, 8,842. On May 28, 1910, Charles West, (LaFayette Building, Philadelphia), was appointed receiver for the company, and its constituent companies.

The capital stock of the company, authorized and outstanding, is $4,000,000, par $100. At last accounts, the funded debt was $3,216,900.

NO FINANCIAL STATEMENT

has been given to the public this year or during 1910, but during the years 1905 to 1908, inclusive, gross and net earnings showed a moderate increase, operating expenses and maintenance rose from $160,069 in 1905 to $213,870 in 1907, and dropped to $177,458 in 1908. The surplus in 1905 was $15,498 and $55,812 in 1908.

The difficulties of this company were in a way an indirect result of the difficulties of the holding company, the American Union Telephone.

A reorganization is now under way, and is prefected as far as the plan is concerned. This is to be shortly submitted to the various bond holders protective committees, who, in turn will submit it to the other security holders. A plan was proposed last fall which considered the reorganization of the Consolidated alone, but this is now held in abeyance until the new plan is passed on, as the latter includes a reorganization of both the American Union Telephone and the Consolidated.

No recent financial statements having been given out, and since the reorganization plan has not yet been made public, it will be impossible to give an accurate opinion of the situation until this information is obtainable. Mr. West, the receiver, states that very satisfactory progress is being made.

BOSTON STOCKS AND BONDS

For the Week Ending Thursday Evening, November 9, 1911.

Names.	RANGE FOR WEEK		Last Sale	Sales for Week	RANGE FOR YEAR OF 1911						RANGE FROM JAN., 1879, TO JAN., 1911.			
	Low	High			Lowest			Highest			Lowest		Highest	
Railroads.														
Boston & Albany	220½	221½	221	570	219	Sept		236	Feb	15	129	1892	*200	1899
Boston El vated.	124⅝	127	125½	320	120½	Oct	3	130½	Aug	2	93⅝	1894	130	1901
Boston & Maine.	97	97⅝	97⅛	20	90½	Oct	20	122⅝	Feb	15	100⅝	1893	230	1837
do. pref.	142½	143	143	19	142½	Nov	9	154	June	5	134⅝	1893	190	1902
Cent. Verm't 4s.	89½	90	90	16,000	82½	Sept	29	92	Mar	22	75	1904	96½	1899
C. B. & Q. Jt. 4s	96⅛	96⅝	96⅝	27,000	95⅝	Jan	5	101⅛	June	2	82½	1897	102	1905
Chic. June. R....	....	....	158	.....	156	Apr	20	165	Aug	21	50	1897	182	1904
do. 5s	....	....	101⅝	.....	101⅜	Sept	23	102	Aug	24	89⅝	1891	116	1899
Fitchburg pref..	126	126⅛	126	30	125	Oct	25	130	Jan	9	87½	1893	148	1905
K. C., Ft. S. & M. 6s	....	....	115	.....	115	Mar	22	116½	Jan	6	76	1895	126	1902
K. C. M. & B. new 6s	92	92	92	2,500	91	Oct	24	96½	Jan	3	42½	1894	102	1905
do. inc. 5s....	89	90⅛	89	6,000	87⅛	Oct	27	102⅜	Nov	4	8	1898	104	1900
N. Y., N. H. & H.	126⅛	126⅝	126	1,010	125⅝	Sept	14	134⅜	Feb	23	127	1911	279	1882
Old Colony.....	188	188	188	19	182	Mar	15	189	June	14	95	1879	221	1893
Rutland pref....	....	....	33½	.....	32	Jan	26	45	Aug	4	6⅛	1879	125⅛	1902
West End.....	87	88	87⅜	84	85	Oct	4	96	Feb	6	42	1893	102	1905
do. pref.	101½	102⅛	102⅛	141	100	Sept	26	105	June	22	78	1888	118⅝	1901
Miscellaneous.														
Am. Agri. Chem.	50	52	52	970	46½	Oct	6	60½	May	18	9	1903	50⅝	1909
do. pref.	101½	101	101	144	99	Jan	6	105⅛	Mar	1	66½	1903	105	1910
Am. Pneu. Ser..	4½	4⅝	4⅝	280	3½	Oct	3	6½	Jan	31	3	1903	29	1906
do. pref.	16	16½	16	520	12⅝	Sept	1	19⅝	Jan	31	9½	1903	46	1906
Am. Tel. & Tel.	135½	140⅝	140⅜	6,917	131⅜	Aug	30	153⅛	Jan	5	58	1897	186	1902
do. 4s	90⅜	90⅝	90⅜	143,000	89½	Mar	22	92	May	31	71	1907	103½	1901
do. cons. 4s....	....	....	106	.....	104	Aug	23	113⅜	June	19	90⅛	1900	107⅝	1909
Am. Woolen.....	....	....	30½	.....	27½	Sept	19	36⅛	Mar	20	7⅛	1898	48	1906
do. pref.	87½	88½	87½	619	85¼	Oct	27	96½	June	1	65	1903	110⅝	1906
B. & Wor. Elec.	....	....	9	.....	6	Feb	15	13	July	*	8	1910	32½	1908
do. pref.	....	....	50	.....	35½	Jan	27	58	July	1	35	1910	90	1908
Cumberl'd Tele..	153½	155	155	13	146	Jan	19	158	June	2	93½	1905	152½	1910
Dom. Coal 6s....	97⅜	97⅝	97⅜	1,000	93	Jan	4	98⅛	Sept	22	90	1908	101½	1905
E. Boston Land.	9⅝	9⅝	9⅝	50	7⅛	Jan	1	12	May	1	2⅜	1895	18⅝	1909
Edis. Elec. Ill..	291½	292	292	89	275	Sept	9	294	Oct	30	10	1903	310	1908
Gen'l Elec. Co..	151½	160	160	187	142	Sept	22	167⅝	May	29	20½	1900	200½	1921
Mass. Elec.....	21⅝	22¼	22	695	16	Apr	24	24	June	3	6½	1907	45⅝	1902
Mass. pref.....	94	94½	94	1,619	83⅜	Jan	9	95½	Oct	25	37	1907	99	1902
Mass. Gas.....	90⅜	91⅝	91	2,125	87⅜	Sept	28	96⅜	Aug	4	30	1903	91½	1910
do. pref.	97¼	98½	98⅛	438	91⅛	Apr	13	99½	Nov	9	74½	1903	97	1910
Mergenthaler....	220	220	220	54	211	Jan	3	250	July	31	153⅝	1907	226	1910
N. E. Cot. Y'n.	104	104½	104	36	103	Nov	1	119	Mar	14	40	1908	125	1909
do. pref.	....	....	102	.....	102	Nov	1	118⅜	Mar	17	24⅜	1901	118	1909
do. 5s	99¼	99¾	99⅜	5,400	99	Oct	6	103	June	20	80	1908	105⅝	1908
N. E. Telephone.	145	146½	146⅛	1,8	137	Jan	17	150⅜	June	30	78⅜	1879	270	1906
Portland Elec...	69	69	69	50	62⅜	July	26	69	Nov	9	....	....	....	....
Pullman Car....	156	158½	158½	193	153	Sept	25	163	Jan	31	6⅜	1901	224½	1895
Reece But. H...	13	13	13	80	12	Jan	5	16⅜	May	22	7½	1884	163	1901
Torr'g'n Co. Cl. A	29½	29½	29½	95	29	Oct	9	36	Jan	7	18	1895	37	1910
do. pref.	28	29	29	25	27	Sept	6	30	July	26	20	1901	35	1905
U'ted Fruit Co..	186	187⅜	186¾	80	160	Aug	28	197	June	12	73	1901	200	1910
U'ted Fruit 4½s.	95½	96⅜	95½	12,000	95¼	Nov	8	97½	Jan	6	90	1910	97½	1910
Un. Shoe Mac'y.	42	43¼	42¾	1,385	40⅜	Aug	28	58⅞	Feb	18	*28	1900	95½	1905
do. pref.	27½	27½	27½	85	26½	Sept	23	29½	Mar	7	22	1900	39½	1905
West. Tel. & T..	27	27½	27½	3,141	15	Sept	25	27½	Nov	8	4	1908	35¼	1902
do. pref.	104¼	105⅜	105⅜	1,0.1	89	Jan	21	107⅜	Nov	9	50	1907	106½	1902
do. 5s	99⅜	100½	100½	30,000	90⅜	Jan	3	100	Oct	27	74	1907	106¼	1902
Mining.														
Adventure	4⅜	4½	4½	25	4	Oct	9	7½	May	18	†.62½	1907	33	1901
Allouez	28½	29	28½	110	21	Aug	26	39	Jan	5	9c	1894	74½	1907
Amalgamated ..	58	58	58	6,651	44½	Sept	25	71½	June	28	33⅜	1903	129½	1899
Am. Zinc	23¼	23⅝	23⅜	66	19⅜	Oct	5	30⅝	June	14	5	1901	67	1899
Arizona Com....	.60	.60	.40	125	.25	Oct	19	1⅜	June	14	7⅜	1907	51⅜	1909
Bos. & Corbin..	5⅝	5¾	5¾	430	3⅜	Aug	24	15½	June	6	6	1907	25	1908
Butte Bal'kl'n...	3⅝	4	3⅝	250	3⅛	Aug	28	6⅜	Jan	4	4½	1910	18¼	1910
Butte Coalition..	17	17⅜	17½	1,9..	14	Sept	26	20⅝	May	24	10	1907	42	1906
Calumet & Ariz.	69⅜	70⅛	70⅛	1,615	65	Sept	27	83	June	14	41⅜	1911	198	1907
Calum & Hecla.	385	390	385	28	380	Sept	25	545	Jan	4	124	1894	1000	1907
Centennial	9⅜	9⅝	9⅝	125	8	Sept	27	16	Jan	3	16c	1896	61	1899
Copper Range...	51⅜	53½	53	839	36½	Sept	25	69⅜	Feb	2	27	1903	105	1907
Daly-West	5¾	6⅜	5¾	25	3	Feb	15	6½	June	21	3½	1910	56	1902
East Butte.....	9¾	10½	10½	3,4..	8⅜	Aug	28	14⅜	June	26	3½	1908	18½	1907
Elm River.....	....	....	.10	.....	.10	July	24	20	Jan	6	.05	1910	7	1907
Franklin	6⅝	7½	7⅜	1,615	5½	Aug	24	14	June	14	4	1879	30	1899
Giroux	4⅛	4½	4⅜	2,71..	3⅜	Sept	28	8⅜	Feb	6	2⅜	1907	13⅝	1901
Granby	28	30	30	307	26	Aug	25	43½	June	21	20	1910	151	1907
Greene Cananea.	7	7⅜	7⅜	3,375	5 5-16	Feb	9	8	June	28	5	1907	18	1907
Hancock, Con...	19	20½	19½	733	17	Sept	25	30¼	June	19	1⅜	1907	36	1910
Helvetia	....	....	.75	.....	.75	Nov	1	2	Mar	4	1⅜	1910	38	1909
Isle'd C'k Coal**	35	35½	35½	696	29½	May	9	40⅜	June	3	30⅜	1910	33⅜	1910
do. pref.** ...	85	85½	85½	235	82⅜	Sept	2	91	June	13	84½	1910	90¼	1910
Isle Royale.....	14	15¼	15	443	11¼	Aug	24	19⅛	June	13	5¼	1903	75	1899
Kerr Lake.....	3 1-16	3 5-16	3 1-16	3,1..	2⅝	Oct	21	7⅜	Jan	23	6	1910	35	1907
Keweenaw	1⅞	2	1⅝	275	1⅝	May	10	3⅜	June	14	2⅜	1909	7⅞	1909
La Salle	4	4⅜	4⅜	1,025	3	Oct	31	6	Jan	3	1	1908	23½	1906
Lake Copper....	27⅜	30⅜	30⅜	7,512	21⅜	Aug	28	40	June	13	6	1907	94½	1910
Mass Cons.....	5⅝	5⅝	5⅝	150	4½	Aug	25	10	June	19	2½	1908	37⅜	1901
Miami	19⅝	20	20	250	16⅜	Oct	3	23⅜	June	21	4⅝	1908	29	1910
Mi'Sipan	1⅛	1⅛	1⅛	25	1⅛	Oct	31	4⅜	May	6	3	1909	24½	1907
Mohawk	41½	43⅛	42½	24	36	Apr	21	53	June	12	11½	1909	97	1907
Nev. Cons.....	16	17	17	1,559	15	Sept	25	21⅜	June	15	6½	1907	39	1909
New Arcadian..	2⅜	2⅝	2⅜	427	2	Sept	29	4⅜	May	12	11	1907	103½	1899
Nipissing	7⅝	7⅝	7⅝	340	7½	Nov	4	11⅜	Feb	17	5	1908	33⅜	1906
North Butte....	25⅜	26⅛	25⅝	6,30	20	Sept	25	26	June	12	18½	1910	130	1907
North Lake.....	4½	4⅝	4⅝	625	3⅞	Aug	23	9⅜	June	3	4½	1909	11⅜	1909
Old Dominion...	40⅜	44⅛	43⅝	1,8..	34½	Sept	25	49	June	19	9⅛	1904	66⅝	1908
Osceola	85½	91	91	245	81	Sept	22	124	Jan	4	7½	1899	381	1907
Parrot	9⅝	10	10	5	7⅜	Sept	22	17½	May	22	8⅜	1907	72½	1899
Quincy	58	60	59½	58	55	Sept	22	74	July	20	10	1879	190	1899
Ray Consol'ted..	14⅜	14⅝	14⅜	60	12	Sept	25	18⅜	Jan		7½	1908	27½	1909
Santa Fe.....	....	....	.90	.....	.75	Apr	26	1⅜	June	17	1	1907	22	1899
Shannon	7½	7⅝	7⅜	45	7	Oct	9	12½	Feb	6	3½	1904	24⅜	1907
Superior Copper.	23	23	23	80	20	Oct	30	34½	June	14	7	1907	69½	1910
Sup. & Boston..	3½	3½	3½	15	2	Oct	21	5½	June	15	1⅝	1908	15	1908
Tamarack	22½	23	23	80	20	Sept	26	32	Jan	3	15⅜	1910	368	1901
Tennessee	....	....	36	.....	34⅜	Aug	9	43½	June	12	8½	1907	65½	1907
Trinity	3	3	3	310	2⅜	Oct	5	5	June	21	3⅜	1904	42½	1907
U. S. Smelting..	31¾	32⅞	32⅜	2,59	30⅜	Sept	25	40⅜	June	14	24⅜	1907	70	1907
do. pref.	46	46½	46½	4..	45½	Oct	16	49⅜	June	26	33½	1907	54½	1909
Utah Cons.....	15	15⅜	15⅜	1,140	9½	Jan	20	20	June	26	12⅜	1910	*79	1907
Utah Apex.....	2⅜	2 15-16	2 7-16	7..	2	Oct	3	3½	June	15	1⅞	1907	10½	1906
Victoria	3⅝	3⅞	3⅜	40	1	Aug	19	2½	Feb	7	1	1910	12	1901
Winona	3⅜	4	4	1,8..	3	Oct	25	5½	Feb	6	1	1910	22	1906
Wolverine	77	82	82	275	75	Nov	2	122	Feb	10	75c	1902	200	1907

* Ex-di † Assessment paid. ‡ Rights off. ‖ Auction. § Old securities. ¤ Old stock.
** Ten

Digitized by Google

This Week and Next

Turning the Tables on the Bears—The Circuit Court, in Approving the Tobacco Reorganization Plans Restores Confidence in a Satisfactory Solution of the Trust Problem—A Word of Caution to the Purchaser of Stocks on Borrowed Money—Pool Manipulation Much in Evidence—The Steel Trust and the Courts—Apprehension Regarding Steel Common Dividend Passing—National Biscuit Contributes Bullish Ammunition, Counteracting the Effect of the Temporary Disappearance of the Cotton Oil Common Dividend—A Few Investment Hints.

The open season for stock market bears has been celebrated most energetically during the past fortnight, and although it is true that the upward rush of prices has shown signs of halting within the last few days, as there was reason to suppose it would do, the present market is frankly and unmistakably bullish. The change in sentiment which has developed since it was positively stated that the government had decided to attempt to make an example of the Steel trust has been most emphatic. From a condition of mind bordering on panic the general attitude toward the stock market and business situation generally has changed to an appearance of decided optimism.

A WORD OF CAUTION.

For the speculator who is engaged in marginal operations a word of caution is by no means out of place. It is but natural that after an almost unbroken advance of ten days the market should show a reactionary tendency, and a decline of two or three points would not be extreme in view of the proportions of the preceding advance. The present movement, of course, had its foundation in the support brought to the aid of the market by solid and conservative interests at the time when the Steel shares were being smashed, these rescuers doing a public spirited service, as they did at the time of the 1907 panic, in saving the market from absolute demoralization, with the exception that the movement this time was more seasonable in that it was a preventive rather than a corrective measure. It strikes me, from the present appearance of the market, that the bullish movement has passed from the hands of these strong interests, who have distributed the shares they bought in large blocks in the course of their salvage operations, into the none too considerate and far-seeing grasp of the pool operators, whose chief consideration is the lining of their own pockets in the immediate future rather than the lasting improvement of

THE INVESTMENT SITUATION.

I would remind my readers that we are not yet out of the woods by any means. We have a year of political uncertainty ahead of us, uncertainty which has not been materially lessened as a result of the elections held this week. Anti-trust prosecution is apparently as much of a government policy as it has been at any time since the Standard Oil Company, and the American Tobacco Company were haled to the bar. While stocks are not dear, and while, I believe, they are a purchase at present prices for a pull, it should be kept in mind that those issues which have been particularly susceptible to pool manipulation for the reason that they are in small floating supply are equally liable to sudden and sharp reaction. A word to the wise is sufficient.

BULL ARGUMENTS PREDOMINATE.

Certainly, conditions as they are now presented for public consideration appear to justify an upward movement in prices within reasonable limit. General business is by no means as close to demoralization as it was reported to be a month ago, and indeed in various directions there are evidences that the better feeling in Wall street is simply the forerunner of a general improvement in trade conditions, as has been the case many times in the past. Nor is it in any way unreasonable to expect that the decision of the United States Circuit Court favoring the American Tobacco plan will have a salutary effect on business in general. The beginning of the campaign against the Steel Trust appears to have marked the turning point in the

PHILADELPHIA STOCKS

For the Week Ending Wednesday Evening, November 8, 1911.

Names.	RANGE FOR WEEK Low	RANGE FOR WEEK High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911 Lowest		RANGE FOR YEAR OF 1911 Highest		RANGE FROM JAN., 1879, TO JAN., 1911. Lowest		RANGE FROM JAN., 1879, TO JAN., 1911. Highest	
Amer. Cement..	...	...	10	.....	10	Sept 19	17½	Jan 4	5¼	1905	46	1906
Amer. Railways.	44	44½	44	132	43	Jan 10	46⅝	Aug 5	21½	1909	54¾	1907
Bell Telephone..	...	...	116½	.....	.....		.....		45	1907	124¾	1909
Cambria Steel...	43½	43⅞	43⅞	944	40⅞	Sept 22	48⅞	Feb 18	13½	1909	49⅝	1909
do. Iron	44	44	44	70	43	Oct 2	46	Mar 27	43	1907	123	1893
Elec. Co. of Am.	12	12	12	224	11½	Oct 2	12½	Jan 14	5¾	1902	25	1899
Elec. Storage....	52⅝	53¼	52¾	1,035	48½	Jan 3	56⅝	June 15	15	1894	194	1899
Gen'l Asphalt...	35½	35⅞	35½	3,075	28¾	Aug 25	39¾	Oct 23	3	1907	34⅜	1910
do. pref.	74	76	74	775	68	Aug 28	83⅝	Jan 30	11	1905	84¼	1910
Hunt. & B. T....	...	...	5	.....	5	Oct 31	8	June 19	7	1910	43	1899
do. pref.	...	...	14	.....	14	Oct 28	27	Feb 1	7⅜	1899	59¾	1901
Lake Sup. Corp.	27⅞	28¾	28	732	21½	Sept 26	31⅜	Feb 4	9⅝	1908	37½	1909
Lehigh Valley...	84 11-16	85⅞	85⅞	2,350	76	Sept 12	90½	Feb 3	17½	1897	121¼	1910
Lehigh Navig'n.	91	93	93	1,465	*84½	Sept 12	93⅛	July 29	35	1898	121¼	1904
Marsden	...	...	13¾	.....	.....		.....		⅝	1907	28¾	1899
Penn. Steel.....	...	...	80	.....	.....		.....		5	1894	200	1881
do. pref.	...	...	103	.....	103	Oct 20	108¾	Apr 13	10	1897	117½	1899
Phila. Co.....	52⅝	53⅜	53⅜	1,825	48¾	Sept 21	59¾	June 5	33⅜	1907	58¼	1905
do. pref.	42¾	43	43	146	42	Oct 18	45	Feb 8	24	1909	52	1906
Phil. Elec.....	16⅛	16⅝	16¼	2,703	16	Oct 27	18	July 17	2	1900	16⅜	1910
Phil. Rap. Trans	23	23⅜	23	737	19⅝	Apr 19	24½	Aug 4	13	1907	37½	1900
Phil. Traction...	84⅝	85	84⅝	81	82	Oct 12	87½	July 14	5	1886	102½	1906
Tonopah Min'g..	6 15-16	7⅛	6 15-16	2,700	5 3-16	Aug 23	8⅝	Jan 17	3 3-16	1907	21¼	1906
United Gas Imp.	85⅞	86⅛	86	810	84¼	Sept 29	89¾	Jan 9	50	1898	175	1899
Union Traction..	50½	51⅛	51⅛	5,269	43	Jan 4	58⅝	July 14	8⅜	1897	66¾	1900
Warwick Steel..	10	10	10	100	9¾	Jan 10	11½	Feb 28	3½	1908	18	1899
W'stm'el'd Co'l.	...	...	79	.....	71	Sept 13	94½	Mar 20	45½	1879	114	1906

* Ex-dividend. † Trust certificates. ** Temporary certificates.

CHICAGO STOCKS

For the Week Ending Wednesday Evening, November 8, 1911.

Names.	RANGE FOR WEEK Low	RANGE FOR WEEK High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911 Lowest		RANGE FOR YEAR OF 1911 Highest		RANGE FROM JAN., 1879, TO JAN., 1911. Lowest		RANGE FROM JAN., 1879, TO JAN., 1911. Highest	
Am. Can.....	10⅝	11½	11½	1,880	8⅝	Jan 27	13¾	May 23	2⅜	1903	23¼	1901
do. pref.	87¼	89½	89½	775	76⅞	Jan 7	89½	Nov 7	25¼	1902	96	1900
Am. Radiator...	...	...	300	.....	285	Jan 9	355	Feb 18	30	1900	260¼	1910
do. pref.	...	...	130	.....	126¼	Mar 9	131	Aug 29	86	1899	126	1900
Am. Shipbldg...	48	48	48	10	45	Nov 7	78	Feb 8	19	1904	84½	1910
do. pref.	...	...	106½	.....	116¼	Jan 16	113	May 18	82	1904	113	1910
Chic. City Ry...	...	...	190	.....	185	Mar 28	190	Apr 28	140	1906	476	1892
Chic. Pneu. Tl.	46	46¾	46	125	38¾	Sept 22	55½	Feb 22	18	1904	107¼	1902
Chic. Subway...	⅝	1	1	1,205	⅝	Nov 6	6	Mar 1	3⅜	1910	87⅜	1905
Chic. Telephone.	122	122	122	50	115	Jan 25	134¼	May 17	95	1907	208	1901
C'm'nw'th Edis.	132	134½	122	1,365	113	Jan 30	137⅝	July 15	77	1907	126	1910
Diamond Match	101¾	102⅝	102¼	360	90	Jan 16	106½	July 11	82¼	1910	163	1899
Kan. City Light.	16½	16¾	16¾	10	15	Sept 26	25	May 23	20	1910	68¾	1906
do. pref.	44	44	44	45	39	Sept 26	72¼	Feb 25	68	1908	95½	1906
Met. El.....	...	...	27	.....	19¼	Feb 1	29⅝	June 29	12	1899	43	1900
do. pref.	...	...	75	.....	64	Mar 16	***75	July 17	32	1909	93¼	1901
Nat. Carbon.....	...	...	104	.....	100	Sept 12	120	June 3	15	1899	145	1910
do. pref.	...	...	119	.....	106¾	Aug 21	130	Apr 12	72	1900	134	1900
No. West. El..	...	...	29½	.....	20¼	Apr 27	29⅝	June 30	13¾	1908	55	1901
do. pref.	...	...	64½	.....	60	Mar 1	67	Mar 30	44	1904	97	1901
Quaker Oats....	198	198	198	35	185	Mar 17	193	June 28	85½	1904	186	1910
do. pref.	104¾	106½	105	271	102¼	Feb 8	107½	July 24	72	1903	109½	1905
So. Side El.....	...	...	80	.....	68	Feb 16	88	June 30	40¾	1897	100	1901
Streets' Car.....	8½	8½	8½	10	8	May 31	13¾	Feb 24	10¾	1910	64½	1899
do. pref.	38½	38½	38½	10	40	Oct 31	50	Aug 11	40	1910	111¾	1906
Swift & Co.....	99⅝	100	100	241	97⅜	Sept 25	104	June 8	75¼	1907	177½	1903
Un Box Board.	2	2¼	2	450	1⅜	Sept 29	7	Jan 5	¾	1908	17½	1902
do pref.	...	...	7⅝	.....	.....		.....		1⅜	1908	71	1902
Western Stone..	...	...	19½	.....	19⅛	July 25	24⅝	Jan 24	14	1908	60	1906

* Ex-dividend. † New. *** Receipts. ‡ Assessment paid.

Digitized by Google

anti-trust prosecution which has shown signs of degenerating into persecution, or something closely approaching the latter.

CLEARING THE AIR.

The effect of the Circuit Court's approval of the Tobacco plan should be to clear the air, and the action of the stock market on Thursday last showed conclusively that there are many others who hold a similar view. Business interests will be more ready to believe that the courts stand between them and the thrusts of the trust-buster. One facetious individual suggests that, judging from the market happenings of the past fortnight, the United States Steel Corporation would be able to add very materially to its earnings for the December quarter if it could secure contracts to supply steel markers to be placed on the graves of the bears who have fallen in the course of this latest spectacular campaign. To take a serious view of the situation, it looks as if there is to be no famine of steel business after all, for the Steel Trust and the independents as well are doing better than they were a fortnight ago, although, of course, prices are still too low to permit of any startlingly large margin of profit. Already there has been an almost complete disappearance of the talk of a reduction in the 5 per cent common dividend rate, and there are reasons for hoping that earlier predictions of earnings of less than 5 per cent on "Little Steel" for the December quarter will be relegated to the discard along with some of the other

RUMORS OF DIVIDEND CUTS

which have failed to materialize. Some holders of Steel common are anxious over the immediate future of their investment, because the government, in beginning suit to dissolve the corporation, asks that the subsidiary concerns be "enjoined and prohibited from declaring and paying any dividends to the United States Steel Corporation or to any person or corporation for its use". I do not believe that, pending a settlement of the suit in the courts, any such injunction will be issued, thereby bringing unnecessary hardship upon thousands of investors who are in no way responsible for the corporation's alleged misdeeds.

The pool operators are making the most of the fact that this is a year for the fulfillment of repeated dividend promises, as in the cases of the American Beet Sugar Company and the United States Rubber Company. Recent developments have made it much easier for the speculative market leaders to gain an audience for such predictions as that before long American Can preferred will either be on a 6 per cent rate or will distribute something on account of accrued dividends. Some time ago the tip was passed out that National Biscuit common would soon be an 8 per cent stock, although it was only last February that the rate was increased from 6 to 7 per cent.

ANOTHER GOOD GUESS.

The tip made good, although not in the exact manner that was looked for, the directors having this week ordered an extra dividend of 2 per cent. National Biscuit is doing its utmost to uphold its reputation for being a

NEW YORK STOCKS AND BONDS

For the Week Ending Thursday Evening, November 9, 1911.

Names.	RANGE FOR WEEK Low	RANGE FOR WEEK High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911 Lowest		RANGE FOR YEAR OF 1911 Highest		RANGE FROM JAN 1879, TO JAN 1911 Lowest	RANGE FROM JAN 1879, TO JAN 1911 Highest	
Atch. & T. R R.	105	106⅝	106⅝	11,300	96⅞	Sept	116⅝	June 6	8 1-16	1894	1890
Atch. & Top. pf.	103⅝	104⅛	104⅛	[illegible]	100½	Jan 3	106½	June 15	14	1896	1901
Atch. & Top. 4s	90⅛	90⅛	90⅛	105,000	92⅛	Sept 20	99⅝	Jan 4	41	1894	1909
do. adj. 4s	87¾	87¾	87¾	1,000	86⅜	Mar 29	92½	Jan 28	26	1896	99¼
Atlantic Coast Line	150	150½	150½	1,100	137	Jan 3	163½	July 22	56	1907	170
B. & O. Gold 4s	96	96⅛	96⅛	1,000	91½	Sept 30	99⅝	Oct 10	83	1907	108¾
B. & O. S. W. 3½s	90¾	91	91	16,000	89½	Sept 29	96	Mar 11	60	1907	96
Balti. & Ohio...	104⅝	105⅞	105⅞	2,700	96⅜	Sept 29	109¾	July 22	9	1897	125½
do. pref.	93	93½	93	200	85½	Aug 30	91	Jan 4	67½	1889	100
Brooklyn R. T..	77½	78¾	78¾	20,234	72	Sept 26	85⅝	July 20	15	1896	127
B. R.T. conv't 4s	91½	92	92	1,000	85¾	Sept 26	98⅜	Jan 26	56	1907	103½
Canadian Pac...	257	261½	261½	1,200	236¾	Jan 3	247	July 27	33	1895	252¾
Canada South...			63		62	Mar 3	68	May 15	21	1888	87
Cen. of Ga. Con. 5s	100⅜	100	100	2,000	100¼	Jan 13	110	Jul'y 26	55	1907	120¾
do. 1st inc....			96		85	Oct 28	114½	Apr 18	30	1890	102
do 2d inc.....			91		91	Oct 17	106¾	Apr 5	9	1889	101
do 3d inc.....	90	90	90	100	83	Feb 24	102	Apr 4	4	1885	100
Central N. J....			260		260	Sept 14	295	June 3	21	1885	312
Cent'l Pac. 1st 6s.							92	Mar 8	75	1907	91
Ches. O. con. 4½s.	100⅛	100⅛	100⅛	1,000	100¼	Sept 25	102	May 16	67	1892	111
Chesapeake & O.	56	56½	56½	1,300	55½	Sept 25	65⅝	Feb 10	1	1893	1337⅛
Chic. & Alton...			25		25	Aug 25	31¼	May 23	5½	1907	74⅝
do. pref.			40		40	Oct 6	53	Jan 27	47	1908	85⅛
Chic. G't West.	15	15⅛	15⅛	400	13⅞	Sept 14	25⅛	June 5	3½	1887	37⅜
do. pref. A....	38½	38⅝	38⅝	1,100	38	Sept 27	49⅛	Feb 6	15½	1900	90⅛
Chic. M. & St. P.	110½	111⅝	111⅝	1,000	105⅜	Oct 6	123¾	Feb 7	34⅝	1879	199⅝
do. pref.	135	136	136	200	131	Sept 14	145½	June 16	74⅝	1879	218
Chic. & N. W....	141	142⅝	141½	1,100	139⅝	Sept 22	150½	June 12	42⅝	1879	271¾
do. pref.					197	Aug 8	204¾	Aug 9	126	1893	274⅝
Chi. St. P. & Om			141		140⅜	Apr 29	144	June 16	134½	1885	225
do pref					153	Feb 16	162	Feb 18	66	1883	230
Chic. Un. Trac..					⅝	Sept 30	6	June 2	⅝	1908	23
do. pref.			2		4½	Oct 16	7⅝	Feb 6	2	1908	60
C., C., C. & St. L.			61		61½	Sept 15	66	Jan 13	19½	1896	111
do pref.			91		90½	Aug 22	98	Feb 1	62	1897	1443⅛
Colo. & South'n.	19	19⅝	19	80	17	Sept 22	60	Jan 18	4⅜	1885	63¾
Col. & So. 1st pf.			18		72	Oct 20	84⅝	July 10	30	1899	86
do. 2d pref....			69		66	Sept 15	75	Aug 8	12½	1899	84½
Del. & Hudson..	167	170½	170½	1,250	150½	Sept 25	175¾	June 8	32	1879	240¾
Del., L'ck & W.	560	560	560	10	501	Sept 25	590	Nov 7	49	1879	680
Den. & Rio G'de	21	21⅝	21⅝	100	21½	Sept 14	35	Feb 21	4⅝	1885	2864⅛
do. pref.	68½	69	69	700	64	Sept 14	74	Feb 21	24	1894	1034⅛
Dul., So. Sh. & Atl			10		9¼	Sept 5	15½	May 1	2½	1895	24
do. pref.			21		19½	Sept 27	29⅝	Apr 4	6	1898	46⅜
Erie 1st gen. 4s.	29	29⅝	29	110	28½	Jan 9	39⅝	July 19	8½	1908	95
Erie	32¾	33⅛	32⅞	52,900	27½	Jan 11	38¼	June 9	3⅜	1854	527⅜
Erie 1st pref....	44⅞	45	45	2,170	45⅜	Jan 12	54½	July 1	12	1850	95
Erie 2d pref.....	40¼	41⅛	41	1,200	35	Jan 11	49½	July 3	13	1856	78¾
Ev'ns & T. H.			41		60	Feb 1	88	July 24	30	1897	152
do. pref.			80		80	June 6	90	July 24	72	1901	1044⅛
Gr'naR& W deb B	12	14	12½	1,000	11	Sept 25	25½	Jan 23	2½	1896	27½
Gt Northern pf	130½	130½	130⅜	200	119	Sept 25	140	June 8	44½	1880	348
Hock'g Valley**			134		128	May 24	134	Apr 29	22	1899	140
do. pref.									62½	1888	101⅝
Illinois Central..	146	147	146⅝	514	132	Jan 3	147	July 20	79⅝	1879	1864⅛
Inter-Met (w.i.).	11½	12⅜	12	1,400	7½	Sept 30	20⅝	Feb 15	4⅛	1907	65⅝
do. pf. (w. i.)	41½	41⅞	41⅞	6,600	29⅝	Sept 30	66⅝	Feb 10	14	1907	87⅝
Iowa Central....			15		15	May 12	22	Sept 8	8	1888	51⅝
do. pref.			25	10	20	Apr 27	35	Sept 8	12	1888	90⅝
Kan. City & So.	25½	25½	25½	300	25¼	Sept 26	38⅝	June 16	7	1900	50⅝
do. pref.	60½	60½	60½	600	61½	Sept 25	70	May 26	37½	1900	76⅛
K. C., Ft. S. & M. pf					76	Aug 7	78	May 3	58	1908	88
Lake E. & West.	16	17	17	90	10	Sept 25	17	Nov 7	1⅝	1895	76½
do. pref.	31	31½	31½	100	25	Sept 5	40	Jan 13	24	1908	123
Louis. & Nashv.	136½	136½	136½	600	126½	Sept 14	156⅛	July 19	22	1885	162½
Manh'ttan Elev.	140½	140⅝	140⅛	1,100	131⅛	Sept 25	142½	July 19	64½	1874	175
Minn. & St. L...	21½	21½	21½	1,000	21½	Apr 28	31⅜	Nov 7	3½	1889	115
do. pref.	56½	60	56½	100	55	Mar 11	84	Sept 13	7⅜	1889	127⅜
M. St. P. & S. S. M.	140¾	142⅜	140⅝	1,000	124⅜	Sept 22	152⅛	Mar 30	6	1897	164
do. pref.	142½	142½	142½	100	140¾	Aug 28	146½	July 21	10	1897	198⅜
M. K. & T. 1st 4s.	87¾	87¾	87¾	17,000	87¼	Sept 6	98	Jan 21	50	1893	104¼
do. 2d 4s.....	64⅝	65	65	3,000	60½	Jan 5	80⅛	Feb 17	27	1893	82⅝
M. K. & T. 1st 5s	101	101⅜	101⅜	20,000	97¼	Oct 25	107⅝	July 10	73	1896	114½
Mo., K. & Tex..	31½	32⅛	31⅞	1,000	27	Sept 26	39⅝	June 14	6⅝	1879	64
do. pref.			61⅞		61⅞	Sept 25	70	Oct 17	13⅝	1893	78¼
Missouri Pacific.	41½	42⅜	42	13,000	39½	Sept 13	63	Feb 15	10	1897	125¾
N. Y. Central...	124⅞	125⅛	125	2,100	124¼	Sept 27	135½	Feb 3	31⅝	1885	174½
N. Y. C. & St. L.	51¾	51¾	51¾	200	48	Oct 9	67	Jan 30	8	1896	72¾
do. 1st pref...	111		108½		104⅝	Sept 25	121¾	Mar 20	4	1885	124½
do. 2d pref....			92½		82½	Aug 21	90	Jan 20	12	1896	100
N. Y., Ont. & W.	43½	44	43	900	37¾	Sept 27	46⅞	July 22	6⅝	1892	64
No. & W. Con. 4s.	90½	90½	90½	1,000	90½	Oct 7	96¾	Nov 1	70	1896	101
Norfolk & West	105	105½	105	1,400	103½	Sept 25	110	June 28	½	1896	108⅜
do. pref.			94		94	Sept 25	98	May 22	6¼	1896	98
N. Pac. prior 4s.	100⅝	100⅝	100⅝	1,000	98⅜	Sept 27	103¼	Nov 7	30¼	1904	109
do. gen. 3s ..	69½	70	69⅝	1,000	68	Sept 27	71⅜	Aug 4	57	1898	79
North'n Pacific.	117⅛	118⅜	117⅝	2,400	113½	Sept 27	127⅞	June 8	11	1897	1000
Pacific Coast....					100	Jan 11	102	Jan 16	24	1898	142
do 1st pref ..									63	1907	105
do 2d pref....			101		100	Jan 11	101	Jan 11	60½	1907	125
Penn. R. R.	127	127	127	1,100	120⅝	Sept 25	130¾	Feb 1	97¼	1895	150
Peoria & East'n									2	1887	50
P., C., C. & St. L.	90	90	90	100	90½	Sept 26	100	Jan 17	30½	1894	1664⅛
do. pref. ..			109		109⅛	Sept 25	112	Feb 17	40	1902	128
Reading gen. 4s	96½	96½	96½	1,000	96½	Mar 7	98¾	Aug 7	7	1858	1044⅛
Reading	141	142⅛	142	11,000	134	Sept 25	161⅞	June 8	17⅜	1892	117⅛
do. 1st pref ..			90		90	Sept 25	92	July 14	11⅜	1907	92
do. 2d pref....	97	97	97	1,000	93½	Sept 25	100	May 2	28½	1907	94⅜
Rock Island, new			21½		21½	Sept 25	34⅝	June 14	6⅝	1907	80⅛
do. pref.			44		44	Sept 25	68⅝	June 14	9⅜	1909	129
St. L. & S. F. 4s	80½	80½	80½	1,000	77	Oct 7	83	May 4	4¼	1879	84½
St. L. & S. F. 1st pf			70		70	Sept 14	69	July 25	30	1908	116¾
St. L. & S. F. 2d pf			56		56	Apr 27	49¾	July 24	22	1887	90½
St. L. & S. W. 4s	93	93	93	1,000	93⅝	Jan 24	95½	Aug 2	4⅝	1894	1734⅜
do. 2d gen. 4s	74	74	74	1,000	74	Jan 9	83¼	June 29	36	1898	95
St. L. Southw			34		34	Feb 14	34	Feb 4	2	1887	2854
do. pref. ...	71	71	71	100	69½	Jan 3	78	June 27	21⅝	1900	90
Seab. A. L. adj 5s					74½	Sept 25	82	July 19	55⅜	1910	77⅜
Sou. Ast. & A. P. 4s					90	Sept 27	93	Oct 17	45	1898	80½
So. Pac. coll 4s					93⅜	Sept 25	97	Nov 7	94⅛	1908	96⅛
South'n Pacific.	111	111	111	1,000	104½	Sept 27	126⅝	June 28	12	1900	139¼
do. pref									84⅝	1900	137

Digitized by Google

NEW YORK STOCKS AND BONDS

For the Week Ending Thursday Evening, November 9, 1911.

Names.	RANGE FOR WEEK Low	High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911 Lowest		Highest		RANGE FROM JAN., 1879, TO JAN., 1911. Lowest		Highest	
Southern	29¾	31½	31½	36,100	24¾	Sept 23	33¾	July 22	22	1894	1362	1882
do. pref.	71	72¾	72¾	4,400	61¾	Jan 11	78¼	July 20	613	1894	108	1906
Texas & Pacific	24¾	25¾	25¾	2,100	22¾	Sept 21	30¼	June 9	4¾	1888	73¾	1881
Third Avenue	10¼	12¼	12¼	10,820	7¾	Sept 27	20	Mar 3	6½	1910	243	1859
Tol Rys. & Light	...	...	7	.....	6¾	Aug 16	8¾	Jan 17	6¾	1910	33	1902
Tol., St. L. & W	19	19¾	19	1,200	17	Sept 11	34¾	Feb 8	10¾	1901	64¾	1899
do. pref.	42	43¾	43¼	800	38	Sept 1	53¾	Feb 8	23¾	1902	74¾	1909
Twin City R. T.	106¼	106¾	106¾	100	104	Sept 15	111	Feb 3	9¼	1897	139	1902
U.P.cvt. 4s, 1887	102¾	103¼	103¼	405,000	100	Sept 26	103¾	June 27	73¼	1897	124¼	1900
Union Pacific	166¾	173¾	173¼	407,700	153¾	Sept 25	193¾	July 22	3	1898	200¾	1910
do. pref.	92	92¾	92¾	1,100	89	Sept 21	98	July 24	67	1898	118¾	1909
Wabash 1st 5s	105¾	105¾	105½	23,000	99¼	Aug 28	110	Mar 30	80	1890	121	1902
do. deb. B's	...	...	101	.....	...	...	...	...	19	1898	101	1909
Wabash	12¾	12¾	12¾	800	10	Sept 30	18¾	Feb 23	3	1895	60	1881
do. pref.	25¼	26¾	26¾	18,400	19	Sept 27	40¾	Feb 23	9	1894	98¾	1881
West. Md., pref.	78¼	82	82	400	75	Jan 14	85¾	July 24	67	1910	77	1910
Wheel. & L. E.	4	5¼	4½	2,300	2¾	Sept 28	6¾	Feb 8	½	1897	43¾	1887
do. 1st pref.	11¾	11¾	11¾	100	7¾	July 22	17¾	Feb 3	3¾	1897	80¾	1881
do. 2d pref.	5	6¼	5¼	1,950	3	Sept 5	8	Feb 22	4	1910	43¾	1908
Wis. Central	55¾	56¾	56¼	2,100	48	Sept 21	73¼	May 1	4c	1889	64	1910
do. pref.	...	...	85½	.....	...	...	...	...	66c	1889	91¾	1909
do. 1st 4s	92¾	92¾	92¾	30,000	91	Aug 28	99¾	July 5	127	1896	99¾	1899
Miscel. St'ks.												
Adams Express	...	...	100	.....	235	Jan 20	243	June 13	97¼	1900	215	1907
Allis Chalmers	3	3¼	3¼	400	3	Oct 9	9¾	May 31	4	1907	27¾	1906
do. pref.	10¾	11¾	11	500	9¾	Oct 18	31	Feb 3	14	1908	87¼	1902
Amal. Cop.	54½	58¾	58¾	58,250	44¾	Sept 26	71¾	June 19	23¾	1899	130	1901
Am. Beet Sugar	56	58	56¾	12,400	29¾	Jan 13	60¾	Oct 30	9¼	1903	49¼	1909
Am. Car & Fd.	49¾	53¾	53¾	11,000	42¼	Sept 27	66¼	July 19	10¾	1899	76¼	1909
do. pref.	115	116¾	116¼	700	113	Oct 25	130	May 22	81	1899	134¾	1909
Amer. Cot. Oil.	42	45¼	44½	18,700	41¾	Nov 2	63¾	Feb 28	8	1898	79¾	1909
do. pref.	...	...	95	.....	86	Oct 25	106¾	Mar 21	27¾	1899	107¾	1909
Amer. Express	210	212	210	250	201	Sept 26	245	Mar 27	100	1898	201	1910
Am. H. & L.	...	...	3¾	.....	3	Oct 9	5	July 11	3¾	1903	37¾	1899
do. pref.	...	...	17¾	.....	17¾	Oct 21	36¾	June 14	10	1907	63¾	1899
Am. Ice Sec.	17½	18¾	18½	1,100	16¾	Aug 28	25¾	July 12	8¼	1907	98	1907
Am. Linseed Co.	9	9	9	100	8	Aug 11	12¾	Feb 14	5	1898	39¾	1901
do. pref.	28	29¾	28½	600	25¼	Oct 27	44	Feb 14	14½	1907	66	1901
Am. Loco.	35	36¾	36¾	2,250	26	Sept 20	43¾	May 22	13¾	1898	78¼	1902
do. pref.	102½	103	102½	300	100	Oct 25	116¾	Mar 1	67½	1900	122¾	1905
Amer. Malt Co.	...	...	4	.....	3	Sept 25	6¾	July 11	2¾	1907	90¾	1899
do. pref.	40½	41	40½	500	31¾	Mar 8	43¾	Oct 18	14¾	1902	59	1909
Am. Smtl. & Ref.	67¾	72¼	72	103,400	46¾	Sept 25	83¾	June 15	30	1899	174	1906
do. pref.	102	102¾	102¾	900	96¾	Sept 27	108¾	June 15	77¾	1899	137	1905
Am. St'l F'dry.	31	32	31½	600	25	Sept 26	53¾	Feb 9	3¼	1904	88¾	1909
Am. Sugar Ref.	117	118¾	117¾	6,100	113¾	Sept 25	121¾	June 14	68	1889	153	1899
do. pref.	115½	116	116	300	111	Jan 5	119¾	Feb 14	96¼	1898	142	1905
Am. Tob. pref.	97	99	98¾	18,900	87	Aug 24	103	May 22	60	1907	151¾	1902
Anaconda	34¾	36¾	36¼	2,900	29	Sept 25	41¾	June 30	125	1907	209¾	1907
Brk'n Un'n Gas.	136	147	146½	8,700	120	Sept 15	147	Nov 9	30	1907	252	1902
Central Leather	21	23¼	23	4,700	13¾	Sept 25	33¾	Feb 3	11¾	1907	61¾	1909
do. pref.	91¾	92¾	92¾	1,200	91¾	Nov 4	105	Feb 10	88	1907	111	1909
Chino Copper	20	23	22¾	12,820	18¾	Sept 25	35¾	May 19	2¾	1910	13	1909
Colo. Ind. 5s	...	...	74¾	.....	73	Aug 12	79¾	Feb 23	56	1907	83¾	1906
Colo. F'l & I'n.	27¼	29	29	1,100	25	Sept 25	38¾	Feb 6	14	1907	136¾	1901
do. pref.	...	...	108	.....	108	Oct 22	118¾	Jan 9	30	1907	142¾	1901
C. & H. V. Co'l Air.	...	...	12	.....	4	Feb 9	4	Feb 9	¾	1896	96½	1910
Consolid'd Gas.	139½	141¾	141¾	24,960	129	Sept 25	168¾	June 6	97	1897	341¾	1897
Con. Tobacco 4s.	91¾	91¾	91¾	6,000	81¾	Jan 11	91¾	Nov 9	81¾	1908	85¾	1904
Corn Prod'ts R.	10¾	11¾	11¾	4,800	9¾	Oct 2	15¾	May 17	8	1907	28	1906
do. pref.	75	76½	76½	1,100	72	Oct 19	85	May 29	66	1907	92¼	1909
Dist. Secur.	30½	32¾	32¾	4,600	30	Sept 26	36¾	June 6	19¼	1904	73	1907
Fed. M. & Smlt.	19	20	19	600	15	Oct 27	36	Feb 16	48¾	1904	189	1906
do. pref.	50	52	50¾	800	47	Oct 13	66¼	May 19	47	1907	112¾	1906
Goldfield Con.	4½	4¾	4½	9,700	3¾	Oct 18	7¾	Jan 3	3¾	1907	19	1910
Internat. Paper	10	10½	10½	1,100	8	Sept 9	13¾	Feb 3	7¾	1907	61¾	1899
do. pref.	45½	46¾	45¾	1,400	44¾	May 15	64¾	Jan 21	47	1909	95	1899
Int. Harvester	106¾	111½	110¾	13,900	99¼	Sept 30	129¾	May 6	52	1908	125¾	1910
do. pref.	122	122	122	100	115	Sept 22	133¾	May 4	90	1908	129	1910
Inter. Stm. P'mp	28¾	34¼	31¾	11,800	23	Oct 31	44	Feb 10	7¾	1907	60	1906
do. pref.	81	83	83	2,400	80	Nov 1	90¾	June 13	50	1907	95	1902
Laclede Gas.	104½	106	105¾	5,700	101¾	Sept 25	114¾	Jan 20	83¼	1910	118¾	1910
Mackay, pref.	72¾	73	73	200	72	Aug 11	77	Mar 7	50	1907	79¾	1910
Nation'l Biscuit.	137½	141¾	139½	12,850	117¾	Jan 16	141¾	Nov 9	23	1909	120	1909
do. pref.	127	128	128	200	124	Jan 20	130	Feb 4	79¼	1900	130	1909
Nat. En. & St'p.	16	16	16	1,500	13¾	Oct 20	23	July 24	6¾	1907	36	1903
do. pref.	94½	95¾	95¾	500	85	Jan 6	100¾	July 22	70	1908	99¼	1909
Nat. Lead.	47¼	51¾	51¾	6,800	42½	Oct 27	65¾	Mar 15	610¾	1903	95¾	1908
do. pref.	106½	106½	106½	100	100	Sept 22	109¾	Aug 15	60	1903	115	1890
N.Y. Air Brake	50	50¾	50¾	300	50	Nov 4	76	June 19	14	1898	168¾	1905
North Amer. Co.	...	...	73¾	.....	61	Jan 10	76¾	May 22	2¼	1892	134	1902
Pacific Mail.	29½	31¾	31¾	4,200	25¾	Apr 24	31¾	Nov 6	8¼	1898	70	1895
P'ple's G.L.& C.	105	109	106	1,400	101½	Aug 25	109	Jan 19	85	1893	129¼	1899
Pressed St'l Car	21	32¾	32¾	1,000	25	Sept 25	37¾	July 7	15¾	1907	66¾	1902
do. pref.	88	96½	96½	200	91	Sept 22	102¾	June 16	62¼	1907	111¾	1909
Ry. Stl. Spring.	29¾	30¾	30¾	600	24¾	Aug 26	39	June 14	15¾	1894	63¼	1906
do. pref.	...	...	100	.....	89¾	Aug 30	102¾	May 24	67	1903	109	1909
Rep'b Ir. & St'l	21	21¾	21¾	3,300	18	Oct 27	35¾	Feb 6	5	1904	49¼	1909
do. pref.	79	81	81	4,500	74¼	Oct 27	99¾	Mar 14	35¾	1903	111¾	1909
Sloss-Sh. S. & I.	41	42	41	700	34	Sept 25	66¾	Feb 6	17½	1900	118¾	1906
do. pref.	...	...	112	.....	112	Feb 15	113	Feb 15	58¾	1900	120	1905
T. Pac. Ld. Tr.	...	...	97	.....	84	Sept 11	92	Jan 24	5	1898	95	1910
Texas Company.	79	88¾	82	2,700	84	Aug 31	136½	Feb 1	124¾	1910	144	1910
Underw'd Type.	103	104	103¾	900	93	Mar 29	111	June 26	44	1909	44	1909
Un. Bag & Pap.	5¾	5¾	5¾	500	5¼	Sept 22	9	Feb 10	2¾	1904	48	1899
do. pref.	...	...	51	.....	50¾	Nov 1	89¾	Jan 30	26	1900	89	1899
U.S.Cast IP & F	12¾	12¾	12¾	100	11	Sept 25	19	Feb 24	6	1903	53	1906
do. pref.	42¾	43	43	200	40¼	Sept 25	58¾	Feb 24	22	1903	97¾	1906
U. S. Express.	...	...	90	.....	85	Sept 25	104	Feb 1	25	1898	160	1902
U.S.R'lty & Imp	63¾	65¾	63¾	100	61¼	Jan 25	79¾	May 29	29	1907	98¼	1907
U. S. Rubber.	43¾	45¾	45¼	12,200	36¾	Sept 25	47¾	Mar 1	7	1908	69¾	1891
U. S. Rubber pf.	107¾	108	108	1,000	104	Sept 25	115¼	July 7	30¼	1903	123¼	1909
U. S. Steel.	63¾	65¾	63¾	365,400	50	Oct 27	82¼	Feb 6	38	1904	91	1910
do. pref.	107¾	109¾	109¾	20,100	102	Oct 27	120¾	Feb 4	49¾	1903	125¾	1910
do. 5s	101¾	102¼	102¼	497,000	100	Sept 20	108¾	May 27	66	1903	105¼	1910
Utah Copper	46	48¾	48	19,500	38	Sept 25	62	June 14	13	1907	67¼	1909
Virg. Car Chem	48	50¼	50¼	2,300	43¾	Sept 25	70¾	Feb 28	12¾	1907	72	1901
do. pref.	116	116	116	100	114	Sept 25	123¼	Mar 15	78	1907	133¾	1902
West. Un'n Tel	78½	79¾	79¾	8,230	71¾	Mar 20	84¾	May 24	41	1908	157¾	1881
West. Mfg. Co.	64½	67¼	67¼	4,400	58¾	Sept 25	79	May 29	39¼	1898	154	1907
do. pref.	...	...	115	.....	110¼	Aug 16	123	Jan 5	48¾	1898	160	1907

* Ex-dividend. ** New. † Assessment paid. ‡ Ex-rights. ‖ Price bid. ¶ Price asked. # Old securities. § Certificates. x Ex-interest. || Par value basis. *** Receipts.

"depression-proof" industrial. In passing, I cannot resist the temptation to call attention to my prediction of ten months ago that the year 1911 would be marked by more dividend increases than decreases, a prediction which has made good in both railroad and industrial lists.

Despite the advance of the past two weeks, the market offers opportunities of a somewhat unusual character to the discriminating investor. There are large profits to be made by purchasing stocks of merit which have been depressed, for one reason or another, to panic levels. American Cotton Oil common, which has fulfilled expectations by passing its 5 per cent dividend, and which refused to decline further on the official announcement of the cut, is one of the issues which will benefit very materially from this year's large cotton crop, and within a year or two will be in line for a resumption of dividends, to the accompaniment of much higher prices. Virginia-Carolina Chemical common, besides giving a substantial investment yield at present prices, even on the 3 per cent rate which has been in force since last July, should improve its position next year for similar reasons. The week's developments in the copper world support the belief that the proven low-cost coppers are a purchase, and the progress made by the railroads in reducing expenses indicates a general change for the better in the course of net earnings, with better prospects of dividend maintenance and higher prices as a result.

THE FORECASTER.

FREE SAFE DEPOSIT BOX.

H. K. Taylor & Company, of Hartford, Conn., are making a unique offer to investors which is worth considering. It agrees to furnish a safe deposit box free for one year in a bank in the town nearest to the purchaser of any safe seasoned bond which they own, offer and recommend. The purchaser has a right to rent the box and have the bank send H. K. Taylor & Company the bill. Investors should write for their special descriptive circular.

FOR SALE

Hartford Carpet Pfd.
Plymouth Cordage Rights
Atlanta, Birm. & Atlantic 5's, 1906
Southbipt Oyster System Pfd.
Pope Manufacturing Com.
Library Bureau Pfd.
Superior Water Lt. & Pwr. 5's 1931
Berkshire Cotton Mills
Omaha Water Co. 5s Pfd.
Rock Island Southern Railway 5's, 1947
Syracuse Rapid Transit Com.
Hudson River Elec. Pwr. 5's, 1944
Southbipt Oyster System Com.
U. S. Bobbin & Shuttle Com.
U. S. Worsted Pfd. & Com.
Westinghouse Machine Notes 6's, 1914
Great Northern Pwr. Co 5's, 1935
Walpole Rubber Co. Pfd.
Central Georgia Pwr. 5's, 1936
Sulzberger & Sons Pfd.
Equitable Accident Co.
Columbus Securities Co. (Phila.)
Massachusetts Cotton Mills

HOTCHKIN & CO.

Dealers and Specialists in Inactive Securities
93 STATE ST., BOSTON.

Cable Address "TOCKIN"
Telephone 460 461 462 2221 Main

Digitized by Google

Climbing For 5 and 10 Underwriting

The Woolworth Five and Ten Cent Stores Absorb Competitors and Develop Into a $65,000,000 Corporation—$6,000,000 of the $15,000,000 Preferred Stock Placed in Wall Street Results in Scramble of Bankers for a Participation in the Underwriting—Annual Business of the 600 Stores Consolidated Over $50,000,000 a Year—Mr. Woolworth's New $15,000,000 Office Building in New York City, the Largest in the World, Not to Be Acquired by the New Company.

The humble five and ten cent store has arrived in Wall street, and with an enthusiastic degree of recognition, which is almost as surprising as it is generally unknown.

F. W. Woolworth, the pioneer five and ten cent man, has gathered in the most important of his competitors, and formed a $65,000,000 corporation, to be known as F. W. Woolworth Company, in the financing of which he secured the assistance of Wall street bankers to provide for the cash requirements.

The general public has only heard of the announcement of the new corporation, the concerns to be included, the amount of capitalization and the bankers involved, but the interesting fact is that either on account of the bright prospects of the new company, or because of the advantageous terms of the underwriting, or possibly because of a little of both, there has been a general and vigorous scramble on the part of very many Wall street banking houses to secure an allotment of the underwriting.

As a result, the subscriptions are now

QUOTED AT A PREMIUM,

and the comparatively few bankers who secured the issue have been so agreeably surprised by Wall street's recognition of its merits that no public offering will be made at the present time. While statements vary as to whether the public will be given an opportunity to participate in two or three weeks, or in two or three months, the most reliable information is that the underwriters have formed no conclusion as to what they will do in marketing their advantageous purchase.

The capitalization of the new company will be divided into $15,000,000 7 per cent preferred stock and $50,000,000 of common stock. The company will take over the business of F. W. Woolworth & Company, New York, N. Y.; S. H. Knox & Company, Buffalo, N. Y.; F. M. Kirby & Company, Wilkesbarre, Pa.; The E. P. Charlton & Company, Fall River, Mass.; C. S. Woolworth, Scranton, Pa.; W. H. Moore, Watertown, N. Y.; and W. H. Moore & Son, Schenectady, N. Y.; also a controlling interest in the English business of F. W. Woolworth & Company, Ltd.

The new company will comprise over 600 of the five and ten cent stores, which are well distributed over this country, Canada and England. According to the official announcement, the bankers who have financed the consolidation are Goldman, Sachs & Company, of New York; Lehman Brothers, of New York, and Kleinwort, Sons & Company, of London.

One of the most interesting, as well as significant incidents regarding the flotation of the new corporation, is that none of the parties at interest will give out any information as to the basis upon which the capitalization is to be issued, nor as to the amount of stock or cash or both stock and cash, which was given to the various concerns which have been included.

One of the underwriting bankers says that of the $15,000,000 of preferred stock, there has been underwritten by the banking syndicate, $6,000,000, and it is understood that the balance of

$9,000,000 WENT TO WOOLWORTH

as a part of the purchase price for his various properties. As to how much bonus of common stock went with the underwriting of the preferred, the bankers decline to make any statement. They say they have underwritten the $6,000,000 of preferred stock, and have acquired some common, but that their acquisition of common is entirely a separate matter from their purchase of the preferred.

From these statements, it is therefore assumed that the bankers probably received a bonus in common stock for their underwriting, but that none of this common will be offered to the investment public, when the time arrives for an offering of the preferred stock.

One report is that Mr. Woolworth, as the organizer and leading spirit in the new enterprise, received not only $9,000,000 of preferred stock for his property, but also the same proportion of common stock, which would be 60 per cent; in other words, that the Woolworth stores were turned over for $9,000,000 of preferred and $30,000,000 of common stock of the new corporation.

It has been authoritatively announced that the aggregate volume of business of the 600 or more stores to be acquired by the new company is

OVER $50,000,000 A YEAR,

and as this volume of annual sales is the equivalent of the amount of common stock to be issued, the theory has become current that this was the basis upon which the capitalization of the new company was fixed.

A broker is authority for the statement that the preferred stock is to be issued to the extent of the actual cash value of fixtures, goods on hand and cash in bank. The total value of these items, according to his idea, did not aggregate the total of $15,000,000 of preferred stock of the new company, but the balance was for the purpose of increasing the company's working capital, and enlarging the scope of its operations through the establishment of new stores.

In all probability, in this consolidation, as well as in all others in the past, each of the concerns acquired had the option of taking all cash or part stock and part cash, and it is quite likely that in this case the bulk of them elected to keep the amount of common stock allotted them, and cashed in their real investment by giving the bankers an opportunity to replace the actual capital through the sale of the preferred stock.

It is generally understood that the stock of the new corporation in due time

WILL BE LISTED

on the New York stock exchange. One of the bankers says that the preferred stock will be listed in any event.

The incorporation of the new company follows closely on the public announcement by Mr. Woolworth that he was having considerable difficulty in financing the construction of his new building in New York City, on Broadway and Park Place, opposite the post office, which is to cost from $12,000,000 to $15,000,000, and will be the largest office building in the world.

According to the last newspaper report, Mr. Woolworth was unable to place a mortgage of satisfactory amount on the property in this country, but did succeed in negotiating a loan in Paris.

No definite or authentic statement of the details about this Paris loan have been made public, so it has been suggested that Mr. Woolworth might have been over-ambitious in the erection of his office building, and in consequence, had been compelled to finance his store corporation. In any event, the bankers involved in the underwriting of the new preferred stock state very emphatically that the $65,000,000 company will have no interest in the new Woolworth building, as that is entirely an individual affair of Mr. Woolworth's.

P. De Medici.

OIL INQUIRY.

Coalinga Crude Oil Co.

21348. (Portland, Me.) Will you kindly report on the Coalinga Crude Oil Company, of Arizona, incorporated in 1909. This company, we are informed, has headquarters at New York, capitalized for $100,000. E. H. Burr is assistant secretary, S. C. Burr is president. Has the common stock any market value at the present time?

Ans.: The Coalinga Crude Oil Company was one of the many promotions of Burr Bros., whose activities in the stock selling line were rudely terminated by the post-office officials and police a year ago. The firm in question promoted a number of over-capitalized oil companies, ostensibly to develop properties in the Coalinga field of California, but actually as an excuse for stock-selling operations. As oil producers, they were rank failures; as stock selling schemes, they were remarkably successful from the Burr viewpoint. The shares have no market value, and never will have. The two officers mentioned in your inquiry are the Burr brothers themselves.

ONTARIO, ORE.—The Citizens State Bank has been organized with $25,000 capital. T. P. Wormwood is president, T. M. Seaward, vice-president, and J. R. Weaver, cashier. Mr. Weaver was formerly cashier of the United States National Bank at Vale.

Digitized by Google

The Best Purchases on the Railroad List

As Indicated by the Two Standards of Comparison: of Present Investment Yield on Basis of Current Dividends and Prevailing Market Price, and on Basis of Present Earnings on Prevailing Market Values.

The average net yield of the 50 railroad stocks quoted in the following table was 5.70 per cent on November 8, as compared with 5.35 per cent on November 1, 5.43 per cent on January 4, and with 4.71 per cent on January 2, 1910.

While the average market recovery has been less pronounced in the railroad list than in the industrial stocks, it has been, nevertheless, quite marked enough to attract general attention, and some few issues, indeed, have been no less emphatic in the rapidity of their recovery than the most speculative of the industrials. Reading, for instance, has been subjected to some of the manipulative attention for which it has long since become famous, and so far as the sweep of its movements is concerned, it has been quite as much of a sensation as has Steel common. At the present time, various tips are being circulated, having to do with higher prices for various specialties, and the strength shown by such issues as Reading and Baltimore & Ohio common, to select the most conspicuous examples, have made it much easier for the manipulators to secure an audience, although, to be sure, it does not appear as yet they have in this manner attracted any considerable public following. It should not be forgotten that the stocks most noticeably affected in this way are those which are in small floating supply, and while under favoring conditions, it is usually a comparatively easy manner to make a demonstration of paper profits in stocks of this class, those profits all too frequently fade away as rapidly as they grow. The stock market just now needs conservatism, rather than the attention of those whose sole interest in the situation lies in profiting by the credulity of outsiders. Of this attention, which may be best expressed by the one word "manipulation", there has been altogether too many evidences within the last two or three weeks.

It will be recalled that President Mellen, of the New Haven system, has taken decided exception from time to time to the Wall street predictions of an early cut in the rate from the present 8 per cent level. He reiterates that in his opinion, there is no reason to expect such a reduction. According to the Mellen point of view, "the present condition of the stock market, as far as New Haven shares are concerned, is due to two things: First, the fact that the New Haven road is being managed very conservatively, and second, because of the acquiring of the Boston & Maine, as there was a feeling that the Boston & Maine was a burden too heavy for the New Haven to carry." At the present time, he says, the Boston & Maine is barely making expenses, but in the past year it would have had a large surplus, had it not been for increased wages. He predicts that in four years the road in question will be a big dividend earner for the New Haven, which, he says, has fairly and more justly earned its 8 per cent dividend in the last eight years than it did in the eight years preceding, even though at that time there was no question of the road maintaining its dividend. The Boston & Maine, in the last three months, has earned a profit of $158,000.

STOCKS SHOWING BEST INVESTMENT YIELD

Present rank.	Stock.	Present dividend	Price	Yield on present price.
1	Toledo, St. L. & W., pref.	4%	43	9.30
2	Chesapeake & Ohio, com.	5%	74	6.76
3	Detroit United	5%	75	6.66
4	B. R. T.	5%	78	6.41
5	St. Paul, com.	7%	110	6.36
6	C., C., C. & St. L., 2d pref.	4%	68	5.85
7	St. L. & San F., 1st pref.	4%	65	6.15
8	K. C. Southern, pref.	4%	67	5.17
9	M., K. & T., pref.	4	67	5.97
10	Baltimore & Ohio, com.	8	151	5.24
11	Union Pacific, com.	10	170	5.88
12	N. Y., C. & St. L., com.	5%	91	5.85
13	N. Y., N. H. & H.	8	137	5.84
14	Northern Pacific	7	120	5.82
15	Lehigh Valley	10%	112	9.81
16	Twin City R. T., com.	6	106	5.66
17	St. Louis S. W., pref.	4%	71	5.65
18	Atchison, com.	6%	107	5.60
19	Norfolk & Western, com.	6	108	5.55
20	Great Northern, pref.	7%	127	5.51
21	Colo. & Southern, 1st pref.	4	74	5.41
22	C., C., C. & St. L., pref.	6	94	5.32
23	Southern Pacific, com.	8	113	5.31
24	C., St. P., M. & O., com.	7	132	5.30
25	Delaware & Hudson	9	170	5.29
26	L. S. & M. S. & St. L., com.	7	90	5.21
27	M., St. P. & S. S. M., com.	7	135	5.19
28	K. C., F. S. & M., pref.	4	77	5.19
29	Western Maryland, pref.	4	78	5.12
30	N. Y., O. & W.	5	98	5.09
31	Illinois Central	7	140	5.00
32	Buffalo, R. & P., com.	5%	100	5.00
33	Pennsylvania	6	120	5.00
34	Atchison, pref.	5	100	5.00
35	Chicago & N. W. com.	7%	145	4.83
36	St. Paul, pref.	7	147	4.76
37	Atlantic Coast Line	6	125	4.80
38	N. Y. Central	5%	107	4.67
39	Louisville & Nashville	7	150	4.66
40	M., St. P. & S. S. M., pref.	7	150	4.66
41	Baltimore & Ohio, pref.	4	86	4.49
42	Norfolk & Western, pref.	4	89	4.49
43	Union Pacific, pref.	4	92	4.35
44	Central of New Jersey	12	280	4.28
45	Canadian Pacific	10	241	4.15
46	Boston & Maine	4	98	4.08
47	Colo. & Southern, com.	2	49	4.08
48	Reading, com.	6	148	4.06
49	D., L. & W.	20	555	3.60
50	Southern Railway, pref.	2	71	2.82

STOCKS SHOWING BEST EARNINGS.

Present rank.	Stock.	Price.	Earning on present price.
1	St. L. & San F., 2d pref.	41	29.05
2	M., K. & T., pref.	67	25.50
3	Erie 1st pref.	54	19.50
4	Southern Railway, pref.	71	18.25
5	Detroit United	75	18.00
6	Hocking Valley, com.	128	11.70
7	Buffalo, R. & P., com.	100	14.45
8	Louisville & Nashville	150	11.55
9	Norfolk & Western, com.	108	10.75
10	Twin City R. T., com.	106	10.25
11	Atlantic Coast Line	125	9.60
12	N. Y., C. & St. L., com.	92	9.60
13	Union Pacific, com.	170	8.95
14	B. R. T.	78	8.95
15	D. & R. G., pref.	100	8.85
16	Colo. & Southern, com.	49	8.75
17	M., St. P. & S. S. M., com.	135	8.70
18	Central of N. J.	280	8.25
19	Great Northern, pref.	127	8.20
20	Lehigh Valley	172	8.15
21	United Rys. Invt., pref.	60	7.95
22	Chicago G. Western, pref.	70	7.85
23	St. Louis S. W., pref.	71	7.80
24	Canadian Pacific	241	7.75
25	Delaware & Hudson	170	7.50
26	N. Y. Central	107	7.45
27	Southern Pacific	113	7.40
28	Baltimore & Ohio, com.	151	7.00
29	C., C., C. & St. L., com.	96	7.00
30	Chesapeake & Ohio, com.	74	6.75
31	Erie, com.	34	6.65
32	St. Paul, com.	110	6.50
33	K. C. Southern, pref.	67	6.50
34	Northern Pacific	120	6.40
35	C., C., C. & St. L., com.	60	6.35
36	M., K. & T., com.	32	6.20
37	Illinois Central	140	6.10
38	Atchison, com.	107	5.95
39	Pennsylvania	120	5.70
40	D., L. & W.	555	5.05
41	N. Y., N. H. & H.	137	4.80
42	Chicago & N. W., com.	145	4.60
43	Reading, com.	148	4.50
44	Western Maryland, pref.	78	4.25
45	C., St. P., M. & O., com.	132	4.15
46	Rock Island, pref.	50	2.60
47	N. Y., O. & W.	40	1.85
48	Toledo, St. L. & W., pref.	43	1.25
49	K. C. Southern, com.	30	1.00
50	Boston & Maine	98	0.15

Digitized by Google

UPON PRESENTATION

at the Office of

THE MIDDLESEX BANKING COMPANY

OF MIDDLETOWN, CONN.

DEBENTURES of Series E14, maturing November first, 1911, and Series E15, maturing December first, 1911 WILL BE PAID at par with interest to the date of payment.

5% PROFIT SHARING BONDS

Protected by carefully selected NEW YORK CITY REAL ESTATE

The profit Additions for the past 9 years have averaged over

12% Per Annum

making present Book Value of a $1,000 Bond $2,087.20 after having received $450 in interest

SOLD AT PAR

Denominations, $10 to $1,000 and upwards

Can you afford to overlook this safe investment opportunity?

INTER BOROUGH REALTY COMPANY

(Assets Over $1,105,000.00)

10 WALL STREET, NEW YORK CITY

6%

NEW YORK CENTRAL REALTY BONDS

A Good Investment

To investigate is the six per cent Realty Bond of the New York Central Realty Company issued in denominations of $1,000. $500. and $100.

It offers a high grade of security, a liberal cash availability and an interest earning of 6%.

WRITE for booklet illustrating the methods of the Company, describing its bonds, their redemptive privileges and advantages over other Realty securities. Everybody knows us.

New York Central Realty Co.

Suite 1190, 1328 Broadway, Cor. 34th St., New York City

CAPITAL AND SURPLUS, $1,464,588.34

20%

Dividends on stock of the SMITH VALLEY LAND & LIVE STOCK COMPANY will be very conservative with positively no chance of losing the amount of your investment. If you are interested in dividends and absolute security back of your investments you will want some of this stock. It is a sure winner; a sure dividend payer, and a very high class investment. Write for particulars.

Glass & Meyer

56-58 Vandergrift Bldg. Pittsburg, Pa.

GEORGIA FARM LOANS 6%

Net on first mortgage farm loans in the rich belt of Southwest Georgia. Cotton corn, oats, wheat, hay, peaches, cantaloupes, and other money crops are produced.

Seventeen years' experience without a loss.

EMPIRE LOAN & TRUST CO.
Americus, Ga.

MONATON REALTY INVESTING CORPORATION

Pays

6% COMPOUND INTEREST

On Money Invested in

Its Accumulative Certificates
Running terms of 10, 15 or 20 yr.

Payments may be made annually, semi-annually, quarterly or monthly.

SECURITY

OWNERSHIP OF NEW YORK INCOME PROPERTY

Affording

Immediate returns on investments and Opportunity for increase of valuation.

For Illustrated Booklet, inquire:

Publicity Department

Times Building

Broadway & 42nd Street, New York City

BUTTE CENTRAL
RAY CENTRAL

Our weekly market letter mentions the above, also Goldfields, Porcupines, Ray Cons., Corbin, B. R. T., and Erie, "Coppers" and "Curb" stocks in general. Mailed free upon request.

"Coppers" and Curb Stocks bought and sold for Cash or Carried on Margin

H. A. BROWN & CO.

Members Boston Curb Exchange

60 State St. Boston — 74 Broadway New York

First Mortgage Bonds

For Small Investors

WEEKLY OR MONTHLY PAYMENTS

Government, State and Municipal Issues, also Standard Railroad, Public Service and Industrial Bonds sold in any amount for Cash or on Weekly or Monthly Payments. **Best, Easiest and Safest way to provide for your future.**

Circulars 104 on request: Correspondence invited

Resident Representatives Wanted

FUNDING COMPANY OF AMERICA

40 EX... NEW YORK

WANTED

Butte Water Co. 5s
Springfield Breweries, Pfd.
Austin, Texas 4s
Arizona Territory Bonds
Omaha Water Co. 5s
General Manifold Printing Co. 4s

H. C. SPILLER & CO.

Specialists in Inactive Bonds

27 STATE STREET BOSTON

6 PER CENT INTEREST PAID

By Coupon on Bonds Secured by Well Selected New York Real Estate.

"We Deal in No Other Securities"

THE DEBENTURE CORPORATION OF NEW YORK

334 Fifth Avenue New York City

BENNETT'S INFORMATION AGENCY

INVESTMENT DEPARTMENT

The wisest men in the United States are those who never make a new investment which they consider good, and never get rid of an old investment which they consider bad, until they have made an investigation of the merits of the investment through BENNETT'S INFORMATION AGENCY.

CONGRESSIONAL INFORMATION

We attend to business at the Treasury Department as well as before Congress, the Courts, and all departments of the United States government, through our Washington office, 208 Corcoran Building, and through our staff of Washington correspondents. If you desire any information from Washington, or any business transacted at the Nation Capital, we shall be pleased to perform the desired service for our subscribers

PROBATE DEPARTMENT

Information respecting probate matters, in any town or city of the United States, is furnished to our subscribers gratuitously if the inquiry is answered through the columns of the INVESTOR, or for $2.00 if the reply is by private letter.

LEGAL DEPARTMENT

Questions answered by prominent attorneys upon any desired subject for $2.00 each.

MERCANTILE DEPARTMENT

A report regarding the standing and reliability of any firm or individual in the United States furnished for $2.00. Our information goes into the character and individuality of members of a firm and its methods of doing business.

MISCELLANEOUS QUESTIONS

Inquiries of any sort answered for $2.00 each. Send for descriptive pamphlet of the agency.

REAL ESTATE DEPARTMENT

A report upon any piece of property in the United States furnished for $2.00.

Conducted by

Frank P. Bennett & Co., Inc.

530 Atlantic Ave., BOSTON.
308 Chestnut St., PHILADELPHIA.
2 Rector St., NEW YORK.

Digitized by Google

United States Investor

Copyright 1911, by Frank P. Bennett & Co., Inc.

Volume XXII. BOSTON, NEW YORK AND WASHINGTON, NOVEMBER 18, 1911 Number 46

GENERAL LIB. UNIV. OF NOV 20

The New Orleans Meeting

By the time this issue reaches some of our readers, the convention of the American Bankers' Association at New Orleans will have assembled. This convocation of the leading bankers of the country has the opportunity before it to do work that will prove epoch-making. There have been sessions of the body that has had a chance to do constructive work of large proportions before, but except for the sessions held during the free silver craze, none have had before them propositions of quite the dimensions of those that are on the table for discussion at New Orleans. The programme makers have very wisely made the suggestions of the National Monetary Commission the centre about which all discussions shall move. No less than a baker's dozen of leading bankers, men whose opinions have extraordinary weight in their respective parts of the country, have been induced to present papers on the subject. To each of the 13 has been allotted some particular phase of the Reserve Association plan, and he is expected to show the excellences of the plan in this particular sphere, and to combat the criticisms of the plan which deal with this phase.

Of course, some of these papers will overlap others. To find that Mr. Reynolds, for instance, has repeated considerable of what Mr. Forgan has said in his paper is not surprising nor disappointing. The thirteen papers have been prepared independently, and the respective authors have not had a chance to blue pencil their effusions after consultation with the other contributors. Very likely, it would have been well to choose an editor of the series of papers to consult with each contributor in advance to the end that such repetition should not occur. Nevertheless, the aggregate result of the thirteen papers must be, and as a matter of fact, is, a distinct addition to the sum of bankers' knowledge on the Reserve Association.

Clearing-House Section

Of the meetings of the sections, so far as one can judge them from their programme, none will be more fruitful than that of the Clearing House Section. The papers to be presented there are eminently practical. They deal with problems which arise every day, and are replete with suggestions bound to be helpful. They keep well out of the realm of theory, and cleave to matters of fact. Moreover, each of the papers is the result of study and experience on the part of its author. They are not effusions, which can be dashed off at short notice, without much previous thought, as the papers which one sometimes hears at state bankers' conventions are so apt to be. There is something worthy of note in this fact.

Not so very many years ago, the Clearing-House Section was, to say the least, not entitled to honorable mention for the quality of its papers or the practical nature of its discussions. More than one attendant at its deliberations was disposed to question the right of the Section to exist. Although, not exactly a mere mutual admiration society even at that time, its programmes were by no means ambitious. The papers did not probe deeply into any problem, any many of them appear to have fallen upon unlistening ears, for no discussion of value followed their presentation. When a paper was discussed, the speakers did not evidence by what they said that they had given the topic any sober and profound thought. What they did contribute to the fund of information which the section was intended to provide its members, was a few disjointed thoughts drawn from their own experience, and on more than one occasion the conclusions were not entirely warranted by that experience. But now, this sort of thing no longer occurs. The Clearing-House Section has become a factor not only in the sessions of the bankers at their annual conventions, but a factor in the affairs of bankers after conventions are over, and they have returned to their daily rounds of duty. The most potent influence back of the movement for clearing house bank examiners in all of our larger banking centres has been this same section.

Numerical Transit

Now, with its success along this line so well demonstrated, it is turning its eyes in still another direction, and is throwing its powerful strength into the movement to obtain a general use of the numeral transit system. Sooner or later, it will achieve as unqualified a victory along that line as it has in its effort for clearing-house examiners. In keeping with labor so practical is the programme for the Section's meetings at New Orleans. One of the papers has to do with the possibilities of co-operation between clearing houses and state banking departments. A lively discussion may well follow the presentation of any paper upon this subject. The members plainly will be treading upon familiar ground. Still another address is upon the work of the clearing-house examiner. The topic is sagely chosen, for now that the Section has done so much to create such examiners, it must needs keep a constant watch upon the doings of the examiners to the end that they give the world the best possible demonstration of the merits of the clearing-house examination system. Another address will be that of the president of the Chemical National Bank of New York, on a topic which is in itself a guarantee that it will be of an intensely practical nature.

The feature of the Sections' meeting, however, must naturally be the discussions and the address which deal with the new crusade on which the section has set out—the numerical transit system. Members of the committee from the Section who have been at work devising, revamping and introducing the system will take charge of the programme at this point, and what they will contribute to the sum of human knowledge on the subject, is bound to be substantial. It is to be hoped that at the meetings of this Section, an unusually large attendance will be had. To be worth while, the numerical transit system must be very generally adopted. Unless banks can be induced to print on their checks

Digitized by Google

alongside the name of the bank the transit symbol which has been assigned it, the value of the system must be much diminished. The labor of the transit man in looking up the symbol in his guide book, is a profit less labor, which should be made unnecessary by co-operation of the banks with each other.

Reverting now to the sessions of the association itself, where, as we have said, papers upon the National Monetary Commission's plan and discussions of the same topic hold the centre of the stage, one is a bit disappointed to find that so far as the programme would indicate the course the discussion will take, no speaker is to deal extensively with the possibilities of inflation. Almost every other phase of the currency reform suggestions now up for discussion is to be thoroughly covered. What the Reserve Association will do to make the bank reserves of the country more serviceable; what the association will do for the banks of state charter; how it will be kept out of politics and away from Wall street influence; how it should be taxed, and how it should act in the matter of interest rates; how it will benefit farmers, manufacturers, laborers, and foreign trade; how it will minimize the evils of panics when it does not prevent them; all these topics are to be dealt with by master minds. Those who have assigned the topics, however, have left pretty much uncovered the phenomena of note circulation. Once the notes of the Reserve Association are out, how are they to be drawn in from circulation?

The Programme

Mr. Perrin, of Indianapolis, has shown more real appreciation of this feature of the problem than anyone else among all the writers whose contributions have come to our hand, but Mr. Perrin has not entirely freed our mind from some fears of inflation which study of the Reserve Association plan arouses. He relies upon natural influences to drive the Association's notes in for redemption as promptly as they should come in. Country banks finding them in too abundant supply, will ship them to their reserve agents, and the reserve agents will force them to redemption. Mr. Perrin seems to us in this line of argument not to have made sufficient allowance for the ability some parts of our country possess to absorb almost every dollar of money which comes to them. These parts are not likely to do much shipping of redundant bank notes. Industries located there are likely instead to be stimulated by loans to undertakings altogether too ambitious. Mr. Perrin is to present a paper at New Orleans as one of the thirteen speakers on the Aldrich plan. His topic does not indicate that he purposes to probe further into the possibilities of inflation to which the plan may give rein. This is to our mind most regrettable.

Some classification of the speakers who are to handle the Aldrich plan is interesting. Three of the speakers come from trust companies and one from a savings bank. One member of the National Monetary Commission is to speak, and one university president. Chicago is the only city to have two spokesmen from its banks, but from New York City, a private banker of international reputation, and the vice-president of a trust company are to speak. No New York national bank is represented, and the national banks of such other strong centres as Boston and Philadelphia are likewise without representatives. It would be interesting to know why Chicago looms so large in these deliberations, while New York and these other two big reserve cities remain in the background. Did this merely happen, or was there some artificial purpose in it? One can see readily enough that it would not be well to have the big New York national banks too conspicuous among the advocates of the Aldrich plan. If they were to be bold protagonists, the country at large might become strongly of the opinion that in some way or other, New York banks stood to gain more from the creation of the Reserve Association than appeared on the surface. The banks of the interior of this country will sometimes credit banks in other parts with altruistic motives, but they never credit New York institutions with commendable purposes.

The Speakers

Perhaps, therefore, the absence of New York national bank presidents from the list of speakers is not wholly deplorable from the standpoint of tactical expediency. The selection of such speakers as Mr. Padgett, of Columbia, Tenn; Mr. Brown, of Raleigh, N. C.; Mr. Patterson, from a Philadelphia savings bank; and Mr. Schurmann, of Cornell University, every one of whom must be acquitted of any suspicion of selfish interest in the Aldrich plan, would indicate that all of the speakers had been chosen with a purpose of keeping prejudices out of the discussions. Nevertheless, if this was the purpose, there is fair ground for question whether the makers of the programme did not slip a cog in failing to have a speaker from either the Boston or the Philadelphia or the Denver national banks, instead of having two from Chicago. Both Mr. Forgan and Mr. Reynolds are bankers of unusually strong character, but it cannot be denied that in some parts of the country the charge is already made that the Aldrich plan is being lauded more loudly by Chicago bankers than by those of other parts, and it were well that neither Chicago nor New York nor any other place be made the

A Good Income from Postal Savings Deposits

An investment in the State of New York Canal Improvement 4s, when used as security for postal savings deposits by national banks or state banks in states which require no reserve against such deposits, will produce an income of from 5.13% to 6.86%. We will be glad to furnish price and full particulars on application.

Ask for Circular P—740

Guaranty Trust Company
of New York
28 Nassau Street

Capital and Surplus, - $23,000,000
Deposits - - - - 161,000,000

THE Chatham and Phenix National Bank NEW YORK

Capital and Surplus $3,000,000

All business under direct supervision of the officers.

LOUIS G. KAUFMAN, President.

GEO. M. HARD, Chairman of the Board.
F. J. HEANEY, Vice-President.
W. H. STRAWN, Vice-President.
A. M. BULL, Vice-President.
BERT L. HASKINS, Cashier.
H. L. CADMUS, Assistant Cashier.
N. P. GATLING, Assistant Cashier.
W. B. BOICE, Assistant Cashier.
H. C. HOOLEY, Assistant Cashier.

Your Account Solicited.

Digitized by Google

particular patron of this or any other plan for currency reform.

Unpardonable Silence

Certainly every one of us ought earnestly to hope that the absence of Philadelphia or Boston national bank presidents and of those of New York City, except Mr. Martindale, from the programmes of the various sessions, indicates no lack of interest in these quarters. The national banks of every one of these centres should speak at New Orleans, and speak in no uncertain terms relative to the plan of the National Monetary Commission. As we have said on a previous occasion, it is pretty nearly a case of "now or never" with the Aldrich plan. In any event, it is now or never, so far as the American Bankers' Association will have to do with the matter. The next Congress, which is shortly to assemble, will receive the report of the National Monetary Commission, and that commission will soon thereafter cease to exist. In the hands of this next Congress, therefore, will rest the opportunity to enact the plan into law or to deal the plan a death blow. The American Bankers' Association has now a chance to speak on the matter before Congress has acted. The Association will not have their chance a year from now, when it next assembles. Congress by that time is likely to have done something with or to the plan. If, therefore, the Association does not take a stand now one way or the other, and thus express to Congress the deliberate opinion of the thousands of bankers of this country, it will be neglecting an opportunity to be of service at one of the crucial moments in its history.

At such a crisis, the bankers of New York, Philadelphia and Boston should be heard to speak in no uncertain tone. To our mind, nothing can excuse their silence. Perhaps the bankers of New York ought not to be unduly conspicuous at the New Orelans deliberations, for tactical reasons. Perhaps they should leave to others the centre of the stage. But their opinions and the opinions of the bankers of Boston and Philadelphia ought at least to be known. If these bankers are silent from lack of interest, such lack of interest is not pardonable. If their silence is due to a lack of familiarity with the Aldrich plan, their negligence is deserving of rebuke. A banker who holds the reserve of other banks owes something to the community at large, because of that very trusteeship.

Mill Help

The problem of obtaining sufficient help for a textile mill is one quite often slighted. In certain districts where mills have been established for years, there seems to be little difficulty in obtaining enough help of the right kind to operate the plant satisfactorily. While most of the operatives in the textile mill do not require much skill, enterprising mill managers are realizing more and more the possible benefits which can be obtained by giving the mill operatives a better general understanding of the textile business. Mr. E. W. Thomas, agent of the Boott Mills, at Lowell, Mass., has given this matter much study, and has proven without a doubt that it does pay to employ operatives with a better knowledge of textile mill requirements.

Many classes of mill help find it impossible to spend much time in public schools, and in performing their respective operations at the mill, come across various snags which are troublesome. There should be some way in which these operatives could study

THE
German National Bank
PITTSBURGH, PA.

Capital and Surplus, - $1,200,000

Can offer you the personal service of officers who regard no account as unworthy their utmost skill.

CAPITAL $1,800,000.00 SURPLUS $2,000,000.00
Second National Bank
OF
PITTSBURGH, PENN'A.
HENRY C. BUGHMAN, President
WILLIAM McCONWAY, Vice President
THOMAS W. WELSH, JR., Vice President
JAMES M. YOUNG, Cashier
BROWN A. PATTERSON, Ass't. Cashier

Western National Bank
PHILADELPHIA
Capital - - - - - - $800,000.00
Surplus and undivided profits - 257,592.67
GEORGE E. SHAW, President
EDWARD J. DURBAN, Vice-President
SIDNEY LABE, Vice-President
E. E. LINDEMUTH, Vice-President
CHARLES F. WIGNALL, Cashier
JOHN BAUMGARTNER, Asst. Cashier
A conservatively managed bank invites your correspondence.

Franklin National Bank
PHILADELPHIA
Capital $1,000,000.00
Surplus and Undivided Profits. 2,780,181.17
INCORPORATED 1900.
OFFICERS:
J. R. McALLISTER, President.
J. A. HARRIS, JR., Vice-President.
E. P. PARRMORE, Cashier. L. H. SHRIGLEY, Assistant Cashier.
J. W. HARDT, Assistant Cashier.
Foreign Exchange Department.
WILLIAM WRIGHT, Manager.

Chartered 1836
GIRARD TRUST CO.
PHILADELPHIA
Capital and Surplus, $10,000,000
OFFICERS
E. B. MORRIS :: :: :: President
W. N. ELY :: :: :: Vice-President
A. A. JACKSON :: :: Vice-President
C. J. RHOADS :: :: Vice-Pres. & Treas.
E. S. PAGE :: :: :: Secretary
G. H. STUART, 3d. :: :: Asst. Treas.
S. W. MORRIS :: :: Asst. Secretary

Portland National Bank
PORTLAND, MAINE
Union Mutual Life Insurance Co. Bldg.
Accounts received on the most liberal terms consistent with sound banking.
Collections receive prompt attention.
WM. W. MASON .....President
EDWARD W. COX .....Vice-President
CHAS. G. ALLEN .....Cashier
EDWARD L. PIPER .....Asst. Cashier
Directors:
Fred E. Richards, Charles G. Allen,
Henry B. Cleaves, George F. West,
William W. Mason, George Westcott Boyer,
Lyman M. Cousens, Roswell C. Bradford,
Edward W. Cox.

OLDEST BANK IN AMERICA
Chartered by Congress, 1781.
The
Bank *of* North America
(NATIONAL BANK)
PHILADELPHIA, PA.
Capital .....$ 1,000,000.00
Surplus 2,250,000.00
Undivided Profits..... 371,000.00
Deposits 15,075,000.00
HARRY G. MICHENER.....President
SAMUEL D. JORDAN.....Cashier
WILLIAM J. MURPHY.....Asst. Cashier
RICHARD S. McKINLEY.....Asst. Cashier
Accounts Solicited
Correspondence Invited

THE
SEABOARD
National Bank
of the City of New York
Capital - - - $1,000,000
Surplus and Profits (Earned) $2,075,000
Accounts Solicited
S. G. BAYNE.....President
S. G. NELSON.....Vice-President
C. C. THOMPSON.....Cashier
W. K. CLEVERLEY.....Assistant Cashier
L. N. DEVAUSNEY.....Assistant Cashier
J. C. EMORY.....Assistant Cashier
O. M. JEFFERDS.....Assistant Cashier

Digitized by Google

UNION EXCHANGE NATIONAL BANK, NEW YORK
CLEARING HOUSE No 100
CAPITAL AND SURPLUS $2,000,000 Organized 1903 DEPOSITS $10,000,000
SITUATED IN THE NEW COMMERCIAL AND MANUFACTURING DISTRICT, 5th AVE. AND 21st STREET
Banks that can handle to advantage the items payable in their locality are invited to correspond with us

up certain special points which they are constantly meeting in the mill, and thus fit themselves for better positions. W. H. Dooley, who is now in charge of an industrial school at Lowell, is giving mill operatives just this opportunity along many lines. His work has hardly got well under way, but this kind of enterprise, when carried on with the co-operation of the mill men, must be an ultimate success.

Better Citizens

The operatives realize that there are good opportunities for them to advance, and do not feel, as has been so often the case, that they are but temporarily located in the particular city or town where their mill is situated. If they feel that there is a chance to increase their earnings in the same mill, they are bound to make better citizens and establish homes for their families. This gives the mill a better opportunity to obtain good help and makes a more satisfied feeling in general.

Taxation

Almost every city or town is willing to treat a manufacturing concern with utmost fairness concerning taxation, but in some instances, this is not true. The American Wool and Cotton Reporter has recently contained an article showing up the true condition of affairs at South Royalston, Mass. The American Woolen Company has built a good-sized mill in this town, taking advantage of a valuable water right on Miller's River. This town had a woolen mill located on approximately the same site some forty years ago, and Royalston men have had ample opportunity to realize the many advantages to the town which a mill owned by a concern like the American Woolen Company must be. In spite of this fact, they have taxed this mill for about three times the proper amount, and have practically forced the company to shut down the machinery.

The mill contains nine sets of cards and eighty looms. If it was operating to its full capacity, a valuation of $50,000 would be perhaps a fair amount but although it is not in operation, the present assessment is $150,000 We call attention to this condition of affairs to illustrate the importance of determining a town's attitude in the location of a mill site. The American Woolen Company has had too much experience in the operation of its many mills to have overlooked this detail, and undoubtedly the town of Royalston will soon realize the tremendous loss which its short-sightedness is bringing about daily. In all probability, the assessors will soon place a sensible valuation upon this plant, and the mill will resume operations to the advantage of all concerned.

TRADESMEN'S TRUST.

In the preliminary report of the receiver of the Tradesmen's Trust Company, of Philadelphia, it will be shown that a very large proportion of the assets of the company are involved in equities in real estate. Assets of a reasonably sure liquid character will be somewhat in excess of $750,000. The amount of individual deposits, including many savings funds which are shown by the books of the company, indicate an amount which will total about $1,150,000. This, however, does not include any trust funds, or special deposits. In order, therefore, to pay dollar for dollar to the depositors about $400,000 or more would have to be realized from the real estate equities referred to.

BANK ITEMS.

HEADLAND, ALA.—The First Trust & Savings Bank has been organized with $25,000. G. H. Malone, E. R. Malone, A. G. Malone, D. W. Sapps and W. E. Woods are interested.

SPRINGFIELD, MO.—The German-American State Bank is organizing here with $50,000 capital. C. M. Wills, cashier of the Franklin County Bank, Washington, Mo., and G. H. Boehm, of this city, are chiefly concerned in the organization.

The Fourth National Bank
OF THE CITY OF NEW YORK
OFFICERS
JAMES G. CANNON, President
SAMUEL S. CAMPBELL, V. Pres.
CHARLES H. PATTERSON, V. Pres.
DANIEL J. ROGERS, Cashier.
E. W. DAVENPORT, Asst. Cashier.
CHARLES E. MEEK, Asst. Cashier.
DIRECTORS:
James G. Cannon
Robert W. Stuart — Eugene Delano
William S. Opdyke — M. Orme Wilson
T. Frank Manville — Elbridge G. Snow
Thos. H. McKittrick — Welding Ring
Mortimer L. Schiff — Morton F. Plant
L. F. Loree — Cornelius N. Bliss, Jr.
Samuel S. Campbell
CAPITAL AND SURPLUS - $10,000,000

CAPITAL, SURPLUS AND PROFITS $3,300,000
THE NATIONAL BANK of the ***REPUBLIC***
OF CHICAGO
offers to conservative bankers its facilities developed and perfected by twenty years of close personal relations with correspondents in all parts of the country.
JOHN A. LYNCH, President,
W. T. FENTON, Vice-President,
R. M. McKINNEY, Cashier,
O. H. SWAN, Assistant Cashier,
JAMES M. HURST, Assistant Cashier,
WM. E. LAVINIA, Assistant Cashier,
W. H. HURLEY, Assistant Cashier.

The National Park Bank
OF NEW YORK
Organized 1856.
Capital ..... $ 5,000,000.00
Surplus and profits 12,947,463.12
Deposits, Sept. 1, 1911 ..... 105,880,902.43

NATIONAL METROPOLITAN BANK
OF WASHINGTON, D. C.
Oldest National Bank in the District of Columbia
GEO. W. WHITE - - - President
CUNO H. RUDOLPH - - - Vice-President — GEORGE O. WALSON - - - - Cashier
O. H. P. JOHNSON - - - Vice-President — J. GALES MOORE - - - - Auditor

FIRST NATIONAL BANK
EUCLID AVENUE CLEVELAND
CAPITAL $2,500,000 Surplus and Profits $1,250,000
ACCOUNTS OF BANKS AND BANKERS, MERCHANTS AND CORPORATIONS, SOLICITED
SPECIAL ATTENTION TO COLLECTIONS
DEPOSITS = = = = = $25,000,000

Planters National Bank RICHMOND VA.
ORGANIZED 1865.
Capital $300,000 Surplus and Profits (earned) $1,160,000
Deposits $5,500,000
SUPERIOR FACILITIES FOR COLLECTING VIRGINIA ITEMS.

Digitized by Google

Mellon National Bank, Pittsburgh, Pa.

"The Bank of perfect service" invites your Pittsburgh business.

CAPITAL $6,000,000 RESOURCES OVER $49,000,000

CHICAGO CHAPTER.

The drama entitled "Janitress Janet", given by members of Chicago Chapter at the Ziegfeld Theatre for four days beginning November 8 to 11, met with a tremendous success, taking into consideration that two nights were very rainy and stormy, but, nevertheless, the seats were nearly all taken. It will take many months for all those who witnessed the drama to forget it, as each night the audience seemed to be alive with laughter and appreciated the drama with enthusiastic applause.

Much credit is due to the hard and earnest work of H. B. House, with the aid of Geo. Bainbridge, theatrical professor, and John H. Grior, who composed the lyrics. The eight bank clerks and the eight stenographers made a tremendous hit and won a round of applause each evening, and in the whole were the main attraction in the drama. In the opening scene the stenographers were dressed as scrub women, going through the different ways of scrubbing, with scrub brush, pail, etc., which they did to perfection.

As soon as the scrub women were through, the eight bank clerks came in in a sort of half drunken and sleepy condition, supposedly at 6. A. M. in the morning. One of them in particular, Fred K. Anderson, who came in in a pair of pink pajamas, not being able to get his clothes on quick enough at the strike of 6 o'clock.

George Doyle and his ballet girls also did their work to perfection, and much credit must be given to him for his hard work. This chorus and their ballet dances kept the audience in perfect admiration and

WERE WELL APPRECIATED.

The biggest hit of the drama was Jay W. Hays, who played the part of Woodnevva Firem, the president's charming daughter, especially in the wedding scene. Mr. Hays played his part extraordinarily well, which was thoroughly appreciated by the audience and was loudly applauded.

The following took leading parts in this drama: J. Harry Ashley, janitor of the bank; Jack Hall, daughter of janitor, as Janet, after whom play is named; Paul Davis, lover of Janet, and known as Slavin Little Paye at the Firem Bank; Franklin LePelley, as Miss Speldt, chief stenographer, of the Firem Bank; Henry B. House, as Mr. Firem, president of the Firem Bank; Arthur Briggs, as Mrs. Rhunnot Tall, president of the Woman's Improvement Association; David Johnstone, as husband of Mrs. Rhunnot Tall, and director of the Firem Bank; Clarence Given, as Mrs. Ima Bout, friend of Mrs. Rhunnot Tall; George J. Doyle, as Florida Flutters, of the vaudeville stage; John P. Scanlan, as Grafton Sales, manager of Florida Flutters; Jay W. Hays, as Woodnevva Firem, the banker's daughter; John H. Grier, Willie Makegood, office boy; J. Harry Ashley, General Lee Gullible, a bank examiner; J. Harry Ashley, I. Tyem Upp, a minister.

In the specialty acts, J. H. Cummings and F. L. Wilk were each presented with a fine bouquet of chrysanthemums at the Saturday evening performance, as their dancing was A1.

The A. I. B. Comedy Four, composed of J. W. Rubecamp, J. O. Junkin, A. G. Holmes and L. W. Forsyth, did their act very well.

G. J. Whitlock, dressed in Italian attire, played a very fine selection on the violin, and was roundly applauded.

John C. Cosgrove, Jr., dressed and painted like a negro carried the house with storm every evening, and his sincerity in act, manner and talk will make him the favorite of Chicago members and friends at their plays.

Although the expense was over $3,400 the receipts were over $5,000, so that there will be

A GOOD PERCENTAGE OF PROFIT

to go in the treasurer's fund, which is taken care of for the Chapter by John H. Grier, treasurer, and also a star member of the drama.

Without in any way trying to touch the soft spots of any in the cast, there is no need of stating that the success of this drama is not due to the act, work or brains of any one man, but is due entirely to the work and efforts of all connected with the drama, as each and every member worked enthusiastically for its success, without in any way getting any compensation or even their expenses all paid, as they all did it for the benefit of the chapter, and their work and efforts should be well appreciated by the whole chapter, and it is hoped that it will show its appreciation.

Professor J. Paul Goode, of the University of Chicago, last Tuesday evening, November 14, presented a new illustrated lecture entitled "A Trip Through the Philippines", at Chicago Chapter headquarters, Northwestern University Building. Professor Goode has appeared before the leading geographical, civic and trade associations of the world, and his lectures are recognized everywhere as masterly.

C. G. Whitlock, of the Continental and Commercial National Bank, gave a violin selection. All those taking part in the drama "Janitress Janet" are Chapter members.

WAUKESHA, WIS.—The Farmers State Bank is organizing here with $50,000 capital.

MARINE NATIONAL BANK BUFFALO

Capital and Surplus Earnings, - - - $3,500,000.00
Resources, - - - - - - - - - - $33,000,000.00

Accounts of Banks, Corporations and Individuals Invited
Collections Given careful and prompt attention

The Merchants National Bank Indianapolis Indiana

ESTABLISHED 1865

CAPITAL :: :: $1,000,000 SURPLUS FUND AND PROFITS, $900,000

Superior facilities for handling items on Indianapolis and State of Indiana.

New York State National Bank

ALBANY, N. Y.

Capital, $500,000 Deposits, $13,000,000 Surplus, $500,000

LEDYARD COGSWELL, President
LEDYARD COGSWELL, JR., 2nd Vice President LAURENCE H. HENDRICKS, Cashier
GEORGE A. WHITE, Asst. Cashier

OVER 800 BANK DEPOSITORS IN THE UNITED STATES.

Atlantic National Bank, Providence, R. I.

Direct connections with every Town in R. I.

SEND US YOUR COLLECTIONS. MINIMUM RATES.

FIRST NATIONAL BANK, Denver

Capital and Surplus .....$2,000,000.00 Resources $36,125,124.89

OLDEST BANK IN COLORADO.

A. V. HUNTER, President

THOMAS KERLY, Vice President — J. C. HOUSTON, Asst. Cashier
F. G. MOFFAT, Vice President — E. J. DENISON, Asst. Cashier
GERALD HUGHES, Vice President — D. B. PLATT, Asst. Cashier
C. S. HAUGHWOUT, Cashier — G. M. HAUK, Auditor

Digitized by Google

MURRAY ON OVERDRAFTS.

The Comptroller of the Currency Sends Out a Circular That Is Full of Information.

Comptroller of the Currency Lawrence O. Murray has issued a notice to his examiners on the subject of overdrafts which contains in concise form much information as to state laws on the subject, and as to supreme court rulings. He ends by commending to his examiners that they take up with the banks in their respective districts the whole subject with a view to reducing the volume of overdrafts. The whole circular is as follows:

Washington, November 10, 1911.
To the National Bank Examiners:

The National Bank Act is silent on the subject of overdrafts. There has been legislation in various states with respect to the restriction of overdrafts, as follows:

CALIFORNIA.

Any director, officer, employe, etc., of a bank who knowingly overdraws his account and obtains the funds of his bank and asks or receives a consideration for procuring a loan from or discount by his bank, or for permitting an overdraft of an account with the bank, is guilty of a felony.

INDIANA.

Directors, employes, etc., of banks who knowingly overdraw their accounts without the written consent of the directors being endorsed on the check, are guilty of a felony.

In forbidding directors, officers, and employes to become indebted to their trust company, the enumeration of the possible ways in which they may become indebted, includes "by means of any overdraft."

KANSAS AND NORTH DAKOTA.

Any bank officer or employe who pays out the funds of the bank on the order of one who has not on deposit a sum equal to the check is personally liable to the bank for the amount paid.

MICHIGAN AND WISCONSIN.

Banks are not allowed to carry an overdraft of more than 90 days standing as an asset.

MONTANA.

Every officer, teller or clerk of a savings bank, who knowingly overdraws his account, and obtains the funds, is guilty of a misdemeanor.

NEW JERSEY.

The law forbids the officers, directors, or employes of a bank to become liable to the bank "by reason of overdrawn account".

NEW YORK.

Any officer, director or employe of any bank, banking association, savings bank or trust company who knowingly overdraws his account and obtains the funds of the institution, or who asks or receives a consideration for procuring a loan from or discount by the institution, or for permitting any person, firm, or corporation to overdraw an account with the institution, is guilty of a misdemeanor.

OKLAHOMA.

Any officer or employe of a "bank, banking association or savings bank" who knowingly overdraws his account, is guilty of a misdemeanor.

RHODE ISLAND.

Every bank is forbidden to allow its officers, directors, etc., to become liable to it "by reason of overdrawn account".

It is provided that one who draws a check, draft or order on a bank, savings bank, or trust company, knowing that he has no funds or credit to meet it, is subject to certain penalties.

SOUTH DAKOTA.

Every active officer of a bank is personally liable for all overdrafts allowed by his bank, unless they are authorized by the board of directors.

Every officer or employe of "any bank, banking association, or savings bank" who knowingly overdraws his account with the bank and wrongfully obtains the money is guilty of misdemeanor.

An overdraft of more than sixty days' standing may not be considered as an asset.

WEST VIRGINIA.

The total amount of overdrafts in any banking institution must not exceed 5 per cent of the deposits. Any bank violating any provision of the banking law is guilty of a misdemeanor.

WISCONSIN.

No officer or employe of a trust company is allowed to become indebted to the company by means of an overdraft.

The Supreme Court of the United States has given its opinion on overdrafts in 1 Peters, page 71:

A usage to allow customers to overdraw, and to have their checks and notes charged up, without present funds in the bank—stripped of all technical disguise, the usage and practice, thus attempted to be sanctioned, is a usage and practice to misapply the funds of the bank; and to connive at the withdrawal of the same, without any security, in favor of certain privileged persons. Such a usage and practice is surely a manifest departure from the duty, both of the directors and cashier, as cannot receive any countenance in a court of justice. It could not be supported by any vote of the directors, however formal; and therefore, whenever done by the cashier, is at his own peril, and upon the responsibility of himself and his sureties. It is anything but "well and truly executing his duties, as cashier".

The overdrafts in national banks of the United States, as reported on the call of the comptroller of the currency, within

THE LAST FIVE YEARS,

have been reported as high as 53 millions and as low as 23 millions, with an average for the five years of 38 millions.

Since the Currency Bureau was established, this office has persistently criticised the granting of overdrafts, with the result that the banks in many places have agreed to discontinue them and have entered into a formal agreement to that effect. The legislation of the different states on the question of overdrafts as well as the decision of the Supreme Court of the United States on the subject is brought to your attention in order that you may take the matter up with the banks in your district.

Respectfully,
LAWRENCE O. MURRAY,
Comptroller.

FREDERICK S. HOLMES
Vault Engineer
2 RECTOR STREET, NEW YORK

BANKERS TRUST COMPANY

7 Wall Street - NEW YORK - 120 Broadway

Capital, $5,000,000 Surplus, $10,000,000

DIRECTORS

J. S. ALEXANDER,
President Nat'l Bank of Commerce, New York
STEPHEN BAKER,
President Bank of The Manhattan Co., New York
SAMUEL G. BAYNE,
President Seaboard National Bank, New York
EDWIN M. BULKLEY,
Spencer Trask & Co., Bankers, New York
JAMES G. CANNON,
President Fourth National Bank, New York
EDMUND C. CONVERSE,
President, New York
T. DeWITT CUYLER,
President Commercial Trust Co., Philadelphia
HENRY P. DAVISON,
J. P. Morgan & Co., Bankers, New York
RUDULPH ELLIS,
President Fidelity Trust Co., Philadelphia
E. HAYWARD FERRY,
V-President Hanover National Bank, New York
WALTER E. FREW,
President Corn Exchange Bank, New York
FRED'K T. HASKELL,
V-Pres't Illinois Trust & Savings Bank, Chicago
A. BARTON HEPBURN,
Chairman of the Board, Chase Nat'l Bank, N. Y.
FRANCIS L. HINE,
President First National Bank, New York
THOMAS W. LAMONT,
J. P. Morgan & Co., Bankers, New York
EDGAR L. MARSTON,
Blair & Co., Bankers, New York
JOSEPH B. MARTINDALE,
President Chemical National Bank, New York
GATES W. McGARRAH,
Pres't Mechanics' and Metals Nat'l Bank, N. Y.
CHARLES D. NORTON,
Vice-President First National Bank, New York
GEORGE W. PERKINS,
New York
WILLIAM C. POILLON,
Vice-President, New York
DANIEL E. POMEROY,
Vice-President, New York
WILLIAM H. PORTER,
J. P. Morgan & Co., Bankers, New York
DANIEL G. REID,
Vice-President Liberty National Bank, New York
BENJ. STRONG, Jr.,
Vice-President, New York
EDWARD F. SWINNEY,
President First National Bank, Kansas City
GILBERT G. THORNE,
Vice-President National Park Bank, New York
EDWARD TOWNSEND,
Pres't Importers' & Traders' Nat'l Bank, N. Y.
ALBERT H. WIGGIN,
President Chase National Bank, New York
SAMUEL WOOLVERTON,
President Gallatin National Bank, New York

E. C. CONVERSE, President — B. STRONG, Jr., Vice-Pres't — W. C. POILLON, Vice-Pres.
D. E. POMEROY, Vice-Pres. — F. I. KENT, Vice-Pres. — H. B. THORNE, Vice-Pres.
F. N. B. CLOSE, Secretary — G. W. BENTON, Treasurer — G. RICHARDS, Ass't Sec'y
H. W. DONOVAN, Ass't Treas. — B. W. JONES, Ass't Sec'y — H. F. WILSON, Jr., Ass't Sec'y
R. H. GILES, Ass't Treas. — H. N. DUNHAM, Ass't Treas. — L. MICHAELS, [illegible]

Digitized by Google

RESERVE AGENTS APPROVED.

The Corn Exchange National Bank of Chicago, Ill., has been approved as reserve agent for the Citizens National Bank of Belle Plaine, Iowa.

The First National Bank, of Boston, Mass., has been approved as reserve agent for the First National Bank of Gainesville, Tex.

The Girard National Bank of Philadelphia, Pa., has been approved as reserve agent for the National Bank of Union City, Pa.

The Fourth National Bank of New York City has been approved as reserve agent for the Portland National Bank, Portland, Me.

The Continental and Commercial National Bank of Chicago, Ill., has been approved as reserve agent for the Ramsey National Bank of Ramsey, Ill.

The Continental National Bank of Indianapolis, Ind., has been approved as reserve agent for the Farmers National Bank of Grayville, Ill.

The First National Bank of Albany, N. Y., has been approved as reserve agent for the Leominster National Bank of Leominster, Mass.

The Fourth National Bank of New York, N. Y., has been approved as reserve agent for the First National Bank of Osinning, N. Y.

The Fourth National Bank of New York City has been approved as reserve agent for the Deseret National Bank of Salt Lake City, Utah.

The Irving National Exchange Bank of New York has been approved as reserve agent for the National Bank of Savannah, Ga.

The First National Bank of Chicago, Ill., has been approved as reserve agent for the Home National Bank of Union City, Pa.

The Fletcher American National Bank of Indianapolis, Ind., has been approved as reserve agent for the First National Bank of Charleston, Ill.

The First National Bank of Pittsburgh has been approved as reserve agent for the Wabash National Bank of Wabash, Ind.

The Fourth National Bank of New York has been approved as reserve agent for the First National Bank or Osinning, N. Y.

The Corn Exchange National Bank of Chicago, Ill., has been approved as reserve agent for the Citizens National Bank of Belle Plaine, Iowa.

The First National Bank of Boston, Mass., has been approved as reserve agent for the First National Bank of Gainesville, Tex.

The Continental & Commercial National Bank of Chicago, Ill., has been approved as reserve agent for the Ramsey National Bank, Ramsey, Ill.

Union Pacific Common

1911 Credit 43%

Current Year's Earnings From Operations and Investment Returns Were 16.61 on the Common, the Balance Coming From Crediting of Profits on Northern Securities Transaction—Book Value of Common Stock on June 30, 1911, Was 186, as Compared With Market Price of 172, After Annual Report Was Published This Week—Company Has an Excess of Current Assets Over Current Liabilities Constituting Working Capital of $63,962,882—Holdings of Stocks and Bonds in Other Companies Aggregating in Par Value $307,106,625, Are Carried at a Book Value of $259,831,250, and of These Securities, $144,720,585 in Par Value Are in the Treasury and Unpledged.

The fourteenth annual report of the Union Pacific given out on Thursday of this week covering the operations of the company for the fiscal year ending June 30, 1911, must have been disconcerting to the fulsome pessimists who have been predicting an early reduction in the dividend rate on the common stock, in view of the fact that the report shows that there was credited to the common stock last year, including dividends paid, a trifle over 43 per cent.

The amount of Union Pacific common outstanding is $216,629,300, and the 10 per cent dividend paid on this issue last year was $21,659,570. The company added to its surplus account $71,118,283, so the total of the two items paid to and credited to the common stock aggregates $92,777,853, or a little over 43 per cent on the total amount of common stock outstanding.

The current earnings for the year from operation and income from treasury securities showed 16.61 per cent on the common stock. Of this $17,579,445 came from transportation and $18,396,571 from investment income. The balance of

THE 43 PER CENT CREDIT

for the year to the common stock resulted from crediting the profit and loss surplus with items covering several year's transactions.

At the close of the fiscal year 1910 the company's profit and loss surplus was $115,796,646, as compared with a surplus on June 30, 1911, of $186,914,930. If it is assumed, as it safely can be, that the Union Pacific management does not over-value its assets, the common stock had a value at the closing of the books last June of over $186 per share. This fact is well worthy of consideration in view of the present market quotation. After the annual report was given out, Union Pacific common closed on Thursday at 172, representing an advance of only 1¼ points for the day. Since the books were closed on June 30 of this year, the earnings of the company, as well as its other operations, have made substantial additions to the surplus account above dividend requirements, so it is safe to assume that the book value of the common stock at this time is around 190. It, therefore, hardly needs to be suggested that when a stock of the calibre of Union Pacific is selling so many points under its conservatively calculated book value, it deserves the consideration of both speculators and investors.

According to the report, there was earned during the year from operations and receipts from investments $14,334,445 above the amount disbursed in dividends on preferred and common stock outstanding. As the amount added to the surplus account was $71,118,283, it appears that the difference of $56,783,838 resulted from other treasury operations in which, of course, a considerable factor was previous transactions of subsidiary companies.

The

COMPANY'S FINANCIAL POSITION

at the close of the last fiscal year was very strong. Current assets amounted to $89,180,971 against current liabilities of $25,218,089, leaving a net working capital of $63,962,882. In the list of current assets the item of cash was $12,171,011, and that the company had at the time a surplus of cash working capital is clearly indicated by the fact that one of the items of current assets was $28,900,000, represented by demand loans and time deposits.

In the matter of maintenance, the company spent last year both on its track and equipment a larger amount of money than in the preceding year, although on account of the increased mileage the expenditure per mile was a little less. On maintenance of way and structure the expenditure last year was $10,445,203, as compared with $9,915,481 in 1910. This resulted in an expenditure per mile of $1,431 last year, as compared with $1,458 in 1910. In maintenance of equipment the total expenditure in 1911 was $9,208,724, as compared with $9,074,653 in 1910.

In explanation of the increase in the surplus account the official statement in the report is as follows:

"The

INCREASE IN THE BOOK VALUE

of stocks and bonds owned results from the disposition made in this year's accounts of the profits realized from the sale of the Northern Securities Company stock and the securities received in the distribution of said company's assets. Pending final adjustment, the entire proceeds from the sales of these securities were treated as a credit against the cost of stocks and bonds, thus diminishing the book cost of all stocks and bonds by the amount of the profits realized from their sale. The investment stocks, costing $223,795,629.80, are shown in detail in Table No. 10. On June 30, 1911, their market value was about $267,000,000.

"The profits realized by the Oregon

Digitized by Google

Short Line Railroad Company from its original investment in the $24,918.71 shares of the capital stock of the Northern Securities Company and from the sale of the stocks which it received under subscription rights to the stocks of the Great Northern Railway Company and the Northern Pacific Railway Company received in the distribution of the assets of the Northern Securities Company were $58,684,-157.76. Of this sum $4,955,479.30 was taken up by the Oregon Short Line Railroad Company in its Profit and Loss account in the year 1905; the remaining $53,728,678.46 was taken over this year. This year the profit was distributed as a dividend on the shares of the Oregon Short Line Railroad Company, all of which are owned by the Union Pacific Railroad Company."

This profit through the purchase of the Northern securities stock was, of course, actually made some years ago, and there has been some criticism based on the fact that this profit has only been credited in the 1911 statement. The explanation, doubtless, is that the company heretofore paid for its holdings of New York Central, Baltimore & Ohio, Illinois Central and other roads prices above subsequent market values, but at this time, all of the transactions in summary do not look bad.

The

INVESTMENTS OF THE COMPANY

during the year have changed very little, the only important increase being in the purchase of about $2,800,000 of the shares of the St. Joseph & Grand Island Railroad Company, the minority holders of which road have recently become vigilant in their assertion that the Union Pacific management was exploiting their property in its interest. The company still holds $32,334,200 Baltimore & Ohio common and $7,206,400 of Baltimore & Ohio preferred, $10,343,100 of Chicago & Alton preferred, $4,018,700 of Chicago & Northwestern common, $1,845,-000 Chicago, Milwaukee & St. Paul preferred, $22,500,000 of Illinois Central, $17,857,100 of New York Central besides the $126,650,000 of Southern Pacific common.

The company carries its total holdings of stocks and bonds in other companies at $259,831,250, an increase in the bookkeeping entry of $51,270,-228 over the figures which appeared in the previous annual report. The par value of all these securities, however, is $307,106,625, and as a considerable proportion of these securities held now have a market value above par, it is obvious that the company even though it has considerably increased the book value of some of its securities could have justifiably increased this item

$50,000,000 OR MORE.

in addition.

The company's surplus on June 30, 1911, of $186,914,930 is so large that the inference is likely to suggest itself that it may be more or less fictitious. There is, however, nothing fictitious about this Union Pacific surplus, and it is understated rather than exaggerated. The skeptical reader of corporation reports might assert that he would like to know where this big surplus is and whether it is tangible or solely a matter of bookkeeping. In the case of the Union Pacific the answer is very easy. The company has a surplus in net working capital amounting to $63,962,882, and of its more than $300,000,000 of stocks and bonds of other railroad companies, no less than $144,720,585 in par value are in the treasury of the company and not pledged to secure any of the company's outstanding issues of bonds.

Union Pacific must, therefore, be regarded as the richest railroad corporation in this country, so far as treasury resources are concerned, and also from this viewpoint the most affluent railroad in the world, and, in consequence, investors should not lose sight of the fact that the common stock of the company is now selling a number of points under its conservative book value.

P. DE MEDICI.

ADRIAN, MO.—The Bank of Adrian is organizing with $10,000 capital. L. A. Ferrell will be president and Mrs. M. P. Ferrell, cashier. Mr. Ferrell was formerly identified with the First National Bank at Lahoma, Okla.

6% BONDS

Certainty Adaptability Convertibility

NO element of an investment approaches in importance that of *certainty*—certainty that it will conserve and return principal intact, and pay the contract rate of interest. A-R-E 6's have done this for nearly a quarter of a century.

¶ They are adaptable, being issued to return interest on current funds or to provide for saving surplus earnings, returning the latter with interest compounded at 6%.

¶ Their *cash convertibility* safeguards the investor against temporary financial need.

¶ This Company is engaged solely in the business of investment and operation in New York real estate, a stable and profitable investment field, and offers its 6% Gold Bonds in these forms:

6% COUPON BONDS

For those who wish to invest $100 or more

6% ACCUMULATIVE BONDS

For those who wish to save $25 or more a year

Descriptive Booklets and map of New York showing location of properties sent on request.

AMERICAN REAL ESTATE COMPANY

Capital and Surplus, $2,011,247.80
Founded 1888 Assets $23,026,889.67

Room 602, 527 Fifth Avenue, New York

WANTED

Butte Water Co. 5s
Springfield Breweries, Pfd.
Austin, Texas 4s
Arizona Territory Bonds
Omaha Water Co. 5s
General Manifold Printing Co. 4s

H. C. SPILLER & CO.

Specialists in Inactive Bonds

27 STATE STREET BOSTON

Why Speculate

When This Legitimate Investment Offers Such Attractive Profits?

Here is the CONSERVATIVE investor's opportunity to participate in big, sure profits earned by the new COTTON COMBING GIN—the device which is gradually replacing the old-style Saw Gin.

We are increasing the capital of our **profitable going plant** in order to install additional machinery so that we can manufacture all parts of Gin outfits and increase our output.

Our earnings will be trebled by this increased capacity.

Our COMBING GIN is the first PRACTICAL IMPROVEMENT on the old cotton Saw Gin invented by Eli Whitney in 1792. The advantages of our COMBING GIN are:

REDUCTION of waste to a minimum.

INCREASING the Ginner's output.

INCREASING the value of the raw **cotton from one-half cent to three cents a pound,** because the COMBING process does not injure the fibre as the Saw Gin does.

HANDLING wet, lumpy seed cotton and bolls that cannot be handled by any other Gin.

Hundreds of our Gins have been in use for more than two years and are giving profitable results.

Our book, "A Primer of the Cotton Combing Gin," sent free on request, shows you how your investment is amply secured by our assets and by the scope of our patents; gives full information as to **who** we are and how the **big profits are absolutely assured** to investors in this proposition.

$10000 worth of our stock is offered at $20 per share, full paid and non-assessable.

Subscriptions for one to 100 shares will be accepted—not more than 100 shares will be issued to any one party. Arrangements can be made on a monthly payment basis, if desired.

Our present capital is $50,000, fully paid. For full particulars and the book, address

J. W. Lindau, Forty-fifth St. Exchange, Suite 1041 New York,

where Gin is on display, or

SOUTHERN COMBING GIN CO., Chattanooga, Tenn.

REFERENCES—Any Bank in Chattanooga.

Subscriptions and checks should be sent to our fiduciary agent, the

CITIZEN'S NATIONAL BANK,

CHATTANOOGA, TENN.

Careful investigation of this proposition is solicited.

INVESTOR'S AND STOCKHOLDER'S LISTS

JAS. S. ROBINSON, Ipswich, Mass.

Tel. 28-3 Ipswich

Ambursen Hydraulic Construction Company

Engineer-Constructors

88 PEARL ST., BOSTON

165 BROADWAY, NEW YORK 405 DORCHESTER ST. W., MONTREAL

Our experience is of value to you because it is gained in the successful building of 67 dam to date (Nov. 1, 1911) of all heights up to 150' and having an aggregate length of over 4½ miles. We have ... ted a system of bi-monthly Bulletins on pungent engineering topics as viewed from th... ndpoint. Send us your name for our mailing list.

Digitized by Google

Among New England Banks

One New Hampshire City Has Three Banks, a National and Two Savings, All Doing Business Over the Same Counter—National Banks Which Have Branches—The Guaranty Savings Bank in New Hampshire.

I wonder in how many cities, or towns, for that matter, can you find three different banking institutions all doing business under the same roof in the same banking room? In but very few places I know most people would say. I would entirely agree with them in this regard, for in only one city in all the cities and towns in New England through which I have passed have I found such a case. This was in Manchester, N. H., and the three banks which occupy the same banking room are the Amoskeag National Bank, the Amoskeag Savings Bank and the People's Saving Bank.

Practically the same people are interested in all three banks, and yet how strange it must seem to some people that the two savings banks have never consolidated. However, when the particulars are fully known, this does not appear quite so strange as upon the surface. As you enter the door from the street you pass the window of the Amoskeag National, then several windows for the business of the Amoskeag Savings, and at the rear, next to the officers' quarters and the safe deposit vaults, is the window of the People's Savings, all doing business over the same counter, as is permitted by the New Hampshire laws.

As a matter of fact, the establishment of the Amoskeag Savings antedates that of the Peoples, the former having been established in 1852, while the establishment of the latter took place in 1874. The Amoskeag, however, has grown to be the biggest savings bank in New Hampshire, while the Peoples has deposits of only some $600,000, and total resources of a book value of $873,646, these resources having an estimated value by the bank commissioners according to the report for 1910 of $962,010. People wonder, therefore, why the larger bank does not absorb the smaller, since they are both strong banks with such closely identified managements. It is all the more strange from the fact that, while the Amoskeag pays 4 per cent on its deposits, the Peoples pays only 3½ per cent.

The

AMOSKEAG SAVINGS BANK

is a mutual affair, and when I tell you that the Peoples is a guaranty savings bank the reason for a consolidation not having taken place previous to this time probably becomes apparent to most of my readers. The bank has a guaranty fund of $150,000, and the stockholders receive a dividend of 5 per cent per annum. The stockholders of the People's are mostly people who have been stockholders for years, and, of course, they necessarily must have an income from this stock, as it is only right. Considering the investment which they have, the 5 per cent return is an exceptionally good one. Hence, there has been in the past no desire to relinquish the same by becoming absorbed by the Amoskeag Savings.

Some people would wonder why it is that two banks doing business over the same counter and with one paying 4 and the other 3½ per cent, can both survive and build up their deposits, the wonder being not, of course, that the big Amoskeag institution should survive, but that the smaller Peoples should. This is not so strange, however, for although the Peoples Savings Bank is small in comparison to the Amoskeag, yet it has ordinary deposits as New Hampshire banks go. Moreover, it has an old line of depositors who have the utmost confidence in the bank and its management and are influenced a good deal by the guaranty fund of $150,000. As a matter of fact, for several years the deposits of the Peoples had been falling off, and rumor has it that it will be only a short time in the future when it will be absorbed by the Amoskeag.

GUARANTY SAVINGS BANKS.

Speaking of guaranty banks, a study of the annual bank report of New Hampshire for 1910 shows that there are nine guaranty savings banks in the state, and of these nine it is interesting to note that about half of them are in that line of cities and towns stretching from Manchester through Woodsville, Lancaster, Colebrook, etc. In one of the towns of this region I found both a mutual savings bank and a guaranty savings bank. It seems that years ago the guaranty savings bank had made several unfortunate investments, and the stockholders had to be assessed to bring the guaranty fund up to the amount required by the New Hampshire savings bank law. For several years now the mutual savings bank has been paying 4 per cent, while the guaranty savings had been paying only 3½, but whereas the treasurer of the mutual savings bank has been paying out most of his earnings to the depositors to whom, of course, belong the earnings, the guaranty savings has been able to build up a much larger surplus fund, providing, of course, the guaranty fund is included, and has fully recovered the confidence of the community. Regardless of the higher interest rate, however, the guaranty savings bank is showing the best growth, indicating that the savings bank depositors, of that locality at any rate, care more for the security of their money than they do for the better interest rate, and the question that now confronts the mutual savings bank treasurer, as he told me, is whether it would not be better for him to reduce his rate of interest to depositors to 3½ per cent and build up his surplus with the saving of one-half of one per cent.

The more I travel through New Hampshire and the more bankers I see the more do I find who are carrying a good account with a certain national bank of Concord, of which I have previously spoken in these columns. This bank collects all items both in this country and those on Canada at par, and since its correspondents lose practically no time in the transit of their items, and since the Concord bank is

ESPECIALLY COURTEOUS

in its treatment of correspondents, the bankers among whom I traveled this week are a pretty well satisfied class, as far as the question of their items are concerned. Of course, the money which they keep in Concord does not count as reserve, but the courteous treatment which they receive from their Concord friend and the money saved by the collection of their items at par they claim gives them full compensation for the loss of reserve. The Concord bank in question, it seems, has very satisfactory arrangements with Philadelphia, Albany, etc., so that they collect many of the New Hampshire items for these banks at par, something which they can easily do, since they collect foreign items for their New Hampshire banks, which collect for them at par, or at the most only one-twentieth. Evidently, this reciprocal arrangement is working out very satisfactorily, for the country banker feels very well disposed toward the Concord bank in question, while the latter's accounts are showing a very nice growth.

That there is good money to be earned in doing the banking for the foreigners in this country with strong ties with the old country is shown by the experience of a small savings bank in a manufacturing city in New Hampshire. In this city there is one of the biggest textile manufacturing corporations in the country, and just as in other large industrial corporations of to-day, there are a large number of foreigners employed. I have been told that this bank, which is a small savings bank with respect to deposits, is doing most of the banking for these foreigners. They pay only 3 per cent interest on deposits as against the 4 per cent paid by most of the savings banks of that section. They, therefore, not only earn more on the deposits in this way, but I am told that they also make a very good profit from the extensive amount of foreign exchange which they carry on for depositors. In fact, I could tell many instances of shrewd and conservative banking ability to show that the average New England banker is

RIGHT ON THE JOB

every minute, and while he is no pirate, but has a reputation for good treatment of customers, associates and connections, yet he is usually sensible of where he can make a profit providing it is consistent with good banking practice.

The average New England banker with whom I have talked thus far shows himself to have been the man for the job. The New Englander is naturally inquisitive and the questions which are thrown at me every day indicate very clearly that most of our New England bankers are trying to

Digitized by Google

keep abreast of the times, in so far as their facilities and their financial ability will permit them, and, moreover, that they are doing about what they are aiming to do. There are few banks which do not take some financial or banking journal to keep them in touch with the situation, and, from all indications, the particular part of the country through which I have traveled during the past month is prosperous, and prohibits any calamity howling in that section.

About a year ago the cashier of a bank away up in northern New Hampshire received the following letter: "We cordially invite you to avail of our services at any time and to direct your clients and friends to us for any business that they may desire attended to on this coast. Having branches in (several cities named here), all operating with the San Francisco office as one bank, enables us to offer unusual facilities All our branches are conducted under the same name, and business may be transacted with them direct or through the San Francisco office". The cashier was very much puzzled over this letter, for he had always believed that a national bank of this country could not have any branches. In fact, he said that the recent controversy which had taken place between the government and the National City Bank of New York over the latter holding the stock of the new company, which had been formed to sell bonds, had made him strongly convinced of this. He could not understand, therefore, why it was that this western bank should send out letters advertising that they had branches and soliciting business. He had, therefore, placed the letter on file for future reference and decided to wait to find some one who might explain the case to him. Evidently, I was the first one upon whom he dropped.

BRANCH BANKS.

In the main, this cashier was quite correct in his belief that a national bank could not establish a branch bank, for under the law this cannot be done. Congress can, however, under certain conditions allow the establishment of branch banks, and they have passed acts authorizing such branch banks in several cases. One of these was an act approved in 1892, and authorizing any national bank at Chicago, Ill., to establish a branch office upon the grounds of the World's Columbian Exposition. Another was an act approved in 1901 and authorizing any bank or trust company located in the state of Missouri to conduct a banking office on the Louisiana Exposition grounds at St. Louis, Mo.

Now while branch banks can be established only by this method, yet those state banks which are converted into national banks may retain their branches, for section 5155 of the revised statutes states: It shall be lawful for any bank or banking association organized under state laws and having branches, the capital being joint and assigned to and used by the mother bank and branches in definite proportions to become a national banking association in conformity with existing law, and to retain and keep in operation its branches, or such one or more of them as it may elect to retain, the amount of the circulation redeemable at the mother bank, and each branch to be regulated by the amount of capital assigned to and used by each.

This clause, it seems, answers the question of our good friend, the cashier, for the bank of which we speak is a large institution and had a number of branches along almost the whole of our western coast, which branches were retained when the bank received its national charter.

AN INTERESTING CASE.

I was interested, by the way, in the manner in which a shrewd New England banker got by the law prohibiting the establishment of branches. This man was a cashier of a bank in a small city, and through ownership of stock practically controlled it. He then established a smaller national bank in a smaller community five or six miles distant. With the use of the two banks he was then enabled to do little things which, while they were lawful enough in some cases, were rather contrary to the intent of the law. For instance, he might have made certain kinds of loans up to the full amount permitted by law. But perhaps he could have placed another loan of the same kind at very advantageous terms. Supposing this was to be a loan of $10,000. He would simply have his larger bank start an account of $10,000 with the smaller one and then have the latter make the loan to his customer. In this way, of course, the law was evaded and there was absolutely no way in which the comptroller could get around it. It happened, however, shortly after the smaller bank had been in operation the charter of the larger bank had to be re-extended. Then it was that the comptroller could reach this bank. One of the provisions for the re-extension of the charter was that the business of the smaller bank should be discontinued. This, of course, was done, and the comptroller in this way prohibited any difficulty from arising.

BANK COMMISSIONER.

I was mightily pleased on my visit to Manchester to learn that Leonard Smith, the cashier of the First National Bank of that city, had been appointed as one of the savings bank commissioners of New Hampshire. It was very pleasing to learn that his ability has been recognized in this way, and everybody feels that the right man has been selected. New Hampshire, by the way, has one of the best board of savings bank commissioners of any state in the country, and there is every reason for believing that Mr. Smith will keep up this reputation. In connection with the mention of the First National, we note that Judge Cross, formerly president of the First, has resigned, and that he believes that the presidency of a bank is now a position where younger men are needed, owing to the fact that the duties of such a position have in recent years increased so extensively. Judge Cross, in fact, in his letter of resignation made his attitude upon this question very clear.

I want to say in this connection, however, that for one banker in this section of the country who follows other weekly and financial journals closely, it seems to me that there are four or five who read their United States Investor closely every week, and the expression of satisfaction of the contents of this paper received from these bankers is surely gratifying to one who is working in its interests. Especially interested are they in the first page editorials of this paper in which is discussed each week the leading banking questions of the day in a clear-cut and concise way, and in such a manner as to interest the practical banker and the man who is working in the interests of the stockholders and depositors. I found many expressions of commendation for these articles.

BANK VISITOR.

FINANCIAL INQUIRY.

National Boat & Engine Co.

21339. (Indianapolis, Ind.) I wish you would give the facts regarding the National Boat & Engine Company.

Ans.: So far as we can see the failure of the National Boat & Engine Company to do as much as was expected of it in the direction of earnings, with the result that it was recently forced into bankruptcy and a receiver placed in charge of its affairs, was caused by an unfortunate combination of unfavorable developments, rather than by any deliberate attempt to deceive.

In some of our earlier reports on the National Boat & Engine Company, we called attention to the fact that the lack of working capital was a rather weak feature of the situation, which, it was hoped and expected, would be eliminated by the sale of new securities As a matter of fact, the offering of preferred stock and bonds was made at an unfortunate time, when the general market was in a depressed condition and when the public was disinclined to make new commitments. Again, promotion stock was thrown on the market and offered at a very low level, and this circumstance also made it difficult to bring the needed capital.

A plan of reorganization is being drawn up and will probably be presented for the consideration of the security holders in the near future. It is expected that this plan will not involve the payment of any assessment, new securities being given in exchange for the old bonds and preferred stock, which were the only securities of the old company sold for cash, the common shares being given as a bonus.

It is planned to concentrate the business in three plants, and to effect other economies, and in some quarters the opinion is expressed that the reorganization is likely to be a good thing for the security holders in the end. So far as we can see there has been no lack of business, the trouble being that the company got into difficulties before it was in a position to take care of them. The receivership will result in the elimination of the greater part of the current indebtedness, and so far may be expected to prove a blessing in disguise.

REDDING, CAL.—The Bank of Northern California has been converted into the Northern California National Bank. N. B. Frisbie is president, Rud M. Saeltzer, vice-president, and E. C. Frisbie, cashier. The bank has a capital of $100,000

Digitized by Google

Hall Signal to be Sold or Leased?

Reorganization Committee Will Announce Early Next Month as to Which of the Two Propositions now Under Consideration It Will Recommend —The Common Stock Which Sold a Few Years Ago Above 120 Is Now Quoted From 5 to 8 Bid—Lack of Working Capital the Company's Principal Difficulty—Rumor That a Prospective Combination of Signal Companies May Account For the Lease or Sale Offer to Be Made to Hall Signal Stockholders.

Meriden, Conn., Nov. 8, 1911.

ED UNITED STATES INVESTOR:

Please send me a report on the Hall Signal Company as to their doings and prospects for the future, and oblige,

A SUBSCRIBER.

We are advised by a member of the reorganization committee appointed some time ago that the troubles of the Hall Signal Company are very nearly at an end and that within a few weeks the stockholders of the company will have an opportunity to consider two plans which will definitely assure its status in the future. One of these plans is for the sale of the entire property and the other is to lease it to some other concern. The committee has had both propositions under consideration for some time, and it is expected that early in December they will have the details arranged and recommendations will be made as to the acceptance of one plan or the other.

The Hall Signal Company has had

A SOMEWHAT ERRATIC CAREER.

It was organized in October, 1889, and has outstanding a capitalization of $1,900,000 common stock, $100,000 6 per cent non-cumulative preferred stock and $250,000 in first mortgage 6 per cent bonds which are due October 1, 1915. Some time ago, the company authorized an issue of debenture bonds in an endeavor to secure much needed additional working capital. The attempt to sell these debentures, however, was not successful, and it is understood that none of them are outstanding at the present time except possibly in the form of collateral for temporary loans which have been secured.

The market prices on the securities of the company at the present time are purely nominal, as there have been no reported transactions on any of them for many months. A different quotation on the common stock is generally secured from every broker consulted. One broker this week quoted the present market at 5 bid, offered at 15, another at 6 bid, offered at 10, and a third thought that the present quotation should be about 8 bid, offered at 12. No dividends have been paid on the preferred stock since October, 1907, and no quotation on that issue at the present time is obtainable. The preferred issue is so small that it is not widely distributed. One broker said he would make a guess that the market on the preferred was about 25 bid, offered at 50.

INTEREST ON THE BONDS

has been paid regularly, and the last sales were made at around par. The present quotation on the bonds is about 90 bid, offered at par, although probably no large block of them could be disposed of at even 90. One of the large holders of the bonds said that he would not dispose of any of his holdings at less than par and that he believed they were amply secured.

The company has had many vicissitudes, as is clearly indicated by the fact that some years ago the common stock sold at 120 and higher, while now it would probably be difficult to sell very much of it at even $5 or $6 per share.

The wide fluctuations in the stock, as well as its steadily declining tendency is very clearly shown in the files of the United States Investor's Unlisted Security Supplement. In July, 1908, 30 was bid for the common stock and offerings were made at 41. In the next month the bid price advanced to 35 and no stock was offered at less than 45. In September, 1908, 38 was bid for 100 shares and the lowest price at which 100 shares

Dial Cash Register, Pay-As-You-Enter Car, Eastern Mills Stocks, Hocking Valley Products Co., bought and sold.

C. W. GILMOR, 50 Broad St., N. Y.

Wire connections to all markets

UNLISTED & INACTIVE ISSUES

We are prepared to quote actual trading markets on unlisted or inactive investment issues.

Correspondence Solicited

E. BUNGE & CO. 20 BROAD STREET, NEW YORK

Cable Address, "Emetus, New York" Long Distance Phone 4735-4736 Rector

Assets Realization Company

Capital $10,000,000

Purchases Estates in Liquidation at any point in the United States

NEW YORK PHILADELPHIA CHICAGO

Hodenpyl, Hardy & Co.

BANKERS

7 Wall Street, New York

6% PREFERRED STOCKS A SPECIALTY

BODELL & CO.

PROVIDENCE, RHODE ISLAND

Boston Office, 35 Congress St.

Bonds and Preferred Stocks of Proven Value

GEO. D. COOK & CO.

BANKERS

71 BROADWAY, NEW YORK

We make a Specialty of Mexican Government and State Bonds

McCOY & COMPANY

Municipal and Corporation Bonds

181 LA SALLE STREET

CHICAGO

Boody, McLellan & Co.

111 BROADWAY, NEW YORK

MEMBERS OF NEW YORK STOCK EXCHANGE

Orders Executed for Investment or on Margin

We Have For Sale

Seattle Local Improvement 5 year 7% Bonds.

WM. D. PERKINS & CO., Bankers

No. 211 Cherry St., Seattle, Wash

Established 1893

Oldest Bond House In Washington.

DOMINION BOND COMPANY

LIMITED

MONTREAL TORONTO OTTAWA

LONDON, ENGLAND

Dealers in HIGH-GRADE CANADIAN BONDS

List on Application

5% BONDS

Guaranteed by

National Light Heat and Power Co

A. H. BICKMORE & CO.,

30 PINE ST., NEW YORK

6% Timber Bonds

Carrying With Them An Exceptionally Attractive Feature

American Finance & Securities Co.

5 Nassau Street New York

H. C. Gibbs & Co.

Gas and Electric Light Bonds

To yield 5% to 5 1-2%

60 State Street BOSTON

CIRCULAR ON MISCELLANEOUS UNLISTED MILL AND MANUFACTURING SECURITIES

SENT UPON REQUEST

HORNBLOWER & WEEKS, 60 Congress St., Boston

Digitized by Google

were offered was 42. In April, 1909, 29 was bid for 40 shares and 50 shares were offered at 34. In July, there was a spurt in the market and no stock was offered under 57½ and in November of the same year 47 was bid for 100 shares. In 1910 there seemed to be no buyers in sight, and the offering price steadily declined from 48 in March to 35 in June and 30 in November. During the current year, the highest bid published was for 100 shares at 20, while during recent months the only bids which have appeared have ranged from 6 to 8.

The company has some valuable patents, but has always

BEEN SERIOUSLY HANDICAPPED

for a lack of working capital. The company has a foreign company, known as the Continental Hall Signal, which handles the company's equipment in Europe. Some of the company's devices have been farmed out to other companies and a portion of its income has come from royalties received from this source.

Aside from its lack of working capital the company has had to contend with lively competition and resulting low prices. The railroads have, naturally, been inclined to take advantage of the fact that there are a number of signal systems in the market, and it has frequently been the case that the company, in order to get any business had to take it at such low prices that there was little if any profit.

Some months ago, when the floating debt of the company became unwieldy, a reorganization committee was appointed consisting of J. S. Bache, Newman Erb, W. F. Morgan and W. P. Hall. The stockholders were asked to deposit their stock with the Empire Trust Company, New York City, in May, 1911, and it is understood that over 85 per cent of the stock was so deposited. The agreement signed by the stockholders with the reorganization committee provided that money could be borrowed on the depositing stock as collateral to the extent of $100,000, but without involving in any way personal liability upon the part of the depositing stockholders. As a result, the company's necessities were taken care of, and for some months it had been in a much better condition financially than for some years. The company received an order for nearly $40,000 worth of equipment from the New York Central in the early part of the year, and at the present time, largely through the efforts of the committee, the company

HAS MORE ORDERS

on hand than it has had at any time in the past four years.

There have been rumors at different times that the various signal companies, including the Hall company, were to be combined, and it is quite possible that some such plan may now have been worked out, and that the announcement regarding the company which is to be made by the committee in the early part of next month will be the terms which have been secured for shareholders from the new combination.

While the Hall company has been involved in troubles during most of its career, one of its big competitors, the Union Switch & Signal Company, of Pittsburgh, has had a much more fortunate experience. Last year, the Pittsburgh company earned gross $6,259,093, from which there remained net earnings after depreciation charges of $1,231,507. From these earnings after the payment of a dividend of 12 per cent on the preferred stock and 12 per cent on the common no less than $931,723 was added to the surplus account. These figures are quite eloquent, and even more so when it is borne in mind that it was only about a year ago that this company declared a common

STOCK DIVIDEND OF 60 PER CENT

amounting to $1,500,000.

The strong position, therefore, of the Union Switch & Signal Company doubtless accounts to a considerable extent for the difficulties the Hall company has encountered and if it is possible to arrange any combination of the various companies, which will include the strong progressive Pittsburgh company, the security holders of the Hall company will have just cause for congratulating themselves.

P. DE MEDICI.

BANK ITEMS.

BURBANK, CAL.—The First National Bank of Burbank has been chartered with a capital of $25,000. H. A. Church is president, A. O. Kendall, vice-president; R. O. Church, cashier, and A. E. Dufur, assistant cashier.

KENNEBEC, S. D.—The Security State Bank, capitalized at $25,000 has been converted into the First National Bank of Kennebec. A. L. Freelove is president, F. B. Carter, vice-president, and John Zembsch, cashier.

WATERTOWN, WIS.—The Farmers City Bank has been organized with $50,000 capital.

American Industrials Co.

Broad Exchange Building, New York

INVESTMENT SECURITIES.

6% Twenty Year First Mortgage Gold Bonds.
7 Preferred Stocks.
8% Preferred Stocks.

Baker, Ayling & Co.

50 Congress street, Boston

INVESTMENT BONDS

Philadelphia Office, Land Title Building

The Holders Of Securities

purchased through us will at all times be furnished with full reports of the PUBLIC UTILITY companies issuing those securities, for we ourselves control and operate those companies. The severest losses that investors have sustained have resulted from lack of adequate information regarding their investments. Our policy is all the truth and at all times.

Write for Circular

Meikleham & Dinsmore

ENGINEERS & BANKERS

25 BROAD STREET, New York City — 437 Chestnut Street, Phila.
60 State Street, Boston

Cumberland Telephone & Tel. Co.

8% STOCK

Of all the different subsidiary Companies of the AMERICAN TELEPHONE & TELEGRAPH CO., there are none better than the CUMBERLAND. This Company has a quarterly cash dividend record of over 27 consecutive years.

For quotations, address,

GOULDING MARR

Investment Broker

NASHVILLE = TENNESSEE

SHORT TERM NOTES

with stock bonus offer an unusual investment opportunity

The notes mature in from one to two years with adequate interest and the bonus stock assures a steady income for ten years.

Write for particulars.

GILBERT H. CARR

50 Congress St., Boston.

TAX EXEMPT STOCKS

List Mailed on Application

311 Main St., **W. F. CROSBY** Telephone 4090

WORCESTER, MASS.

YOUR INVESTMENT SHOULD EARN YOU MORE MONEY

Boston Real Estate Carefully Selected and Scientifically Managed

The United States Investor in its issue of Sept. 16, 1911, says of this company "Both the preferred stock and the bonds are well worthy of the consideration of our readers."

Address for prospectus and other information

COMMONWEALTH REALTY COMPANY, Chas. E. Jeffrey, Prest.
Room 407, 53 State St., Boston.

Digitized by Google

W. & L. E. Minority Will Fight

Company in the Hands of a Receiver and Control Owned by Wabash-Pittsburgh Terminal Also in the Hands of a Receiver—Claim of Minority That Traffic Contract Should Be Annulled, Payments Made Under It Returned, and the Property Returned to Them Without Entanglement of Majority Owners—Road Earned Last Year $247,960 Above All Fixed Charges—On First Preferred Stock Now Selling Around 11, Nearly $7 Per Share Was Earned Last Year.

To the many troubles of the Wabash-Pittsburgh Terminal bondholders is now to be added a legal contest on the part of the minority holders of Wheeling & Lake Erie stock, who assert that they have been misused and demand that they be cut loose from entanglement, as they designate the majority ownership, in order that they may reorganize the property according to their own ideas.

These unfortunate Wabash-Pittsburgh Terminal bondholders have heretofore had to contend with two reorganization committees, separate receivers for the different parts of their property and a half a dozen different suits involving the relations between the different companies, the Gould syndicate and the Wabash Railroad, and it would have seemed that this assortment of troubles was enough.

The annual report of Receiver Worthington, of the Wheeling & Lake Erie property, for the fiscal year ending June 30, 1911, appears to have inspired these minority holders to action in conjunction with the fact that there never was any excuse for putting the company in the hands of a receiver had it not been a necessary part of the Gould programme of repudiation on this

ILL-FATED ENTERPRISE

of getting the Gould lines into Pittsburg.

The net operating revenue of the Wheeling & Lake Erie last year was $2,056,440. After deducting taxes and fixed charges, including interest at 6 per cent on $4,190,850 of receivership certificates, but not including interest on the $8,000,000 three-year 5 per cent notes guaranteed by the Wabash, the net income amounted to $647,960. After deducting the interest on the 5 per cent notes the net income of the fiscal year would have been no less than $247,960, which sum would have been applicable either to improvement of the property or distribution to stockholders. In addition, there were disbursements by the receiver during the year amounting to approximately $100,000 for additions and betterments which could have been charged to capital, but were included in operating expenses.

With a matter of $348,000 available for dividends on last year's operations, it is an interesting fact well worthy of note that the total market value of the company's $5,000,000 of first preferred 4 per cent stock outstanding is at the present time only about $550,000. To put the case another way, the first preferred stock is selling at around $11 per share, even though almost $7 was earned on each share last year.

The case of the minority stockholders, as presented by the protective committee which has just been formed, is as follows:

"Since June 9, 1908, this magnificent railroad property, a line of first importance in the bituminous coal roads of Ohio, with shipping facilities on Lake Erie second to none, with coal shipping properties on its lines having an annual capacity of eight million tons, has been in the hands of a receiver, and beyond the control and direction of its stockholders. This condition arises not from any inherent fault of the property itself, but from

ITS ENTANGLING ALLIANCE

with the Wabash-Pittsburgh Terminal Railroad Company, which alliance was forced on the Wheeling & Lake Erie Railroad Company by the parties interested in constructing and financing the Wabash-Pittsburgh Terminal Railway Company. This control is twofold, first, due to two pretended traffic agreements, dated respectively October 10, 1902, and May 10, 1904, compelling the payment of large arbitraries by the Wheeling & Lake Erie Railroad Company to The Wabash-Pittsburgh Terminal Railway Company; and second, by ownership by the Wabash-Pittsburgh Terminal of a majority in face amount of the stock of the Wheeling and Lake Erie.

"Under said pretended traffic agreements, the Wheeling & Lake Erie, prior to its receivership, paid The Wabash-Pittsburgh Terminal Railway Company, in cash and notes, approximately $600,000, and suffered actual losses in operation through interchange of traffic with said Railway Company, in that the division of rates allowed it under such contracts did not cover the actual operating cost of handling such traffic, said losses amounting to approximately $1,500,000. The Protective Committee is advised by counsel that said traffic agreements aforesaid were void in their inception; that all payments made thereunder were unlawful, and that an accounting under such agreements should be had in favor of the Wheeling & Lake Erie by appropriate legal proceedings, to the end that the stockholders of The Wheeling & Lake Erie Railroad

COMPANY MAY RECOVER

all that they have lost by reason of the enforcement of the two traffic contracts under the circumstances above set forth.

"The dominant control of the Wheeling & Lake Erie by the Wabash-Pittsburgh Terminal, although representing a majority in face amount of capital stock, has never at any time represented a majority in interest of the total market value of the outstanding stock, and at the present time, taking the average values of the first preferred, second preferred and common stock, such majority in face amount represents less than forty-six per cent of the actual market values of said outstanding stock."

This contention of the minority holders arises from the fact that in acquiring control of the Wheeling & Lake Erie property the Gould syndicate bought much more of the common stock than of any other issue. The majority holdings of the Wabash-Pittsburgh Terminal Company are as follows: $11,870,000 of the $20,000,000 common, $847,500 of the $5,000,000 first preferred and $6,423,800 of the $12,000,000 second preferred. The majority interest, therefore, represents $19,141,300 in par value against a minority of $17,839,100 in par value. The contention of the protective committee, however, is true that now as at all times in the past the minority although less in par value is more in market value. At ruling bid prices, or 4 for common, 5 for the second preferred and 11 for the first preferred, the market value of the majority interest is $889,215, while the market value of the minority interest on the same basis is $1,059,019.

In this connection it should be noted that this controlling interest in Wheeling & Lake Erie is

CARRIED ON THE BOOKS

of the Wabash-Pittsburgh Terminal Company at its original cost of $6,000,000, even though the present market value of the securities constituting this control is only $889,215.

The protective committee continues the argument of its case by some interesting figures with reference to the decline in market values of the company's securities, although its business has been steadily increasing as follows:

"The following statement shows the market value of the various classes of stock of the Wheeling & Lake Erie at the time the Wabash-Pittsburgh Terminal Railway Company syndicate first bought into the Wheeling & Lake Erie in 1912, compared with the value of the same stock in the year 1911. Taking the highest and lowest prices of the several classes of the same stock as a basis, and averaging the same from 1902, the year in which the Wabash-Pittsburgh Terminal interests acquired control of a majority in face amount of the stock, we find that the average price has declined in the successive years as follows:

	Common.	First preferred.	Second preferred.
1902	$23⅜	$57⅜	$35 3-16
1903	19⅜	51½	29¼
1904	18¼	44⅛	26⅛
1905	17⅜	42	24⅛
1906	16⅝	42¼	23⅝
1907	11⅝	25⅜	14⅞
1908	5⅝	19¼	10⅞
1909	8 15-16	20 14-25	10⅝
1910	6¼	15½	8⅜
1911	4⅛	12 5-16	5⅛

"On the other hand, the net income for the year ending June 30, 1902, as shown on page 25 of the Annual Report of the Receiver for the year 1911, heretofore sent you by the receiver, was $78,023.75, the net income for the year ending June 30, 1911, being, as above shown, $247,960.99 (deduction of $400,000 being made for interest on $8,000,000 five per cent notes as aforesaid), the court, on August 22, 1908, having instructed the receiver to discontinue payments to the Wabash-

(Continued on page 1924.)

Digitized by Google

Municipal Bond Sales

MUNICIPALITY.	Date of sale.	Classification of bonds.	Amount.	Rate of Interest Per cent	Maturity.	Sales price	Purchaser.	Income basis.
New York City	Oct. —	Corporate loan	[illegible]	[illegible]	1936	par	Sinking Fund	3
Quincy, Mass.	Nov. 2	Various purp.	1,000	4	**[illegible]	[illegible]	[illegible] & Co. Boston	3.70
Mare Island, Miss	Nov. 10	Municipal imp.	[illegible]	4	[illegible]	[illegible]	[illegible] D. Packer & Co.	3.81
[illegible]	Oct. 28	Sewer & paving	11,000	4	[illegible]	[illegible]	[illegible]	3.97
Cleveland, Ohio	Oct. 28	Bridge	[illegible]	4	[illegible]	[illegible]	C. E. Denison & Co.	3.97
Cincinnati, Ohio	Oct. 28	Improvements	[illegible]	4	[illegible]	[illegible]	[illegible] Trust Co.	3.98
Cincinnati, Ohio	Oct. 28	Sew. D. No. 1	[illegible]	4	[illegible]	[illegible]	[illegible] Trust Co.	3.99
Stanley Co., N. D., Lemon S. D.	Oct. —	Building	2,000	4	1951	par	State	4
Dunseith, Co., N. D., Gascoyne Sch. Dist.	Oct. —	Funding	2,000	4	1931	par	State	4
Barnes Co., N. D., Sibley S. D.	Oct. —	Refunding	800	4	1931	par	State	4
Cass Co., N. D., Arthur S. D.	Oct. —	Building	2,500	4	1951	par	State	4
Emmons Co., N. D., Sauk Creek Sch. Dist.	Oct. —	Refunding	900	4	1931	par	State	4
Emmons Co., N. D., Winchester Sch. Dist.	Oct. —	Refunding	1100	4	1931	par	State	4
Emmons Co., N. D., Winchester S. D.	Oct. —	Refunding	1,000	4	1921	par	State	4
LaMoure Co., N. D., Sheridan S. D.	Oct. —	Building	1,700	4	1951	par	State	4
McHenry Co., N. D., Miner S. D.	Oct. —	Building	2,000	4	1951	par	State	4
Morton Co., N. D., Sunny Slope S. D.	Oct. —	Building	800	4	1931	par	State	4
Pembina Co., N. D., Crystal Sch. Dist.	Oct. —	Refunding	2,000	4	1931	par	State	4
Sargent Co., N. D., Ind Sch. D.	Oct. —	Building	1,500	4	1951	par	State	4
Sheridan Co., N. D., Heilman Sch. Dist.	Oct —	Building	700	4	1931	par	State	4
Towner Co., N. D., Monroe S. D.	Oct. —	Building	1,000	4	1931	par	State	4
Wells Co., N. D., Helmut S. D.	Oct. —	Building	2,000	4	1931	par	State	4
Ward Co., N. D., Johnson S. D.	Oct. —	Building	800	4	1931	par	State	4
Williams Co., N. D., Medicine Lodge Sch. Dist.	Oct. —	Building	2,000	4	1931	par	State	4
Williams Co., N. D., Wide Rose Sch. Dist.	Oct. —	Building	2,000	4	1931	par	State	4
Perth Amboy, N. J.	Nov. 2	Sewer	7,000	4½	1941	102.703	R. [illegible] Bros., New York.	4.266
Perth Amboy, N. J.	Nov. 2	Street imp.	4,000	4	1926	102.675	R. [illegible] Bros., New York	4.266
Hempstead, N. Y., S. D. No. 1...	Oct. 2	Improvements	5,000	4	**1936	par	Hempstead Bank	4.33
Fort Scott, Kansas	Nov. 6	Sewer	15,000	4½	*1922-31	[illegible]	[illegible] State Bank	4.354
Collingswood, N. J.	Nov. 8	Improvement	7,000	4½	1941	99.386	Clark, Dodge & Co., Philadelphia	4.441
Bethel, Ohio	Oct. 31	Street imp.	3,000	6	**1-7	[illegible]	Bethel Banking Co. Bethel	4.421
Allenhurst, N. J.	Nov. 8	Permit. Ord. imp.	30,000	4½	1926-30	[illegible]	Asbury Park & Ocean Grove Bank	4.49+
Otero County, Colo.	Nov. 2	Refunding	75,000	4½	1926-30	par	[illegible] Wells & Co. Denver	4.50
Canajoharie, N. Y.	Nov. 8	Paving	50,000	4½	**[illegible]	[illegible]	Canajoharie National Bank	4.50
King County, Wash.	Oct. 31	Highway	200,000	4½	*1916-30	par	Dexter Horton Nat. Bank, Seattle	4.50
Manistee, Mich.	Oct. 17	Funding	70,000	4½	1921-25	par	Geo. [illegible] & Co., Chicago	4.50
Centerville, Miss.	Nov. 7	Sewer & pav.	10,000	4½	[illegible]	par	Wells & Dickey Co., Minneapolis	4.50
Santa Barbara, Cal.	Nov. 8	Water ext. tun	60,000	4½	*1916	par	State	4.50
Steubenville, Ohio	Nov. 7	Water mains	3,500	5	**[illegible]	[illegible]	Seasongood & Mayer, Cincinnati	4.553
Buncombe County, N. C.	Nov. 7	Refunding	50,000	5	1931	[illegible]	R. M. Grant & Co. New York	4.721
Sioux Falls, S. D.	Nov. 7	Water works	[illegible]	[illegible]	[illegible]	[illegible]	Seasongood & Mayer, Cincinnati	4.858
Sioux Falls, S. D.	Nov. 7	Sewer	200,000	[illegible]	1951	[illegible]	Seasongood & Mayer, Cincinnati	4.858
Clinton County, Ill.	Oct 30	Water works imp.	12,000	**1 to	1911-30	N. W. Harris & Co., Chicago		4.90
Orange Co., Cal., Fullerton High Sch. Dist.	Nov. 8	Building	100,000	5	**5-20	100.342	Wm. R. Staats, Los Angeles	4.97
Houston Heights, Tex.	Oct. 10	Improvement	150,000	5	1-40	par	Cluett, May & Co., Chicago, Southern Bond Co., Kansas City	5
Auglaize County, Ohio	Oct. 19	Court	4,000	6	*1½	101.05	Seasongood & Mayer, Cincinnati	5.208
Choteau Co., Mont., S. D. No. 57.	Nov. 4	Building	4,000	5½	1[illegible]	par	State Board Land Commissioners	5.50
Pelham, N. Y.	Nov. 2	Fire fire dist.	6,000	6	**1-9	102.76	J. J. Hart, Albany	5.518
Catawissa, N. C., Sch Dist.		Funding	6,000	6	1921	par	Unknown	6
Adams County, Ind.	Nov. 9	Road	2,000	4½	*[illegible]		J. F. Wild & Co., Indianapolis	
Adams County, Ind.	Nov. 9	Road	2,450	4½	*[illegible]		J. F. Wild & Co., Indianapolis	
Adams County, Ind.	Nov. 9	Road	3,150	4½	*[illegible]		J. F. Wild & Co., Indianapolis	
Ansonia, Neb.		Water	5,000	[illegible]	10-20		State	
Atlanta, Ga.		City ref'd'g	600,000	4½	1941		Unknown	
Bassano, Alberta, Sch. D. No 21.		Building	5,000	6	1931		C. A. Stimson & Co., Toronto	
Bellefille Ont.		Sch. building	7,000	4½	1941		Wood, Gundy & Co., Toronto	
Canton, Ohio	Nov. 6	Improvement	17,000	4½		101.866	Seasongood & Mayer, Cincinnati	
Canton, Ohio	Nov. 6	Imp. various p'p's	3,500	4½		101.866	Seasongood & Mayer, Cincinnati	
Canyon Co., Ida., S. D. No. 50.	Nov 4	Building	7,000				D. N. Wright & Co., Denver	
Chippewa, Ont.	Oct. 25	School	11,000		1941		Ontario Sec Co., Toronto	
Corinth, Miss.		School	7,000				Unknown	
Cuyahoga County, Ohio.	Nov. 8	Assessment	14,000	4½		102.306	First National Bank of Cleveland	
Cuyahoga County, Ohio.	Nov. 8	Road imp.	35,000	4½		102.28	First National Bank of Cleveland	
Edmundston N. B.		Debentures	5,000	5			J. M. Robinson & Sons, St. John	
Ellwood City, Pa.	Oct. 25	Street imp.	30,000	4½			Washington Invt. Co., Pittsburg	
Ellwood City, Pa.	Oct 25	Sewer	10,000	4½			Washington Invt. Co., Pittsburg	
Etobicoke Township, Ont.		Subway	8,000	5	1941		New Empire Corp., Ltd., Toronto	
Etobicoke Township, Ont.		Debentures	10,000	5	1941		New Empire Corp., Ltd., Toronto	
Greenville, Texas		Water works ext	50,000	5	1951		Unknown	
Hazleton, Luzerne Co., Pa., S. D		Building	40,000	4			Unknown	
McLennan County, Texas	July 10	Road	300,000	5			Spitzer, Rorick & Co., Toledo	
New Brunswick, Can.		Subway	5,000			95	R. L. Day & Co., Boston	
New Castle, B. C.	Oct. 25	Debentures	10,000	5	1951		Dominion Securities Co., Toronto	
New York City	Oct. —	Special	40,000	4			Unknown	
New York City	Oct. —	Various	40,000				Unknown	
New York City	Oct. —	Water notes	1,000,000	[illegible]			Unknown	
New York City	Oct. —	Water notes	1,000,000	[illegible]			Unknown	
New York City	Oct. —	Water notes	1,000,000	[illegible]			Unknown	
Reed City, Mich.	Nov 9	Wat. & ref'd	40,000			101	Municipal Securities Co., Grand Rapids	
Sand Point, Idaho			7,000	6			J. H. Causey & Co., Denver	
Seattle, Wash.	Oct. 24	Sewer	11,000	[illegible]	1931		Unknown	
Seattle, Wash.	Oct 30	Sewer	11,000	[illegible]	1931		Unknown	
Seattle, Wash.	Oct. 3	Asphalt	11,000	[illegible]	1911		Unknown	
Seattle, Wash.	Oct. 7	Improvement	9,000	[illegible]	1911		Unknown	
Seattle, Wash.	Oct. 3	Sewer	9,000	[illegible]	11-31		Unknown	
Seattle, Wash.	Oct. 3	Sewer	9,000	[illegible]	11-31		Unknown	
Sydney, N. S.		Dr. [illegible] & W.	10,000	[illegible]	[illegible]		[illegible] & Co., Toronto	
Teague, Texas	Sept. 20	Street imp.	15,000	[illegible]	[illegible]		Unknown	
Union City, Ohio	Nov. 6	Improvements	[illegible]	[illegible]	[illegible]	102.116	[illegible] & Co., Cincinnati	

* Year average. ** Year serial. † Year optional.

Digitized by Google

Bond Certification

Modern conditions make the registration and certification of municipal and corporate obligations desirable and convenient. We have a department maintained exclusively for this purpose.

First National Bank of Boston
70 Federal Street

6%

First Mortgage Bonds

Thirty Years as Investment Bankers Without a Dollar Loss.

This record is the investor's assurance of absolute safety and signifies that our business judgment, our reputation, our integrity and our honor are back of every security we offer.

We solicit the investments of all, whether the sum be $500 or $100,000. To the man of small means, we assure the same absolute safety as secured by the large capitalist. We deal in the highest class of securities and in no other—FIRST MORTGAGE BONDS on improved Chicago Real Estate—in denominations of $500 and $1,000.

Request special circular No. 3.

S.W. STRAUS & CO
INCORPORATED

Mortgage and Bond Bankers
ESTABLISHED 1882

STRAUS BUILDING CHICAGO

EXTRA DIVIDEND DECLARED.

At a recent meeting of the board of directors of the New First National Bank, of Columbus, Ohio, the regular semi-annual dividend of 5 per cent on the $500,000 stock of the institution was declared, together with an extra dividend of 5 per cent, making 10 per cent in all, which was paid November 1.

These dividends, the thirtieth and thirty-first, which the bank has declared, will make 20 per cent which has been paid to the stockholders this year, 5 per cent regular and 5 per cent extra having been paid May 1. The dividends just declared, aggregating $50,000, make a total of $704,000 which the New First National has paid to its stockholders. The year just closing has been the most successful in the history of the institution.

BANK ITEMS.

RIVERDALE, CAL.—The Bank of Riverdale has been organized with $25,000 capital. G. C. Arydelott, Louis E. Gobby, J. B. Lewis, Homer J. Hoyt and A. D. McKean are interested.

SASAKWA, OKLA.—The Bank of Sasakwa has increased its capital to $15,000.

WILMINGTON, N. C.—The Home Savings Bank has been chartered with $100,000 capital. J. W. Little, J. H. James, C. Van Leaven and W. W. Love are interested.

City and Town Treasurers

The Old Colony Trust Company is one of the largest and strongest banking institutions in the country. Its tremendous resources and its strong position in the confidence of the public make our services in the preparation and certification of Municipal Bonds of unusual value to city and town treasurers.

Our plan for handling this work is the safest and most systematic that experience can suggest, and it is so economical that the entire cost is within the means of the smallest municipality.

It affords absolute protection not only to the issuing community and its officials but also to the banker and investor. It has already been adopted by many cities and towns throughout the country and has the unqualified endorsement of all bond dealers.

The marked preference shown by investors for bonds issued under our plan has resulted in a distinct enhancement of their market value. *Kindly send for descriptive pamphlet.*

OLD COLONY TRUST COMPANY

COURT STREET BOSTON TEMPLE PLACE

Notice to Bond Buyers

Five Hundred and Twenty-four Thousand Dollars ($524,000.00)
Refunding Bonds of the City of Houston, Texas

Sealed bids will be received by the City of Houston, Texas, until 12:00 o'clock noon, Monday, December 11th, 1911, for the issue of Five Hundred and Twenty-Four Thousand Dollars ($524,000.00) Five per cent (5%) Refunding Bonds, bearing date the 16th day of October, A. D. 1911, interest payable semi-annually at the office of the Union Trust Company, in the City of New York, said bonds to run Thirty (30) years, with an option reserved by the City of Houston to pay same at the expiration of Twenty (20) years.

Each bid for the above issue of bonds must be accompanied by a certified check on a Houston bank, payable to H. B. Rice, Mayor, for One per cent (1%) of the face value of said issue as a guaranty of good faith; bonds to be delivered and money paid in Houston, Texas.

The City of Houston reserves the right to reject any and all bids.

H. B. RICE,
Mayor of the City of Houston.

Attest.
Dan C. Smith, Jr.,
City Secretary.

SOUTHERN PACIFIC COMPANY
DIVIDEND NO. 21.

A quarterly dividend of ONE DOLLAR AND FIFTY CENTS ($1.50) per share, on the Capital Stock of this Company, has been declared payable at the Treasurer's Office, No. 120 Broadway, New York, N. Y., on January 2, 1912, to stockholders of record at three o'clock P. M. on Friday, December 1, 1911. The stock transfer books will not be closed for the payment of this dividend.

In order that Dividend Checks may be promptly and accurately sent to our stockholders it is necessary that dividend orders should be filed with the undersigned, otherwise no such dividend will be paid except personally to the stockholder of record or to his duly authorized agent, and in either case only when satisfactorily identified. Blank orders can be had on application. A. K. VAN DEVENTER, Treasurer.
New York, November 9, 1911

CITY OF TUSCALOOSA

Tuscaloosa County, Ala.

Proposals will be received until Dec. 5th, 1911, for $35,000.00 5% 30-year Public School Bonds; denominations $500.00 each semi-annual, payable, New York City. For further particulars, address, S. Friedman, Commissioner.

INTERNATIONAL SMELTING & REFINING COMPANY.

42 BROADWAY, NEW YORK, Nov. 14, 1911.

The Board of Directors have this day declared a quarterly dividend of two per cent (2%) on the outstanding capital stock, payable December 1, 1911, to stockholders of record at three o'clock P. M., Thursday, November 23, 1911. Transfer books close at three o'clock p. m., November 23, 1911, and reopen at 10:00 o'clock a. m., December 2, 1911.

J. W. ALLEN, Secretary and Treasurer.

Digitized by Google

United States Investor

Published Every Saturday Morning by

FRANK P. BENNETT & CO., Inc.

SUBSCRIPTION RATES

$5.00 per annum in United States and Mexico; $6.50 per annum in Canada.

$7.00 per annum in England, the Continent, Australia and Countries in the Postal Union.

$10.00 per annum for Investor and Inactive Securities Supplement, including privilege of inserting quotations in the Supplement.

ADVERTISING RATES

Twenty-five cents per agate line. There are fourteen agate lines to the inch.

PUBLICATION OFFICE.

530 Atlantic Avenue, Boston.

NEW YORK OFFICE,

2 Rector Street, New York.

JOSEPH L. BARKER, Manager.

Washington Office, 208 Corcoran Building; Philadelphia Office, 308 Chestnut Street.

Entered at the Post Office at Boston, Mass., as second class matter.

Word has come to the Currency Bureau in the Treasury Department from a larger number of state bank supervisors promising assistance to the national authorities in enforcing the prompt payment and remittance of items sent to banks by other banks for collection. This subject was taken up by the comptroller some time ago at the instance of bank authorities who found themselves greatly annoyed by the failure of many banks in different parts of the country to meet their obligations when thus sent to them for collection. The supervisors report that, in a good many states, similar trouble has been encountered in connection with state banks. The practice of delaying remittances is one that can, however, be quite easily corrected through the co-operation of state and federal officials.

It is now tolerably certain that one of the principal struggles of the winter session of Congress will centre around the question of tariff legislation. This, of course, has been freely predicted for a long time, but it has not been certain until now that a straight-out contest regarding the subject would be undertaken. The imminence of the controversy is due to the fact that the Tariff Board has definitely informed the President of an intention to report on the subject of wool and woolens at the opening of December, while Mr. Taft has let it be known that he will send his recommendations on this subject to Congress practically at the opening of the session. As the President has also unofficially signified that he will not consider any bills relating to schedules that have not been investigated by the board, the struggle is narrowed down to woolen and cotton textiles, these being the only matters that have been subjected to study by the board thus far.

General approval has been manifested by the speculative and investing public at the decision of the court in the tobacco trust case wherein it practically approves the plan suggested by the tobacco company, including, however, a few of the modifications urged by the attorney-general. The evident fear on the part of the community has been that the court would allow itself to be used by the Department of Justice for the purpose of pursuing still further the disintegration of the industry, or that it would yield to the demands of the independent interests in the same connection. In refusing to do so, the court has practically given its approval to the reorganization plan, and this is evidently regarded by the public interested in stocks as a partial guarantee of permanence in the tobacco trade, as well as a forecast of what might happen in the case of other trust proceedings.

BANKING OPINION IN THE WEST.

Speaking before the Western Economic Society at Chicago on November 11, a substantial group of men, representing the political, business and academic life of the community, furnished a decidedly notable contribution to the discussion of current banking problems. The group included Secretary MacVeagh, of the Treasury Department, ex-Governor Folk, of Missouri, ex-Senator Aldrich, the chairman of the National Monetary Commission, Professor J. Laurence Laughlin, the chairman of the National Citizen's League, and several writers on economics, money and banking.

Perhaps the most notable thing about the expressions at Chicago is the fact that there was so decided a unity of general opinion regarding the subject dealt with. There was very little difference of view as to the desirability of banking reform. This was conceded by men of the most diverse characteristics and types of mind. In addition, there was general consensus of opinion that what was needed was co-operation between the banks, and the establishment of a banking system in the proper sense of the term, as distinct from a group of unrelated and unorganized institutions. There was substantial agreement as to what these banks should do in their co-operative capacity. That they should economize reserves, supply rediscounts, and generally aid in the formation and management of a discount market, which would afford opportunity for disposing of the commercial paper of the community was the evident opinion of all competent persons there present. Difference of view began to appear when details of the organization of a proposed new institution to federate the banks were broached. Among these items of disagreement was evidently to be included a difference of view as to what should be the manner of controlling the institution. Politicians, generally, were inclined to urge an increase in the authority of the national government in making appointments. Curiously enough, the same point of view was expressed by some of the academic men who were present. But just the reverse opinion was entertained by the business element which was distinctly and unqualifiedly hostile to political management or to the appointment of political directors to take charge of the proposed institution. Aside from this question of control, the most important divergences of view related to questions of stockholding, methods of discount, and the like.

The gratifying feature of this episode is the fact that men of such very divergent points of view as were there represented have advanced so far toward a unanimous agreement. It would be strange indeed if they had overcome all differences of opinion. Were that the case, probably legislation would not have been so long deferred, but would have been enacted a good while ago. As things stand, the chief danger in the path of banking reform is that a political line will be drawn on the subject. This is foreshadowed by the fact that most of the leading Democrats both among those who expressed themselves at Chicago and those who have spoken elsewhere have distinctly committed themselves to the view of greater government control. Republicans and the business community, generally, are opposed to much government management. We think the Democrats will make a great mistake if they allow themselves to drift off into a policy which would make any new banking institution that may be created a governmental agency. To do so would be to run directly counter to the teachings of history and would not be likely to conciliate that support among the conservative members of the business community which the Democrats have undoubtedly set

Digitized by Google

their minds upon obtaining with a view to the campaign of next year.

OVERDRAFTS.

Comptroller of the Currency Murray has taken strong ground, in a circular to bank examiners, against the further doing of an overdraft business by institutions in the national system. Mr. Murray points out with much force that enormous sums of overdrafts are revealed by bank examinations, and that he asks that the examiners shall do what they can by interceding with bank officers to put a stop to this practice. He has, moreover, written to state bank supervisors asking for their co-operation in the matter.

The interesting thing about the overdraft situation to which the comptroller calls attention is that such overdrafts do not maintain a steady amount but vary a good deal from time to time. The figures given by the comptroller show a very large fluctuation of this kind. That must mean that the granting of such overdrafts to customers is not a necessity in any sense of the word, but is purely a matter of accommodation, the demand for which changes a good deal as conditions alter. Undoubtedly, such is the case, and Mr. Murray is right in thinking that these unsecured, and in some cases unauthorized, loans—for that is what they amount to—are a decided source of possible danger. At some times in the past, the overdraft evil has been very serious, and has resulted in large losses for which no excuse could be given.

While the comptroller is thus clearly right in his position, it is not evident that he has much power in the premises. The national bank act has nothing to say on the subject of overdrafts, and the comptroller can get no authority for checking them, except in so far as such authority is derived from his other powers. This is quite a different situation from that which exists in the states. Many of the states have on their statute books specific provisions against overdrafts, and vest their superintendents of banking with the power to repress the practice. In those states the evil is a good deal less among state banks than it is among national, and it would almost seem as if the appeal for co-operation ought to have come from the state banks and have been addressed to the comptroller rather than have been originated by the latter official. The co-operation of the state banking authorities with national bank examiners can, however, produce some results in this case as it has in others, even though the national examiners may not have the power to take any direct steps.

This question is one that must be dealt with primarily with the assent and aid of boards of directors. In a good many cases, it is probable that such boards are not aware that large overdrafts are being permitted. They may be taken off the books at the times when periodical inspections are made by committees of directors or may in other ways be concealed. In such instances, the whole evil will be corrected by the action of the examiners in bringing it to the attention of the directors, who will then promptly cut it off by ordering the executive authorities of the banks to discontinue the practice. But in some cases, the overdrafts are undoubtedly permitted as a form of unsecured loan. In those, it is doubtful whether the comptroller can altogether eradicate the practice. He is to be commended for attempting to do so, and it is heartily to be desired that bank managers should convert these overdrafts into more formal and better secured types of accommodation.

FEDERAL INCORPORATION.

President Taft, it is stated upon reliable authority, has prepared a new Federal incorporation plan, and is determined to urge it upon Congress. The plan will follow the general lines of the one which was put forward by the Executive at the opening of his term of office, but it will contain much new material. The chief feature, it is now expected, will be provisions whereby the applicants for Federal charters can be tested. That is to say, the proposed plan will specify classes of acts which corporations must not do if they want to receive governmental recognition. If they receive such charters and refrain from doing the acts mentioned, they will be free of molestation by Federal power. If they seek no such charters and continue to do the acts which are proscribed, they will be subject to possible prosecution under the Sherman anti-trust law.

Just simultaneous with this revival of the President's older plan comes the undertaking of investigations by the Senate Committee on Interstate Commerce in the effort to find out the sentiment of the business community as regards legislation of the type proposed. The Senate Committee has been led to make this inquiry partly because of the necessity of getting information to guide it in its study of what is called the Newlands Federal Registration bill. This Newlands bill would grant registration to corporations and would place such registered concerns under the oversight of a trade commission whose duty it would be to keep watch of them. It is clear that this plan is not very different in principle from that of President Taft, although the suggestion of the Executive as now understood is more drastic and goes further. But while there is a general similarity between the two ideas, it should be borne in mind that in such matters details are everything. What seem like unimportant changes may make all the difference between a good and a bad plan. It was for this very reason, that the original Federal incorporation scheme drafted by Attorney-General Wickersham was disapproved. The Wickersham plan would have provided for the granting of charters without any apparent power to revoke them—certainly none that could be effectively exercised. On this showing alone, members of Congress, with considerable reason, felt that the proposition could not be considered in that form. Conversely, the Newlands plan, like the Roosevelt licensing plan which was suggested some five years ago, would probably give a power of revoking or amending charters that would be rather too great. It is not to be expected that concerns would be willing to accept charters or licenses, if the matter were left to their choice, if they were subject to the loss of them at the unreasonable whim of some official. The conditions under which charters must be granted and under which they may be revoked will require long and careful study.

It will be well to defer any definite conclusion as to this proposed remedy for the trust evil until after the Senate Committee has finished its work. When the intelligent members of the community who have been devoting special attention to this subject have been interrogated and render their deliberate opinions, it will be possible to find a verdict with much greater safety than could now be attained. Meanwhile, it is an interesting fact that the evident drift in the discussion of the trust question is decidedly toward a recognition of the existence of large corporations, perhaps of monopolistic corporations, and toward the regulation of them by providing that they shall abstain from certain acts or conform to certain requirements as a fundamental condition of their existence.

BANK ITEMS.

SACRAMENTO, CAL.—The Capital National Bank, capitalized at $100,000, has been organized by W. W. Bassett, G. W. Pettier, F. W. Kiesel, G. H. Anderson and F. L. Martin.

WILSONCREEK, WASH.—Claud T. Bennett, has become cashier of the Citizens State Bank at Wilsoncreek, succeeding G. W. Tupper, who has come to Spokane to engage in banking.

Digitized by Google

Columbia Gas and Electric Record Earnings

Company's Cincinnati, O., Subsidiary Has Increased Its Sales of Gas This Year 100 Per Cent—Its Joint Ownership With the Standard Oil Company of the Gas Business in Cleveland, O., Has Doubled the Company's Earnings From This Source—Surplus Available For Dividends Will Approximate $500,000 This Year, as Compared With Less Than $100,000 Last Year—Company Has Provided For Future by Installing a Productive and Distributive Plant Capable of Handling Twice the Present Amount of Consumption—Stock Looks Attractive as About 10 Per Cent Is Being Earned on Its Present Market Value.

The recent activity at advancing prices in the stock of the Columbia Gas & Electric Company, one of the large public utility holding companies which controls the sale of all gas and electricity in Cincinnati, as well as in many surrounding cities and towns, is quite easily accounted for by the enormous increases in earnings which are being reported every month. For example, the company's subsidiary in Cincinnati has been reporting sales of gas each month, which will show at the end of the year 1911 practically double the amount of gas sold over the preceding year. Excluding the summer months, the sales have been running from 1,000,000,000 to 1,400,000,000 feet, as compared with 500,000,000 to 800,000,000 last year. The average sales per month last year were less than 700,000,000 feet, while sales at the present time are from 50,000,000 to 60,000,000 feet a day.

The stock of the company is now quoted at about 15 bid, offered at 17, as compared with a market of from 7 to 8 a year or so ago. That the

STOCK SHOULD BE ATTRACTIVE

at ruling prices is not strange, in view of the fact that the earnings available for dividends this year are likely to amount to about 10 per cent on its present selling price, and its career of development seems to have only just begun.

These institutions, which have been perfecting the art of central management of diversified public utilities, that is, gas, electric light and street car lines, all seem to have acquired the unfailing habit of going ahead at a rapid rate ever since the possibilities were disclosed by one of the pioneer companies in this line, the American Light & Traction, which in a few years, was credited with the remarkable record of having its stock climb from a selling price of $40 per share to $40 per share in dividends each year.

There is no fact in recent investment history so easily demonstrated as that these diversified public utility securities have been rapidly outstripping every other form of investment, and there is no more recent as well as conspicuous example of this than the Columbia Gas & Electric Company, which will this year show a surplus available for dividends on its stock of over $500,000, as compared with a similar surplus for the year ending December 31, 1910, of a little less than $100,000. These holding companies have all been successful without exception, so that the most attractive one to the investor is naturally the one which is nearest to the beginning of its era of development. Of course, another factor must be considered which is the quality of progressiveness and ability of the management, and on this point, the Columbia Company is in the foremost rank, as few, if any, of these companies in the current year will be able to report that in many of their plants gross

SALES HAVE BEEN DOUBLED,

and the final surplus available for dividends has been multiplied by ten as compared with the previous year.

The ideal equipment for one of these holding companies is a large, growing and compact territory, and an exclusive field for the furnishing of both gas and electricity for power, light, heat and fuel, as well as street car lines to utilize the power generated in the day time. The Columbia Company, through its controlled subsidiary, sells all of the gas and electricity in Cincinnati, Ohio, and in practically the entire county in which Cincinnati is located, including 22 towns and villages. In Covington and Newport, Kentucky, the company has the street railway business, as well the supply of gas and electricity. The company has a substantial interest in the East Ohio Gas Company, which supplies all the gas in Cleveland, Ohio, and 29 other cities and villages in that vicinity. Another very important asset of the company is its ownership of over 260,000 acres of natural gas land in West Virginia and Kentucky, as well as control of the pipe-line system from that section to Cincinnati. On this tract, there are 95 wells with a daily flow of over 160,000,000 feet. It has been proved by test that this territory would sustain several hundred more wells, so that the com-

Digitized by Google

pany is in the fortunate position of having a considerably larger available supply of gas than it is able to sell.

The company by no means, however, is dependent upon natural gas, as it is amply equipped to supply artificial gas to all its plants.

The company's local plant in Cincinnati, the Cincinnati Gas & Electric Company, has the interesting record of having paid dividends without interruption, and with but few exceptions in increasing amounts,

EVERY YEAR SINCE 1853,

with a total of dividends paid up to 1910 of over $34,000,000.

The gross earnings of the Columbia Gas & Electric Company for the year ending December 31, 1911, are likely to approximate $3,000,000, as compared with $2,312,253 for the year 1910. The company has outstanding about $15.000,000 of bonds, on which the annual interest charge is $750,000. The net earnings available for the payment of the interest on these bonds will this year aggregate about $1,250,000, so that the bond interest of $750,000 will be earned nearly twice over, and a surplus of around $500,000 be available for dividends on the stock.

That the stock of the company is becoming attractive to both investors and speculators is not surprising, in view of the fact that the amount available for dividends this year is likely to exceed $500,000, as compared with only $93,114 last year. Of course, the company can hardly be expected to continue this 500 per cent rate of increase, but a conservative estimate from the growth of the territory covered, as well as from the success with which the management is increasing the consumptive demand, indicates that an increase in net earnings of around $500,000 a year can be safely anticipated.

The company has a large and most substantial list of directors, 25 in number. The list includes officials of seven different national banks and trust companies, and among the representative and successful business men is President Taft's brother, Charles P. Taft, of Cincinnati.

The company is in partnership

WITH THE STANDARD OIL

Company in furnishing all of the gas in Cleveland, Ohio, and surrounding towns through the East Ohio Gas Company. Standard Oil Company interests formerly furnished the natural gas in that territory, and the Columbia Company was supplying the artificial gas. A combination was effected, and at the present time, the Standard Oil interests own 75 per cent of the stock of the East Ohio Company, and the Columbia Company has the remaining 25 per cent. The East Ohio Gas Company pays a dividend of 7 per cent on its preferred stock, and earns a large surplus available for dividends on the common, so that the Columbia Company's participation with the Standard Oil Company in control of the supply of gas in Cleveland has been very satisfactory, and has resulted in materially larger profits than accrued to the company formerly.

In its financing, the company has adopted the

VERY CLEAR METHOD

of making its own capital go as far as possible by leasing many of its acquired properties for a long term of years. History has proved the fact that one of these leases of a gas or electric light company invariably means that the leasing company has no chance to lose, and in practical results, the leasing company generally makes enough profit out of the surplus earnings above the stipulated rental to enable it to buy most of the outstanding stock before the expiration of the lease.

The relatively smaller amount of net earnings for the year 1910 is accounted for by the ambitious programme of development and extension which was then adopted. As a result, the company's pipe lines to Cincinnati, as well as the distributing system in Cincinnati, Covington and surrounding territory, now has a capacity of producing, transporting and distributing more than twice the present consumption of gas. While this is making very liberal provision for the future, the rate of increases in the company's business this year clearly indicates that this provision has not been any too ample. P. De Medici.

FINANCIAL INQUIRIES.

Kansas City, Mexico & Orient Railway.

21354. (Michigan.) I will appreciate, and believe a large number of your subscribers would like to have a summary regarding the present condition of the Kansas City, Mexico & Orient Railway, and your opinion covering its prospects to obtain the additional capital required to complete their line, and your opinion as to the bonds with bonus at current prices for a speculative purchase.

Ans.: Construction work on the Kansas City, Mexico & Orient Railway has been retarded in Mexico, during the past year, because of the insurrection, and in this country, because of increased wages, increased cost of material, crop failures and financial depression. Work has nevertheless been continued in Texas, without serious interruption, and at the present time, the total mileage completed and in operation is 976 miles. Contracts have been let for the construction of the line from San Angelo, to Alpine, Texas, and 103 miles of this has been completed out of a total of 220 miles.

On this division grading is completed to Fort Stockton, which is about 60 miles beyond the present end of the completed track and grading is now in progress south from this point and north from Alpine, at which latter point the road crosses the main line of the Southern Pacific. The company now has over 600 miles of continuous track in the United States, and when the extension to Alpine, is concluded, will have 740 miles. Arrangements are under way to build a connection with the line east of Chihuahua, Mexico, which will then give this road nearly

1,000 MILES OF CONTINUOUS LINE,

or with the mountain and Pacific coast sections, 1,150 miles in the system.

During the last four years the officers have had a number of serious conditions to contend with, and when the insurrection broke out in Mexico, stopped all construction work for the time being.

The report is current that a sale has been negotiated quite recently in Paris, of a new issue of bonds amounting to 100,000,000 francs, of which the first block will be for 25,000,000 francs. It is understood these bonds will be 20-year, 5 per cent debentures, par 500 francs, subject to prior redemption at 110 and convertible at option of holder at any time into common stock on a basis of $100 stock for 500 francs of debentures. This money will be used to push construction and to unite the section of railroad already built in the United States, with the eastern Mexican section, forming a continuous line. It is expected that the new bonds will be listed on the Paris Bourse. All bonds are issued on a basis of $22,500 per mile of road built.

The railroad is completed over the Continental Divide in Mexico, and as soon as conditions warrant,

WORK WILL BE RESUMED

to join the mountain division with the division from Topolobampo on the Mexican Gulf. The two construction companies that are building the road have been looked to for payment of interest on the bonds. Their responsibility was to have ceased February 1, 1912, but we understand the railroad has secured an extension of the contract, which provides that the construction companies will continue to pay the interest on the bonds until February 1, 1914, at which time it is hoped the road will be fully completed and able to take care of itself.

We have faith that the plans of the Kansas City, Mexico & Orient, as at present outlined, will be carried to a successful termination, and it is our opinion that the bonds, with bonus, at current prices, offer favorable opportunities for a speculative purchase.

Atlantic, Gulf & West Indies.

21346. (Iowa.) Do you think Atlantic, Gulf & West Indies preferred is a purchase at 16? What do you think of the present condition and future prospects of the preferred stock?

Ans.: At the price you mention, the preferred shares of the Atlantic, Gulf & West Indies Steamship Company appear to be attractive in a speculative way, for, of course, they are not entitled to be ranked as an investment. It is true that despite an increase in gross earnings of nearly $500,000 for the first six months of 1911, there was a decrease in net profits of $57,692, but it is anticipated that the record cotton crop in the South and like factors will have the result of bringing the earnings for the last half of the year up to a level considerably larger than that shown for the corresponding six months in 1910. It is only fair to take into consideration, moreover, the fact that the decrease in net for the first half of the year was very largely due to the liberal policy of maintenance and replacement which is being carried out by the company. It is pointed out that the company has been charging 40 per cent or more of net profits to depreciation and investing this depreciation fund in new boats. The result of this policy is a squeezing out of much of the water left in the stock, even after the reorganization of the Consolidated Steamship Lines, and it is only reasonable to suppose that before long the effect of this policy will be seen in a material improvement in the market position of the preferred shares.

MEADVILLE, MISS.—The Bank of Franklin is being organized with $50,000 capital. F. F. Becker, of Brookhaven, D. R. McGhee, L. A. Whittington and J. F. Hollinger, of this place, and A. M. Dodds, of Elicoton, are interested.

VERDIGRIS, NEB.—The Nebraska State Bank has been organized with $17,000 capital. Emil Schreder is president and A. V. Kauba, cashier.

Digitized by Google

W. & L. E. MINORITY WILL FIGHT.

(Continued from page 1917.)

Pittsburgh Terminal Railway Company under said traffic agreement. This shows what has happened to your property. This showing is also in the face of the fact that during the receivership the interest charge against the property has been increased approximately $250,000 per year, due to interest on receivers' certificates issued for money borrowed and used by the receiver.

"The above statement shows conclusively that if your property is reorganized by itself and free from entangling alliances, it can be made an extremely

VALUABLE PROPERTY,

and one of benefit and profit to its stockholders, and such reorganizations can be accomplished only by prompt and concerted action of the minority stockholders, through a protective committee representing their interests alone.

"Several plans for the joint reorganization of the property of the two companies have been proposed by committees interested only in the Wabash-Pittsburgh Terminal bonds. Every plan proposed, so far as the Protective Committee is advised, would indicate that the Wabash-Pittsburgh Terminal reorganization committees have proceeded upon the theory that by virtue of the Wabash-Pittsburgh Terminal's ownership of fifty-one per cent of the face amount of the stock of the Wheeling & Lake Erie Railroad Company they should be permitted to accomplish a reorganization that would enable the Wabash-Pittsburgh Terminal security holders to recoup out of the Wheeling & Lake Erie the loss they would otherwise inevitably sustain in the Wabash-Pittsburgh Terminal, all at the expense of the minority stockholders of The Wheeling & Lake Erie Railroad Company.

"In furtherance of the interests of the Wheeling & Lake Erie stockholders, leave has been asked by a stockholder, member of the Protective Committee, to file in The Wheeling & Lake Erie Railroad Company receivership suit, at Cleveland, Ohio, an intervening cross-complaint against the receivers of The Wabash-Pittsburgh Terminal Railway Company, its bondholders and the trustees of the mortgages securing its bonds, asking to have said pretended traffic contracts set aside

FOR AN ACCOUNTING

as to the amounts illegally paid and losses due to operation thereunder, in favor of the Wheeling & Lake Erie and its stockholders. The Protective Committee proposes to join in the prayer of said intervening cross-complaint, and force the same to a conclusion."

It would appear superficially, therefore, that the Wheeling & Lake Erie minority stockholders, of whom it is understood there is the surprisingly large number of 2,000, are ambitious to dispossess the majority owners of the property on the theory that their company was illegally obligated to pay to the controlling company 25 per cent of the gross amount of interchanged traffic. They further seem inclined to demand that the payments made under this contract should be returned to the company's treasury, and for the justification of this claim refer to the fact that it was under order of the court that the payments were discontinued. Presumably, these minority stockholders have in mind as a final result that their claims for money to be returned will aggregate more than the present market value of the majority interest in their property held by the Terminal Company, and by inference they say that if the Terminal Company would cancel its majority holdings, leaving the minority as the sole stock owners of the company, they would be inclined to swap accounts. In addition, of course, the Wheeling minority would expect that the 25 per cent traffic contract would be permanently abrogated. If all this could be brought about, the Wheeling stockholders would proceed to take their property out of the hands of the receiver and make

A SHORT CUT TO DIVIDENDS,

and that they could very easily and quickly do this, the earnings of the property during the past year, as well as all other years, eloquently testify.

The fact is, however, that the Wabash-Pittsburgh Terminal, as an isolated terminal property, would have no chance of making any fair return on any considerable portion of its original cash cost. The Wheeling & Lake Erie could easily get along alone, while the Terminal Company could not, but when the Wabash-Pittsburgh Terminal with all its component parts, including the Wheeling & Lake Erie, are put together and operated as one property, with financial necessities taken care of, there can be no question about the satisfactory results, at least so far as the Wabash-Pittsburgh Terminal bondholders are concerned.

The result of this latest move by the Wheeling & Lake Erie minority should hasten action on the part of the dilatory reorganization committees involved, and will doubtless also result in better terms for the Wheeling stockholders than have been suggested in any of the reorganization plans which have heretofore appeared. It is hardly likely that the most important demand of the minority that the majority ownership be in some way dislodged can be effected. The Wabash-Pittsburgh Terminal bondholders have been carved and slashed on every hand, and it is not conceivable that they would permit the diversion of any more of their assets even though they seem to have their hands more than full at the present time in trying to keep what they started in with.

The Wheeling & Lake Erie stockholders, of course, have

JUST CAUSE FOR COMPLAINT,

because there was never any good reason for putting the road into the hands of a receiver. They, nevertheless, have become involved in the intriguing wheels of the reprehensible Gould syndicate, and a majority of the stock of their road, as well as a traffic obligation of their company, was pledged as security for the issue of the Wabash-Pittsburgh Terminal bonds. Even though the situation now appears to be more confused than ever, I am inclined to think that the final result is nearer at hand, because more people are now becoming aware of the iniquities of the whole situation, and a conclusion is likely to be forced much sooner, and it should be borne in mind that the properties involved when properly managed and financed can easily take care of all the just claims of investors interested.

P. DE MEDICI.

REAL ESTATE INQUIRIES.

New Whatcom Wash.

4746. (Naugatuck, Conn.) Please advise me as to the value of lot 4, block 140, Jones and Carlyon's subdivision to block 140 and 143, town of New Whatcom, Wash.

Ans.: This lot is unimproved, fronts 27½ feet on an unimproved street and runs back 100 feet to the side lines of another lot. The assessed value of the lot is $85, and it is worth about $150.

Castro Co., Texas.

4749. (Iowa.) Will you please tell me what is a fair market value per acre at present for the following: Survey No. 5 of league No. 2 of the Delta County school land in block Mloa, Castro County, Texas. Is land about there moving any?

Ans.: This land is worth about $10 per acre. Land in this vicinity is not very active.

Before All Else

there is found in every Union Mutual Policy the first and strongest Purpose of Life Insurance.

Protection

Clear, Faithful Reasonable Contracts. Ask for Particulars.

Union Mutual Life Insurance Co.
Portland, Maine

Fred E. Richards, President.

JANUARY 1, 1911

Insurance in force more than $140,000,000

ASSETS - $36,327,078.03
LIABILITIES - 33,371,841.25
SURPLUS - $ 2,955,237.78

1910 MOST PROSPEROUS IN HISTORY OF THE COMPANY

HARTFORD LIFE INSURANCE CO.

Chartered 1866 Hartford, Conn.

OFFERS SPLENDID OPPORTUNITIES UNDER DIRECT CONTRACTS.

All Forms of Policies.

THE BOSTON MUTUAL LIFE INSURANCE COMPANY

141 MILK STREET, BOSTON, MASS.

HERBERT O. EDGERTON, Pres. FRANK H. VIELE, Sec'y and Treas

A corporation operating under the stringent Insurance Law of Massachusetts.
All desirable forms of up-to-date policy contracts issued.
All weekly premium policies in full immediate benefit.

CORRESPONDENCE SOLICITED.

Digitized by Google

Financial Summary of the Week

Allis-Chalmers Company.—Owing to the change in the Allis-Chalmers Company's fiscal year from June 30 to December 31, the annual meeting which was scheduled for the early part of November, will be held some time in April, at which time a report will probably be issued.

Amalgamated Asbestos Corp., Ltd.—The directors of the Amalgamated Asbestos Corporation, Limited, have decided to default on the December 1 interest on the outstanding $8,000,000 5 per cent bonds, according to reports received from Montreal. A tentative plan for the reorganization of the corporation's finances is said to have been already formulated, providing for the displacement of the present $8,000,000 bonds by $2,000,000 5 per cent mortgage bonds and $6,000,000 income bonds or preferred stock.

American Can Co.—The rumor that the dividend is to be increased on the January payment has been again revived. The rate, however, is not likely to be changed. September, October and November will prove the best three months of business for the Can company, and, should business prove normal, will create a healthy increase in the earnings of the company. The present low rate on tin plate will hardly prove beneficial to the company unless it holds at the present figure for some time, as the Can company has ...ced orders for its requirements of tin plate covering some time, and before the price was reduced.

American Cotton Oil Co.—This company issued a discouraging statement of earnings for the fiscal year ended August 31. Gross profits were $709,089, a shrinkage of $1,509,166, compared with the previous year. After allowing for interest on debenture bonds, which was $170,578 greater than in the previous year, there were net profits of $650,811, a decrease of $1,624,444. Net profits were equal to only 3.52 per cent on the preferred stock, so that the payment of the full dividend of seven per cent left a deficit of $3,52,105. After allowing for the first semi-annual dividend on the common, which was paid early in the year, there was a deficit of $758,682. On August 31, the company had a total surplus of $8,361,462, which was $1,129,453 smaller than in the previous year. The directors have decided to pass the dividend on the common stock. The last dividend was 2½ per cent, and was paid in June. The company paid 5 per cent on the issue in 1910 and 1909.

American Hardware Corporation.—Announcement has been made by American Hardware Corporation that its consituent operating companies have ceased to exist as such, and that instead of continuing as a holding concern, the corporation has taken active charge of operating the constituent companies. It is officially stated that the Department of Justice had nothing to do with the reorganization directly, but that the act was voluntary in view of the recent prosecution under the Sherman law.

American Piano Co.—Sales so far this year have been considerably in excess of the same period of 1910, but it is not expected that earnings will show much difference either way from last year's figures. The smaller margin of profit this year means that people are not so ready to buy expensive luxuries, and more money has to be spent in getting orders. Competition, too, is keen. Were it not for this increased cost of selling, earnings would have been equal to about 8 per cent on the $3,161,100 common stock; while, as it is, they will probably be equal to between 6 and 6½ per cent on the stock. The question of a dividend on the common stock will probably not come up for serious consideration for another year, at the least.

Atlantic Fruit & S. S. Co.—The directors of the Atlantic Fruit & Steamship Company have authorized the proposed $5,000,000 bond issue and have completed the details for the taking over of the Southern Steamship & Banana Company. The Atlantic Company has made an agreement with the Hamburg-American Line under which it will use the steamers of that line during a term of years beginning on January 1 1912.

Bishop-Babcock-Becker Co.—The Bishop & Babcock Company, of Cleveland, makers of air compressors and various types of air pumps, has changed its name to the Bishop-Babcock-Becker Company, and increased its capital stock from $4,500,000 to $8,500,000.

Boston & Albany R. R.—Under a new form of management which gave local attention to the road and new traffic arrangements which gave the New Haven the use of the Boston & Albany tracks and divided income and expenses with the New York Central, which leases the Boston & Albany, the leased road increased its earnings and cut down its expenses in the three months ended September 30. This period is the first quarter of joint operation between the Boston & Albany and the New Haven. The principal increases, as compared with the corresponding period last year, are: Freight revenue, $171,859; passenger revenue, $176,760; total operating revenue, $357,237; net operating revenue, $393,970. Expenses showed a decrease of $16,732.

Chicago Great Western R. R. Co.—The report of the Chicago Great Western Railroad Company for the year ended June 30, 1911, shows gross operating revenue of $12,618,642, an increase of $643,838, as compared with the preceding year. Operating expenses were $9,442,006, and net revenue from operation $3,176,635, a gain of $236,567. Outside operations resulted in an addition to net revenue of $1,594, making total net revenue $3,178,029, from which was deducted $384,502 for taxes, leaving a balance of $2,793,527, against $2,557,462 in the year before. With the addition of other income, total income for the year was $2,934,565, compared with $2,748,371 for the year ended June 30, 1910. After fixed and other charges there was a surplus of $767,907, a gain of $407,371.

Chicago, Milwaukee & St. Paul Ry. Co.—Analysis of the financial statement of the earnings of the Chicago, Milwaukee & St. Paul system, including the Puget Sound extension, indicates this result: Providing that the net earnings of the system do not shrink any further, the St. Paul company, after paying the dividend on its preferred stock will have for the current fiscal year no more than $3,800,000 available for distribution to common stockholders. In other words, it will be about $4,316,000 short of the 7 per cent dividend requirement, showing only 3.27 per cent earned on the common stock.

Chicago Pneumatic Tool Co.—Chicago Pneumatic Tool October sales show a good increase over September. It is predicted that the last quarter's earnings will bring the earnings for the year close to those of last year.

Chicago Subway Co.—The Armour and Harriman interests in the Chicago Subway Company reorganization, it is announced from Chicago, have agreed to accept a 5 per cent income bond instead of a 5 per cent first mortgage bond for the $4,000,000 cash loan made to the company. The income bond will stand on an equal footing for five years with the 5 per cent non-cumulative preferred stock issue. The change in the reorganization plan will diminish the annual fixed charges by $200,000.

Copper Producers' Association Report.—Copper stocks as reported by the Producers' Association showed a reduction of 5,897,215 pounds in October, although the trade had generally expected an increase. This decrease was made in the face of a gain in production amounting to 2,666,492 pounds. The gain was chiefly due to the large increase in exports, which, though amounting to 9,000,000 pounds more than in September, were the lowest of any other month since April. Domestic deliveries also showed a gratifying increase, rising from 57,311,584 pounds to 64,068,307 pounds, the largest deliveries for domestic consumption since June, the actual stocks were on November 1, 134,997,642 pounds, and production in October was 118,235,442 pounds. Exports were 60,084,349 pounds.

Detroit-Edison Co.—Current returns of the company are very much ahead of a year ago, and it is safe to predict that at least 15 per cent will be earned on the present outstanding capital stock this year. For the nine months ended September 30, last, the company not including operations of the Eastern Michigan Edison Company, earned a surplus over interest charges of $500,616, which is nearly as large as the surplus recorded for the entire fiscal year 1910. This is equal to 8.34 per cent on the $6,000,000 capital stock now outstanding, or at the annual rate of nearly 11⅛ per cent. If the figures of operation by the entire system were at hand for the nine months, it is apparent that very much larger percentages than those indicated above would be exhibited.

Delaware, Lackawanna & Western R. R.—Directors of Lackawanna declared a dividend of 35 per cent in stock of the Lackawanna Railroad Company of New Jersey, which was recently increased from $8,000,000 to $11,000,000. This company was organized in 1908 to construct the Lackawanna cut-off from Hopatcong to a point on the Delaware River near Portland, Pa., and the cost of its construction was paid out of the Lackawanna's earnings. The subsidiary is a guaranteed 4 per cent issue.

Empire Steel & Iron Co.—Empire Steel & Iron directors will meet about the second week in next month for action on the semi-annual dividend of the preferred stock of the company. On account of the depressed condition of the iron market and extremely low prices, it is not certain that the dividend will be

MONATON
REALTY INVESTING
CORPORATION

Pays

6% COMPOUND INTEREST
On Money Invested in
Its Accumulative Certificates
Running terms of 10, 15 or 20 yr.

Payments may be made annually, semi-annually, quarterly or monthly.

SECURITY
OWNERSHIP OF NEW YORK INCOME PROPERTY
Affording
Immediate returns on investments and Opportunity for increase of valuation.

For Illustrated Booklet, inquire:

Publicity Department
Times Building
Broadway & 42nd Street,
New York City

INTERNATIONAL TRUST COMPANY
45 Milk St
BOSTON
MASS
INCORPORATED 1879

CAPITAL - - $1,000,000.00
SURPLUS (EARNED) 4,000,000.00
ASSETS - - 20,396,841.43

Collections and Accounts Invited. Interest allowed on deposits.

NEW SAFE DEPOSIT VAULTS
Largest and most Perfectly Appointed in New England

JOHN M. GRAHAM, President
FREDERICK AYER, Vice Prest
HERBERT WELLINGTON, Vice Prest
HENRY L. JEWETT, Secretary

TIMBER and FARM LANDS

There are good opportunities now to secure land and timber that will bring large returns for the money invested.

J. L. WHITNEY & CO.
18 Ziegler Block, Spokane, Wash.

continued at the present rate. In December of last year, the directors of the Empire Company reduced the dividend on the preferred stock from an annual basis of 6 per cent to 4 per cent, and on June 15 of the current year, this was further reduced to 2 per cent. As the stock is 6 per cent cumulative, the accrued dividends now total 21 per cent, equal to $525,000, on the $2,500,000 preferred stock.

Glucose Combination.—About thirty per cent of the independent glucose companies are to be merged, according to plans now being formulated. The company will have a capital of approximately $15,000,000, divided into $10,000,000 stock and $5,000,000 bonds.

Greene Cananea Copper Co.—The Greene Cananea Copper Company, in October, produced 4,158,000 pounds of copper, 127,568 ounces of silver and 763 ounces of gold. The production of gold last month was the largest yet reported by the company, while the production of silver was the second largest on record.

International Agricultural Corporation.—From reports available, it is estimated that net earnings of the company last year practically aggregated $2,000,000, against $1,017,504 during 1910, an increase for the second year of operation of $982,496, or 96.3 per cent. After the payment of the 7 per cent dividend on the $11,694,300 preferred stock, there will remain, on the basis of the above figures, a balance for the common of $1,181,399, which is equivalent to 15 per cent on the $7,448,600 outstanding.

International Paper Co.—Current business of the International Paper Company is good. Shipments are much larger than a year ago, and mills are operating at full capacity. It is the intention of the management to spend $500,000 out of earnings during the next year for improvements.

Mergenthaler Linotype Co.—Around 235 Mergenthaler shows a net return of almost 7 per cent, and in the event that the dividend is increased from $15 to $17 a share, the net return on the stock, if purchased at the price in question, will be almost 8 per cent. A highly important consideration from the investment point of view is that the company has no bonded debt, so that net earnings accrue directly to the stockholders.

National Biscuit Co.—The directors have declared an extra dividend of 2 per cent on its common stock; also its regular quarterly dividends of one and three-quarters per cent on its preferred and one and three-quarters per cent on its common stock. The regular dividend on the common stock is payable January 15 to stock of record December 28. The other dividends are payable November 29, to stock of record, November 15. The company, it is stated, has ample working capital and a large reserve, and is declared to have enjoyed a prosperous year.

National Railways of Mexico.—This company has obtained an advance of $13,000,000 for one year from bankers. The loan dates from November 15, and is said to be in the nature of a private transaction. No short term notes will be issued in connection with it. Announcement is made that $5,000,000 of the advance will be used to pay off a one-year loan, maturing in London, December 1, the balance to be used for additions and betterments.

New York Central & Hudson River R. R. Co.—New York Central Railroad is expected to come into the market shortly for new funds. It is likely that the company will sell approximately $10,000,000 equipment trust notes to pay for equipment ordered.

Nipissing Mines Co.—The Nipissing Mines Company in October, produced 431,986 ounces of silver, having a value of $226,928, and shipped silver valued at $225,282. Of the shipments made last month, about 95 per cent was produced in the company's new high-grade mill.

North American Co.—The North American Company announces that the Milwaukee Electric Railway & Light Company, which it controls, will authorize an issue of $20,000,000 of bonds, which will be used from time to time for improvements made and those contemplated in the future. The Milwaukee Electric Railway & Light Company will sell $2,500,000 of the bonds in the latter part of November or early in December to bankers.

Packard Motor Car Co.—The Packard Motor Car Company of Detroit has sold $2,000,000 five-year 5 per cent notes, maturing December, 1916, to bankers. These notes are a first claim on the assets of the company, which are carried on the books at over $15,000,000. The notes are followed by $5,000,000 7 per cent preferred stock and $5,000,000 common, the latter stock being closely held. Notes were resold to the public to net 5.35 per cent. Practically the entire issue has already been disposed of. The purpose of the Packard Company in selling these notes was to retire bank loans incurred in financing development and expansion work and to provide about $700,000 additional working capital.

Pennsylvania R. R. Co.—Pennsylvania entered upon the last quarter of its fiscal year with a balance available for dividends that was only $1,300,000 short of its 6 per cent dividend requirements on the $457,871,700 outstanding stock. The average amount of stock outstanding during the year, however, was only about $450,000,000, so that the company has already earned the total amount, which it will pay in dividends.

Pittsburgh Brewing Co.—The directors have passed the common stock dividend. The following resolution was carried: "Owing to the depression of general business, which has affected this company in common with other business concerns, and, in particular, the increased cost of materials entering into the manufacture of beer, with the likelihood of the same continuing, the directors decided to discontinue the dividend on the common stock."

Public Service Co. of Illinois.—This company which was recently organized, has acquired the North Shore Electric, the Chicago Suburban Light & Power, the Economy Gas & Electric, Illinois Gas & Electric, and the Kankakee Gas & Electric companies. These companies have a total capitalization of more than $15,000,000. The Public Service Company has sold $4,500,000 of first and refunding five per cent mortgage bonds, the proceeds from which will be devoted to the acquisition of outstanding bonds and notes of some of the companies just acquired.

Pure Oil Co.—It is reported in Pittsburgh that the directors of the Pure Oil Company will meet in Philadelphia shortly and declare a cash dividend of 25 per cent. It is also rumored that the regular dividend will be increased materially.

Sears, Roebuck & Co.—President Rosenwald says Sears, Roebuck & Company's October sales were the best for that month on record, and November was equally as good. Orders average small, but many more in number. Rosenwald will not draw any inferences but says the present conditions of our business is highly satisfactory, and future outlook is most propitious.

Union Carbide Co.—There has been good demand for Union Carbide on the Chicago curb recently, on dividend prospects. People's Gas interests control the company, the earnings of which have been sufficient, it is said, to justify a cash dividend, in addition to the regular distribution, at the next meeting of directors. The company pays 8 per cent. It began dividends at this rate January 1, this year. From April, 1906, to October, 1910, the rate was 6 per cent, and a stock dividend of 40 per cent was declared March 1, 1908. The authorized capital is $14,000,000, of which $10,897,700 is outstanding.

United Railways Investment Co.—According to interests who have recently visited San Francisco, operating conditions for the United Railroads were never more favorable than at present. At the time of the great fire in San Francisco, it was predicted by officials of the company that it would take at least five years to place the property in a position where it could again resume payment of dividends on the preferred stock of the United Railways Investment Company. As about five years have now elapsed, it would seem safe to predict that before very long the question of dividend resumption and payment of back dividends will be given serious consideration.

Union Pacific R. R.—This company has sold $5,000,000 of Oregon-Washington Railroad & Navigation Company first and refunding 50-year 4 per cent bonds to bankers, who have disposed of the entire amount to investors. These bonds are part of the authorized issue of $175,000,000, the principal and interest of which are guaranteed by the Union Pacific Railroad Company. Last May, $25,000,000 of the bonds were sold, which makes a total of $30,000,000 of the issue now in the hands of the public. The Union Pacific still has $10,000,000 of these bonds in its treasury.

U. S. Steel Corporation.—On October 31, this company had unfilled orders of 3,694,328 tons, which is an increase of 83,011 tons, compared with September 30. The increase was something of a surprise to the financial district, which was inclined to look for a small shrinkage. The unfilled orders on the books of the United States Steel Corporation each month since October, 1910, were as follows: October 31, 1911, 3,694,328 tons; September 30, 1911, 3,611,317; August 3, 1911, 3,695,985; July 31, 1911, 3,584,085; June 30, 1911, 3,361,058; May 31, 1911, 3,113,187; April 29, 1911, 3,218,704; March 31, 1911, 3,437,301; February 28, 1911, 3,400,543; January 31, 1911, 3,110,919; December 31, 1910, 2,674,757; November 30, 1910, 2,760,413; October 31, 1910, 2,871,949.

Vandalia R. R.—The Vandalia Railroad passed its quarterly dividend of one per cent, regularly due in November. The company has outstanding $14,649,500 stock, of which the Pennsylvania Railroad owns $11,633,400. The road is a combination of several small Indiana lines which were taken over by the Pennsylvania in 1904. In 1905, the stock was put on a 4 per cent basis and in 1907, the rate was raised to 5 per cent. In February of the present year, a reduction put it back to 4 per cent again. For 1910, the Vandalia reported a deficit of $85,000 after paying the 5 per cent dividend. This year's showing, by months, has compared very well with last season's earnings.

VERNON, ALA.—The Bank of Vernon has been organized with $15,000 capital. A. M. Grunsley and R. Bradley are interested.

FOR

Oil and Gas Land Leases

WRITE

C. W. DEMING

Tulsa, Okla.

FOR HIGH GRADE OIL STOCKS

EQUITY BOND & SECURITY CO.

37 WALL STREET, NEW YORK CITY

TINTICS AND OTHER UTAH STOCKS

Write for reports and for Weekly Market Letter.

WM. H. TIBBALS, Salt Lake, Utah.

EMNAHA COLD MINING COMPANY

Incorporated under the laws of the State of Idaho. Capitalization, $500,000, divided into 500,000 shares. Par value $1.00 per share. Of which 200,000 shares have been placed in the Treasury, for the development of the property.

This Company owns and controls nine claims on Battle Creek, Imnaha, Willowa Co., Ore., on which there are three well defined parallel veins, carrying very rich gold quartz. A limited amount of the shares of the stock have been sold.

For full particulars, address

JOHN SENNETT, Treasurer

79 Milk Street, Room 602 Boston, Mass.

Digitized by Google

Thirteen Cent Copper Again In Sight

Trade Authorities Anticipate Such a Result by January 1—Market Up to 12¾ Cents, and Still Strengthening—October Report of Copper Producers' Association Another Bullish Exhibit—One Month's Supply of the Metal Now in This Market—Domestic and Export Deliveries Both Show Substantial Decreases—An Index of Improving Business Conditions—Adding to the Safety of Present Dividend Rates.

The recent decided up-turn in the security market has been closely reflected in a noteworthy improvement in the condition of the copper metal market. It would indeed be more logical to say that higher prices for the metal, with an accompaniment of good sales, have been a very important influence in elevating not only copper stocks but other securities as well. There is no doubting the fact that the copper market to-day is in a more wholesome position than any which it has attained for months past, and the recovery shows that the market has once more been saved from the disturbance to the dividend prospects of various companies which would naturally follow a 12-cent copper market if maintained for any great length of time.

A TIMELY RECOVERY.

Some months ago when metal prices had worked downward to 12¼ cents per pound there was a decided tendency in some directions to assume a generally pessimistic attitude toward the coppers, because of a belief that the bottom had not been reached and that there would be a further decline to the 12-cent mark or below, a development which in turn would bring serious embarrassment if not absolute disaster to some of the companies which are finding it difficult to make both ends meet on 12¼-cent copper, to say nothing of the probable effect upon the dividends paid by the more prosperous concerns.

Some weeks ago I commented upon the fact that the September report of the Copper Producers' Association was very much better than had been expected, inasmuch as a decrease in stocks was shown, whereas a more or less pronounced increase in these stocks had been predicted. The pessimists refuse to acknowledge defeat, however, and predicted that the

INCREASE IN SUPPLIES

had been nearly postponed for a month. The October report, consequently, has furnished another surprise, for instead of the anticipated increase, there has been a further reduction in stocks of close on to 6,000,000 pounds. Following are the actual figures shown by the Copper Producers' Association report for the month of October, giving the production and consumption of copper in this country for that month, as compared with the preceding month and with October, 1910, together with the stocks on hand at the end of each month. The figures given, of course, represent pounds:

	Oct., 1911.	Sept., 1911.	Oct., 1910.
St'ks prev. mo.	140,884,856	133,441,501	151,472,772
Production	118,225,442	115,588,960	124,657,709
Total	259,150,298	249,030,451	276,130,481
Dom. deliv'ies.	61,068,307	57,311,594	66,359,617
Exports	60,084,349	50,824,011	56,261,238
Total cons'p	124,152,656	108,135,595	122,620,855
St'ks rem'ning.	134,997,642	140,894,856	153,509,626

The October production of 118,255,442 pounds, while representing an increase of 2,666,492 pounds from the September figures, is, nevertheless, smaller than was expected, particularly when it is considered that there was an extra day to be accounted for. Again, there was an increase in domestic consumption which was an even more unexpected feature, for bear operators in the stock market had caused the report to be spread abroad that there was a greatly

REDUCED CONSUMPTION

of the metal. It will be noted that the October increase in domestic consumption, as compared with the September results, was approximately 6,750,000 pounds. This feature of the situation is one which should interest not only holders of copper shares, but investors, generally, since it points to an improvement in business among the brass mills, electrical manufacturers and other large users of copper. Export deliveries furthermore showed up to much better advantage than was expected, since the current reports of widespread business depression in European countries has fostered the belief that the foreign consumers were taking less copper than for months past. Indeed, viewed from every angle the October report of the Copper Producers' Association shows that the attempt to undermine the market for copper shares and other securities had been accompanied by distorted views of a pessimistic character regarding the metal situation from producing, consuming and selling price standpoints.

13-CENT COPPER COMING?

Once more the copper market is fairly close to the 13-cent level, and so far as I can see has not yet exhausted its new found strength. The market has been holding very firm during the past week or so, on a basis of 12⅝ to 12¾ cents for electrolytic. The great part of the copper recently sold has been for delivery in November and December, a fact which indicates that consumers have not been sufficiently confident as to the maintenance of business and of prices to induce them to make commitments beyond the close of the current year. However, I am told that within the last few days there has been a growing tendency to extend the time for delivery. Such a development would not be out of place at this time, but would be in line with other

SIGNS OF CONFIDENCE

in an era of more marked business prosperity. The buying movement in this country has been a great deal better than most people imagine, involving as it has something like 150,000,000 pounds of the metal. It is this home consumption which is affording such marked encouragement to holders of American Copper shares, for it has been truly said that, while the demand from Germany and other European countries is important as a supporting influence, there is no hope of a copper boom while domestic consumers are operating along limited lines. Stocks of copper here represent a little more than one month's supply at the recent rate of deliveries, and taken altogether, it seems to me that the statistical position of the market is stronger than at any previous time during the current year. Copper producers are already discussing the probability of a 13-cent market by January 1, a point of view which is obviously more reasonable than it would have been as recently as three weeks ago.

LARGER EARNINGS.

Of course, the advance to 12¾ cents is a very encouraging development for the producing companies. It is pointed out that the Anaconda, producing at the rate of 265,000,000 pounds per annum at a cost of about 9¼ cents would be able to show a good surplus over current dividend requirements on a 12¾-cent market. As I said in my review of the Anaconda situation a week ago, an increase of one-half cent a pound in profits on the basis of 1910 production would cover the deficit shown last year after the payment of the 8 per cent dividend, and with the reduction in costs, which is such an important feature of the operation of the new Anaconda at the present time, a 12¾-cent metal market, if sustained throughout the fiscal period, should make it possible for the company to earn a substantial margin over its dividend requirements.

The Utah Copper Company, with Copper holding at this level, should earn $2 per share in excess of the $3 per share dividend, and other dividend payers will increase their safety margins in a corresponding degree.

P. De Medici.

REAL ESTATE INQUIRIES.

Tacoma Wash.

4748. (Naugatuck, Conn.) Please advise me as to the value of lots 11 and 12, block 61, Hosmer's Addition, Tacoma, Wash.

Ans.: These lots are about three and one-half miles from the heart of the city, in a section, however, which is fairly well built up with residences of laboring people and small tradesmen. The property is expected to rise when improvements, such as streets, etc., are put in. At present, $150 per lot or $300 for the property is a fair conservative valuation.

Cheyenne Wells, Colo.

4750. (Iowa.) Please tell me what is a fair market value per acre for the following land situated just west of Cheyenne Wells, Colo. Section 19, township 14, range 45. What is the population of Cheyenne Wells and what are its prospects?

Ans.: The town of Cheyenne Wells is a thriving town with about 600 population, and its prospects for future developments are good. The land in question is worth from nine to ten dollars per acre.

YUMA, COLO.—The First National Bank of Yuma has been chartered with a capital of $25,000. W. A. Sheady is president; A. C. Hoch, vice-president, and J. W. Campbell, cashier.

Digitized by Google

The Best Purchases on the Industrial List

As Indicated by the Two Standards of Comparison: of Present Investment Yield on Basis of Current Dividends and Prevailing Market Price, and on Basis of Present Earnings on Prevailing Market Values

The average net yield of the 50 industrial stocks quoted in the following table was 6.37 per cent on November 14, as compared with 6.45 per cent on November 7, 6.30 per cent on January 3, and 5.76 per cent on January 2, 1910.

Recent developments in connection with industrial shares have necessitated several important changes in our list, as given below. In the first place, as was generally expected, the 5 per cent dividend rate on American Cotton Oil common has been suspended, and that issue, of course, has lost its position at the head of our list of dividend payers. The last dividend on this issue was 2½ per cent, and was paid in June, last. The company paid 5 per cent in 1910 and 1909. There is no need of going beyond the figures presented in the company's annual report for the fiscal year ended August 31, to find an explanation of the passing of the dividend, for the company not only failed to earn the 5 per cent common dividend, but likewise fell short of its 6 per cent preferred dividend by a considerable margin, the surplus after bond interest allowances being $359,811, equal to 3½ per cent on the outstanding preferred stock. This compares with 6.78 per cent earned on the common stock in the preceding fiscal year, after making all allowances for preferred dividends and interest charges. The common stock has been showing considerable firmness since the directors took this action, partly because the omission of the dividend had been anticipated and discounted, and partly because there are good evidences to show that the company is improving its position very materially, and will do so much better in the current fiscal year that it may be possible to resume common dividends at no very far distant date. The company is in a strong position regarding net working capital, which, on August 31, last, amounted to $10,582,895, of which $3,445,421 was cash in bank and $7,137,473 was bills and accounts receivable, marketable products, raw materials and supplies. These figures include all deductions for current liabilities.

Cotton Oil common's position at the head of the dividend paying list, has been succeeded by American Malt Corporation preferred, thanks to the recent action of the directors of the latter company in increasing the preferred dividends from 2 to 4 per cent. This action was fully justified by the result of the last fiscal year, which showed 5.65 per cent earned on the preferred.

Another recent development of importance is the declaration of an extra dividend of 2 per cent on the common stock of the National Biscuit Company, so that this issue may properly be regarded as a 9 per cent stock, inasmuch as this 2 per cent payment is in addition to the regular 7 per cent rate. This, by the way, is the second increased disbursement that the junior shares have received since the beginning of the current year. It was only last February that the rate was increased from 6 to 7 per cent. According to a director, this extra payment was made because the company is provided with ample working capital and a substantial reserve fund after enjoying several prosperous years.

Stocks.	Present dividend.	Price.	Yield on present price.	Present rank.	Stocks.	Price.	Earnings on present price	Year ended	
Am. Malt Corp. pref	4	14	6.66	1	Int'l. Mer. Marine, pref.	15	6.67	Dec. 31, 1910	
Am. Beet Sugar, com.	3½	53	6.60	2	[illegible] pref.	53	6.60	Dec. 31, 1910	
[illegible]	1	16	6.25	3	Allis-Chalmers, pf.	14	7.15	Jun. 1911	
Republic I. & S., pref.	7	97	6.18	4	Am. [illegible]	1	10.00	Dec. 1911	
[illegible]	3	48	6.25	5	Am. Beet Sugar, com.	48	6.25	Mar. 31 1911	
U. S. Steel, com.	50	87	5.75	6	West'house Elec. com.	86	5.80	Mar. 31 1911	
Am. Woolen, pref.	7	85	8.23	7	[illegible]	14	7.15	Dec. 31, 1910	
U. S. Rubber, 2d pref.	6	75	8.00	8	Am. Ag. Chem. pf.	71	5.63	Dec. 31 1911	
Texas Pac. & Land, pref.	6	75	8.00	9	Diamond Match, com.	1	1.00	Dec. 31 1910	
Central Leather, pref.	7	97	7.21	10	Sears, Roebuck, com.	150	5.00	Dec. 31, 1910	
U. S. Ind. Alcohol, pf.	7	97	7.21	11	General Elec.	167	4.79	Sept. 30, 1911	
Int'l. Steam Pump, pref.	50	85	7.05	12	Am. [illegible]	48	11.00	Dec. 31, 1910	
Nat. Enam. & Stmp. pref.	7	99	7.07	13	Am. Woolen, com.	1	1.00	Dec. 31 1910	
Pressed Steel Car, pref.	7	99	7.07	14	Int'l. Harvester, com.	110	5.00	Dec. 31, 1910	
U. S. Realty & Imp.	50	70	7.14	15	Am. Malt Corp., pref.	14	14.00	Aug. 1, 1911	
Int. Steel Spring, pref.	50	100	7.00	16	U. S. Realty & Imp.	70	14.00	Apr. 30, 1911	
Am. Steel & Wire, pref.	100	135	6.67	17	Am. Car & Fdy., com.	48	12.50	Apr. 1911	
Va.-Carolina Chem., pref.	100	145	6.90	18	U. S. Ind. Alcohol, pref.	97	7.21	Dec. 31, 1910	
Am. Linseed, pref.	100	145	6.90	19	Colo. Fuel & Iron, com.	18	11.00	Jun. 30, 1911	
[illegible]	100	150	6.66	20	Inter. Paper, pref.	67	14.00	Dec. 31, 1911	
[illegible]	100	150	6.66	21	General Elec.	148	11.25	Dec. 31, 1911	
National Lead, pref.	100	150	6.66	22	General Elec.	153	10.00	Dec. 31, 1910	
[illegible]	50	75	6.66	23	Nat. Lead & Steel, com.	75	10.00	Jan. 1 1911	
U. S. Steel, pref.	100	150	6.67	24	Int'l. Pap. & Paper, pref.	82	10.45	Jun. 1 1911	
National Biscuit, com.	100	147	6.63	25	U. S. Steel, com.	49	10.00	Sept. 30 1911	(9 mos.)
[illegible]	100	150	6.66	26	Am. Linseed, pref.	98	6.12	Oct. 31, 1911	
Am. Smelting, pref.	100	97	6.71	27	Colo. Fuel & Iron, pref.	18	5.56	Aug. 28 1911	
Am. Tobacco, pref.	100	98	6.12	28	Int'l. Steam Pump, pf.	72	5.56	Jun. 30, 1911	
Mex. Light & Pow. pref.	100	145	6.90	29	Western Union	85	5.88	Sept. 30, 1911	
Am. Beet Sugar, pref.	100	95	6.06	30	Corn Prod. Ref. com.	98	6.10	Dec. 31 1911	(6 mos.)
Am. Car & Fdy., pref.	100	145	6.90	31	U. S. Cast Iron Pipe, pref.	42	4.00	May 31, 1911	
Am. Sugar, pref.	100	150	6.66	32	Am. Steel & Wire, com.	71	8.50	Apr. 1911	
[illegible]	100	95	6.06	33	National Lead, com.	100	5.00	Dec. 31 1910	
Am. Sugar, com.	70	113	6.66	34	Brooklyn U.G.	105	5.60	Dec. 31, 1910	
[illegible]	100	150	6.66	35	N. Y. Air Brake	98	5.10	Dec. 31 1910	
Mex. Light & Pow. com.	100	85	7.05	36	Am. Can, pref.	90	7.00	Dec. 31 1910	
Inter. Harvester, pref.	100	150	6.66	37	Am. Tel. & Tel.	135	7.41	Sept. 30 1911	(9 mos.)
Am. Tel. & Tel.	100	150	6.66	38	National Biscuit, com.	111	6.95	Jan. 1 1911	
Va.-Carolina Chem., com.	100	85	5.87	39	Amalgamated Copper	58	6.90	Apr. 30 1911	
Am. Steel & Wire, com.	100	71	7.03	40	Inter. Paper, com.	67	5.97	Sept. 30, 1911	(9 mos.)
Am. Can, pref.	100	90	7.77	41	Am. Sugar, com.	113	6.19	Dec. 31 1910	
[illegible]	100	145	6.90	42	Mexican Corporation, com.	85	6.00	Dec. 31, 1911	
[illegible]	100	150	6.66	43	[illegible]	150	6.66	Dec. 31 1910	
Inter. Harvester, com.	100	150	6.66	44	Va.-Carolina Chem., com.	85	5.87	May 31, 1911	
Int'l. Paper, pref.	100	97	6.18	45	Consolidated Gas	150	5.33	Dec. 31 1910	
Consolidated Gas	100	142	7.04	46	U. S. Rubber, com.	90	4.50	Mar. 31, 1911	
Underwood Typewriter	100	150	6.66	47	Am. Sheet & Tin	40	4.50	Nov. 30, 1910	
Western Union	100	85	5.88	48	Central Leather, pref.	95	4.50	Dec. 31, 1910	
Am. Car & Fdy., com.	100	85	5.78	49	Am. Linseed Oil, pref.	97	7.00	Aug. 31 1911	
Amalgamated Copper	100	58	6.90	50	Inter. Steam Pump, com.	31	4.50	Jun. 30, 1911	(3 mos.)

Digitized by Google

This Week and Next

Market More Bullish Than Week's Price Changes Would Indicate—A Natural and Healthy Reaction in the Face of Good News—Ex-President Roosevelt and the Steel Trust—Wall Street Sees a Friend in a Former Enemy—Whetting the Knife For a Union Pacific Melon—Public Utility Shares as Attractive Investment Mediums—No Satisfying the Appetite For "Melons" and Dividend Plums—Speculation Versus Investment—Throwing Cold Water on the American Can Boom—A Revival of the Pacific Mail Tip About Due.

In all but a few particulars, the financial news of the past week has been favorable in character, yet for the greater part of the time the course of prices has been downward; not radically so, to be sure, except in one or two instances, but enough to show that the market had overtaxed its new-found strength, and needed at least a few days' rest, before further response could be looked for to the activities of the pool leaders. A few weeks ago, there appeared to be but a corporals guard of Wall street men who were willing to stand out from their fellows and to acknowledge that they still had faith in the country and its industries. Now, it is the pessimist who has become a rarity, comparatively speaking, and the strangest feature of this abrupt change is that the one influence which overshadows all others is the definite knowledge that the Steel Trust is to be haled into court, as contrasted with the mere supposition that such a course might be followed. It is this particular volatile quality of that intangible fabric known as market sentiment which makes the course of the amateur market follower paritcularly difficult, although there is

NO PARTICULAR MYSTERY

about the reactionary movement of this last week, which I predicted in these columns a week ago.

To be sure, the decision of the government not to appeal the American Tobacco case, the issuing by the new Court of Commerce of an injunction against the enforcement of the reduction in freight rates in intermountain territory ordered last July by the Interstate Commerce Commission, the placing of good equipment orders by several of the leading railroad systems—all these influences and others have had something to do with the timely rescue of the market from the slough of despond; yet the fact remains, none the less, that the chief reason for the growing belief in a satisfactory settlement of the anti-trust policy is to be found in a conviction that Attorney-General Wickersham is headed toward his Waterloo in attempting to place the Steel Corporation in the position but lately occupied by the oil and tobacco trusts, that of a convicted wrong-doer.

A CHANGE OF OPINIONS

Not the least peculiar feature of a market which is full of surprises is the fact that a man who three or four years ago was practically without friends, as far as Wall street was concerned, is now receiving the almost hysterical approval of his erstwhile critics. Ex-President Roosevelt's utterances regarding the United States Steel Corporation and the Sherman law are so closely in line with the beliefs which market leaders are most willing to entertain at the present time, that they are quite willing to forget the maledictions which they have hurled at his head in the past four or five years, and to hail him as a Daniel come to judgment.

A very impressive demonstration of strength in the Union Pacific's list of assets also had more or less to do brightening the market viewpoint. Those who sold out two months ago at a price several points under the present level presumably have repented of their folly long before this. These very people who at that time were meeting with not a little success in creating doubts as to the permanence of the 10 per cent dividend rate, are now pointing to that profit and loss surplus of about $190,000,000, and talking of a distribution of assets. Of the two extreme views, the latter strikes me as being the most reasonable, since the profit and loss surplus, as will be seen, is very nearly equal to the amount of common stock outstanding.

THE OUTLOOK.

The outlook for the few remaining weeks of 1911 would indicate that movements are unlikely to be as rad-

PHILADELPHIA STOCKS

For the Week Ending Wednesday Evening, November 15, 1911.

Names.	RANGE FOR WEEK Low	High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911 Lowest			Highest			RANGE FROM JAN., 1879, TO JAN., 1911. Lowest		Highest	
Amer. Cement..	...	...	10	.....	10	Sept	19	17½	Jan	4	5¾	1905	46	1900
Amer. Railways.	44	45½	45½	465	42	Jan	10	45¾	Aug	5	21½	1900	58¾	1902
Bell Telephone..	...	...	116½	.....	.....			.....			45	1907	124¾	1909
Cambria Steel...	43½	44	43⅝	1,221	40¾	Sept	22	48¾	Feb	18	13½	1900	49¾	1909
do. Iron	44	44	44	77	43	Oct	2	48	Mar	27	42	1907	128	1882
Elec. Co. of Am.	12	12	12	365	11½	Oct	2	13½	Jan	14	5¾	1902	25	1899
Elec. Storage....	53¾	53½	53	1,121	48½	Jan	3	56¾	June	15	15	1894	194	1899
Gen'l Asphalt...	33½	36⅝	33½	4,739	28¼	Aug	25	39¼	Oct	23	3	1907	34¾	1910
do. pref.	73	74½	73	1,429	68	Aug	28	83¾	Jan	30	11	1905	84¾	1910
Hunt. & B. T...	...	...	5	.....	5	Oct	31	8	June	19	7	1910	42	1896
do. pref.	14	14	14	4	14	Oct	28	27	Feb	1	7¾	1880	59¾	1902
Lake Sup. Corp.	27	28½	27	743	21½	Sept	26	31¾	Feb	4	3½	1908	33¾	1909
Lehigh Valley...	85⅝	90½	88⅝	5,907	76	Sept	12	90¼	Feb	3	17½	1897	121¾	1910
Lehigh Navig'n.	91	93	91	1,307	*84¼	Sept	12	93⅛	July	29	36	1898	131¼	1904
Maraden	...	...	1¾	.....	.....			.....			⅝	1907	28⅝	1899
Penn. Steel.....	...	...	60	.....	.....			.....			5	1894	200	1891
do pref.	100¼	100½	100½	2,000	100¼	Nov	9	105¼	Apr	13	10	1897	117½	1909
Phila. Co.....	53¾	53¾	53½	1,197	48¾	Sept	21	59¼	June	5	33⅜	1907	65¼	1905
do. pref.	42⅞	43	42⅞	412	42	Oct	18	45	Feb	8	34	1909	53	1906
Phil. Elec.....	16	16⅜	16	4,298	16	Nov	15	18	July	17	2	1900	16¾	1910
Phil. Rap. Trans	22	23⅜	22	1,440	16¾	Apr	19	24½	Aug	4	12	1907	37⅞	1909
Phil. Traction...	84½	84½	84½	60	82	Oct	12	87½	July	14	5	1885	102½	1905
Tonopah Min'g..	6 15-16	7 5-16	7	7,873	$ 3-16	Aug	23	8⅜	Jan	17	$ 3-16	1907	21¾	1908
United Gas Imp.	85	86⅜	85½	1,953	84¼	Sept	29	89¾	Jan	9	50	1893	175	1899
Union Traction..	51¾	52⅜	51½	6,058	48	Jan	4	53⅜	July	14	6¾	1897	85¼	1904
Warwick Steel..	10½	10½	10½	3	9¾	Jan	10	11½	Feb	28	2¼	1903	18	1899
W'stm'el'd Co'l.	78	78	78	5	78	Nov	14	91½	Mar	20	45⅛	1879	114	1905

* Ex-dividend. † Trust certificates. ** Temporary certificates.

CHICAGO STOCKS

For the Week Ending Wednesday Evening, November 15, 1911.

Names.	WEEK FOR RANGE Low	High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911 Lowest			Highest			RANGE FROM JAN., 1879, TO JAN., 1911. Lowest		Highest	
Am. Can.....	11½	12⅛	11⅝	1,878	9¾	Jan	27	12⅛	May	22	2⅜	1908	81⅛	1901
do. pref.	89½	92	89¼	1,205	76⅞	Jan	7	92	Nov	10	25⅛	1902	86	1909
Am. Radiator...	300	300	300	10	265	Jan	9	300	Nov.	10	30	1900	300¼	1910
do. pref.	...	...	130	.....	126½	Mar	9	131	Aug	29	90	1898	130	1900
Am. Shipbldg...	...	...	48	.....	48	Nov	7	79	Feb	6	15	1904	84⅛	1910
do. pref.	...	...	108½	.....	110¼	Jan	16	113	May	18	83	1904	112	1910
Chic. City Ry....	...	...	190	.....	185	Mar	23	190	Apr	25	140	1906	176	1898
Chic. Pneu. T'l.	45	46	46	740	39½	Sept	22	55½	Feb	22	18	1904	107½	1902
Chic. Subway...	¼	⅜	⅜	1,245	¼	Nov	14	6	Mar	1	2¼	1910	87⅜	1905
Chic. Telephone.	122	123	123	31	115	Jan	25	124¼	May	17	95	1907	186	1901
C'm'n'w'th Edis	132	132½	132⅝	422	113	Jan	26	137¾	July	15	77	1907	136	1910
Diamond Match.	102½	103⅝	103⅛	168	90	Jan	16	166½	July	11	82½	1910	163	1903
Kan. City Light	16	16½	16½	133	15	Sept	26	25	May	22	29	1910	68½	1906
do. pref.	45	45	45	10	39	Sept	26	72½	Feb	25	68	1908	98½	1906
Met. El.....	...	...	21	.....	19½	Feb	1	28⅝	June	28	12	1898	43	1902
do. pref.	...	...	75	.....	64	Mar	16	***75	July	17	33	1909	93¼	1901
Nat Carbon.....	105	105	105	10	100	Sept	13	120	June	8	15	1889	146	1910
do. pref.	118	118	118	75	106¾	Aug	22	120	Apr	12	72	1900	134	1909
No. West. El....	...	...	29½	.....	20½	Apr	27	33¾	June	30	12¾	1908	55	1901
do pref.	...	...	68½	.....	60	Mar	1	67	Mar	30	44	1904	97	1901
Quaker Oats.....	...	...	198	.....	185	Mar	17	198	June	29	35½	1904	185	1910
do. pref.	105½	105½	105½	10	102½	Feb	8	107½	July	24	73	1903	103½	1905
So. Side El.....	...	...	90	.....	68	Feb	16	90	June	30	46½	1897	130	1901
Streets' Car.....	...	...	8½	.....	8	May	31	13¾	Feb	24	10¾	1910	54½	1909
do. pref.	...	...	38½	.....	40	Oct	31	50	Aug	11	40	1910	111½	1908
Swift & Co.....	80⅞	100¼	100¼	929	97¾	Sept	25	104	June	8	75½	1907	177½	1902
Un. Box Board..	2¼	2½	2⅜	780	1½	Sept	29	7	Jan	6	½	1908	17½	1902
do. pref.	...	...	7⅜	.....	.....			.....			1⅜	1908	71	1902
Western Stone..	...	...	19½	.....	19½	July	25	24¾	Jan	24	14	1908	50	1906

* Ex-dividend. † New. *** Receipts. ‡ Assessment paid.

Digitized by Google

ical in their character as they have been in the last two months. Certainly, I would not care to advise my readers to make promiscuous purchases in the belief that operations on the long side will prove nearly as profitable in the coming three weeks as in the past three. The average for the leading railroad and industrial shares will be found to be well below the high records of July and August, and there are those who are so frankly and unreservedly bullish in their attitude that they are predicting that the turn of the year will see a higher average level than existed at any time in 1911. Certainly, there is no reason why the man with idle money to invest should postpone action, although the fact that political agitation is far from being a dead issue should incline him to conservatism in his commitments. For the consideration of such a one, I would suggest a study of public utility securities, which are less subject to ups and downs of prosperity and less liable to be affected by the vagaries of a political campaign than are the general run of railroad and industrial stocks.

MORE MELON HUNTING.

It is hardly to be wondered at that the pool operators have found it comparatively easy during the past two or three weeks to attract an attentive audience to their reasonable and unreasonable predictions of speculative profit and of "melons" in one form or another. Among the industrial stocks, the increase in the American Malt Corporation preferred dividend from 2 to 4 per cent, the declaration of an extra 2 per cent dividend on National Biscuit common, and the realization of ancient predictions regarding the inauguration of dividends on Beet Sugar common and Rubber common have greatly facilitated the operation of attracting a public following. Like the Pied Piper attracting by his piping a juvenile following, these modern leaders have proclaimed aloud the possibilities or probabilities of coming distributions, and have succeeded, I am sure, in luring from their hiding places, investors, or, rather, amateur speculators, who refused to be enticed by previous

BARGAIN OFFERINGS.

I do not mean by this that the odd lot buyer has departed from the scene, for such is not the case, but my observations incline me to the opinion that many of the little men now watching the market, and placing their orders, are doing so more from hopes of speculative profits than because of more conservative investment requirements. It looks to me, however, as if the ripest melons had already been shaken from the vine, and although, to be sure, there are others ripening, their distribution is more than likely to be a matter of some little time. The announcement of an extra dividend of 35 per cent on Lackawanna has made it much easier for the operators to engineer a substantial rise in Lehigh Valley, on the theory that the latter road is also due to distribute a valuable bonus to the shareholders. Doubtless, there is even more disappointment over the failure of the Lehigh Valley directors to take definite action

BOSTON STOCKS AND BONDS

For the Week Ending Thursday Evening, November 16, 1911.

Names.	RANGE FOR WEEK		Last Sale	Sales for Week	RANGE FOR YEAR OF 1911					RANGE FROM JAN., 1879, TO JAN., 1911.			
Railroads.	Low	High			Lowest			Highest		Lowest		Highest	
Boston & Albany	223	222¼	223¼	80	219	Sept		236	Feb 15	129	1879	*200	1899
Boston Elevated	127½	128	128	473	124½	Oct	3	140½	Aug 2	52¾	1898	190	1901
Boston & Maine	97½	102	102	505	96½	Oct	30	122¾	Feb 15	108¾	1879	230	1857
do. pref.	143	145	145	30	142½	Nov	9	154	June 5	134¾	1891	190	1902
Cent. Verm't 4s	89¾	90	90	4,000	82½	Sept	20	92	Mar 22	75	1904	96¼	1899
C. B. & Q. Jt. 4s	96¼	96¾	96¾	27,000	95½	Jan	5	98¾	June 2	82½	1907	102	1905
Chic. June. R...	...	...	158	.....	156	Apr	29	165	Aug 23	50	1893	172	1904
do. 5s	...	...	101¼	.....	101¼	Sept	23	102	Aug 24	89¾	1891	116	1899
Fitchburg pref.	126	126¼	126¾	57	125	Oct	25	130	Jan 9	63½	1889	148	1905
K.C.,Ft.S.&M.6s	116¾	117	116¾	5,000	115	Mar	22	117	Nov 13	76	1895	126	1902
K.C.M.&B.new6s	...	...	92	.....	91	Oct	27	93½	Jan 3	135¾	1894	103	1895
do. inc. 5s	89	89	89	1,000	87¼	Oct	27	102½	Nov 4	8	1895	104	1900
N.Y., N.H. & H.	138½	140	140	973	128¾	Sept	14	151¾	Feb 22	127	1907	279	1899
Old Colony	189	189	189	150	183	Mar	15	189	June 14	95	1879	221	1898
Rutland pref.	...	...	33½	.....	33	Jan	26	45	Aug 4	6¾	1879	125¾	1902
West End	86½	87¾	86½	67	85	Oct	4	96	Feb 6	43	1894	102	1905
do. pref.	103½	103¾	103½	183	100	Sept	26	106	June 22	78	1886	118¼	1901
Miscellane's.													
Am. Agri. Chem.	53	54½	53¾	465	46¼	Oct	6	60½	May 18	9	1908	60¾	1899
do. pref.	103¼	102	102	485	99	Jan	6	105¼	Mar 1	68½	1903	105	1910
Am. Pneu. Ser.	4¼	4¾	4¾	485	3¼	Oct	7	6½	Jan 31	3	1908	20	1906
do. pref.	15½	16½	15¾	505	12¼	Sept	1	19¾	Jan 31	9½	1909	44	1906
Am. Tel. & Tel.	137¾	141¼	138	5,068	131¾	Aug	30	153¼	Jan 5	88	1907	186	1900
do. 4s	90¾	90¾	90¾	14,100	89¼	Mar	22	92	May 23	71	1907	101½	1901
do. cons. 4s	100	100	109	4,000	104	Aug	25	111¾	June 19	80¾	1908	107¾	1900
Am. Woolen	...	...	30½	.....	27¼	Sept	19	36¾	Mar 20	7¾	1903	48	1906
do. pref.	87	88	87¼	445	85¾	Oct	27	96½	June 15	66	1908	130¾	1906
B. & Wor. Elec.	...	...	9	.....	6	Feb	15	13	July 19	8	1910	29¼	1906
do. pref.	56	57	56	55	53¼	Jan	27	58	July 1	35	1910	90	1906
Cumberl'd Tele.	151	154	151	634	146	Jan	19	158	June 2	98½	1907	152½	1910
Dom. Coal 6s	...	...	97¾	.....	90	Jan	4	98¾	Sept 22	90	1908	101½	1905
E. Boston Land.	10	10¼	10	320	7¼	Jan	1	12	May 1	2¾	1893	18¾	1909
Edis. Elec. Ill.	291	291½	291½	61	275	Sept	9	294	Oct 30	10	1898	310	1908
Gen'l Elec. Co.	153	154	153½	180	142	Sept	22	167¾	May 29	20½	1896	288½	1901
Mass. Elec.	20½	22	21¾	1,735	16	Apr	24	24	June 3	6½	1907	46¾	1902
Mass. pref.	93	95	94¾	661	89¾	Jan	9	95½	Oct 25	27	1907	99	1902
Mass. Gas	90½	91½	91	761	87¾	Sept	28	96¾	Aug 4	30	1903	91½	1910
do. pref.	96½	96¾	96½	328	91¾	Apr	13	98¾	Nov 15	74½	1903	97	1910
Mergenthaler	230	230	230	31	211	Jan	3	250	July 31	118¾	1897	226	1910
N. E. Cot. Y'n.	103	104	104	21	103	Nov	14	119	Mar 14	40	1908	125	1909
do. pref.	102¼	102¼	102¼	6	103	Nov	1	116½	Mar 15	24¾	1903	118	1909
do. 5s	99	99½	99	5,000	98	Oct	6	103	June 20	93	1908	106¾	1901
N. E. Telephone	146½	148¾	148	108	137	Jan	17	150½	June 10	78¾	1879	270	1906
Portland Elec.	70	72¼	72¼	250	63¾	July	29	69	Nov 9	.....	.....	.....	.....
Pullman Car.	157½	159	159	295	153	Sept	26	163	Jan 20	65¾	1901	28¼	1895
Reece But. H.	12¾	12¾	12¾	5	12	Jan	5	16¾	May 22	7½	1884	103	1901
Torr'g'n Co.Cl.A	29	29½	29½	10	28	Nov	15	36	Jan 7	18	1905	87	1910
do. pref.	28½	29	29	3	27	Sept	6	39	July 26	20	1907	85	1909
U'ted Fruit Co.	186	197	193½	2,684	180	Aug	28	197	June 12	72	1901	200	1910
U'ted Fruit 4½s	96½	96½	96½	2,000	95½	Nov	8	97½	Jan 6	95	1910	97½	1910
Un. Shoe Mac'y.	43½	46½	46½	4,099	40¾	Aug	28	58¾	Feb 13	*28	1900	95½	1905
do. pref.	27½	29	28½	1,085	26½	Sept	22	29½	Mar 7	22	1900	39½	1905
West. Tel. & T.	...	...	27½	.....	15	Sept	26	27½	Nov 8	4	1908	33½	1902
do. pref.	...	...	107¾	.....	89	Jan	23	107¾	Nov 9	50	1907	126½	1902
do. 5s	100	100¼	100	3,700	90¾	Jan	3	100½	Nov 13	74	1907	106¼	1902
Mining.													
Adventure	4½	4¾	4½	230	4	Oct	9	7¼	May 18	¶.62½	1907	33	1901
Allouez	29	32	31½	1,871	31	Aug	26	39	Jan 5	5c	1894	74½	1907
Amalgamated	57½	60¾	59½	8,041	44¼	Sept	25	71½	June 26	33¾	1903	129½	1899
Am. Zinc	23¾	25	24¾	3,999	19¾	Oct	5	30¾	June 14	5	1901	67	1899
Arizona Com.	30	50	30	1,205	25	Oct	19	18¾	June 14	7¾	1907	51¾	1909
Bos. & Corbin	5¼	5¾	5¼	175	3¾	Aug	24	15½	June 6	6	1907	25	1908
Butte Bal'kl'n	3½	4¼	3¾	630	3¼	Aug	29	6¾	Jan 4	4½	1910	18¼	1910
Butte Coalition	16¾	18	16¾	2,08	14	Sept	26	20½	May 24	10	1907	43	1906
Calumet & Ariz.	70¼	82	81½	2,797	45	Sept	25	83	June 14	44¾	1910	198	1907
Calum. & Hecla	280	290	285	91	260	Sept	25	345	Jan 4	124	1884	1040	1907
Centennial	10	10½	10½	370	8	Sept	27	16	Jan 3	10c	1896	61	1899
Copper Range	63	64½	64¾	1,190	56¼	Sept	25	69¾	Feb 2	37	1903	105	1907
Daly-West	5½	5¾	5½	320	3	Feb	15	6½	June 21	3½	1910	56	1902
East Butte	10¼	11¾	11	9,53	8¾	Aug	26	14¾	June 26	3½	1908	18¼	1907
Elm River	...	...	10	.....	.10	July	24	30	Jan 6	.06	1910	7	1907
Franklin	7 1-16	8¼	7¾	3,994	5½	Aug	24	14	June 14	4	1879	80	1899
Giroux	4 7-16	5	4 7-16	2,695	3¾	Sept	26	8¼	Feb 6	2¾	1907	13¾	1901
Granby	29	31	29	110	28	Aug	25	48¼	June 21	20	1910	151	1907
Greene Cananea	7	7 5-16	7 5-16	5,577	5 5-16	Feb	9	8	June 26	6	1907	18	1907
Hancock, Con.	16¼	20	18¾	61½	17	Sept	26	30¾	June 19	1¾	1907	36	1910
Helvetia	1¼	1½	1½	85	.75	Nov	1	2	Mar 4	1¾	1910	22	1909
Isl'd C'k Coal	36½	39	38	843	29¼	May	9	40¾	June 3	20¾	1910	53¾	1910
do. pref.	85	88	88	101	82¾	Sept	25	91	June 12	64½	1910	90¾	1910
Isle Royale	15¾	17	16½	3,345	11¾	Aug	24	19¾	June 13	5¾	1908	75	1899
Kerr Lake	3	3½	3¼	280	2¾	Oct	21	7¾	Jan 23	6	1910	35	1907
Keweenaw	.50	1¾	.75	2,495	1¾	May	10	3¾	June 14	2½	1909	7¾	1909
La Salle	4½	5	4¾	525	3	Oct	31	6	Jan 3	3	1908	23¾	1905
Lake Copper	28	31½	29¾	4,831	21¾	Aug	26	40	June 13	4	1907	94½	1910
Mass. Cons.	5½	6¾	6¼	1,485	4½	Aug	25	10	June 19	2¾	1908	37¾	1901
Miami	20	21½	20¾	2,376	16¾	Oct	3	22¾	June 21	4¾	1908	29	1910
Michigan	1¼	1½	1¼	75	1¼	Nov	11	4¼	May 6	1	1909	24½	1907
Mohawk	42	43½	43	227	36	Apr	24	53	June 13	11¼	1908	*97	1907
Nev. Cons.	17¾	17¾	17¾	1,196	15	Sept	25	21¾	June 12	6¾	1907	80	1900
New Arcadian	2¼	2 15-16	2¼	75	2	Sept	29	4¾	May 17	61	1906	195½	1899
Niplssing	7½	7¾	7¾	377	7½	Nov	11	11¾	Feb 17	5	1906	37¾	1904
North Butte	21	23¾	22¾	22,182	20	Sept	25	36	June 13	18½	1910	120	1907
North Lake	4½	5	4½	510	3¾	Aug	23	9¾	June 2	4½	1909	11¾	1909
Old Dominion	43½	44½	44½	637	34¾	Sept	25	49	June 19	9¾	1904	69¾	1905
Osceola	90	92	90	215	81	Sept	22	124	Jan 4	7¾	1899	181	1907
Parrot	9½	10	9½	12	7¾	Sept	22	13½	May 22	5¾	1907	72¼	1899
Quincy	59	60	59	177	55	Sept	22	74	July 24	10	1879	190	1899
Ray Consol'ted	14½	15	14½	2,410	12	Sept	25	18¾	Jan	7¾	1909	37¼	1899
Santa Fe	...	...	.99	.....	.75	Apr	26	1¾	June 13	1	1909	22	1899
Shannon	8¼	8¾	8	201	7	Oct	9	12¾	Feb 6	3½	1904	24¾	1907
Superior Copper	23½	25	23½	40	20	Oct	20	34½	June 14	7	1907	65¼	1910
Sup. & Boston	3	3¾	3¼	540	2	Oct	21	8¼	June 15	18¾	1909	1¾	1908
Tamarack	55¾	56	56	395	50	Sept	26	82	Jan 3	45¾	1910	263	1901
Tennessee	37½	38¾	38¾	30	34¾	Aug	9	43½	June 12	9¾	1901	55½	1907
Trinity	3	3¼	3¼	750	2¾	Oct	5	5	June 20	2¾	1904	42¾	1907
U. S. Smelting	33	34½	34¾	6,250	30¾	Sept	25	40¾	June 14	24¾	1907	70	1907
do. pref.	46¾	47½	47½	950	45¾	Oct	16	49½	June 28	23¾	1907	84½	1909
Utah Cons.	15	16½	15½	1,731	9¼	Jan	20	20	June 26	12¾	1910	*79	1907
Utah Apex	2¼	2¾	2¼	2,230	2	Oct	3	3½	June 15	1¾	1907	10¾	1905
Victoria	2¾	2¾	2¾	50	1	Aug	19	2¾	Nov 10	1	1909	12	1901
Winona	5	5	5	1,01	4	Oct	28	9½	Feb 6	1	1902	32	1899
Wolverine	84	87	85	85	75	Nov	2	122	Feb 10	75c	1893	260	1907

* Ex-dividend. † Assessment paid. ‡ Rights off. § Auction. ‖ Old securities. ¶ Old stock. ∞ Temporary certificates.

Digitized by Google

on the question of an extra dividend than appears on the surface.

HOPE DIES HARD,

however, particularly when professional Wall street has made up its mind that the bright side is the right side, and the Lehigh Valley tipsters and their followers are still looking and longing for that melon.

Likewise, the holders of the American Can shares are entertaining strong hopes that the beginning of the new year will be marked by a decision of the directors to give them something more than the 5 per cent dividend which they are now receiving. The fact that they have entertained similar hopes at frequent intervals, and have on each occasion been disappointed, does not deter them from showing more than a little confidence that this time they will be rewarded for their patience. Unless I am greatly mistaken, their confidence will be misplaced this time also, although it is quite true that the company is making progress, with the probability that sooner or later, there will be an increase in the present rate to 6 per cent, to say nothing of some provision for the funding of back dividends.

PACIFIC MAIL TIP DUE.

Doubtless, the next tip of the kind to be actively circulated throughout the financial district will be centred around Pacific Mail, the perennial candidate for market resurrection. In 1909, the stock was worked up to 48½ on prospects that the ship subsidy bill would be put through, but the measure "petered out". Doubtless, the question will be revived again, or at least, Pacific Mail shares will be stirred into activity at the prospect of such legislation during the coming session of Congress. The last sale reported was at 31¼, so that there is considerable leeway for an upward movement when the time comes to bring the old ship subsidy story from the pigeon hole where it lies buried after the successive killings of the measure in Washington.

THE FORECASTER.

FINANCIAL INQUIRY.

Arctic Ice Machine Co.

21344. (Iowa.) Will you kindly give me what information you can about the Arctic Ice Machine Company of Canton, Ohio, giving market price of its stock, etc.

Ans.: The Arctic Ice Machine Company is in good local standing and credit. We understand that they are doing a good business, and at the present time they have a very good man as manager. There is no market for the stock, either locally or elsewhere, and the last transaction recorded on it was at thirty cents for the preferred stock. We have been unable to secure any detailed information concerning the company's affairs other than those above noted.

WESTFIELD, N. J.—The National Bank of Westfield has been organized with a capital of $100,000. R. I. Richardson, G. S. Laird, P. Traynor, J. Freeman and W. R. Hutchings are interested.

DONIPHAN, NEB.—The Commercial Exchange bank has been organized with $15,000 capital. Charles M. Redman is president, L. J. Berg, vice-president, and B. F. A. Redman, cashier.

Textile Manufacturing Shares

Mills which can make money with business conditions such as they have been during the last two years can certainly increase this amount of profit when business gets back to a fairly normal condition. The management which can turn out cotton cloth at a profit with raw stock costing them 16 cents per pound, can certainly make a larger profit with 10-cent cotton. As noted last week, the general condition of the Fall River mills is better than many have expected, and while it is true that several corporations have passed their dividends, it is encouraging to note that so many more of the mills have kept up their regular rate. Whether the textile mills have passed over their hardest period or not, it is impossible to state. It is probable, however, that the situation will not become worse, and it is to be expected that with the large cotton crop, the coarse goods mills will soon be operating very successfully. The comparative scarcity of long staple cotton has kept the price of stock suitable for fine goods mills at about the same figure that it has been for some time. The fine goods mills will not, therefore, gain so quickly from the new cotton crop, but better business for the coarse mills

MUST LEND CONFIDENCE

to business in general, and there is little doubt but that the fine goods mills will also show better returns in the near future. It is not to be expected that conditions will suddenly jump into great activity, but everything indicates that textile mill stocks will still hold firm and probably advance.

The country is growing faster than we realize. Millions of dollars are being spent for the improvement of docks and shipping facilities. The Panama canal is an achievement which indicates the manner in which this country can perform stupendous tasks. There is no reason why the textile manufacturing business in this country should not be much larger in 1912 and 1913 than it has ever been before. The southern cotton growers are crying for higher prices and the northern mills continually try to lower the price of raw material. This is natural, but at the same time there is great opportunity for more team work. There is no reason why American grown cotton should be exported and then returned to this country as finished cloth. Instead of allowing this practice northern and southern interests

SHOULD BE UNITED,

making it possible for well-managed mills, both in the North and South, to make good.

The fact that tariff revision is expected has a certain effect upon the manufacturing business, but should not cause the lack of confidence which is now expressed by some. The recent Republican defeat in Massachusetts in no way indicates a Democratic victory in the coming presidential election. On the contrary, it may prove to be the influence needed to show the importance of a consistent protection and a systematic study of the country's present needs. As recently expressed by Speaker Joseph Walker: "It is of the utmost importance that tariff rates be high enough to protect American wages. It is equally important that tariff rates be no higher than is necessary for such protection." He goes on to say that the present expert tariff board stands for a thorough, careful and responsible investigation on absolutely non-partisan lines. This policy is one, which, when thoroughly understood, will be accepted by all thinking voters without regard to party.

Our textile mills have made large sums of money during the present times of depression. In addition to this, nearly all of them have installed new machinery and are in a position to make better goods at a lower cost. Mill engineers have brought out new methods in mill construction and machinery manufacturers have introduced numberless improvements in all kinds of textile machinery. Manufacturers of electrical apparatus have worked unceasingly to procure apparatus suitable for driving machinery in textile mills and have accomplished much. The mill share market offers as little inducement to the speculator as it ever did, but the investor who really invests for ultimate returns is still putting his money in our mills and is still continuing to receive good, fair dividends.

COCHECO WOOLEN MFG. CO.

The stockholders of the Cocheco Woolen Manufacturing Company recently received a letter calling for a special meeting to be held for two purposes: First, to elect one new director; second, to determine whether the stockholders would authorise the sale of the property at public auction or private sale and to determine the necessary measures for dissolving the company. Enclosed in this letter was a statement of the Cocheco Woolen Manufacturing Company's financial condition up to May 31, 1911. This financial statement is shown below, and as stated last week, the minority stockholders claim that Parker Wilder & Company have made contracts with the woolen company, incurring obligations in excess of one-half the value of the woolen company's property. As shown by the financial statement, the concern owes Parker Wilder & Company, $204,566.56.

FINANCIAL STATEMENT COCHECO WOOLEN MFG. CO., MAY 31, 1911.

ASSETS.

Real estate and machinery	$100,000.00
Wool	17,739.82
Dyeing and finishing	4,620.71
Repairs	1,415.85
Expense	2,952.55
Fuel	268.45
Oil	217.07
Stock in mill	11,664.07
Cloth	106,471.37
Cash	1,640.28
Dividend fund	99,724.30
New machinery (1911)	8,432.00
Total	$354,566.56

LIABILITIES.

Capital stock	$150,000.00
Parker Wilder & Co.	204,566.56
Total	$354,566.56

Parker Wilder & Company have had full charge of the Cocheco Woolen Company's affairs. They have purchased the raw stock, have acted as selling agents for the finished product, and have been

DIRECTLY RESPONSIBLE

for the mill's management. The minority stockholders claim that Parker Wilder & Company have utterly disregarded the interests of the Cocheco Woolen Company and have bled this concern to the limit. It is claimed that Parker Wilder & Company have charged high prices for wool and have then sold the finished product without holding out for a good, fair market price.

The Cocheco Woolen Manufacturing

Digitized by Google

BENNETT'S

INFORMATION AGENCY

INVESTMENT DEPARTMENT

The wisest men in the United States are those who never make a new investment which they consider good, and never get rid of an old investment which they consider bad, until they have made an investigation of the merits of the investment through BENNETT'S INFORMATION AGENCY.

CONGRESSIONAL INFORMATION

We attend to business at the Treasury Department as well as before Congress, the Courts, and all departments of the United States government, through our Washington office, 208 Corcoran Building, and through our staff of Washington correspondents. If you desire any information from Washington, or any business transacted at the National Capital, we shall be pleased to perform the desired service for our subscribers

PROBATE DEPARTMENT

Information respecting probate matters, in any town or city of the United States, is furnished to our subscribers gratuitously if the inquiry is answered through the columns of the INVESTOR, or for $2.00 if the reply is by private letter.

LEGAL DEPARTMENT

Questions answered by prominent attorneys upon any desired subject for $2.00 each.

MERCANTILE DEPARTMENT

A report regarding the standing and reliability of any firm or individual in the United States furnished for $2.00. Our information goes into the character and individuality of members of a firm and its methods of doing business.

MISCELLANEOUS QUESTIONS

Inquiries of any sort answered for $2.00 each. Send for descriptive pamphlet of the agency.

REAL ESTATE DEPARTMENT

A report upon any piece of property in the United States furnished for $2.00.

Conducted by

Frank P. Bennett & Co., Inc.

530 Atlantic Ave., BOSTON.

308 Chestnut St., PHILADELPHIA

2 Rector St., NEW YORK.

NEW YORK STOCKS AND BONDS

For the Week Ending Thursday Evening, November 16, 1911.

Name.	RANGE FOR WEEK Low	High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911 Lowest		Highest		RANGE FROM JAN., 1879, TO JAN., 1911. Lowest	Highest
Atch. & T. R.R.	106⅝	109	106⅝	43,700	99⅝	Sept 27	110⅝	June 5	3 1-16 1894	152¼ 1896
Atch. & Top. pf.	103⅝	106¾	103⅝	1,700	100¾	Jan 3	106½	June 12	14 1896	107½ 1901
Atch. & Top. 4s	96⅛	96⅝	96⅛	167,000	92⅜	Sept 20	96⅝	Nov 13	61 1894	105⅞ 1902
do. adj. 4s....	91⅞	92	91⅞	7,000	90¾	Mar 29	92½	Jan 26	38 1896	99¼ 1905
At'tic C'st Line.	130	132	131	6,700	117	Jan 3	132½	July 22	58 1907	170 1905
B. & O. Gold 4s.	96⅝	99⅝	99	79,000	97½	Sept 30	99⅝	Oct 10	83 1907	106⅝ 1905
B. & O.S. W.3½s.	90½	91	91	3,000	89½	Sept 29	93	Mar 11	80 1900	96 1899
Balti. & Ohio...	101⅜	103½	102⅝	8,175	98⅜	Sept 29	109¾	July 22	9 1896	120⅝ 1906
do. pref.	89	89½	89	200	85½	Aug 30	91	Jan 4	67½ 1899	100 1906
Brooklyn R. T..	77¾	79¾	77⅞	27,495	74	Sept 25	85⅜	July 20	13 1896	127 1899
B. R. T. conv't 4s.	85¼	86	85¼	179,000	82⅜	Oct 2	88⅜	Jan 28	56 1907	103½ 1905
Canadian Pac...	237¼	242⅝	238⅝	16,300	190⅝	Jan 4	247	July 21	33 1886	202⅝ 1910
Canada South...	...	...	...	...	62	Mar 3	68	May 12	23 1896	97 1902
Cen. of Ga. Con. 5s.	109½	109½	109½	3,000	107⅜	Jan 13	110	July 26	85 1907	120½ 1901
do. 1st inc....	95	95	95	1,000	95	Nov 11	114½	Apr 19	30 1890	102 1910
do. 2d inc.....	96	96	96	18,000	91	Oct 17	108¾	Apr 5	9 1899	101 1910
do. 3d inc.....	...	...	95	.....	85	Feb 24	102	Apr 4	4 1899	100 1910
Central N. J....	300	307	300	1,100	260	Sept 16	295	June 3	31 1885	312 1910
Cent'l Pac. 1¾s.	...	...	90	.....	90	Nov 3	98	Mar 8	75 1906	91 1910
Ches.O. gen.4½s.	102⅜	103½	103½	26,000	100¾	Nov 15	102	May 18	61 1893	111 1908
Chesapeake & O.	74	76¾	74¾	17,100	69⅞	Sept 25	86¾	Feb 10	1 1893	137⅞ 1881
Chic. & Alton...	...	...	19	.....	15	Aug 28	31½	May 23	8½ 1897	74⅜ 1909
do. pref.	...	...	40	.....	40	Oct 6	52	Jan 27	47 1908	95⅛ 1906
Chic. Gr't West.	19⅞	21⅝	20	5,400	17¾	Sept 14	25½	June 5	3⅝ 1897	37⅜ 1909
do. pref. A...	37	40	38	2,700	36	Sept 27	49½	Feb 6	15½ 1896	90⅞ 1891
Chic. M. & St.P.	110⅝	114½	111	70,650	106⅝	Oct 4	130¼	Feb 7	34⅜ 1879	169⅝ 1906
do. pref.	141½	148½	143½	100	141	Sept 14	175½	June 15	74⅜ 1879	218 1908
Chic. & N. W....	144⅝	147⅝	145	3,700	138⅛	Sept 22	150⅝	June 12	49⅞ 1879	271½ 1902
do. pref.	...	...	197	.....	197	Aug 30	201½	Aug 9	128 1893	274½ 1902
Chi.,St.P. & Om.	...	...	144	.....	130⅛	Apr 20	144	June 12	18½ 1881	225 1906
do. pref.	...	...	150	.....	152	Feb 18	152	Feb 18	66 1881	230 1905
Chic. Un. Trac..	1⅜	1⅝	1⅝	100	1⅜	Sept 30	5	June 2	⅝ 1908	22 1902
do. pref.	5	5½	5½	300	4⅜	Oct 18	7⅛	Feb 6	2 1908	60 1902
C.,C.,C. & St. L.	63¾	65¼	63¼	100	60⅛	Sept 15	66	Jan 15	19½ 1886	111 1910
do. pref.	...	...	94½	.....	94½	Aug 22	98	Feb 1	63 1907	124½ 1902
Colo. & South'n.	46½	48½	48½	100	43	Sept 23	69	Jan 18	4⅜ 1889	63¼ 1910
Col. & So. 1st pf.	75	75½	75¼	900	72	Oct 20	84⅜	July 10	35 1889	86 1909
do. 2d pref....	...	...	69½	.....	68	Sept 18	75	Aug 8	12½ 1889	80¼ 1909
Del. & Hudson..	170½	172	171½	1,500	159½	Sept 27	175⅜	June 8	23 1879	240⅜ 1905
Del., L'ck & W.	560	570	570	200	505	Sept 25	570	Nov 10	48 1879	640 1909
Den. & Rio G'de	23⅜	24½	23⅜	1,000	21½	Sept 14	35	Feb 21	4⅜ 1887	100½ 1899
do. pref.	45	50	49	1,100	44	Sept 14	74	Feb 21	24 1894	102⅜ 1901
Dul.,So Sh.& Atl	10	10	10	100	9½	Sept 5	15½	May 1	2½ 1895	24 1902
do. pref.	...	...	21	.....	19¼	Sept 27	28⅝	Apr 4	5 1898	46⅜ 1905
Erie 1st gen. 4s.	79¼	79⅝	79½	55,000	73½	Jan 3	79⅝	Nov 10	55 1908	95 1907
Erie	32¼	33⅞	32½	19,500	27¼	Jan 11	38⅛	June 20	2⅜ 1894	52⅜ 1881
Erie 1st pref....	52⅜	55¼	53	9,850	45⅜	Jan 12	61½	July 1	15 1883	85 1881
Erie 2d pref.....	44	44⅝	44	300	35	Jan 13	49½	July 8	13 1896	78⅝ 1905
Ev'sv'le & T. H.	...	...	41	.....	60	Feb 1	68	July 24	20 1897	153 1892
do. pref.	...	...	82½	.....	85	June 5	90	July 28	72 1904	104⅜ 1902
Gr'neIlA W(deB.	12½	13½	12½	100	11	Sept 25	15¼	Jan 26	3½ 1896	27½ 1903
Gt. Northern pf.	129⅝	129⅝	127	33,200	119	Sept 27	140	June 8	44½ 1896	348 1906
Hock'g Valley'es.	124	124	124	100	120	May 24	134	Apr 29	22 1899	140 1910
do. pref.	...	...	136	.....	...	...	...	...	53½ 1889	103¾ 1910
Illinois Central..	140⅛	141⅞	141½	1,100	122	Jan 3	147	July 30	79⅝ 1879	134⅜ 1906
Inter-Met (w.i.).	14½	15⅝	15½	11,600	12½	Sept 28	20⅜	Feb 15	4⅜ 1907	55⅜ 1906
do. pf. (w. i.)	44	47⅜	46⅜	14,800	39⅜	Sept 25	55⅜	Feb 10	14 1907	47⅜ 1906
Iowa Central....	18	18	18	200	15	May 12	22	Sept 8	2 1888	51⅜ 1902
do. pref.	24	25	24	200	28	Apr 27	39	Sept 8	12 1896	90⅜ 1902
Kan. City & So.	29	30⅛	29½	500	25¾	Sept 25	36⅛	June 15	7 1900	50¼ 1910
do. pref.	65	66	65½	300	61½	Sept 25	70	May 26	27½ 1900	75¼ 1909
K.C.,Ft S.&M.pf	...	...	75	.....	75	Aug 7	76	May 8	68 1908	93 1902
L'ke E. & West.	14	15	14	200	10	Sept 25	17	Nov 9	1⅜ 1885	78½ 1901
do. pref.	...	...	31½	.....	25	Sept 5	40	Jan 13	14 1886	126 1902
Louis. & Nashv.	149	154	153⅝	24,200	136¼	Sept 14	156¼	July 19	22 1885	162½ 1909
Manh'ttan Elev.	132	136	136	200	131½	Sept 25	142½	July 19	64½ 1884	175 1907
Minn. & St. L..	34½	35	34½	200	31½	Apr 26	35¼	Nov 9	3¼ 1885	115 1902
do. pref.	58	59	59	200	55	Mar 13	64	Sept 19	7⅜ 1885	127⅜ 1902
M.S.P. & S.S.M.	124⅛	136½	134⅛	1,202	124⅜	Sept 22	152⅜	Mar 30	6 1897	164 1908
do. pref.	...	...	150⅜	.....	145⅜	Aug 28	156⅛	July 21	10 1897	150⅜ 1906
M. K. & T. 1st 4s.	97⅞	98⅛	97⅞	36,000	87⅜	Sept 8	98⅛	Nov 18	50 1897	104⅜ 1905
do. 2d 4s.....	94⅜	95	94⅝	45,000	83½	Jan 5	96⅜	Feb 17	27 1903	92⅝ 1906
M. K. & T. 1st 5s	102½	103⅜	103⅜	3,000	97⅜	Oct 25	107⅜	July 10	72 1886	114½ 1909
Mo., K. & Tex..	27⅜	28	27½	3,100	27	Sept 26	34⅜	June 14	5⅝ 1879	64 1881
do. pref.	67½	67⅝	66¾	600	62⅜	Sept 25	70	Oct 17	13⅜ 1885	78¼ 1909
Missouri Pacific.	39⅜	42	40⅞	10,400	23¾	Sept 13	63	Feb 15	10 1897	125½ 1902
N. Y. Central...	106⅜	106⅝	107	7,825	96⅞	Sept 27	115½	Feb 8	31⅜ 1885	174¼ 1901
N.Y.,C. & St. L.	52⅜	52⅝	52⅝	100	48	Oct 9	66	Jan 20	9 1896	73⅛ 1907
do. 1st pref..	...	...	96⅞	.....	96⅜	Sept 25	101⅜	Mar 20	6 1885	124½ 1910
do. 2d pref....	...	...	82½	.....	82½	Aug 27	90	Jan 30	18 1896	100 1902
N.Y., Ont & W.	40	41⅜	40	500	37⅜	Sept 27	46⅞	July 22	6⅝ 1885	64 1906
No. & W. Con. 4s.	96⅞	99	96⅞	4,200	90¾	Oct 25	99⅜	Nov 4	76 1898	105 1905
Norfolk & West.	108½	110⅝	110⅛	34,650	99⅞	Sept 25	112⅜	Nov 16	⅜ 1896	108⅝ 1910
do. pref.	...	...	89	.....	86⅜	Apr 28	91	May 22	4¼ 1896	98 1902
N. Pac. prior 4s.	100	100⅜	100⅛	69,000	96⅜	Sept 22	102⅛	Nov 2	80⅛ 1896	109 1939
do. gen. 3s....	69⅜	70	69⅜	34,000	68	Sept 25	73⅛	Aug 4	37 1896	79 1903
North'n Pacific.	114⅛	115⅛	115⅜	77,600	111¼	Sept 27	127⅜	June 5	11 1897	1000 1901
Pacific Coast....	...	...	102	.....	100	Jan 11	102	Jan 10	34 1896	142 1906
do. 1st pref....	...	...	150	.....	...	...	...	...	65 1897	105 1910
do. 2d pref....	...	...	101	.....	101	Jan 11	101	Jan 11	50½ 1900	135 1906
Penn. R. R.	121⅜	123⅝	122	29,200	118⅜	Sept 25	130¼	Feb 1	97½ 1896	170 1902
Peoria & East'n	...	...	20	.....	...	...	...	...	2 1885	50 1901
P.C.C.C. & St. L.	96	97½	97¼	700	90⅜	Sept 28	100	Jan 17	10¼ 1894	105½ 1902
do. pref.	...	...	101½	.....	100⅜	Sept 25	112	Feb 17	60 1899	108 1902
Reading gen. 4s.	96½	96⅞	96⅝	154,000	90⅜	Mar 15	98⅛	Nov 14	77 1896	104⅛ 1997
Reading	149⅜	150⅝	150	600,200	134	Sept 25	161⅜	June 3	17⅜ 1896	117½ 1969
do. 1st pref....	...	...	91	.....	88	Sept 20	92	July 14	11⅜ 1907	81 1909
do. 2d pref....	90⅛	90⅞	90½	2,400	90½	Sept 20	101	May 2	20½ 1907	94⅜ 1909
R'k Island, new	27⅛	28⅜	27⅛	4,800	23⅜	Sept 27	31⅜	June 14	46½ 1896	90½ 1901
do. pref.	50	52⅜	51	6,500	44	Sept 25	60⅜	June 14	9⅜ 1879	120 1897
St.L.&S.F.rfg.4s	80½	81	80⅜	74,000	77	Oct 3	83	May 4	4⅜ 1879	84⅜ 1907
St.L.&S.F.1st pf.	...	...	66	.....	59	Sept 19	69	July 25	50 1897	110½ 1905
St.L.&S.F.2d inc.	40⅜	40⅝	40⅜	1,600	28	Apr 21	49½	July 24	12 1893	90½ 1902
St.L.&S.W.rfg.4s	91½	91⅝	91⅜	4,000	89⅞	Jan 24	97⅜	Aug 21	4⅜ 1896	173⅜ 1989
do. 2d inc. 4s	...	...	78	.....	78	Jan 9	82½	June 29	36 1896	97 1907
St. L. Southw....	...	...	30½	.....	24	Jan 17	34	Feb 4	1 1897	39½ 1901
do. pref.	71½	73¼	71½	900	58⅜	Jan 3	73	June 27	21⅜ 1900	90 1902
Seab'd A.L.a.115s	60	60⅜	60⅜	746,000	74½	Sept 25	82	July 19	69⅜ 1910	77⅜ 1910
San Ant. & A.P.4s	87½	87⅝	87⅝	1,000	86	Sept 11	88	Oct 17	46 1896	98⅛ 1909
So. Pac. 1st 4s	94⅞	95⅛	95⅛	20,000	90⅝	Sept 28	96⅞	Nov 2	34½ 1896	98½ 1905
South'n Pacific.	114⅝	115	114⅝	142,200	104½	Sept 25	126⅝	June 26	12 1896	129¼ 1909
do. pref.	...	...	71⅝	.....	...	...	...	...	94⅝ 1900	127 1909

Digitized by Google

NEW YORK STOCKS AND BONDS

For the Week Ending Thursday Evening, November 16, 1911.

Names.	RANGE FOR WEEK Low	High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911 Lowest		Highest		RANGE FROM JAN., 1879, TO JAN., 1911. Lowest		Highest	
Southern	29½	30¾	30¼	38,100	24⅝	Sept 25	33⅝	July 22	82	1894	1263	1882
do. pref.	71½	73	71⅝	2,600	61¼	Jan 11	75½	July 20	112	1894	103	1906
Texas & Pacific	24⅜	25⅛	24⅝	1,200	22⅝	Sept 21	30½	June 9	4⅜	1893	79⅝	1881
Third Avenue	11¾	12	11½	4,200	7⅝	Sept 27	26	Mar 2	5½	1910	342	1889
Tol.Rys.& Light	4	4½	4	300	4	Nov 16	8½	Jan 17	5½	1910	38	1902
Tol., St. L. & W	19¾	19¾	18⅞	1,600	17	Sept 11	24⅝	Feb 8	10⅜	1891	54⅜	1909
do. pref.	42⅜	43¼	43¼	1,900	33	Sept 1	53⅞	Feb 8	22⅜	1903	74⅛	1909
Twin City R. T.	105	106½	106	800	104	Sept 15	111	Feb 3	9⅛	1897	129	1902
U.P.cvt. 4s, 1927.	103⅞	103⅞	103¾	864,000	100	Sept 25	105⅝	June 27	78¼	1907	124⅛	1909
Union Pacific	169⅝	174⅝	172	644,650	153⅝	Sept 25	192⅝	July 22	3	1896	208⅝	1910
do. pref.	92	92½	92⅜	1,100	89	Sept 21	98	July 24	47	1898	119½	1909
Wabash 1st 5s	106	106	106	7,000	99¼	Aug 28	110	Mar 20	98	1896	121	1902
do. deb. B's			101						19	1893	101	1909
Wabash	11¾	12⅜	11⅝	2,600	10	Sept 20	18⅝	Feb 21	2	1895	60	1881
do. pref.	23⅝	24⅝	23½	8,500	19	Sept 27	40⅞	Feb 21	9	1894	96¼	1881
West. Md., pref	81	82	81	300	75	Jan 14	88⅛	July 24	17	1910	77	1910
Wheel. & L. E	4	4½	4	1,000	3½	Sept 25	6⅜	Feb 3	½	1897	63⅝	1887
do. 1st pref.	11½	11½	11½	100	7½	July 27	17⅝	Feb 3	2⅝	1897	80¾	1892
do. 2d pref.	5	5⅝	5	500	3	Sept 5	8	Feb 23	4	1910	43⅝	1902
Wis. Central	55½	56½	56	400	48	Sept 21	72¾	May 1	40	1899	84	1910
do. pref			93½						500	1899	91⅞	1909
do. 1st 4s	92⅝	92⅞	92⅝	30,000	92	Aug 28	99⅝	July 5	127	1896	99½	1890
Miscel. St'ks.												
Adams Express			100		235	Jan 20	248	June 13	97¼	1898	315	1907
Allis Chalmers	3¼	3¼	3⅜	1,800	2	Oct 9	9⅝	May 21	4	1907	27⅝	1906
do. pref.	11⅛	16	14	900	9⅝	Oct 18	34	Feb 3	14	1906	87½	1903
Amal. Cop.	59⅞	60⅞	58⅝	92,100	44⅜	Sept 25	71⅝	June 19	23⅝	1899	130	1901
Am. Beet Sugar	54½	56⅜	55⅞	11,300	39⅝	Jan 12	59⅜	Oct 20	9½	1906	49½	1905
Am. Car & F'd.	51⅜	54⅞	53	14,700	42½	Sept 27	58⅜	July 19	10⅝	1899	76½	1906
do. pref.	116	116	116	300	112	Oct 25	120	May 23	51	1898	124⅜	1906
Amer. Cot. Oil	42⅜	46	44⅜	151,600	41⅝	Nov 2	62⅜	Feb 28	8	1895	70⅝	1906
do. pref.	97	100	97	200	95	Oct 25	105½	Mar 21	27¼	1895	107⅜	1906
Amer. Express	211	211	211	100	201	Sept 27	245	Mar 27	100	1883	301	1910
Am. H. & L.	3⅝	3⅝	3⅝	100	3	Oct 9	5	July 21	2¼	1903	37⅝	1899
do. pref.			17⅜		17⅜	Oct 31	30⅝	June 14	10	1897	83½	1899
Am. Ice Sec.	18⅛	18½	18¼	400	16½	Aug 28	25¾	July 12	8½	1907	96	1907
Am. Linseed Co.			9		8	Aug 11	12⅝	Feb 17	5	1903	30¾	1901
do. pref.	28	28⅝	28	500	26½	Oct 27	34	Feb 14	16½	1907	66	1901
Am. Loco.	37	37	37	2,000	24	Sept 20	43¾	May 22	11	1903	78½	1906
do. pref.	103½	103⅝	103½	500	102	Oct 25	110¾	Mar 1	67½	1903	123½	1905
Amer. Malt Co.	4⅜	4¾	4⅜	600	3	Sept 27	5⅝	July 11	2½	1907	30⅝	1899
do. pref.	41	47	43	1,500	31½	Mar 8	43⅝	Oct 19	14½	1903	59	1909
Am. Smtl. & Ref	69½	73⅜	70⅝	74,000	56⅝	Sept 25	83⅞	June 15	30	1899	174	1905
do. pref.	102	103	102	1,500	98⅜	Sept 27	104¼	June 15	77½	1899	137	1907
Am. St'l F'dry	32	33⅜	33½	1,750	25	Sept 20	53½	Feb 9	3½	1901	66⅜	1909
Am. Sugar Ref	116½	118¾	117⅝	3,700	112¼	Sept 27	121⅞	June 14	55	1898	152	1899
do. pref.	115⅝	116¼	116¼	500	111	Jan 5	119½	Feb 14	66½	1898	143	1903
Am. Tob. pref.	97½	98⅜	98	2,600	87	Aug 24	102	May 23	60	1907	151½	1902
Anaconda	36⅝	37¼	36⅞	6,100	29	Sept 25	41¼	June 20	25	1907	202⅜	1907
Brk. Un'n Gas.	145	148½	145½	6,450	129	Sept 15	161¾	Nov 10	80	1907	253	1907
Central Leather	23⅝	24⅝	23⅝	8,800	18¾	Sept 25	33⅜	Feb 2	11⅞	1907	51⅜	1909
do. pref.	93⅝	95	94	1,300	91⅝	Nov 4	105	Feb 10	68	1907	111	1909
Chino Copper	23⅝	24⅜	23	18,400	16½	Sept 25	35⅜	May 19	2¼	1910	57	1909
Colo. Ind. 5s	75	77	75	17,000	73	Aug 12	79½	Feb 23	35	1907	88½	1907
Colo. F'l & Ir'n	28¾	29	28⅝	700	25	Sept 25	36⅜	Feb 8	14	1907	170½	1901
do. pref.			105		105	Sept 27	110½	Jan 9	30	1907	142½	1901
C.&H.V.Coal&Ir.			112		4	Feb 9	4	Jan 9	⅜	1896	92½	1910
Consolid'd Gas.	140½	144¼	141¾	52,850	129	Sept 2	168½	June 6	67	1887	217⅝	1907
Con. Tobacco 4s	90⅝	91	91	4,000	81¾	Jan 11	91¼	Nov 9	51¾	1903	87⅜	1901
Corn Prod'ts R.	10⅝	11⅞	10⅝	2,200	9⅝	Oct 20	15⅜	May 17	8	1906	28	1906
do. pref.	76	76½	76	200	73	Oct 19	85	May 29	46	1906	95½	1909
Dist. Secur.	30½	32⅜	31⅜	2,400	29	Sept 25	38¼	June 6	19½	1904	78	1907
Fed. M. & Smlt			19		15	Oct 27	36	Feb 16	48⅜	1904	199	1906
do. pref.	49½	50¾	45½	600	47	Oct 17	66½	May 19	47	1907	112⅞	1906
Goldfield Con.	4⅜	4⅝	4½	9,400	3½	Oct 18	7⅜	Jan 2	3⅜	1907	10	1910
Internat. Paper	10	10⅜	10	1,100	9	Sept 9	13⅜	Feb 3	7½	1907	65½	1899
do. pref.	46⅜	46⅞	46⅜	600	44⅝	May 15	56⅜	Jan 21	47	1899	95	1899
Int. Harvester	102¾	111	106	10,200	99⅝	Sept 20	123⅜	May 5	52	1898	125¾	1910
do. pref.	121	123	121	300	115	Sept 27	128⅛	May 4	99	1906	129	1910
Inter. Stm. Pump	33	34½	33	4,200	22	Oct 31	44	Feb 10	7⅝	1907	60	1906
do. pref.	82	83	82	400	80	Nov 1	90½	June 12	50	1907	96	1902
Laclede Gas.	103½	106⅝	105	4,100	101¼	Sept 27	114⅞	Jan 20	93¾	1899	161½	1910
Mackay pref.	70⅜	73⅝	72⅜	100	72	Aug 11	77	Mar 7	50	1907	78⅜	1910
Nation'l Biscuit	139½	143⅜	141⅜	31,900	117¾	Jan 16	143⅜	Nov 14	22	1901	120	1909
do. pref.	128	128½	128½	200	124	Jan 20	130	Feb 4	79½	1901	130	1909
Nat. En. & Stp.	15⅜	16⅜	15⅞	400	13⅜	Oct 30	22	July 24	6½	1907	36	1901
do. pref.	95⅜	96½	96½	400	85	Jan 6	100⅜	July 22	70	1901	99½	1906
Nat. Lead	49	52⅜	48⅞	5,000	42½	Oct 27	63⅞	Mar 15	110¼	1901	95⅜	1903
do. pref.			106½		104	Sept 22	109¾	Aug 17	48	1899	115	1909
N.Y. Air Brake	58	58½	58	4	50	Nov 4	76	June 19	14	1899	165⅝	1909
North Amer. Co.	72⅜	73½	72	900	64	Jan 10	76½	May 22	2½	1899	134	1902
Pacific Mail	31	31½	31¼	700	23½	Apr 24	31⅜	Nov 6	8½	1899	70	1906
P'ple's G.L.& C.	104⅜	105⅞	105	3,500	101½	Aug 25	109	Jan 19	39	1899	129½	1899
Pressed St'l Car	32⅝	33	33	800	25	Sept 27	37⅝	July 20	15⅜	1907	65⅜	1903
do. pref.			96½		91	Sept 22	102⅜	June 16	52½	1907	113⅜	1909
Ry. Stl. Spring.	30½	32⅜	30¾	1,100	24⅝	Aug 28	39	June 14	15⅞	1584	63¼	1907
do. pref.	101	101	101	100	88⅝	Aug 30	102¾	May 24	67	1903	109	1909
Rep'b Ir. & St'l	20⅞	23	21	5,000	18	Oct 27	35½	Feb 6	5	1904	49½	1909
do. pref.	79⅜	82	80¼	3,900	74¼	Oct 27	99⅝	Mar 11	36⅜	1903	111½	1909
Sloss-Sh. S. & I.	41⅝	43	42	200	34	Sept 27	56⅛	Feb 6	17½	1900	134½	1907
do. pref.			112		112	Feb 15	112	Feb 15	59¼	1900	130	1905
T. Par. Ld. Tr.			87		84	Sept 11	92	Jan 24	5	1898	25	1910
Texas Company.	82	86	83	200	82	Nov 10	136½	Feb 1	134½	1910	144	1910
Underw'd Type.	101¾	103¾	103¾	700	63	Mar 29	111	June 28	44	1899	44	1909
Un. Bag & Pap.	5½	5⅝	5⅜	400	5¼	Sept 25	9	Feb 10	3⅞	1904	45	1899
do. pref.	52	53	53	200	50½	Nov 1	59½	Jan 30	26	1900	89	1909
U.S.Cast I.P. & F.	13¾	13⅞	13⅞	500	11	Sept 27	19	Feb 24	6	1903	53	1906
do. pref.	42	43½	43	400	40½	Sept 27	59⅝	Feb 24	22	1903	97⅜	1910
U. S. Express.			90		85	Sept 27	101	Feb 1	35	1898	160	1902
U.S.R'lty & Imp.	69	70	70	200	63¼	Jan 27	79⅜	May 29	38	1907	96¼	1906
U. S. Rubber.	45	47¼	47¼	17,900	30½	Sept 25	47¾	Mar 1	7	1903	68⅝	1899
U. S. Rubber pf.	109	110	109½	900	104	Sept 25	115½	July 7	30½	1903	123½	1909
U. S. Steel.	66⅝	66⅝	62¾	170,600	59	Oct 27	82¾	Feb 6	⅝	1904	91	1910
do. pref.	108¼	110½	108¾	18,200	108	Oct 27	126⅞	Feb 4	40⅜	1903	125⅝	1910
do. 5s	101⅝	102⅝	102	277,000	100	Sept 20	106⅜	May 27	65	1903	105¾	1910
Utah Copper.	47½	49	48¼	23,200	38	Sept 27	52	June 14	12	1907	67½	1909
Virg. Car Chem.	56⅝	58	56½	5,200	48⅜	Sept 25	70¾	Feb 28	12⅜	1907	72	1901
do. pref.	118¼	118½	118½	400	114	Sept 25	128½	Mar 15	78	1907	123¾	1902
West. Un'n Tel	77	79	77⅞	2,700	71⅜	Mar 20	84½	May 24	41	1903	157⅜	1881
West. Mfg. Co.	64⅞	66⅞	66	1,000	58⅝	Sept 25	79	May 29	30¼	1898	154	1907
do. pref.			115		110½	Aug 16	128	Jan 5	48¼	1898	160	1907

* Ex-dividend. ** New. † Assessment paid. ‡ Ex-rights. ‖ Price bid. ¶ Price asked. § Old securities. ‖ Certificates. x Ex-interest. ‖‖ Par value basis. *** Receipts.

Company is capitalized for $150,000, and the financial statement shown above indicates that the mill has on hand cloth valued at $106,471.37. This is about 71 per cent of the capitalization, and it is claimed that much of this cloth is not the kind now demanded and could be sold only at a tremendous sacrifice. The minority interests claim that the management have paid no attention whatever to the stockholders' interest and have reduced a concern which some 15 years ago was paying 15 per cent dividends to its present insolvent condition.

Mr. Bremer, who is the active head of both these concerns, refuses to make any statement, saying simply that Parker Wilder & Company are endeavoring to reorganize the Cocheco Woolen Manufacturing Company and that certain stockholders are not in favor of the plan. It is very evident that certain stockholders are much against the plan as evidenced by their

BILL IN EQUITY,

asking that the court appoint a receiver to take charge of all the real and personal property of this corporation. Their bill also asks that Parker Wilder & Company and each individual member thereof and all agents and officers of said corporation, be ordered and commanded to surrender and convey to the receiver all property in their possession.

These petitioners state that Parker Wilder & Company have allowed the woolen mill to get into this financial condition wilfully and knowingly with the idea of obtaining the property themselves at a low figure. The following letter was sent to all stockholders with the abovementioned financial statement and outlines the proposals made by Parker Wilder & Company:

Oct. 14, 1911.

To the Stockholders of the
COCHECO WOOLEN MFG. CO.:—

Referring to the enclosed call for a meeting of the stockholders, you will find enclosed herewith a statement of the condition of the company as of May 31, 1911. You will observe that Parker Wilder & Company have made advances considerably beyond the value of merchandise securing the same, and they advise us that they are not prepared to make further advances unless more capital is furnished by the stockholders.

Believing that it would be impracticable to obtain further capital from the stockholders, your directors report the following offer from Parker Wilder & Company:

1. The property of the corporation to be sold at public auction.

2. Parker Wilder & Company will purchase the property if such purchase can be made for the amount of the indebtedness of the corporation to them.

3. Parker Wilder & Company will transfer the property so purchased to a corporation to be organized, subject to all the indebtedness of this corporation except the indebtedness to Parker Wilder & Company, which the new corporation will agree to assume and pay.

4 The new corporation shall have a capital of $100,000, $50,000 of which shall be issued to Parker Wilder & Company for the property transferred by them and $50,000 for cash.

5. Every stockholder may subscribe to the stock of the new corporation at the rate of one share for each three shares now held by him, at the rate of $100 per share.

6. Stock not subscribed for may be disposed of by the directors at their discretion.

As soon as Parker Wilder & Company have purchased the property and organized the new corporation, subscription blanks will be sent to the stockholders of this corporation, in order that they may exercise their right of subscription, if desired.

Per order of the directors.

(Signed) S. PARKER BREMER,
President.

WILLOWS, CAL.—The Glenn County Savings Bank has increased its capital stock from $25,000 to $50,000.

Digitized by Google

AMERICAN PRINTING COMPANY.

The report that the American Printing Company, of Fall River, (M. C. D. Borden's great enterprise) is to give up the manufacture of narrow goods as fast as wide goods can take their place and discontinue their trade-marks has been denied, but the original story was based upon exact information. The gentleman in the employ of the American Printing Company who has had charge of all the latter's advertising and publicity during the past three or four years, stated absolutely that the narrow goods were to be discontinued as fast as they could be superseded by the wide goods, and that the trade-marks were to be put on the shelf and that the narrow goods would never again be advertised

OR THEIR SALE FORCED,

because the American Printing Company was going to give its greatest endeavor to the manufacture of wide goods for jobbers, with the jobbers' tickets. The same man in the Printing Company said that $600,000 had recently been spent changing over its machinery for the production of wide goods. The American Printing Company has had in the past, as everyone knows, some wide goods business, but never a large amount in comparison with its total product, and in the past it has been the narrow goods which have been forced.

Part of the original story having to do with the reorganization of the Fall River Iron Works and the American Printing Company as one corporation, was a prediction, and stated as such, which the writer and many market leaders feel is bound to come in the future.

SURPLUS OF STANDARD GOODS.

There is no doubt but that the American Printing Company, with its productive capacity, can produce more narrow goods than the house itself can distribute satisfactorily. This is proven by the stock of standard goods now on hand, by the developments of the recent past, and by the fact that the fundamental conditions are against the wide distribution of narrow calicos.

The American Printing Company did spend a large amount of money to convince itself that the narrow goods business, so far as it is concerned, with its large production is fundamentally wrong, and is now admitting it by turning to the wide goods with jobbers' tickets.

DEBT MUST BE REFUNDED.

There is no doubt of the value of the Iron Works and the Printing Company's properties, and that they could not be replaced short of $10,000,000, but they both are carrying an increasing debt, which, as predicted in our original story, must be refunded by the formation of a new corporation or by some other reorganization plan.

AKRON, OHIO.—The Bankers Guarantee & Trust Company is organizing with $150,000 capital. The officers are: Aaron W. Burnett, president; J. P. Loomis, first vice-president; Hon. W. L. Marvin, second vice-president; W. G. Raymond, third vice-president; Earl A. Clemons, secretary, and M. D. Faunce, treasurer.

WELD COUNTY IRRIGATION BONDS

Laramie, Wyo.

ED. UNITED STATES INVESTOR:

I received your article regarding the Greeley-Poudre diversion of the waters of the Laramie river. It gives me satisfaction to know that you propose to let your readers be informed of the matters of litigation now impending, and mentioned in my former communication.

I shall be more than glad to furnish you with copies of the bills of complaint in the near future.

Your unqualified statement, that the Supreme Court decided that the water belongs to the state in which the river rises, and can do whatever it pleases with the waters of that river, indicates that you have been misinformed by some interested party. Let me quote from the decision in the case of Kansas vs. Colorado, and see if any such a conclusion can, by any possible method of interpretation, be reached.

206 U. S. Supreme Court Reports.

"The extreme contention of Colorado is that it has the right to appropriate all of the waters of this stream for the purpose of irrigating its soil, and making more valuable its own territory. But the appropriation of the entire flow of the river would naturally tend to make the lands along the stream in Kansas less arable. It would be taking from adjacent territory that which has been the customary natural means of its arable character. * * * If two states were absolutely independent nations, it would be settled by treaty or force. Neither of these ways being practicable, it must be settled by decision of the court. * * * The withdrawal of water in Colorado for the purposes of irrigation has not proved a serious detriment to Kansas counties along the Arkansas river. * * * We are not satisfied that Kansas has made out a case entitling it to a decree. At the same time, it is obvious if the depletion of the waters of the river by Colorado continues to increase, there will come a time when Kansas may justly say there is not longer an equitable division of the benefits, and may rightfully call for relief against the action of Colorado, its corporations and citizens, in appropriating the waters of the Arkansas for irrigation purposes. * * * The decree will also dismiss the bill of the state of Kansas, as against all defendants, without prejudice to the right of the plaintiff to institute new proceedings, whenever it shall appear that, through the material increase in the depletion of the waters of the Arkansas by Colorado, its corporations or citizens, the substantial interests of Kansas are being injured to the extent of destroying the equitable apportionment of benefits between the two states, resulting from the flow of the river."

It seems that that should be strong enough language to convince anyone that a state cannot do as it pleases with all of the waters of an inter-state river. Thanking you for the attention given my former letter, I have the honor to remain,

Yours truly, GEORGE A. CAMPBELL,
Sec. Laramie River Assn.

[We await the copies of the bills of complaint promised in the above letter. Thus far, since the above was received, the writer has sent us only a clipping from a Laramie paper, detailing at length a suit brought in Greeley, Colorado, against the directors of the Greeley-Poudre Irrigation Co. to test the validity of the organization of the district. The hostility of the author of the clipping to the Greeley-Poudre enterprise is rather apparent, and causes the query to arise whether the suit in question may not be rather disingenuous.—Ed.]

GLENBURN, N. D.—The Lincoln State Bank has increased its capital to $20,000.

The report of the engineer of the Southwestern Miami Development Company shows that the rich Miami copper zone extends to the large holdings of that company which adjoin the Live Oak, and are on a direct line with the Keystone, Inspiration and Miami companies. A map showing the relative location of the Southwestern's property appears in an advertisement on another page of this issue. As the Southwestern company now seems to have a property which compares favorably in extent and richness of ore deposit with the other companies in this district, it should be an interesting suggestion that while Live Oak is selling in the market at the present time for around $2,200,000, Inspiration at around $7,500,000 and Miami at around $16,000,000 the Southwestern's total capitalization has a present market value of only about $300,000.

JEFFERSON, IOWA.—The Farmers & Merchants National Bank has been organized with a capital of $50,000. J. McCarthey, Z. A. Church, C. B. McCully and J. Mehan are interested.

WALNUT, MISS.—The Bank of Walnut has been organized with $10,000 capital. H. P. Luna, J. T. Hines and Luther Luna are interested.

DOME

BAY STATE GAS

Our weekly market letter mentions the above, also First National, North Butte, Southwestern Miami, East Butte, American Cotton Oil, "Coppers" and "Curb" stocks in general. Mailed free upon request.

"Coppers" and Curb Stocks bought and sold for Cash or Carried on Margin

H. A. BROWN & CO.

Members Boston Curb Exchange

60 State St. Boston — 74 Broadway New York

First Mortgage Bonds

For Small Investors

WEEKLY OR MONTHLY PAYMENTS

Government, State and Municipal Issues, also Standard Railroad, Public Service and Industrial Bonds sold in any amount for Cash or on Weekly or Monthly Payments. Best, Easiest and Safest way to provide for your future.

Circulars 104 on request; Correspondence invited

Resident Representatives Wanted

FUNDING COMPANY OF AMERICA

40 EXCHANGE PLACE, NEW YORK

Digitized by Google

The Best Purchases on the Railroad List

As Indicated by the Two Standards of Comparison: of Present Investment Yield on Basis of Current Dividends and Prevailing Market Price, and on Basis of Present Earnings on Prevailing Market Values.

The average net yield of the 50 railroad stocks quoted in the following table was 5.26 per cent on November 15, as compared with the 5.30 per cent on November 8, 5.43 per cent on January 4, and with 4.71 per cent on January 2, 1910

Public utility shares, so far as a revival of interest is concerned, are clearly profiting by the bettered market conditions noted within the last few weeks. The issue of this class quoted on the New York exchange have been favorably affected by this condition of affairs, and substantial buying has been noted, accumulation being on the increase at the present time. It is possible to select stocks of this class to meet varying needs, but certain of the issues are obtainable at levels which clearly indicate speculative possibilities of a somewhat unusual character, while the shares in question possess investment qualities which of themselves are calculated to attract the attention of those with idle money to invest at a substantial rate of investment return. Detroit United and Brooklyn Rapid Transit are two of the most striking examples of this class to be found among the listed shares at the present time. The former is selling around 75, pays 5 per cent per annum, and nets, therefore, 6.66 per cent, while Brooklyn Rapid Transit, likewise a 5 per cent issue, is selling only two points higher, the yield in this case being over 6.40 per cent. In the case of the Detroit United there is an element of uncertainty which arises from the fact that a three-cent fare is to become operative on its lines as a result of the recent agreement between the city and the company in the matter of franchise renewal. It has been said that the new arrangement will mean a loss in revenues to the company of at least $1,300,000 per annum, and while the earnings in the current year will amount from 12 to 14 per cent on the outstanding stock, this loss would indicate a marked decrease to about 3 or 4 per cent on the stock. It is easy to see, therefore, that the present market position of Detroit United shares takes into account the uncertainties attending future operations quite as much as the present large earnings.

Brooklyn Rapid Transit is being "tipped" as a good thing in anticipation of an increaes in the dividend rate to 6 per cent within the next few months. The company at the present time is believed to be earning in the neighborhood of 8 per cent on its outstanding stock. There is no doubt but that Brooklyn Rapid Transit is making steady progress, and but for the fact that a compulsory installation of underground feed wires would mean a large expenditure, the stock would doubtless be in a stronger market position to-day. The old tip of 150 for this stock has been revived, and as the tipsters have set no time limit within which the prediction is to be made good, it is by no means as radical, or as little deserving of attention as many people would imagine.

Holders of the preferred shares of the United Railways Investment Company are also in a fever of anticipation because of conclusive evidence that the San Francisco traction lines, that is, the United Railroads of San Francisco, have recovered the prosperity lost at the time of the earthquake five years ago.

STOCKS SHOWING BEST INVESTMENT YIELD

Present rank.	Stock.	Present dividend	Price.	Yield on present price.
1	Toledo, St. L. & W., pref...	4%	45	8.90
2	Chesapeake & Ohio, com....	5%	75	6.66
3	Detroit United	5%	75	6.66
4	R. R. T.	5%	78	6.41
5	Colo. & Southern, 2d pref...	4%	63	6.35
6	St. Paul, com.	7%	111	6.31
7	St. L. & San F., 1st pref....	4%	65	6.15
8	K. C. Southern, pref.....	4%	65	6.15
9	M., K. & T., pref.	4%	66	6.06
10	Baltimore & Ohio, com.....	6%	102	5.88
11	Union Pacific, com.....	10%	170	5.88
12	Northern Pacific	7%	119	5.88
13	N. Y., N. H. & H.	8%	140	5.71
14	N. Y., C. & St. L., com.....	3%	53	5.66
15	Twin City R. T., com.....	6%	106	5.66
16	St. Louis S. W., pref.....	4%	71	5.63
17	Atchison, com.	6%	107	5.60
18	Lehigh Valley	10%	180	5.56
19	Great Northern, pref.....	7%	127	5.51
20	Norfolk & Western, com....	6%	110	5.45
21	Colo. & Southern, 1st pref...	4%	74	5.41
22	C., C., C. & St. L., pref.....	5%	94	5.32
23	Southern Pacific, com.....	6%	113	5.31
24	C., St. P., M. & O., com....	7%	132	5.30
25	M., St. P. & S. S. M., com...	7%	135	5.19
26	K. C., F. S. & M., pref.....	4%	77	5.19
27	P., C., C. & St. L., com....	5%	97	5.16
28	Delaware & Hudson	9%	171	5.09
29	N. Y., O. & W.	2%	40	5.00
30	Illinois Central	7%	140	5.00
31	Pennsylvania	6%	122	4.92
32	Western Maryland, pref....	4%	82	4.88
33	Atchison, pref.....	5%	103	4.85
34	Chicago & N. W., com.....	7%	145	4.83
35	Buffalo, R. & P., com.....	5%	105	4.76
36	M., St. P. & S. S. M., pref...	7%	147	4.76
37	St. Paul, pref.....	7%	148	4.73
38	Louisville & Nashville	7%	149	4.70
39	Atlantic Coast Line	6%	128	4.69
40	N. Y. Central	5%	107	4.62
41	Baltimore & Ohio, pref... ...	4%	89	4.49
42	Norfolk & Western, pref....	4%	89	4.49
43	Union Pacific, pref.....	4%	92	4.35
44	Canadian Pacific	10%	240	4.17
45	Colo. & Southern, com.....	2%	49	4.08
46	Central of N. J.	12%	300	4.00
47	Boston & Maine	4%	100	4.00
48	Reading, com.	6%	150	4.00
49	D., L. & W.	20%	570	3.51
50	Southern Railway, pref.....	2%	72	2.78

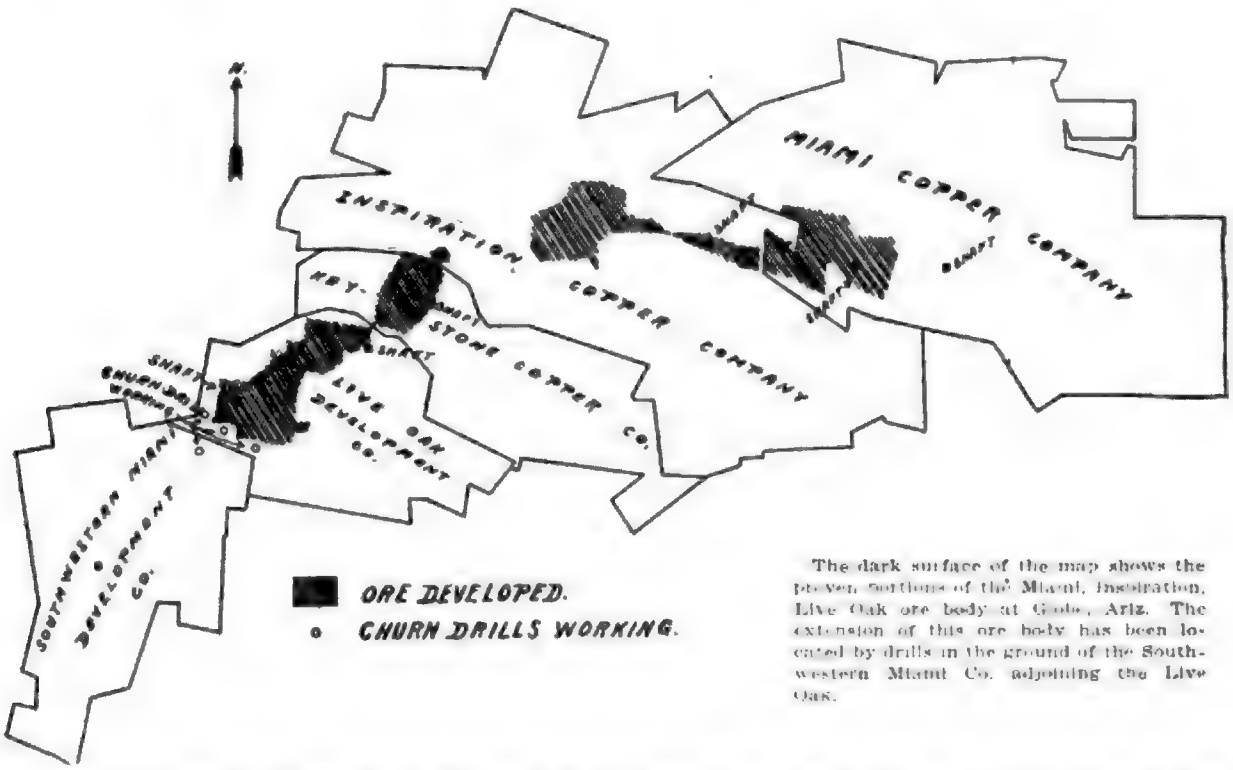
STOCKS SHOWING BEST EARNINGS.

Present rank.	Stock.	Price.	Earnings on present price.
1	St. L. & San F., 2d pref.	43	27.70
2	Erie, 1st pref.....	54	19.80
3	Detroit United	75	18.25
4	Southern Railway, pref.....	72	18.00
5	Hocking Valley, com.....	126	14.70
6	Buffalo, R. & P., com....	105	13.75
7	Louisville & Nashville	149	11.70
8	Norfolk & Western, com.....	110	11.35
9	Twin City R. T., com.....	106	10.25
10	Atlantic Coast Line	128	9.60
11	C., C., C. & St. L., com.....	61	9.59
12	N. Y., C. & St. L., com.....	53	9.25
13	Union Pacific, com.....	170	8.95
14	R. R. T.	78	8.95
15	Colo. & Southern, com.....	49	8.75
16	M., St. P. & S. S. M., com.....	135	8.70
17	D. & R. G., pref.....	50	8.65
18	Central of N. J.	300	8.50
19	Great Northern, pref.....	127	8.20
20	Chicago Gt. Western, pref.....	39	7.85
21	St. Louis S. W., pref.....	71	7.80
22	Lehigh Valley	180	7.75
23	Canadian Pacific	240	7.75
24	United Rys. Invt., pref.....	63	7.60
25	Delaware & Hudson	171	7.45
26	N. Y. Central	107	7.45
27	Southern Pacific, com.....	113	7.40
28	Baltimore & Ohio, com.....	102	6.90
29	Chesapeake & Ohio, com.....	75	6.85
30	Erie, com	33	6.85
31	K. C. Southern, pref.....	65	6.60
32	Northern Pacific	119	6.50
33	P., C., C. & St. L., com.....	97	6.40
34	St. Paul, com.....	110	6.10
35	Illinois Central	140	6.10
36	Atchison, com.	107	5.55
37	Pennsylvania	122	5.40
38	D., L. & W.	570	4.90
39	N. Y., N. H. & H.....	140	4.70
40	Chicago & N. W., com.....	145	4.60
41	Western Maryland, pref.....	82	4.55
42	Reading, com.	150	4.45
43	C., St. P., M. & O., com.....	132	4.15
44	M., K. & T., pref.....	[illegible]	3.70
45	Rock Island, pref.....	50	2.60
46	Iowa Central, pref.....	34	2.00
47	N. Y., O. & W.	40	1.85
48	Toledo, St. L. & W., pref.....	43	1.75
49	K. C. Southern, com.....	30	0.70
50	Boston & Maine	100	0.45

Digitized by Google

The New Porphyry Copper

THE SOUTHWESTERN MIAMI



The dark surface of the map shows the proven portions of the Miami, Inspiration, Live Oak ore body at Globe, Ariz. The extension of this ore body has been located by drills in the ground of the Southwestern Miami Co. adjoining the Live Oak.

The encountering recently of the ore bodies on the Southwestern Miami property at Miami, Arizona, proves that the immense deposits of the Miami, Inspiration and Live Oak extend into the Southwestern. The history of Nevada Consolidated, Chino, Ray Consolidated, Miami, Inspiration and Live Oak should be repeated in the Southwestern. The stock of this company, underwritten nearly twice over, will have to be obtained in the open market, with which market we are in close touch. Its capitalization is the most conservative of any of the Companies in the Miami district, to wit:—50,000 shares, par value $5.00. The stock has not only a **sound investment basis, but has great probabilities** from a speculative standpoint.

The business man is constantly asking himself, how to make money! One good answer is—in the stock of the Southwestern Miami. Through our firm you will receive fair treatment. As to our integrity and business standing, we can give you "A. I" commercial and financial references. We invite correspondence from both brokers and investors.

J. A. Parker and Company, 66 Broadway, New York

6%

A Good Investment

To investigate is the six per cent Realty Bond of the New York Central Realty Company issued in denominations of $1,000. $500. and $100.

It offers a high grade of security, a liberal cash availability and an interest earning of 6%.

WRITE for booklet illustrating the methods of the Company, describing its bonds, their redemptive privileges and advantages over other Realty securities. **Everybody knows us.**

New York Central Realty Co.

Suite 1190, 1328 Broadway, Cor. 34th St., New York City
CAPITAL AND SURPLUS, $1,464,588.34

GEORGIA FARM LOANS 6%

Net on first mortgage farm loans in the rich belt of Southwest Georgia. Cotton, corn, oats, wheat, hay, peaches, cantaloupes, and other money crops are produced.

Seventeen years' experience without a loss.

EMPIRE LOAN & TRUST CO.
Americus, Ga.

UPON PRESENTATION
at the Office of
THE MIDDLESEX BANKING COMPANY
OF MIDDLETOWN, CONN.

DEBENTURES of Series E14, maturing November first, 1911, and Series E15, maturing December first, 1911 WILL BE PAID at par with interest to the date of payment.

6 PER CENT INTEREST PAID

By Coupon on Bonds Secured by Well Selected New York Real Estate.

"We Deal in No Other Securities"

THE DEBENTURE CORPORATION OF NEW YORK
334 Fifth Avenue New York City

20%

Dividends on stock of the **SMITH VALLEY LAND & LIVE STOCK COMPANY** will be very conservative with positively no chance of losing the amount of your investment. If you are interested in dividends and absolute security back of your investments you will want some of this stock. It is a sure winner; a sure dividend payer, and a very high class investment. Write for particulars.

Glass & Meyer

56-58 Vandergrift Bldg. Pittsburg, Pa.

Digitized by Google

United States Investor

Copyright 1911, by Frank P. Bennett & Co., Inc.

Volume XXII. BOSTON, NEW YORK AND WASHINGTON, NOVEMBER 25, 1911 Number 47

Over in Philadelphia, an interesting query is current among the banks. Will the trust companies join the clearing house on the basis which has been offered them? Like the national banks of New York City, the national banks of Philadelphia who operate the clearing house have seen the wisdom of coaxing the trust companies into the same fold. The prospect of meeting the next panic, whenever it may come, with so substantial a fraction of the banking power of the city not in the clearing house, appears no more attractive to the Philadelphia vision than it did to New York's eyes. The co-operation of the trust companies who constitute, in Philadelphia, an even more substantial factor in the city's banking affairs than the trust companies do in New York, is so desirable that it may almost be characterized as essential.

Will Trust Companies Join?

The era, when national banks could confine their interest in the trust companies to mere disapproval of their too liberal charters, and to some academic criticisms of their meagre reserve requirements has passed. The companies have been purged of most of their faults, and a new era of good feeling between them and the national banks has arrived. There still remain, however, some differences between the types of banks to be adjusted prior to the final tie which shall yoke them together as co-ordinate, and equally powerful members of the clearing house.

How large a stock of cash each trust company should have is a question that the Philadelphia Clearing House has sought to solve in a fashion quite its own. Of the trust company which loans on commercial paper, it would require the same reserve as a Philadelphia national bank must maintain. Of other trust companies, it would exact a materially smaller store of idle cash. Thus, to many a Philadelphia trust company, it offers the privileges of membership on more attractive terms than have ever been allowed any national bank. The query, nevertheless, continues to be propounded to each other by the Phila delphia bankers, has the bait been made tempting enough? Will a substantial number of trust companies take to it, or must even more attractive conditions be proposed?

A Philadelphia correspondent lists in another column the considerations which lead some of the trust companies to hesitate. One is the feeling which has been suggested in the paragraph above. They regard the reserve requirements which the clearing house exacts of trust companies who become members as too severe. Our correspondent proceeds further to argue that the national banks gain more from the plan than do the trust companies, and that, in any event, the plan is no complete solution of the important problem which it is designed to solve, for it does not make provision for the numerous small trust companies of the city.

Captious Criticism

In brief, he says, with regard to this latter fault of the plan, that one of the very purposes for which the plan was devised fails to considerable degree of accomplishment. By getting the trust companies into the clearing house, the banks have been hoping to lighten materially the burden of collecting the trust company checks with which the depositors of the bank have laden them. Now that the clearing house has concluded not to admit trust companies of less than a certain capital and surplus to membership, it has by that very token excluded the greater number of the more distant trust companies. It has left to each individual bank the same old vexatious task of collecting these by mail with a consequent loss of interest.

With some of these criticisms which our correspondent has heard among the banks, and now reiterates, we have no great amount of patience. Especially does the suggestion that the national banks stand to gain more than the trust companies can hope to gain strike a note which is jarring to the ear. The contention that the plan is faulty in failing to make provision in any fashion for the small trust companies strikes one as only slightly more worthy of consideration. Each of these strictures proceeds from an almost entire misconception of what was really the primary purpose of the clearing house in making any offer of membership to the trust companies at all.

We venture to assert that neither the clearing house nor any of the presidents of the banks which comprise it ever longed for admission of the trust companies, so that checks on the little and more distant trust companies might be collected at less expense and bother. The clerks of the banks, who have to handle the vexatious detail of that work, may have hugged to their hearts the notion that admission of the trust companies would be panacea enough to right even that evil of Philadelphia's present banking arrangements. Their seniors, however, have always expected quite a different curative agent to serve that particuar purpose. A department of the clearing house, operating much as the foreign department of the Boston Clearing House operates, is what they have had in mind for collecting checks on little local trust companies.

The Real Desideratum

Their hope in planning clearing house membership for the trust companies has been to make the clearing house a better and more helpful institution, not a feebler one. To swell its daily exchanges by having the trust companies meet their daily debits at the clearing house, instead of at their own offices, has been only an incidental result, a sort of by-product desirable enough, but of trifling value, compared with the major product sought.

Our correspondent's informants should not fail to note that although the original aim of clearing houses was merely to facilitate exchanges their present function is materially broader. They undertake to keep the banking institutions of a city sound. To this end, they have their own bank examiners. They seek to help their respective members to forecast coming conditions by creating clearing house committees whose duties include that of bringing the banks of the city into accord for harmonious action, whenever evil business conditions are in prospect.

They take charge of the banking affairs of a city in times of panic, shore up the weaker institutions, and

Digitized by Google

compell the stronger ones to aid the weak. They force unsound banks to liquidate, and incompetent or corrupt bankers to retire from the industry whenever they find such institutions to exist, or such men to be in the banking business. Isn't it obvious that these activities of a clearing house are not its minor functions, but its most commendable ones? That being the case, can the clearing house be fairly hauled over the coals for setting high value upon its memberships, and for denying them to little trust companies?

For the Philadelphia Clearing House to throw wide open its doors and invite the president of every little corporated depository of money to a seat of equal authority with the presidents of those huge banks, and those famous trust companies, for which Philadelphia has just renown the country, if not the world over, would be for it to strike a severe blow at its own prestige, and at its own power for usefulness.

Trust Companies Should Join

The allegation that the national banks get more advantage from the admission of the trust companies to membership than those trust companies themselves will acquire is one with which, as we have said, we have little patience. What is it that the national banks gain which will not also inure to the advantage of the trust companies? The larger power the clearing house will have to cope with panic conditions or to eliminate weak or vicious elements from Philadelphia's banking arrangements will be used quite as much for the good of the trust companies as for the good of the national banks. The trust companies stand to suffer quite as much if the clearing house has to deal with panics without so inclusive a membership as it should have, or if it cannot expel unsound banks from the profession. The national banks, it is true, will be able to clear trust company checks more handily than now, but oughtn't a trust company to accord the national banks this convenience without a moment of hesitation over the cost of so doing? There is no sound reason why one class of bank should have to bear a part of the expense of operating the city's clearing house, while another class of bank in the same city goes scot free.

Particularly inequitable is it that this class of bank should meantime receive all the advantages in check exchange which that clearing house gives. The trust companies of Philadelphia have not been obliged to send the national bank checks they have received out by runners. Because a clearing house exists in the city they have been able to get their national bank checks collected through one of the clearing house members. For the same reason, namely, that a clearing house exists, they have been able to pay off their own debts with treasurer's checks on a clearing house bank instead of having to dig into their reserves for cash to discharge their obligation. Isn't it a bit ungracious for any trust company president to complain at the expense which clearing house membership will entail for his institution, when it has all along been enjoying so large a measure of the benefits of the clearing house?

The Reserve Requirements

The argument that the reserve requirements for trust companies have been made too severe by the clearing house is one on which there can be an honest difference of opinion, we admit. To expect any trust company which is to enter the clearing house to have 7½ per cent of idle cash and 12½ per cent of reserve deposited in other banks, as the Philadelphia Clearing House does require, does not seem unduly severe to us, however. Of course, the trust company whose deposits consist mainly of relatively inactive accounts does not need so large a store of cash and other forms of reserve as does a commercial bank. One might fairly anticipate, therefore, some objection from trust companies doing this sort of business to this requirement of the Philadelphia Clearing House. What is worth noting, however, is the fact, and we are assured that it is a fact, that the big trust companies, the ones which really do the bulk of this inactive account business, do not make serious protest against this clearing house requirement. They are in the habit of carrying this amount of reserve, or more, of their own volition, and hence do not find the stipulation which the clearing house makes to be irksome in any degree.

As for the other trust companies, they can advance, it seems to us, no sound argument why they should be entitled to do business either within or without the clearing house on any less reserve than the clearing house would require of them. There is no inherent quality about their business which makes them so distinctly less hazardous than the national banks that they should be allowed to operate with less than 7½ per cent of cash when the Philadelphia national banks must maintain an idle cash reserve of not less than 12½ per cent. The clearing house requirement that the trust company doing a commercial business shall have precisely the same reserve as a national bank would have, namely, 12½ per cent of cash and 12½ per cent of reserve deposited with other banks, is unassailable, so far as we can see, in any logical fashion.

FINANCIAL INQUIRIES.

United Message Co.

21364. (Lakewood, O.) Kindly give me your opinion of the United Message bonds. Is there any possibility of the Bell interests taking over these bonds; if not, have they any investment value? Are they likely to continue to pay their interest?

Ans.: The United Message Company was organized between six and seven years ago in New York as a holding company to acquire the capital stock of various independent telephone corporations. It controls the Commercial Union Telephone Company or Troy, covering exchanges in nineteen cities and towns, holds entire control of the Exchange Construction Company operating a number of telephone exchanges in Newburgh, Poughkeepsie and Oneonta, and is claimed to be acquiring control of exchanges in Albany, Schenectady, Kingston, Little Falls and other places in which 30,000 telephones are being operated together with long distance lines connecting same.

The company has an authorized capital of $10,000,000, of which $889,000 is outstanding, no dividends having been paid. There is an authorized issue of $25,000,000 first 5s, due 1935, secured by pledge of bonds and stock of subsidiary companies and subject to call at 105.

According to the official statement, there is outstanding $879,000 of this issue, but some time ago we called attention to the fact that the Knickerbocker Trust Compaiy, trustee of the bonds, announced the fact that it certified and delivered to the officials of the company some years ago $2,272,000 of these bonds, which points to a startling discrepancy somewhere. So far as we can learn, there is little prospect of the bonds in question being taken over by the Bell interests, and the market for them is a decidedly uncertain one. From time to time, New York brokers have offered them for sale at 75, which would indicate a doubt of the company's ability to maintain interest payments: Moreover, it is not at all likely that the bonds could be disposed of at anything like that figure to-day. Probably 50 cents on the dollar would be a better valuation. The management has always opposed publicity, a fact which makes it doubly hard to gauge the investment value of the securities in question.

Steel Preferred.

21365. (Keene, N. H.) Do you consider Steel preferred a good investment at 110?

Ans.: From an ultra-conservative viewpoint, Steel preferred may be open to doubts as an absolutely safe investment, for it is an axiom in the investment world that it is, generally speaking, unwise to buy into litigation. In this specific instance the filing of a gov-

Digitized by Google

NATIONAL BANK 3rd OF ST. LOUIS

CAPITAL $2,000,000
SURPLUS $2,000,000
DEPOSITS $35,000,000

NATIONAL BANK 3rd OF ST. LOUIS

ernment suit to dissolve the company is the one great unsettling factor, and the fact that well-posted authorities generally entertain strong doubts as to the ability of the federal authorities to prove their case and bring about a dissolution of the company does not alter the fact that during the progress of the suit and its outcome, covering, in all probability, a period of two years or more, the stock will be liable to fluctuations calculated to disturb the man or woman whose chief requisite is investment stability.

For a business man, who is in a position to watch his investment closely, we believe that whatever increase in speculative risk there may have arisen as a result of the Wickersham anti-trust measures has been fully accounted for by the decline in the market price. At 110, at which price the net yield would be 7.36 per cent, the stock would be about 11 points under the 1911 high price. In 1910, it sold up to 1252, and in 1909, to 131. As a matter of fact, the price which you mention is well under the high levels of each recent year, if we except 1907, when the highest point touched was 107¾. Of course, the earning power behind these shares is unquestioned, and properly so, in view of the fact that the earnings of the last four fiscal years available for preferred dividends have averaged about 22 per cent, or more than three times the amount actually paid out. If the government wins its suit and the dissolution of the corporation is ordered, it might be decided to retire the preferred stock at par, or securities of the various constituent companies might be issued in exchange, as is now being done in the case of the Standard Oil Company. Nothing worse than one or other of these proceedings will befall the shareholder, and the chances are that the ending of the contest will find the Steel Corporation doing business as usual, with the added prestige of having been relieved of the stigma of the government charges.

BANK ITEMS.

ATLANTA, GA.—Fulton Loan & Trust Company, capital $25,000, is reported incorporated by W. A. Callaway, A. W. Jackson and C. A. Withers.

BALDWIN, WIS.—The State Bank of Baldwin, capitalized at $25,000 has been converted into the First National Bank of Baldwin.

BELLEVILLE, PA.—The Farmers National Bank of Belleville, has been organized with a capital of $50,000. F. W. Warner, W. J. Yeager, G. B. Brindle, A. R. Hayes and R. E. Goss are interested.

BUNKER, MO.—Bank of Bunker is the title of the new bank at this place. Capital $10,000. J. D. Gordon, president; R. L. Cantrell, cashier; J. A. Hulsey, assistant cashier.

CHURCHVILLE, VA.—The Augusta County bank is reported incorporated with from $10,000 to $20,000 capital. M. P. Jones is to be president, J. A. Brown, vice-president, B. W. Jones, secretary and R. A. Gilliam, cashier.

PHILOMATH, ORE.—Articles of incorporation for the Philomath State Bank were filed. The capital stock is $15,000, and the incorporators are: J. R. Lasswell, of Portland; S. T. Wyatt, of Philomoth, and M. R. Drury, president of Philomath College.

POTEET, TEXAS.—The First State Bank has been incorporated with a capital of $10,000. The incorporators are: W. I. Fitch, Charles J. Ernest and Van H. Howard.

RAINELLE, W. VA.—Bank of Rainelle, authorized capital $25,000, is reported incorporated by I. W. Raine of Esmond, John Raine and I. M. Arnold of Rainelle; P. L. Andrews, of New Bethlehem, Pa., and Lewis C. Dyer, of Hambleton, W. Va.

WACONIA, MINN.—A new bank will be opened here by Roy Quimby, vice-president of the Minneapolis State Bank, and others. Capital $10,000.

THE
OLD NATIONAL BANK
OF SPOKANE
OFFERS ITS CORRESPONDENTS
Better Banking Service
The Largest Number of direct connections of any bank in the Inland Empire.
Send us your Washington, Oregon, Idaho and Montana Items.

Chase National Bank
NEW YORK
Capital ..... $ 5,000,000
Surplus and Profits (earned)... 8,282,871
Deposits 113,548,760
A. BARTON HEPBURN, Chairman of the Board
ALBERT H. WIGGIN, President
SAMUEL H. MILLER, Vice-President
HENRY M. CONKEY, Cashier
CHARLES C. SLADE, Ass't Cashier
EDWIN A. LEE, Ass't Cashier
WILLIAM E. PURDY, Ass't Cashier
ALFRED C. ANDREWS, Ass't Cashier
DIRECTORS
Henry W. Cannon
James J. Hill — George F. Baker
Grant B. Schley — Albert H. Wiggin
A. Barton Hepburn — George F. Baker, Jr.
John I. Waterbury — Francis L. Hine
FOREIGN EXCHANGE DEPARTMENT

Ladd & Tilton Bank
PORTLAND, OREGON.
Established 1859.
Capital $1,000,000.
Surplus & Undivided Profits $700,000
OFFICERS
W. M. LADD, President
EDWARD COOKINGHAM, Vice Pres.
W. H. DUNCKLEY, Cashier
ROBERT S. HOWARD, Asst. Cashier
J. W. LADD, Asst. Cashier
WALTER M. COOK, Asst. Cashier
DIRECTORS:
EDWARD COOKINGHAM — J. WESLEY LADD
WILLIAM M. LADD — S. B. LINTHICUM
HENRY L. CORBETT — FREDERIC B. PRATT
CHARLES E. LADD — THEODORE B. WILCOX

Franklin National Bank
PHILADELPHIA
Capital $1,000,000.00
Surplus and Undivided Profits. 2,730,181.17
INCORPORATED 1900.
OFFICERS:
J. R. McALLISTER, President.
J. A. HARRIS, JR., Vice-President.
E. P. PASSMORE, Cashier. — L. H. SHRIGLEY, Assistant Cashier.
J. W. HARDT, Assistant Cashier.
Foreign Exchange Department.
WILLIAM WRIGHT, Manager.

THE
People's State Bank
DETROIT, MICH.
Capital, $1,500,000.00
Surplus, 1,500,000.00
Collections a specialty
Correspondence Invited

Portland National Bank
PORTLAND, MAINE
Union Mutual Life Insurance Co. Bldg.
Accounts received on the most liberal terms consistent with sound banking.
Collections receive prompt attention.
WM. W. MASON ..... President
EDWARD W. COX ..... Vice-President
CHAS. G. ALLEN ..... Cashier
EDWARD L. PIPER ..... Asst. Cashier
Directors:
Fred E. Richards, — Charles G. Allen,
Henry B. Cleaves, — George F. West,
William W. Mason, — George Westcott Beyer,
Lyman M. Cousens, — Roswell C. Bradford,
Edward W. Cox.

OLDEST BANK IN AMERICA
Chartered by Congress, 1781.
The
Bank of North America
(NATIONAL BANK)
PHILADELPHIA, PA.
Capital ..... $ 1,000,000.00
Surplus 2,200,000.00
Undivided Profits..... 871,000.00
Deposits 15,075,000.00
HARRY G. MICHENER..... President
SAMUEL D. JORDAN..... Cashier
WILLIAM J. MURPHY..... Asst. Cashier
RICHARD S. McKINLEY..... Asst. Cashier
Accounts Solicited
Correspondence Invited

The National Park Bank
OF NEW YORK
Organized 1856.
Capital ..... $ 5,000,000.00
Surplus and profits 12,947,483.12
Deposits, Sept. 1, 1911..... 105,550,902.48

Digitized by Google

THE NATIONAL CITY BANK OF CHICAGO

CAPITAL :: :: $2,000,000.00
SURPLUS & PROFITS 500,000.00
RESOURCES :: :: $29,300,000.00

United States Depository — *Accounts of Banks and Bankers solicited. Correspondence Invited.* — Organized 1907

Philadelphia Trust Companies

The Pros and Cons of Admission to the Clearing House Are Being Discussed.

ED. UNITED STATES INVESTOR:

While the general opinion of the bankers of Philadelphia regarding the admission of the trust companies of the city to the Clearing House Association is decidedly favorable, not all of those concerned regard the matter in the same light. As shown by the action taken by the clearing house in voting to admit the trust companies to this privilege, the national banks are the ones most heartily in favor of the scheme, and in a sense these banks will derive the greatest benefit from it. That they are entitled to this benefit, however, is quite as clear, since they are the principal sufferers from the situation as it now exists.

There are in Philadelphia thirty-three national banks and

SIXTY-THREE TRUST COMPANIES.

Included in the latter are three state banks, which for the purposes of this article may be classed as trust companies, and if the Pennsylvania Warehousing Company which does practically a general banking business is included, the number is sixty-four.

It is in making collections from this large number of trust companies that one of the principal difficulties has arisen for the national banks, and it is in just this matter that the national banks are going to be the greatest gainers in the admission of the trust companies to clearing house privileges. To be sure, by the terms of the agreement only 33 of the 63 companies will be eligible for admission, as the first requirement is that the entering companies shall have not less than $500,000 in capital and surplus, but if only

HALF OF THE THIRTY-THREE

decide to enter the association, it means just that number less from which the banks must experience delay, expense and inconvenience in collecting on checks.

As matters now stand, many of the larger national institutions are obliged to send out their runners to the trust companies twice a day, in order to cover the ground. The more trust companies there are which decide to enter the clearing house the less work will there be for these runners to do, and they will have just that additional amount of time to make collections from the companies remaining beyond the pale.

At present, it is

A PHYSICAL IMPOSSIBILITY

owing to the large area covered by the city of Philadelphia, for the runners of some of the institutions to cover the ground in one day, no matter how many trips they may make, and, therefore, resort must be made in not a few instances to the mails for the accomplishment of this work. This takes time, and, therefore, costs money, including loss of interest to the national institutions. Supposing, for instance, that one of the national banks of lower Chestnut street had checks to be presented for collection on one of the most outlying trust companies, or, as might easily be possible, on several such companies. The city of Philadelphia takes in the whole of Philadelphia county, no small area, and as there are trust companies scattered from one end to the other of this territory, unless a national bank should increase its force of runners beyond all limits of reason from the standpoint of expense, it would be impossible to collect by hand on all the checks held against the outlying companies in one day.

COLLECTING BY MAIL.

Consequently, these items must be collected by mail. Checks mailed on Monday, for instance, would not arrive at their destination until Tuesday, because the letter containing them would not be likely to be mailed until after the close of the day's business. Remittance by the trust company could not be made soon enough for the national bank to put their checks through clearing on Tuesday, so it would be Wednesday before the national bank would receive its due. It is understood, of course, that the check mailed by the trust companies to cover the amount of the checks against itself would be drawn on some other national bank which the trust company in question used as a depository, as this is the general practice.

From this it will be seen that to collect these trust company items by mail takes

THREE FULL BANKING DAYS,

or as much time as it would take to make similar collections on Pittsburgh. The national banks have long felt that they had just grounds for complaint on this score, and that is

THE FOURTH NATIONAL BANK
OF THE CITY OF NEW YORK

THE specialized organization of this Bank provides a thoroughly equipped Department for the purchase and sale of high class stocks and bonds for the account of customers. Orders are promptly and carefully executed.

JAMES G. CANNON, President
SAMUEL S. CAMPBELL, V. President
CHARLES H. PATTERSON, V. Pres.
DANIEL J. ROGERS, Cashier
E. W. DAVENPORT, Asst. Cashier
CHARLES E. MEEK, Asst. Cashier

CAPITAL and SURPLUS $10,000,000

RUEL W. POOR, President
JAMES McCUTCHEON, Vice-President — ARTHUR W. SNOW, Cashier
W. L. DOUGLASS, Second Vice-President — RALPH T. THORN, Asst. Cashier

The Garfield National Bank
OF NEW YORK CITY

Capital and Surplus - - - $2,000,000

Offers to Banks, Bankers, Corporations and Firms the services of a thoroughly equipped and conservatively managed bank.

YOUR BUSINESS SOLICITED

METACOMET NATIONAL BANK
OF FALL RIVER, MASS.

Capital, $750,000 — Surplus and Undivided Profits, $333,000

SIMEON B. CHASE, President
MILTON REED, Vice-President — CHARLES B. COOK, Cashier

Special attention given to the handling and collecting of cotton drafts, sent direct from the South

THE DEXTER HORTON NATIONAL BANK of Seattle maintains a department organized for the especial care of the accounts of banks and bankers. Our officers will be pleased to correspond with bankers contemplating the establishment of relations in the Pacific Northwest.

CAPITAL & SURPLUS $1,440,000

Digitized by Google

IF YOU HAVE NO CORRESPONDENT
IN CINCINNATI
WE WILL WELCOME THE OPPORTUNITY OF PROVING TO YOU THE BENEFITS WHICH WILL ACCRUE FROM FORMING A CONNECTION WITH US.
RESOURCES
TWENTY-FIVE MILLION DOLLARS
And every facility for the satisfactory handling of Bank Accounts.
THE FIFTH-THIRD NAT'L BANK CIN'TI

one reason why they were eager to welcome the trust companies into the clearing house.

But there is still another objection in regard to these collections and in most cases this objection applies to making collections by hand as well as by mail. It is the practice resorted to by the trust companies in making remittances by check instead of in cash, as they are theoretically supposed to do. These checks, as stated, are drawn on some national bank other than the one making the collection, and although the collecting bank has no doubts as to the soundness of the institution on which the check of the trust company is drawn, it may not feel so sure as to the amount of the

TRUST COMPANY'S BALANCE

at that bank. The banks are, therefore, sometimes put to some trouble to obtain this information, and the admission of the trust companies to the clearing house may possibly help in this respect also.

There is, however, one objection to the proposition as it now stands. It does not go far enough. Owing to the rules laid down by the committee, accepted by the banks, and which must be agreed to by the entering companies, only the largest and, therefore, the best-known concerns are eligible for membership, and it is in regard to these that the national banks

NEED THE LEAST INFORMATION.

It is also just these companies which are the most centrally located and from which it is now easiest for all the banks to make collections for that very reason.

At this writing it is impossible to say just how many of the trust companies which are eligible will make use of the privilege, while in any case, there will remain a large number of companies from which it will be just as inconvenient for the banks to make collections as heretofore.

The only remedy for this condition will be for the members of the clearing house, banks and trust companies alike to make provision for the wholesale collection of these items, and many of the local banks believe that the present plan should include some such arrangement. Anyway, it is believed that this will be the next step, and it is certainly the most logical one.

Of course, the raising of the barrier to keep out the smaller concerns was to avoid taking into the association a number of institutions whose presence might have a weakening rather than a strengthening effect, and this was unquestionably a wise provision from that viewpoint, but many of the local bankers are right in believing that the last word has not been said by any means.

Something further must be done to clear up the matter of collections not only from those concerns which cannot join the association, but also from those who are eligible to join and yet will not. Just how many of those who can join if they wish to conform to the requirements will do so remains to be seen, but from the attitude of one or two good sized concerns who are eligible by a good margin it looks as though there would be a few who will decide to remain

OUTSIDE THE FOLD.

The object in so doing would be to avoid the expense involved by entering. Under the terms laid down, there is an initiation fee of $10,000 for the company which enters the clearing house, with yearly dues of $500 and yearly assessment which it is estimated will average about $250 more. These are comparatively small items when compared with the reserve requirements. Trust companies becoming members must maintain a reserve of 20 per cent, of which 7½ per cent must be in cash, the remaining 12½ per cent to be deposited with some national bank as a reserve agent. Institutions adjudged to be conducting a commercial banking business must maintain a reserve of 25 per cent, of which 12½ per cent must be in cash

THE
Chatham and Phenix
National Bank
NEW YORK
Capital and Surplus
$3,000,000
All business under direct supervision of the officers.
LOUIS G. KAUFMAN, President.
GEO. M. HARD, Chairman of the Board.
F. J. HEANEY, Vice-President.
W. H. STRAWN, Vice-President.
A. M. BULL, Vice-President.
BERT L. HASKINS, Cashier.
H. L. CADMUS, Assistant Cashier.
N. P. GATLING, Assistant Cashier.
W. B. BOICE, Assistant Cashier.
H. C. HOOLEY, Assistant Cashier.
Your Account Solicited.

The MECHANICS and METALS NATIONAL BANK
OF THE CITY OF NEW YORK
OFFICERS
GATES W. McGARRAH, President
ALEXANDER E. ORR, Vice-Pres.
NICHOLAS F. PALMER, Vice-Pres.
FREDERIC W. ALLEN, Vice-Pres.
FRANK O. ROE, Vice-Pres.
WALTER F. ALBERTSEN, Vice-Pres.
JOSEPH S. HOUSE, Cash.
ROBERT U. GRAFF, Ass't Cash.
JOHN ROBINSON, Ass't Cash.
CHARLES E. MILLER, Asst. Cash.
Capital, Surplus and Undivided Profits, $14,000,000

The Commercial National Bank OF WASHINGTON D. C.
Capital $500,000 Surplus and Undivided Profits $296,000
ASHTON G. CLAPHAM, President
ELDRIDGE E. JORDAN, First Vice-pres. N. H. SHEA, Second Vice-pres.
T. K. SANDS, Third Vice-president
JOHN POOLE, Cashier HERBERT V. HUNT, Asst. Cashier.

FIDELITY TRUST CO. TACOMA, WASHINGTON
CAPITAL AND SURPLUS, $900,000
General Banking
Oldest Trust Company in the State of Washington.

CITIZENS NATIONAL BANK BALTIMORE, MD.
CAPITAL, $1,000,000 SURPLUS, $2,000,000

and the balance on deposit with some national bank.

This will involve

NO PARTICULAR HARDSHIP

to the largest companies who are eligible for membership by a wide margin of capital and surplus, but to some who are just over the line it is no small matter and may result in their deciding to continue their business along previous lines, making the best of whatever prestige they may lose by staying outside the association.

THE SMALLER COMPANIES.

The smaller trust companies are, of course, not greatly concerned about the proposition one way or the other. Interviews with several of them reveal no feeling of bitterness because they were barred out, and their position is, therefore, entirely neutral. All of them thus far seen are broad minded enough to see that the admission of only a very few trust companies to full membership in the Clearing House Association means a great deal for the banking situation of the city in general, and that it would be of great benefit to the community in general in times of stress, through the issuance by the member trust companies of clearing house certificates, as was done by the banks in the recent disturbance.

On the other hand, it is the opinion of some of the neutral factors that those of the companies which are just over the line of the requirements laid down will be just

AS WELL OFF OUTSIDE

of the clearing house as in it. All the trust companies, for instance, now carry more or less substantial deposits with approved reserve agents, and many are of the opinion that in a mere matter of obvious misfortune in regard to investments, or even poor judgment in regard to some investments, provided all the investments of the institution were not bad, their reserve agents would be just as much interested in pulling them out of a temporary embarrassment as the clearing house. Such a thing has happened before now, and will undoubtedly happen again. As an officer in one of the smaller companies not eligible for membership in the association rather quaintly phrased it: "I think that these banks with whom we carry substantial deposits would love us about as much as the clearing house, and because of this love or esteem, or whatever you wish to call it, they would probably do their utmost to

HELP US OUT

of a tight place if we were in any way deserving, especially as their regard would be founded not only on consideration for the public weal, but also on what would be a matter of dollars and cents to them".

Perhaps this view of the situation is rather naive, and very likely some of the smaller institutions are expecting from their depositories what they have no right to expect, but the trust companies which are kept out of membership in the association because they have not got the price of admission are finding considerable consolation in it, nevertheless.

Of course, the smaller companies realize that the restrictions placed upon [illegible] the clearing house amount practically to a confession of faith on the part of the banks to the effect that there are

TOO MANY SMALL COMPANIES

in the city, anyway, and this may be why no more enthusiasm is manifested in some trust company circles.

This touches rather a sore spot among the smaller companies, of course, and brings up a line of thought which may be treated in detail later on, but in passing it is interesting to note that the view taken by some of the smaller concerns directly affected is exceedingly sensible. While not admitting that there are now too many, more than one trust company officer is at least willing to admit that there are enough, and one was candid enough to confess that he doubted if it would be possible just at this time to interest any capital in the formation of new trust companies in Philadelphia to-day.

We believe that he is correct in this opinion, but all the financial interests realize that the number of trust companies cannot be either reduced or increased by any action on the part of the banks or the clearing house, and, indeed, this is a matter with which hardly any one has a right to actually interfere. It is a matter which must be left to

WORK OUT ITSELF

as happened in Pittsburgh, where there were once altogether too many, but now about the right number, the change having come about naturally through consolidation and elimination. But even if the clearing house, or the banks through the clearing house, cannot make any actual reduction in the number of companies, some good can at least be accomplished by the admission to clearing house privileges of as many companies as possible, and still more good by some action which will benefit not only all the national banks and a few of the trust companies, but also all the trust companies and all the banks, as well as the public at large.

PHILADELPHIAN.

SAVINGS BANK INSURANCE.

Three years have elapsed since the Whitman Savings Bank, of Whitman, and the People's Savings Bank, of Brockton, opened insurance departments under the law enacted by the Commonwealth, to provide wage earners with the opportunity of obtaining life insurance and old age annuities at the lowest possible cost. Other banks have been waiting to see how the new departure worked out in these two institutions. The results have been so encouraging that the trustees of the Berkshire County Savings Bank, of Pittsfield, opened an insurance department in that bank last June.

THE THIRD FINANCIAL YEAR

of savings bank life insurance ended October 31, 1911, and the record of the year is most satisfactory. The insurance departments of the banks show a premium income for the year of $75,827.16, an increase of about 33 1-3 per cent over the previous year.

The number of policy holders has grown from 3,318 in 1910, to more than 5,200 in 1911. During the financial year just ended, the amount of insurance in force has increased from $632,637 to nearly $2,000,000, a net gain of more than 45 per cent.

SPOKANE, WASH.—The Exchange National Bank, of which Edwin T. Coman is president, has joined the Trustee Company, of Spokane, in a plan to erect a 12-story structure, 121 by 142 feet, in Riverside avenue. The cost is estimated at $1,—— The building will occupy the site of the Wolverton building. The bank, which is crowded for space, probably will have its offices and vaults in the new structure.

THE
National Commercial Bank
of ALBANY, N. Y.

Capital - - $1,000,000
Surplus and Profits 1,726,745
Deposits - - 21,276,797

OFFICERS

ROBERT C. PRUYN, President
JOHN E. WALKER, Vice-Pres. EDWARD J. HUSSEY, Cashier.
JAMES H. PERKINS, Vice-Pres. WALTER W. BATCHELDER, Asst. Cash.
JACOB H. HERZOG, Asst. Cash.

Let us collect your New York and New England items

Digitized by Google

Real Estate Trusts

A Form of Security Peculiar to Boston and Made Necessary by Massachusetts Law—As an Investment, They Have Much to Commend Them.

For the past few years, a wave of conservatism has been sweeping over the country and over Massachusetts in particular, due to the heavy losses of investors who have speculated in worthless mining, oil and other indiscriminate so-called investments. Thousands of investors have been taught severe lessons, and have found out too late their supposed money-makers, which, according to the promoters, could not help doubling their money in a year or two, were often nothing more than a few acres of worthless, undeveloped land, and even in some cases, it was learned that their company did not own, or even have a lease on any land. This wave is now reacting to the benefit of those engaged in legitimate business enterprises, of which first-class real estate is among the foremost. Real estate securities have made a good record in the past, and it is to this, as well as the foregoing, that their increasing popularity is attributed.

Massachusetts has always deemed it an unwise policy to allow real estate to be held in perpetuity, hence, the

LAW PROHIBITING

the buying and selling of real estate by corporations. So, with corporations excluded, and the impossibility or unlikelihood of any individual erecting and operating a building of the size and style of those being constructed now, and the absolute need of such buildings, due to the growth of the city, the real estate trust form of ownership and management was the inevitable and the only practical way left. This system avoids the Federal corporation tax, and the corporation franchise tax, and in addition, avoids the filing of returns and the other publicity required by the corporation laws of Massachusetts. However, it cannot be said that these trusts were formed for the

PURPOSE OF EVADING

the above mentioned items, for some of them were formed long before the Federal corporation tax law, and anyway, there is no other practical or even impractical way of dealing in real estate in Massachusetts, and under its laws.

REAL ESTATE TRUSTS

are neither associations nor partnerships, and do not differ one iota from the ordinary trust of property under a will or written instrument. It arises by the conveying of real estate to individuals, generally three in number, in whom the trust is placed that they will exercise the rights of ownership vested in them for the benefit of those who have put their money into their hands, and is the same as the placing of property by the owner in the hands of a trustee to manage and operate for his, the owner's benefit. Right here, it might be said that this feature is one of the advantages to the security holder, for the trustee's name will always

BE IDENTIFIED

with the properties and failure to live up to what is right and best for those who have invested in the trust will rebound on himself directly, and no man wants his name a synonym for financial failure, or failure to live up to his trust.

The real estate trust form of ownership and management began some 25 years ago, and has since grown rapidly, so that there are considerable over a hundred of these trusts in Boston at the present time, with holdings of over $104,000,000. This amount is invested largely in and around Boston, but there is property in nearly, if not

EVERY STATE

and large city in the Union, with the exception of New York City, which is owned by some one of the Boston trusts. The omission of New York from this number is due to the fact that banks and insurance companies do most of the building there, and also to the fact that the taught conservatism of Massachusetts investors objects to the style of building in that city.

This style of ownership and management is not to be found in any considerable amount in any other city. Boston is the home of real estate trusts and it bids fair to remain the centre of such indefinitely. This form has been carefully worked out in the 25 years of its existence, and now it has reached the

HIGHEST POSSIBLE

point of efficiency. The good done Boston by them is common knowledge, and must be apparent to everyone. Hotels, office buildings, theatres and apartment houses, which otherwise could or would never have been erected, all go to prove this. The growth of the city and suburbs has been greatly promoted by them, and the same is true in nearly every section of Massachusetts. Storage warehouses, wharfs and factories, too, have been erected, all of which have made large sums of money subject to local taxation, and instead of restraining competition, as has been claimed, they increase it.

Single individuals could not hope to be adequate in themselves in meeting the needs of modern times in the nature of large and costly buildings in large cities.

Take, for instance, the new Filene Building, which is now in course of construction, and which will cost almost $7,000,000 to build, and numerous other office buildings in the financial and business sections of the city, all of which cost from $1,000,000 up. As a matter of fact, there is but one large

OFFICE BUILDING

in Boston that is owned by private ownership.

Summed up briefly, real estate trusts stand for combined capital versus separate small sums, organization versus individual effort, co-operation versus corporation, the opportunity versus the lack of it, and economy versus extravagance.

Real estate securities have made a good name for themselves among investors during the last decade. Of course, there are bad ones among these, the same as in any class of securities, for it

IS IMPOSSIBLE

for every enterprise of any description to be a success, and before investing, as great care should be taken in selection as in any class of securities. Again, if the investor wants a security that he can dispose of at once, he must exercise even greater care before buying than is necessary in the selection of industrials, for although the market is quite active, that is to say, quite active for a real estate security market, it is by no means as much so as the stock market, or even the unlisted security market. In fact, one of the largest specialists in this line of securities is responsible for the statement that any day when he sold 100 shares, he considered it a good day.

However, at least, 80 per cent of the real estate securities of trusts are held by trustees for

WOMEN AND CHILDREN,

and others who have large amounts to put away, and which they do not care to have the trouble of taking care of. The average trust stock pays 4 per cent dividends, and a large number of the more active are paying 4½ per cent and over. This, combined with the security back of the stocks or bonds, makes them a very attractive buy for investment purposes. Another attrac-

FREDERICK S. HOLMES
Vault Engineer
2 RECTOR STREET, NEW YORK

Ambursen Hydraulic Construction Company
Engineer-Constructors
88 PEARL ST., BOSTON
165 BROADWAY, NEW YORK 405 DORCHESTER ST. W., MONTREAL

Our experience is of value to you because it is gained in the successful building of 67 dams to date (Nov. 1, 1911), of all heights up to 150' and having an aggregate length of over 4¾ miles. We have inaugurated a system of bi-monthly Bulletins on pungent engineering topics as viewed from the Bankers' standpoint. Send us your name for our mailing list.

6% NON-TAXABLE TRUST CERTIFICATES
With Participation in the Large Profits of Real Estate Development. Secured by Income Property. Send for Booklet
GREATER BOSTON REALTY TRUST, 28 School Street, Boston

Digitized by Google

tive feature is the minimum risk taken in these securities. Suppose a man with $25,000 to invest, has chosen real estate to put his money in. He could not buy or build anything with that amount, which would give him a fair return on his money, and at that, even, he would run a big risk by having all his money in one building. By the trust form, he can

DISTRIBUTE THE RISK

among a number, as well as sharing in any additional earnings of any one of his several investments. Those looking for a good investment security will do well to consider some of the more active and well secured of these in the real estate market. It must be remembered, however, as pointed out before, that one good security does not make all of that class good, and great care should be taken in the final choice.

THE BANKERS' LIFE.

Some Perplexing Problems That Must Arise in Its Change From Assessment to Old Line Insurance Business.

Those who have observed the erection of large buildings in our great cities have noticed that particular pains have been taken to make the foundations solid, deep and secure. In fact, "foundation building" has become a specialty, so that companies are organized and so designated which do nothing but build these foundations, in order that the superstructure may be securely fixed and in no danger of toppling over from any possible sinking or mischance.

As a figure, this fact may be used concerning all kinds of business, and in no other is it more true than in life insurance. We have often called attention in these columns to the

INSECURE BASIS

of assessment life insurance, and to the number less wrecks with which the Road of Time for the last thirty years is strewn, owing to the fact that assessment insurance is not and cannot be a safe method of life insurance. One by one, all the assessment companies have passed away, excepting those important fraternal orders which have other elements besides insurance to bolster them up, such as social functions and other co-operative measures which have appeared to keep them alive and prosperous. In our opinion these also will meet the fate of other life insurance institutions conducted on the assessment plan, when the fullness of time is come.

All this is prefatory to the announcement of the fact that the Bankers' Life Association, of Des Moines, the largest

ASSESSMENT INSURANCE

association in the world, and apparently the most prosperous, has, for various reasons, at last found it necessary to adopt the legal reserve plan for its new business. We understand that the association has been forced to this step by the on-coming of legislation which was hostile to it, and also that it could foresee the handwriting on the wall which spelled ruin unless it changed its plans. The association has, therefore, announced that it will at once begin the writing of legal reserve policies in a number of the states, and, in fact, it appears that its continuance in business in some of these states was conditional upon such a change. Accordingly, hereafter it is likely that practically all the new business of the Bankers' Life Association will be written upon the legal reserve plan, and forms have been prepared with adequate rates, looking to such a change in its methods of doing business.

It is necessary, however, to inquire what is to be done with the

$500,000,000 of INSURANCE

which is already in force on the assessment plan. The company's legal status permits it to charge an unlimited assessment to provide for death losses, and while its loss ratio has apparently been very small, its increase in the near future was inevitable, and its end was as certain as that of the Mutual Reserve and other important companies which have gone before it. The Bankers' Life, in the pursuit of its assessment business, was singularly fortunate. It chose a name which was calculated to inspire confidence, both in agents and applicants, for anything associated with a "bank" is supposed to be unusually secure. Through this means and by a vigorous management, it kept up a large increase in membership until at last, as said, it became the most important assessment life insurance institution in the world.

It is easy to see, however, that the certificate holders of the association on the assessment plan may find themselves in a very precarious position. The company has large assets for an assessment concern, but they are by no means adequate ever to provide a legal reserve for the tremendous bulk of assessment insurance outstanding. As it is likely that very little more assessment insurance will be written, it can be readily seen that

THE DEATH RATE

on these certificates is likely to rise very certainly and very rapidly, and that in a very short time, the cost of insurance on this class of policies will be greatly increased.

Here now arises a very complex question. If the association could separate itself into two companies, one retaining the assessment life policies and the other writing the level premium forms, the latter would undoubtedly be safe and secure, because hereafter adequate rates would be charged, but it is uncertain just what method can be adopted by the Bankers' Life to adjust its liabilities between the several classes of policies which it will have in force. Apparently, it will be obliged to use, in starting, at least, some of its present funds as a basis for its legal reserve business.

THIS WILL WEAKEN

all the more the prospects of the assessment policy holders. This also makes it doubtful upon how secure a basis it will be able to write its new forms of policy, for there is sure to

(Continued on page 1969.)

Before All Else

there is found in every Union Mutual Policy the first and strongest Purpose of Life Insurance.

Protection

Clear, Faithful Reasonable Contracts. Ask for Particulars.

Union Mutual Life Insurance Co.
Portland, Maine

Fred E. Richards, President.

JANUARY 1, 1911
Insurance in force more than $140,000,000
ASSETS - $36,827,079.03
LIABILITIES 33,371,841.25
SURPLUS - $ 2,955,237.78
1910 MOST PROSPEROUS IN HISTORY OF THE COMPANY

North American Accident Insurance Co.
CHICAGO

Net Surplus & Capital..$ 509 081.57
Income 1910 . . . . . 1,151,826.28
Will aid good men in Establishing Agencies.
Best Policies — Largest Commissions or Profit Sharing Contract.
A. E. Forrest, Vice-Pres. & Sec'y. Chicago.

STANDARD OIL

We solicit your orders in the subsidiary stocks and invite your correspondence.

POUCH & CO.

Members N. Y. Stock Exchange

40 WALL STREET NEW YORK

Digitized by Google

Standard Oil In Unscrambled Fractions

The 35 Parts of the Dismembered Oil Trust Will Have a Par Value of $275 and an Estimated Actual Value of $1,348—Interesting Table Showing Amount of Stock to Be Distributed on Each Share of Original Standard Oil Stock Ranging From Two Cents Worth of Waters, Pierce Oil Company to $25.41 in Standard Oil Company, of California—Present Values Estimated as the Only Available Data Appeared in the Government Proceedings When the Figures For the Year 1906 Were Made Public.

In a few days, or to be exact, on December 1, the Standard Oil Company will be dissolved in strict accordance with the decree of our Supreme Court, and each shareholder of the Standard Oil Company will, in consequence, have 35 different certificates representing his interest, instead of one. There have been varying statements as to the details of this dissolution, but the fact is that each Standard Oil shareholder will retain his original certificate and receive 34 additional certificates.

In discussing this Standard Oil dismemberment, most all of the paragraphers have put out their most poignant periods. In reviewing them, it is not strange that all are shafts of sarcasm, and practically all of them can be about equally divided in their direction between the officials of the Oil Company and the officials of the government.

Standard Oil officials are blamed because they have not given their shareholders and the public more information regarding the disintegration of their company, and the government officials have been justly accused of having disorganized the

WORLD'S MOST SUCCESSFUL

industrial enterprise, and one which has brought into our country during its existence over $2,000,000,000 as the proceeds of its export sales.

In final and disinterested analysis, however, it appears that Standard Oil officials have literally and faithfully carried out the decree of the Supreme Court, and that there is no occasion for disconcerting the small stockholders of the company by the dissertations which have appeared suggesting the ridiculous in considering the fractional shares involved in the distribution.

In this, as in all other cases, there is a happy medium between the extremes of viewpoint. The Standard Oil officials might have been more explicit and explanatory in telling their shareholders what they were compelled to give them, and likewise our government authorities, which includes the men who made the Sherman law, as well as those who have interpreted it, might have known more or been handicapped by less previous lack of knowledge.

This story is particularly addressed to the small Standard Oil shareholder, of which

THERE ARE OVER 1,500

who own less than 5 shares of stock out of the total of 6,000 individuals who own the big corporation.

John D. Rockefeller will probably not depend on the United States Investor for a translation of his fractional lots into values expressed in dollars and cents, but most of the small stockholders, and in this list I must parenthetically, and with due notice, include my wife, are at this time literally bristling with questions about what they are going to get. I am writing this long story, therefore, not only for these small shareholders, but because some of them may become disgusted, and sacrifice their holdings, in which event investors generally should be interested.

I would counsel every small Standard Oil shareholder to hold all of his 35 certificates for at least a year, and until such time as he had received an annual report on each one of the different corporations, as well as had an opportunity to observe the market quotations on the various stocks which he owns. This advice is not original, as it was to my knowledge given by a Standard Oil insider to one of his friends.

There is, however, perversity in human nature as well as a wide variance in ideas, so I am impelled to counsel investors, whether they are Standard Oil stockholders or not, to

KEEP ON THE LOOKOUT

during the next year for bargains in Standard Oil fractions.

In telling this long story of the dismemberment or unscrambling of the gigantic Standard Oil Company, which has been disbursing $40,000,000 a year in dividends out of $80,000,000 a year earned, the first exhibit naturally should be the list of companies whose shares are to be distributed, their par value and the amount of their stock which is to be distributed. This list is as follows:

Company	Par value stock	Amount of stock to be distributed
Atlantic Refining Co.	100	$4,999,600
Borne Scrymser Co.	100	199,200
Buckeye Pipe Line Co.	50	9,939,700
Chesebrough Mfg. Co.	100	371,200
Colonial Oil Co.	100	199,700
Continental Oil Co.	100	299,500
Crescent Pipe Line Co.	50	2,969,850
Cumberland Pipe Line Co.	100	699,500
Eureka Pipe Line Co.	100	4,999,400
Galena-Signal Oil Co., pf.	100	1,697,700
Galena-Signal Oil Co., com.	100	3,301,900
Indiana Pipe Line Co.	50	4,499,750
National Transit Co.	25	12,499,975
New York Transit Co.	100	4,999,800
Northern Pipe Line Co.	100	3,999,100
Ohio Oil Co.	25	14,999,850
Prairie Oil & Gas Co.	100	17,997,800
Solar Refining Co.	100	499,100
Southern Pipe Line Co.	100	9,999,400
South Penn Oil Co.	100	2,499,500
So. W. Penn Pipe Line	100	7,499,600
Standard Oil Co. (Cal.)	100	24,999,700
Standard Oil Co. (Ind.)	100	999,900
Standard Oil Co. (Kan.)	100	999,300
Standard Oil Co. (Ky.)	100	992,200
Standard Oil Co. (Neb.)	100	799,500
Standard Oil Co. of N. Y.	100	14,999,600
Standard Oil Co. (Ohio)	100	2,499,400
Swan & Finch Co.	100	99,400
Union Tank Line Co.	100	11,999,700
Vacuum Oil Co.	100	2,499,600
Washington Oil Co.	10	21,450
Waters-Pierce Oil Co.	100	374,750
Anglo-Am. Oil Co., Ltd.	£ 4	£ 4,797,141
		$275,317,197

THOSE CONFOUNDING FRACTIONS

The circular letter which was sent to all stockholders, giving the exact fractional details of the distribution of securities has occasioned much comment, notwithstanding the fact that the distribution could be described in no other way. These fractions simply represent in the numerator the number of shares of stock of each controlled company to be distributed, and in the denominator the number of shares of Standard Oil stock of New Jersey, among which they are to be distributed. For example, in the first item on the following list, it will be noted that $4,999,600 in par value of Atlantic Refining Company stock is to be distributed pro rata among the owners of $98,383,300 in par value of stock of the parent Standard Oil Company. In other words,

EACH HOLDER OF ONE SHARE

of Standard Oil stock is to receive 49996-983383 thousandths of one share of the Atlantic Refining Company. The

EMERSON
McMILLIN & CO.
BANKERS
40 WALL STREET
NEW YORK CITY

Knauth, Nachod & Kühne
BANKERS
15 WILLIAM ST., NEW YORK
LEIPZIG, GERMANY
Members of the New York Stock Exchange
INVESTMENT SECURITIES
Drafts on all Parts of the World
Letters of Credit and Travelers' Checks Available Everywhere
Obtainable either direct from us or through Banks and Bankers throughout the United States and Canada. Pamphlet "Funds for Travelers" mailed upon application.

American Industrials Co.
Broad Exchange Building, New York
INVESTMENT SECURITIES.
6% Twenty Year First Mortgage Gold Bonds.
7 Preferred Stocks.
8% Preferred Stocks.

Digitized by Google

complete exhibit of fractions is as follows:

	Thousandths of one share
The Atlantic Refining Company	983383
Borne-Scrymser Company	983383
The Buckeye Pipe Line Company	983383
Chesebrough Mf'g. Co., Consolidated	983383
Colonial Oil Company	983383
Continental Oil Company	983383
The Crescent Pipe Line Company	983383
Cumberland Pipe Line Company, Inc.	983383
The Eureka Pipe Line Company	983383
Galena-Signal Oil Co. (Pref'd.)	983383
Galena-Signal Oil Co. (Common)	983383
Indiana Pipe Line Company	983383
National Transit Company	983383
New York Transit Company	983383
Northern Pipe Line Company	983383
The Ohio Oil Company	983383
The Prairie Oil & Gas Company	983383
The Solar Refining Company	983383
Southern Pipe Line Company	983383
South Penn. Oil Company	983383
South West Pennsylvania Pipe Lines	983383
Standard Oil Company, (California)	983383
Standard Oil Company (Indiana)	983383
The Standard Oil Company (Kansas)	983383
Standard Oil Company (Kentucky)	983383
Standard Oil Company (Nebraska)	983383
Standard Oil Company of New York	983383
The Standard Oil Company (Ohio)	983383
Swan & Finch Company	983383
Union Tank Line Company	983383
Vacuum Oil Company	983383
Washington Oil Company	983383
Waters-Pierce Oil Company	983383
Anglo-American Oil Co., Ltd., Share for Shar-	

The problem of reducing these fractions into dollars and cents would appear formidable to any layman, as it did to me, because it involved in each case the dividing of four, five or six figures by six figures carried out to four or five places in the quotient department. In making a short cut to these necessary results, I discovered the utility of the modern dividing machine, and feel obliged to render due tribute by saying that the Oscar Muller Calculating Company, 32 Broadway, New York, on one of their machines, gave me all the following division results on the above formidable array of fractions

IN EXACTLY TEN MINUTES.

In translation, these fractions mean that the holder of each share of Standard Oil stock will receive in dollars, cents and mills, the following amounts of the various subsidiary companies:

Amount of stock in par value to be distributed on each $100 share of stock of Standard Oil Company, of New Jersey:

Company.	
Atlantic Refining Co.	$5 084
Borne-Scrymser Co.	.240
Buckeye Pipe Line Co.	10.175
Chesebrough Mfg. Co.	.283
Colonial Oil Co.	.353
Continental Oil Co.	.304
Crescent Pipe Line Co.	.305
Cumberland Pipe Line Co.	1.016
Eureka Pipe Line Co.	5.083
Galena-Signal Oil Co., Pf.	1.718
Galena-Signal Oil Co., Com.	5.666
Indiana Pipe Line Co.	5.084
National Transit Co.	12.948
New York Transit Co.	5.083
Northern Pipe Line Co.	4.067
Ohio Oil Co.	15.252
Prairie Oil & Gas Co.	15.70
Solar Refining Co.	.507
Southern Pipe Line Co.	10.165
South Penn Oil Co.	2.541
So. W. Penn. Pipe Lines	3.558
Standard Oil Co. (Cal.)	5.417
Standard Oil Co. (Ind.)	1.015
Standard Oil Co. (Kan.)	1.066
Standard Oil Co. (Ky.)	1.014
Standard Oil Co. (Neb.)	.071
Standard Oil Co. of N. Y.	15.252
Standard Oil Co. (Ohio)	3.558
Swan & Finch Co.	.101
Union Tank Line Co.	12.20
Vacuum Oil Co.	2.542
Washington Oil Co.	.022
Waters-Pierce Oil Co.	.027
Anglo-Am. Oil Co., Ltd.	4.566
Total per share	$175.305

As to determining the value of these small lots of stock, there is no information available, except the figures made public in the government suit against the company, which brought out the earnings of the various corporations for the year 1906.

These figures representing the

TOTAL NET EARNINGS

for that year of each corporation, as well as the per cent of earnings of each corporation on the par value of its stock outstanding, are as follows:

Company	Amount net earnings, 1906.	Per cent earnings on stock in 1906
Atlantic Refining Co.	$5 506 238	110.1
Borne-Scrymser Co.	37,458	18.7
Buckeye Pipe Line Co.	7,028,568	70.2
Chesebrough Mfg. Co.	231 714	46.3
Colonial Oil Co.	1,356,724	509.7
Continental Oil Co.	575 044	191.7
Crescent Pipe Line Co.	490,558	49.0
Cumberland Pipe Line Co.	242,107	24.2
Eureka Pipe Line Co.	2,435,106	48.7
Galena-Signal Oil Co., Pf.	2,903,656	58.0
Galena-Signal Oil Co., Com.		
Indiana Pipe Line Co.	2,513,554	251.4
National Transit Co.	1,821,709	7.6
New York Transit Co.	2,347,283	46.9
Northern Pipe Line Co.	1,582,614	79.2
Ohio Oil Co.	2,690,492	104.5
Prairie Oil & Gas Co.	1,000,000	40.0
Solar Refining Co.	1,258,519	251.7
Southern Pipe Line Co.	4,640,196	44.5
South Penn Oil Co.	2,609,721	104.4
So. W. Penn Pipe Lines	373,194	105.7
Standard Oil Co. (Cal.)	2,295,569	16.4
Standard Oil Co. (Ind.)	10,516,603	1051.6
Standard Oil Co. (Kan.)	874,646	87.5
Standard Oil Co. (Ky.)	1,907,581	190.8
Standard Oil Co. (Neb.)	79,181	11.2
Standard Oil Co. of N. Y.	9,566,031	62.8
Standard Oil Co. (Ohio)	1,099,535	28.8
Swan & Finch Co.	150,060	150.1
Union Tank Line Co.	164,702	4.7
Vacuum Oil Co.	1,449,575	56.6
Washington Oil Co.	75,350	15.1
Waters-Pierce Oil Co.	2,899,805	9.0.0
Anglo-Am. Oil Co., Ltd.	1,262,551	2.9

As to what [illegible] value of the stocks of these various subsidiary companies is, or what their present earnings are, there is no information available. The only fact known is that since 1906, the Standard Oil Company has been paying

$40,000,000 A YEAR

in dividends, and officials of the company have admitted that something like $40,000,000 a year in addition had been put back into the property.

It would, therefore, be safe to assume that these companies are now earning more than they did five years ago, and that a valuation of their stocks on a 10 per cent basis on the 1906 earnings would be conservative. By a 10 per cent basis, I mean that if such a corporation earned 10 per cent on its stock, with due consideration for depreciation, that the stock is now worth its par value.

On this basis of valuation, the various parts of the Standard Oil Company now to be segregated would be as follows:

Estimated value of the allotment of each of the 35 parts of the dismembered Standard Oil Company to each $100 share of the old stock:

Company.	
Atlantic Refining Co.	$55.92
Borne-Scrymser Co.	.37
Buckeye Pipe Line Co.	71.53
Chesebrough Mfg. Co.	1.31
Colonial Oil Co.	12.70
Continental Oil Co.	5.80
Crescent Pipe Line Co.	1.49
Cumberland Pipe Line Co.	2.47
Eureka Pipe Line Co.	24.39
Galena Signal Oil Co., Pf.	4.40
Galena-Signal Oil Co., Com.	
Indiana Pipe Line Co.	127.60
National Transit Co.	9.33
New York Transit Co.	23.46
Northern Pipe Line Co.	15.86
Ohio Oil Co.	158.62
Prairie Oil & Gas Co.	73.12
Solar Refining Co.	12.72
Southern Pipe Line Co.	46.77
South Penn Oil Co.	26.62
So. W. Penn Pipe Lines	35.07
Standard Oil Co. (Cal.)	25.68
Standard Oil Co. (Ind.)	106.67
Standard Oil Co. (Kan.)	9.90
Standard Oil Co. (Ky.)	13.15
Standard Oil Co. (Neb.)	.70
Standard Oil Co. of N. Y.	97.31
Standard Oil Co. (Ohio)	9.24
Swan & Finch Co.	1.51
Union Tank Line Co.	5.73
Vacuum Oil Co.	14.74
Washington Oil Co.	.54
Waters-Pierce Oil Co.	2.64
Anglo-Am. Oil Co., Ltd.	12.00
Standard Oil Co. of N. J. (original)	325.00
Total	$1148.94

In the above tabulation, the stock of the original Standard Oil Company of New Jersey is scheduled at $325 per share. This appraisal is conservative, in view of the fact that this stock is now quoted in the curb market as being bid for at this price. The quotation, as reported, is, Standard Oil ex-subsidiaries, 325 bid, offered at 400.

The other valuations in the above list are based on the assumption that each stock is worth ten times the amount of its net earnings in 1906, and if no mistakes have been made in decimal points in the tabulation, the holder of a single share of Standard Oil stock will, in a few days, have a bunch of 35 stock certificates, which should have an aggregate value of $1,348.94. As the present quotation on Standard Oil stock, including all securities to be distributed, is only about $645 per share, it is quite possible that there has been a mistake in this calculation, or else the few buyers and sellers on the Wall street curb are maintaining an

UNDULY SKEPTICAL IDEA

as to the value of the stock.

According to the official announce-

Digitized by Google

ment, each shareholder will receive, on December 1, his package of 33 different stock certificates. He will have another one coming in the Anglo-American Company stock, which is to be distributed later on.

On December 15, each shareholder will also receive a dividend of $10.05 per share. This dividend is provided for by $7 from the parent company, and $3.05, resulting from the distribution of a $20 dividend by the Standard Oil Company of New York.

In discussing, the future of the company, it has been aptly suggested that in the immediate future, the independent oil companies are likely to enjoy 35 brands of competition instead of one. As a forerunner of this development, it will be recalled that the somewhat arrogant Texas Oil Company recently reduced its dividend from 10 per cent to 5 per cent, and the market price of its stock slumped from up around 150 last year to a low point of 74½ during the current week.

It hardly need be suggested that each of the new 35 Standard Oil Companies will be amply equipped with working capital, and that they will have the benefit of all the progress which has been made in scientific development and knowledge of the world's markets which has been acquired by the parent organization.

It has been said on the authority of some unnamed Standard official that the dismemberment of the corporation would result in a loss in net earnings of $10,000,000 a year. The company, however, according to its own statement, has been earning for a number of years around $80,000,000 a year, and paying out only $40,000,000 in dividends, so that even if there should be a shrinkage of $10,000,000 a year in net income, the various companies could easily continue to pay as heretofore the equivalent of

40% IN DIVIDENDS

on the par value of the original company, or over 6 per cent on the present market price of the stock.

As to the difficulties of the small stockholder in handling his fractional shares and more fractional dividends, there has been much idle sarcasm indulged in by financial writers. One, for example, said this week that the dividend of two mills accruing on each Standard Oil share from the Swan & Finch Company would have to accumulate from the time of Washington's farewell address to amount to one dollar, and that if Julius Cæsar had left his heirs a single Standard Oil share, they would up to the present time have received in Swan & Finch dividends only $16.16.

As a matter of fact, however, there will probably be no difficulty, should the necessity suggest itself, of transforming these various corporations so that the par value of their shares will be one dollar instead of twenty-five, fifty or one hundred, as at present. More than that, there can be no doubt that different groups of these companies can merge into a larger corporation without interfering with the Sherman law, and at the same time, they might issue an amount of stock representing the actual value of their assets.

The most important fact to be borne in mind by all the small Standard Oil shareholders is that their property is and will be handled by

THE BEST ORGANIZATION

in every department which has ever been developed in the world's industrial history. Competition has been decreed, and there doubtless will be competition of a vigorous character. This will be desirable in my opinion, rather than detrimental, from the stockholders' viewpoint, as is the case with the Union Typewriter Company, for example.

The Smith, the Remington, the Calgraph and numerous other typewriters which are all owned by the Union Typewriter Company, are apparently in red-hot competition, and so far as the salesmen are concerned, this is the actual fact. The net profits all go back into the same box, nevertheless, and the experience of the typewriter trust is that it is profitable to have this competition.

Competition among the 35 different Standard Oil Companies is likely to result in the same way. The controlling owners have not changed. The world's best experts in the utilization of oil by-products will still be on the pay-roll, pipe lines, factories, equipment and working capital will still be in abundance, and the fact that many of the managers, superintendents and foremen are likely to be made officials and directors of the corporations they have been identified with, will, in all probability, inspire them to greater ambition and energy, which should make for even more satisfactory returns to shareholders.

P. De Medici.

Dial Cash Register, Pay-As-You-Enter Car, Eastern Mills Stocks, Hocking Valley Products Co., bought and sold.

C. W. GILMOR, 50 Broad St., N. Y.

Wire connections to all markets

UNLISTED & INACTIVE ISSUES

We are prepared to quote actual trading markets on unlisted or inactive investment issues.

Correspondence Solicited

E. BUNGE & CO. 20 BROAD STREET, NEW YORK

Cable Address, "Emestus, New York" Long Distance 'Phone 4735-4736 Rector

Hodenpyl, Hardy & Co.

BANKERS

7 Wall Street, New York

6% PREFERRED STOCKS A SPECIALTY

BODELL & CO.

PROVIDENCE, RHODE ISLAND

Boston Office, 35 Congress St.

Bonds and Preferred Stocks of Proven Value

GEO. D. COOK & CO.

BANKERS

71 BROADWAY, NEW YORK

We make a Specialty of Mexican Government and State Bonds

McCOY & COMPANY

Municipal and Corporation Bonds

181 LA SALLE STREET

CHICAGO

Boody, McLellan & Co.

111 BROADWAY, NEW YORK

MEMBERS OF NEW YORK STOCK EXCHANGE

Orders Executed for Investment or on Margin

We Have For Sale

First Mortgage Loans—3 Years 6%, 6½%, 7% Interest.

WM. D. PERKINS & CO., Bankers

No. 211 Cherry St., Seattle, Wash.

Established 1893

Oldest Bond House In Washington.

DOMINION BOND COMPANY

LIMITED

MONTREAL TORONTO OTTAWA

LONDON, ENGLAND

Dealers in HIGH-GRADE CANADIAN BONDS

List on Application

5% BONDS

Guaranteed by

National Light Heat and Power Co

A. H. BICKMORE & CO.,

30 PINE ST., NEW YORK

6% Timber Bonds

Carrying With Them An Exceptionally Attractive Feature

American Finance & Securities Co.

5 Nassau Street New York

H. C. Gibbs & Co.

Gas and Electric Light Bonds

To yield 5% to 5 1-2%

60 State Street BOSTON

CIRCULAR ON MISCELLANEOUS UNLISTED MILL AND MANUFACTURING SECURITIES

SENT UPON REQUEST

HORNBLOWER & WEEKS, 60 Congress St., Boston

Digitized by Google

Financing A Department Store

Apparently the Underwriters of Stern Brothers 7 Per Cent Preferred Have Suffered Loss, But the 7 Per Cent Preferred of the May Department Stores Has Increased in Value.

There are not many department stores in which the general public has a financial interest through the holding of department store securities. It is generally understood that the department store business is most profitable and that any dry goods retailer who does a business of $100,000 a year is independently rich. That being so, it would seem that those department stores in large cities which do a business of $10,000,000 a year and more ought to prove high-class investments for private investors.

The securities of the United Dry Goods Company, including the big Claflin jobbing house and the retail stores working with it, are well distributed and well regarded by investors. Sears, Roebuck & Company is another industrial which may be classified with department stores. The only others which come to mind in which there is a general public interest are Stern Brothers, Inc., of New York City, and the May Department Stores Company, Inc., of St. Louis, Cleveland and Denver.

As a general proposition, these department stores are

OWNED BY A FEW PEOPLE.

These stores in Boston, New York, Chicago, Philadelphia and elsewhere are profitable to their few owners and rank in quality as an investment with any of the industrial companies located in the same cities. For instance, the Marshall Field store in Chicago does a business of over $50,000,000 a year. Wanamaker in New York and Philadelphia does about the same business. The ownership of these two is in a few hands. The Gimbel store in Philadelphia and New York is in the hands of the Gimbel Brothers and the Guggenheims. The Siegel stores are generally believed to belong to Henry Siegel and his associates, with some Wall street ownership, said to be in the hands of James Stillman. Jordan, Marsh Company, in Boston, the most profitable retail establishment in that city, doing a business of about $15,000,000, which is more than the sales of the three next largest stores combined, is a family concern. And so right through the country the big profitable department stores are generally family affairs.

Because of the general impression of the

PROFITABLENESS

of this business, it would seem that an underwriting of similar store securities would be immediately profitable. Is it so? Stern Brothers, of New York, have recently sold $3,000,000 of 7 per cent preferred stock. This stock was offered at 99½ and accrued dividend. It is now quoted at 92. There is $7,500,000 of common stock on which there is no quotation or any market because it is held by the insiders.

The May Department Stores have recently sold $5,000,000 of 7 per cent preferred stock. This was offered at 99, and it is now quoted at 110¾, that is, the last sale on the stock exchange was at that figure. Of the May Department Stores there is $15,000,000 of common stock, dealt in largely on the curb in New York, the last quotation being at 73. Thus, Stern Bros., preferred, selling at 92 and paying 7 per cent yields 7.6 per cent, while May Department Stores, selling at 111 and paying 7 per cent, yields about 6.3 per cent.

Stern Brothers do a business of $10,000,000 a year and the May Department Stores a business of $14,000,000 a year. The

NET QUICK ASSETS

back of each share of Stern Brothers preferred are $83.34. The net quick assets for each share of May Department Stores preferred are $50. They each have $2,500,000 of working capital. Why should Stern Brothers preferred, under these conditions, not sell at a better price than May Department Stores preferred?

From the above figures it would seem that on the flotation of the Stern Brothers preferred securities, the underwriting bankers were caught. Offered originally at 99½, they are now offered at 92. Probably, the bankers who went in with the original underwriters did not find a ready market among investors for these securities, and they are now distributing their load

AT A LOSS

to themselves. There is no obvious reason for the better quotations on the May Department Stores. Probably these better quotations on the May securities can only be explained by the support which is given them by the insiders while the whole issue is being distributed.

The last available annual statement of Stern Brothers is given below:

ASSETS.

Trade name, business, goodwill and leases	$7,499,600.00
Fixtures and machinery	313,0[illegible]2.67
Delivery equipment	76,548.13
Merchandise and sundry supplies	2,657,854.31
Accounts and bills receivable, less reserve for bad and doubtful accounts	1,332,773.20
Sundry debtors	329,[illegible]5.56
Investments	15,000.00
Prepaid expense, insurance and discount unexpired and deposits with mutual insurance companies	92,284.13
Cash in banks and on hand, New York and Paris	97,721.[illegible]
	$12,394,642.00

LIABILITIES

Capital stock	
7% cumulative preferred stock, 30,000 shares of $100 each	$3,000,000.00
Common 75,000 shares of $100 each	7,500,000.00
	$10,500,000.00
Bills payable, New York and Paris	1,45[illegible]
Accounts payable, New York and Paris	317,654.57
Sundry creditors	29,[illegible]
Debenture interest accrued	45,000.00
Pay roll and expenses accrued	[illegible]
	$12,394,642.00

The profits of the business for the five years from 1906 through 1910 are as follows:

For the year ending Jan. 31, 1906	$839,224.40
For the year ending Jan. 31, 1907	882,092.4[illegible]
For the year ending Jan. 31, 1908	425,981.3[illegible]
For the year ending Jan. 31, 1909	[illegible]
For the year ending Jan. 31, 1910	756,[illegible]

The above figures show an average of $631,198.86 per annum on sales of $10,000,000 a year giving an average of 6 3-10 per cent

Kidder, Peabody & Co.

115 Devonshire St.
Boston
56 Wall Street
New York

INVESTMENT SECURITIES
FOREIGN EXCHANGE
LETTERS OF CREDIT

Agents and Attorneys for
Baring Brothers & Co., Ltd.
LONDON

I. M. TAYLOR & CO.

8 Congress Street, Boston
115 Broadway, New York

Members of New York, Boston and Chicago Stock Exchanges

Cumberland Telephone & Tel. Co.

8% STOCK

Of all the different subsidiary Companies of the AMERICAN TELEPHONE & TELEGRAPH CO., there are none better than the CUMBERLAND. This Company has a quarterly cash dividend record of over 27 consecutive years.
For quotations, address,

GOULDING MARR
Investment Broker
NASHVILLE = TENNESSEE

SHORT TERM NOTES

with stock bonus offer an unusual investment opportunity

The notes mature in from one to two years with adequate interest and the bonus stock assures a steady income for ten years.
Write for particulars

CILBERT H. CARR
50 Congress St., Boston.

Assets Realization Company

Capital $10,000,000

Purchases Estates in Liquidation at any point in the United States

NEW YORK PHILADELPHIA CHICAG

Digitized by Google

profit on the gross turn-over, or about 25 per cent on their working capital of $2,500,000. It will be noted that the falling off in profit from 1907 to 1908 was about 50 per cent, and that in 1909 and 1910 the profits increased moderately. This, of course, is explained by the change in business conditions, to the harder times of 1907 and 1908. Stern Brothers do a high class trade, their business is in better goods than those carried by the average department stores. It will be seen later that at the May Department Stores, dealing in cheap and popular priced articles, there was

NO SUCH FALLING OFF.

The last annual statement of the May Department Stores follows:

INCOME ACCOUNT, YEAR ENDING JANUARY 31, 1911.

Gross income from all sources		$14,775,720.29
Expenses [illegible] administration [illegible] general [illegible] including [illegible] depreciation of leases and incorporation expenses		13,337,972.41
Net profits for the year		$1,440,[illegible]7.88
Less		
Percentage of sales to June 2, 1910, paid to owners [illegible] of profits for period prior to the organization of this company	$511,084.20	
Dividends on preferred stock	175,000.00	
		686,084.20
Surplus		$754,723.68

BALANCE SHEET, JANUARY 31, 1911

Assets.

Capital account		
Good will and trade [illegible]	$14,747,927.28	
Real estate	1,075,000.00	
Leases, buildings, improvements, furniture and fixtures	2,[illegible]87.92	
Investments	151,[illegible]	
		$17,569,645.10
Current assets:		
Inventory of stocks of merchandise and sundry supplies, at cost or less	$2,[illegible]89.06	
Accounts and notes receivable	566,213.96	
Short term loans secured by collateral	270,000.00	
Cash in banks and on hand	483,438.65	
Total current assets		3,710,542.07
Delivery horses, wagons and equipment		32,910.33
Deferred		
Unpaid insurance and other expenses		44,131.65
		$21,357,229.15

Liabilities

Capital stock authorized and issued		
7% cumulative preferred stock	$[illegible]	
Common stock	[illegible]	
		$[illegible]
Current liabilities		
Sundry personal accounts	$[illegible]	
Accounts payable	[illegible]	
		$[illegible]
Reserves for trading stamps and coupons and for corporation tax		[illegible]
Surplus		[illegible]
		$21,357,229.15

Profits for the last five years are as follows:

Year ending January 31, 1906	$712,899.84
Year ending January 31, 1907	815,060.65
Year ending January 31, 1908	[illegible]
Year ending January 31, 1909	967,572.49
Year ending January 31, 1910	1,171,725.91

This average of $898,980 a year means an average of about 7 per cent profit on the gross sales and about 33 per cent on their working capital.

A most

INTERESTING COMPARISON

could be made between these annual statements as to the volume of business done on the working capital, as to the respective profits of these two department stores and with reference to the textile mills from whom they buy most of their goods. The greater part of the department store business is in fabrics, the product of textile mills. These two department store issues are sold on about a 7 per cent basis. The larger textile mill securities sell on about a 5 per cent basis, more or less according to the mill. The Amoskeag and the Pacific and other old corporations sell on a 4 per cent basis. The New York State Knitting Mills securities, however, have recently been distributed on a 7 per cent basis. None of these textile mills turn over their capital as many times a year as do the department stores. A knitting mill or cotton or woolen mill can turn over its capital only twice a year, while a department store must turn over its capital at least six times and generally twelve or more times a year. The profits of a textile mill are

SELDOM 7 PER CENT

of its gross sales and never 33 per cent of its working capital.

Both of the above annual statements are of interest as showing the liberal capitalization of good will, indeed, to practically the full extent of the common stock. These statements are of particular interest, also, to those of our readers who have invested in textile mill securities, showing as they do that the profits of the textile industry go largely to the distributers of the textile fabrics, that is, to the retailers.

The high cost of living may be traced, it appears, not so much to the increased cost of manufacturing nor the increased profits of textile manufacturers, but rather to the high cost of distribution.

P. DE MEDICI.

CANDOR, N. C.—The Bank of Candor has been organized with $15,000 capital. D. C. Ewing is president and John M. Singleton is vice-president.

REAL ESTATE INQUIRY.

Deaf Smith Co., Texas.

4751. (Marshalltown, Iowa.) Please tell me what a fair market value per acre is for the following land in Deaf Smith County, Texas. In Capital League, 413 and 414, section 11, township 3 R. 2. How far is it from Hereford, Texas, and are there any settlers near it?

Ans.: This land is sparcely settled, and is from 25 to 30 miles from Hereford. A fair market value for the land is from $10 to $12 per acre. There is little land changing hands in that vicinity just now.

A 6 per cent trust certificate which is non-taxable, and is also secured by real estate and first mortgages equal to the par value is not only unique, but is worthy of the consideration of our readers. It is offered by the Greater Boston Realty Trust, 28 School street, Boston. The certificate also has a cash surrender and transfer privilege, which makes it much more valuable to the investor who may at some time or other find himself in need of cash.

BANK ITEMS.

MEADOWS, IDAHO.—The Meadows Valley Bank was recently organized with the following officers: Gilbert S Smith, president; E I. Osborn, vice-president, and J. H. Hill, cashier.

PORT ARANSAS, TEXAS.—A new bank is organizing here with $50,000 capital.

VICI, OKLA.—The Citizens State Bank has been organized with C. H. Coffer, president; J. N. Hargis, vice-president; F. A. Harmony, cashier, and V. Cuberly, assistant cashier.

Baker, Ayling & Co.

50 Congress street, Boston

INVESTMENT BONDS

Philadelphia Office, Land Title Building

TAX EXEMPT STOCKS

List Mailed on Application

311 Main St., W. F. CROSBY Telephone 4090

WORCESTER, MASS.

JOHN P. DAVIS, President. WM. M. WELLCOME, Vice-President. BYRON H. DAVIS, Sec'y-Treas.

The Davis Wellcome Mortgage Co.

(Incorporated)

TOPEKA, KANSAS.

Gilt-edge first mortgage loans for sale at 5½% and 6% net to the investor. Security well-selected, improved farm lands, in no case to exceed 50% actual value of the farm. Every loan personally examined by one of our inspectors. No better or safer security for money anywhere.

We point with pride to a record of twenty-five years, loaned over $12,000,000, without foreclosing a mortgage or the loss of a dollar in either interest or principal.

Bank References:

BANK OF TOPEKA

CENTRAL NATIONAL BANK, TOPEKA

Correspondence Solicited

Digitized by Google

Municipal Bond Sales

MUNICIPALITY.	Date of sale.	Classification of bonds.	Amount.	Rate of interest. Per cent.	Maturity	Sales price.	Purchaser.	Income basis.
New Bedford, Mass	Nov. 7	Highway	$10,000	4	**1-20	par	R. L. Day & Co., Boston	3.756
Ashland County, Ohio	July 15		21,500	4½	*3	100.61	First National Bank, Ashland.	3.806
Minerva, Ohio	Nov. 2	St. imp. (v. p.)	9,500		*5½	par	Seasongood & Mayer, Cincinnati	5.537
Rochester, N. Y.	Nov. 1	City Park	180,000	4	8 mos.	100.02	Wilson & Davenport	3.563
Mitchell Co., Minn., Sch. D. No. 51	Nov. 15	Building	1,500	4		par	State	4
Albany, N. Y.	Nov. 14	Improvements	154,000	4	**1-20	par	Local Banks	4
Beltrami County, Minn., Sch. Dist. No. 42	Nov. 13	Building	1,000	4		par	State	4
Chippewa County, Minn., Sch. Dist. No. 20	Nov. 15	Building	1,600	4		par	State	4
Chippewa County, Minn., Sch. Dist. No. 69	Nov. 15	Building	1,500	4		par	State	4
Chippewa County, Minn., Sch. Dist. No. 6	Nov. 15	Building	1,000	4		par	State	4
Clay Co., Minn., Sch. D. No. 30	Nov. 15	Building	500	4		par	State	4
Douglas Co., Minn., S. D. No. 41	Nov. 15	Building	2,000	4		par	State	4
Fairport, N. Y.	Nov. 11	Various	6,650	4	9 years	par	Town Comptroller	4
Hardwick, Vt.	Nov. 1	Village	25,000	4	1931	par	First National Bank, Proctor	4
Kanabec Co., Minn., S. D. No. 28	Nov. 13	Building	1,000	4		par	State	4
Koochiching Co., Minn., Sch. Dist. No.	Nov. 15	Building	1,500	4		par	State	4
La Qui Parle County, Minn., Sch. Dist. No. 20	Nov. 15	Building	1,200	4		par	State	4
Le Sueur Co., Minn., S. D. No. 1	Nov. 13	Building	2,000	4		par	State	4
Madison, Wis.	Nov. 16	Water works	30,000	4	1931	par	N. W. Harris & Co., Chicago	4
Marshall Co., Minn., S. D. No.	Nov. 13	Building	6,000	4		par	State	4
Nobles Co., Minn., S. D. No. 104	Nov. 15	Building	2,000	4		par	State	4
Norman Co., Minn., S. D. No. 3	Nov. 1	Building	1,200	4		par	State	4
Greenfield, Ohio	Nov. 6	Improvements	40,000	5½	*20	100.4	Fifth-Third Nat. Bank, Cincinnati	4.982
Geneva, N. Y.	Nov. 2	Water works	5,000	4½	**5-15	102.6	Fisk & Robinson, New York	4.30
Worcester, Mass.	Nov. 1	Street improvements	24,500	4	4	100.07	Estabrook & Co., Boston	4.25
La Porte, N. Y.	Nov. 1	Building	4,000	4½	**5-20	101.221	Lamprey Bros. & Co., New York	4.03
Kenosha, Wis.	Nov. 6	Sewer	17,000	4½	10	100.73	First National Bank, Kenosha	4.4
New Ulm, Minn.	Nov. 2	Sewer	20,000	4½	**5-15	100.77	First National Bank, New Ulm	4.4
Sioux City, Iowa	Nov. 7	Paving	40,000	4½	*10	100.4	Commercial Trust & Savings Bank, Sioux City	4.352
Troy, N. Y.	Nov. 14	Land & buildings	300,000	3	2-20	100.45	Lamprey Bros. & Co., New York	4.45
Watertown, N. Y.	Nov. 2	Improvements	30,000	4½	**5-15	102.2	E. H. Rollins & Sons, New York	4.47
Custer County, Mont.	Nov. 1	Bridges	30,000	4½	10-20	101	R. M. Grant & Co., New York	4.50
Madison, Ind., Sch. Dist.	Nov. 3	Building	30,000	4½	1921	par	Union Trust Co., Davenport	4.50
Troy, N. Y.	Nov. 2	Sewers	15,000	4½	**1-10	101	Mercantile Trust Co., St. Louis, Mo.	4.50
Bernards Twp., N. J., Sch. Dist.	Nov. 1	Building	27,000	5	*15	102.17	Hornblower & Weeks, New York	4.596
Ashtabula, Ohio	Nov. 1	Viaduct	75,000		*1-15	103.67	Prudden & Co., New York	4.59
Manistique Lake, Mich.	Nov. 6	Water extension	5,000		*1-5	99.8	Wells & Dickey Co., Minneapolis	4.711
Exeter, N. Y.	Nov. 4	Bridges	4,000		1921	par	First National Bank, Owensboro	4.797
Medford	Oct. 30	Bridge	12,000		*1-5	100.37	C. J. Hull & Co., Milwaukee	4.85
Ashley, Pa.	Nov. 2	Water works	5,000		**2-9	100.25	H. T. Holtz & Co., Chicago	4.952
Marion County, Ohio	Oct. 28	Various purposes	30,000		**1-10	100.03	Seasongood & Mayer, Cincinnati	4.958
Mountain Lakes, N. J.	Nov. 4	Turnpike	4,000		*	98.12	First National Bank, Chamberlain	4.963
Duluth, Minn.	Nov. 10	Road & bridge	1,100		1917	100.18	First National & Trust Co., Chicago	4.982
King Co., Wash., Sch. D. No. 147	Aug. 10	Telephone	52,286		1921	par	Commercial	5
Elyria, Ohio	Nov. 11	Building	7,000		1-20	par	State	5
Chelan Co., Wash., S. D. No. 6	Aug. 10	Funding & refg.	1,000		1921	98	Treasurer	5.11
Independence, Mont., S. D. No. 7	Nov. 21	Funding	7,000	5½	10	par	State	5.50
Summers County, W. Va.	Oct. 14	Land	6,000		1-10	100	Citizens	5.50
Hopkinsville, Ohio	Nov. 6	Funding	30,000		1931	98	Seasongood & Mayer, Cincinnati	5.595
Kincardine, Ont.	Nov. 1	Water extension	40,000		1-10	102.70	Dominion Securities Corporation, Toronto	5.80
Golden Valley, Alberta, Sch. Dist. No. 512	Nov. 6	Improvements	20,000		**5-20	100.40	Union Trust Co., Indianapolis	5.81
Burleigh County, N. D.	Oct. 7	Bridges	1,200	6	1921	par	Atlantic School Savings Fund, Philadelphia	6
Madera County, Cal.	Nov. 8	Grain elevator	2,000	7	1913	par	First National Bank, Bismarck	7
Solano County, N. D.	Oct. 17	Improvements	1,200	8	1921	par	Hanson Brothers	8
Alameda County, Cal.	Nov. 13	Improvements	600,000		1931		Harris Trust & Savings Bank, Chicago	
Alameda County, Cal.		Building	75,000		1926		Harris Trust & Savings Bank, Chicago	
Appleton, Wis.	Nov. 11	School	40,000				Harris Trust & Savings Bank, Chicago	
Appleton, Saskatchewan		Improvements	1,000	6½	20		Noble & Lowndes, Detroit	
Bedford, N. Y. Sch. Dist. No. 9	Nov. 11	Building	15,000		**5-20		Harris Trust & Savings Bank, Chicago	
Benson, Neb.	Nov. 15	Water works	5,000		1-10		Harris Trust & Savings Bank, Chicago	
Bird City, Kan.	Nov. 14	Improvements	10,000	6½	1911		Harris Trust & Savings Bank, Chicago	
Bird City, Kan.	Nov. 14	Improvements	15,000		1-10	95.25	National Bond Co., Ltd., Regina	
Bird City, Kan.	Nov. 27	Improvements	5,000		**5-20		Harris Trust & Savings Bank, Chicago	
Bird City, Kan.	Nov. 13	School	4,000		1921		Harris Trust & Savings Bank, Chicago	
Bird City, N. Y.	Nov. 11	School	40,000		1921		Harris Trust & Savings Bank, Chicago	
Bird City, N. Y.	Nov. 11	Water works	40,000		**5-20		Farson, Son & Co., Chicago	
Bird City, Kan.	Nov. 17	Bonds	10,000	6½			Harris Trust & Savings Bank, Chicago	
Bird City, Kan.	Oct. 1	Water works	4,000		1-10		Harris Trust & Savings Bank, Chicago	
Bird City, Ohio	Nov. 17	Water debentures	4,000		1931		Harris Trust & Savings Bank, Chicago	
Bird City, Kan.	Nov. 6	School bonds	4,000		1926		Harris Trust & Savings Bank, Chicago	
Bird City, Kan.	Oct. 11	Improvements	4,000			100.75	Harris Trust & Savings Bank, Chicago	
Bird City, Kan.	Nov. 1	Land & buildings	4,000		1-10	101.26	Harris Trust & Savings Bank, St. Louis	
Bird City, Kan.		Improvements	4,000				Harris Trust & Savings Bank, Chicago	
Bird City, Kan.	Nov. 3	Sewer	4,000	6½	**5-20		Harris Trust & Savings Bank, Chicago	
Bird City, Kan.	Nov. 2	Improvements	4,000				Harris Trust & Savings Bank, Chicago	
Bird City, Kan.		Improvements	4,000				Harris Trust & Savings Bank, Chicago	
Bird City, Kan.		Improvements	4,000				Harris Trust & Savings Bank, Chicago	
Bird City, Kan.	Nov. 9	Water works	4,000				Harris Trust & Savings Bank, Chicago	
Bird City, Kan.		Improvements	4,000	6½			Harris Trust & Savings Bank, Chicago	
Bird City, Kan.		Improvements	4,000				Harris Trust & Savings Bank, Chicago	
Bird City, Kan.		Improvements	4,000				Harris Trust & Savings Bank, Chicago	
Bird City, Kan.	Nov. 9	Improvements	4,000				Harris Trust & Savings Bank, Chicago	
Bird City, Kan.		Improvements	4,000				Harris Trust & Savings Bank, Chicago	
Bird City, Kan.		Improvements	4,000				Harris Trust & Savings Bank, Chicago	
Bird City, Kan.	Nov. 15	Improvements	4,000				Harris Trust & Savings Bank, Chicago	
Bird City, Kan.

Bond Certification

Modern conditions make the registration and certification of municipal and corporate obligations desirable and convenient. We have a department maintained exclusively for this purpose.

First National Bank of Boston
70 Federal Street

MUNICIPAL SHORT TERM LOANS.

NORTHAMPTON, MASS.—The treasurer has awarded three notes of $10,000 each, dated November 18, 1911, and maturing April 18, 1912, to Old Colony Trust Company, at 3.44 per cent.

BUFFALO, N. Y.—During the month of October, the following 4 per cent, 9 months bonds were purchased at par by the city comptroller for various sinking funds: Ferry street bridge, $30,000; reduction franchise tax, $5,924.86; election expense fund, $3,600; city and county hall fund, $2,500, department of health, $1,500; harbor masters, $1,092, public building repair, $1,000, dated October 1, 1911, due July 1, 1912. Local work, one year, $10,380.42 Dated October 15, 1911, due October 15, 1912.

ROCHESTER, N. Y.—Watson Pressprich & Company, of New York, were the successful bidders for the 8 months City Park notes to the amount of $180,000 as 4s, paying 100.02, a basis of 3.963.

TROY, N. Y.—The Manufacturers National Bank, of Troy, was the successful bidder for the 5 per cent, semi-annual, 7½ months certificates of indebtedness to the amount of $100,000, paying 100.475, a basis of 4.45. Another bidder was: Albany Savings Bank, Albany, 100.15.

PHILADELPHIA, PA. The 4 per cent 4 months loan to the amount of $1,200,000 has been subscribed for by various city banks and trust companies.

BANK ITEMS.

ALFALFA, OKLA.—The Alfalfa State Bank has been organized with $10,000 capital. A. M. Kelly, of Eakley and W. B. Furtman, of Alfalfa, are interested.

ASHFORD, ALA.—W. P. Burkett is president, J. L. Dawsey, vice-president, and J. R. Gwathisy, cashier of the First National Bank of Ashford, which was recently chartered with a capital of $25,000.

BLOOMFIELD, MO.—The Stoddard County Trust Company has been incorporated. Franz Weber, Alfred L. Hartz, Jasper N. Punch, S. B. Hunter, of Sikeston, and W. Shobe, of Essex, are interested.

BOSTIC, N. C.—The First State Bank is organized with $5,000 capital. S. B. Harrill is president, E. H. Washburn, vice-president, and L. S. Thomas, cashier.

MOCCASIN, MONT.—A. C. Drinkard is organizing a bank here.

SPOKANE, WASH.—H. M. Gilbert, president of the First National Bank, of Toppenish, Wash., says in a letter to W. D. Vincent, cashier of the Old National Bank of Spokane, that the bankers and growers in central Washington are in favor of establishing farmers' educational clubs throughout the Inland Empire, to work under the auspices of the agricultural committee of the Washington Bankers' Association. J. W. Clise, of Seattle, chairman of the agricultural committee of the Washington State Bankers' Association, has issued invitations for a meeting in connection with the first National County Life Congress in Spokane, November 23 to 29.

City and Town Treasurers

The Old Colony Trust Company is one of the largest and strongest banking institutions in the country. Its tremendous resources and its strong position in the confidence of the public make our services in the preparation and certification of Municipal Bonds of unusual value to city and town treasurers.

Our plan for handling this work is the safest and most systematic that experience can suggest, and it is so economical that the entire cost is within the means of the smallest municipality.

It affords absolute protection not only to the issuing community and its officials but also to the banker and investor. It has already been adopted by many cities and towns throughout the country and has the unqualified endorsement of all bond dealers.

The marked preference shown by investors for bonds issued under our plan has resulted in a distinct enhancement of their market value. *Kindly send for descriptive pamphlet.*

OLD COLONY TRUST COMPANY

COURT STREET BOSTON TEMPLE PLACE

Notice to Bond Buyers

Five Hundred and Twenty-four Thousand Dollars ($524,000.00)
Refunding Bonds of the City of Houston, Texas

Sealed bids will be received by the City of Houston, Texas, until 12:00 o'clock noon, Monday, December 11th, 1911, for the issue of Five Hundred and Twenty-Four Thousand Dollars ($524,000.00) Five per cent (5%) Refunding Bonds, bearing date the 16th day of October, A. D. 1911, interest payable semi-annually at the office of the Union Trust Company, in the City of New York, said bonds to run Thirty (30) years, with an option reserved by the City of Houston to pay same at the expiration of Twenty (20) years.

Each bid for the above issue of bonds must be accompanied by a certified check on a Houston bank, payable to H. B. Rice, Mayor, for One per cent (1%) of the face value of said issue as a guaranty of good faith; bonds to be delivered and money paid in Houston, Texas.

The City of Houston reserves the right to reject any and all bids.

H. B. RICE,
Mayor of the City of Houston.

Attest.
Dan C. Smith, Jr.,
City Secretary.

INTERNATIONAL SMELTING & REFINING COMPANY.

42 BROADWAY, NEW YORK, Nov. 14, 1911.

The Board of Directors have this day declared a quarterly dividend of two per cent (2%) on the outstanding capital stock, payable December 1, 1911, to stockholders of record at three o'clock P. M., Thursday, November 23, 1911. Transfer books close at three o'clock p. m., November 23, 1911, and reopen at 10:00 o'clock a. m., December 2, 1911.

J. W. ALLEN, Secretary and Treasurer.

THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY.

Coupons due December 1, 1911, from The Atchison, Topeka and Santa Fe Railway Company, CONVERTIBLE GOLD BONDS will be paid on and after that date upon presentation at the office of the Company, No. 5 Nassau Street, New York City.

No. 10 from Fifty Year Four Per Cent Convertible Gold Bonds.

No. 9 from Ten Year Five Per Cent Convertible Gold Bonds.

No. 5 from Four Per Cent Convertible Gold Bonds, issue of 1909.

No. 3 from Four Per Cent Convertible Gold Bonds, issue of 1910.

C. K. COOPER, Assistant Treasurer.

PNEUMATIC SCALE CORPORATION, LTD.,
NORFOLK DOWNS, MASS.

A semi-annual dividend of 2% has been declared on all stock of the Pneumatic Scale Corporation, Ltd., payable December 1st, 1911, to stockholders of record at close of business November 25th, 1911.

A. L. ROBINSON, Treasurer.
Pneumatic Scale Corp., Ltd.

Digitized by Google

United States Investor

Published Every Saturday Morning by

FRANK P. BENNETT & CO., Inc.

SUBSCRIPTION RATES

$5.00 per annum in United States and Mexico; $6.50 per annum in Canada.

£1.00 per annum in England, the Continent, Australia and Countries in the Postal Union.

$10.00 per annum for Investor and Inactive Securities Supplement, including privilege of inserting quotations in the Supplement.

ADVERTISING RATES

Twenty-five cents per agate line. There are fourteen agate lines to the inch.

PUBLICATION OFFICE,

530 Atlantic Avenue, Boston.

NEW YORK OFFICE,

2 Rector Street, New York.

JOSEPH L. BARKER, Manager.

Washington Office, 208 Corcoran Building; Philadelphia Office, 308 Chestnut Street.

Entered at the Post Office at Boston, Mass., as second class matter.

Comptroller of the Currency Murray is receiving a considerable number of interesting replies from state bank authorities, whose aid he has requested in the campaign against the granting of overdrafts by banks. The answers which are coming to him show that the overdraft evil has become quite serious in a number of states, and that in a few the state examiners have been already making a vigorous attempt to cut it down, meeting with success of a more or less pronounced description. It is a singular fact that but few states have legislation on the subject of overdrafts, while the national bank act makes no reference to it. This necessitates combined action on the part of the banks of a community, in order to suppress the practice and the superintendents of banking point to such joint action as the most feasible means of ensuring the correction of the evil.

Apparently, President Taft is disposed to defer action regarding the National City bank case, for it is given out at the White House that he has done nothing thus far toward investigating the merits of the matter. There has been an apparent impression that Secretary MacVeagh and Attorney-General Wickersham had succeeded in reconciling their differences of opinion. This, it now seems, is not warranted by the facts, as the only change in Mr. MacVeagh's attitude is found in the announcement made in his Chicago speech that he does not believe in the control of national bank stocks either directly or indirectly by other national banks. The National City Company has relieved itself of the bank stocks it was holding, so that that point is now purely academic. There remains the broader and much more interesting question whether joint control of national and state institutions by identical bodies of stockholders is or is not obnoxious to the national bank act.

Advance statements purporting to give the substance of the report of the President's commission on railroad stock and bond issues have been in circulation during the past week. Nothing whatever has been made known relative to the content of this report, and the statements that have been in circulation are conjectural purely. In a general way, it is, of course, known from the attitude of the different members and their expressions in conversation what will be the direction of their suggestions. This has been recognized for several months. Undoubtedly, the report will tend toward some form of federal oversight of capitalization, and the placing of capital issues upon a definite and limited basis. The question, however, is likely to be treated as purely incidental to the general corporation discussion.

FALSE CHARGES AGAINST CAPITAL.

The Senate Interstate Commerce Committee has done useful service in probing the charges of Bernard N. Baker, of Baltimore, against various railroads and banks, which he accused of having hampered or obstructed his proposed plan to build a line of ships to run through the isthmian canal. Calling Mr. Baker before it on Monday last, the committee shortly discovered that he was not able to give any definite information whatever about the proposed line, and the way in which it had been obstructed. Not only was he unwilling to specify any definite instances in which the plan had been interfered with, but he gave the committee no reason to believe that there was any real foundation for making charges of the kind referred to. The whole episode seemed to be based on hearsay, inference or conjecture.

There is an unfortunate disposition in Washington at the present time to accept vague charges of a misleading sort as a good basis for legislation against capital in general, and given enterprises in particular. This is exceedingly unfortunate. In the Panama Canal matter a good illustration of the dangers of the situation is afforded. As a result of the alleged hostility of railroads and other capital to a private line through the canal, there is now a strenuous demand for legislation designed to subsidize such a line, or to aid it by refunding the canal tolls, or in some other way to put it on a favored basis. As the examination of Mr. Baker has shown, there is absolutely no ground thus far for the adoption of any such legislation by way of rebuke to, or penalty upon, the carriers. There is as little basis for such a demand by way of restraining them. The percentage of transcontinental freight, as compared with the total traffic of the roads, is comparatively small, and even if it were larger, there would be little to be feared from the railroads. They are heavily handicapped by the long and short haul provision of the Interstate Commerce Act, as enforced by the commission, while they are further impeded by the clause forbidding them to raise their rates when they have once lowered them, in order to meet water competition. If the traffic through the canal could be kept on a legitimate basis of charge, the roads would not have much to fear. The case is quite different when it is suggested that artificially low rates shall be produced by means of government subventions designed to stimulate traffic through the canal. It would be easy to create a situation in which the roads would be unable to protect themselves by cutting their rates to meet water competition, while the transisthmian vessels would be enabled to take heavy cargo on the long run through the isthmus by reason of the fact that the expenses were partly paid by the government.

Holders of railway shares have no right to demand that the public shall be cut off from the enjoyment of cheap transportation because of the desire to maintain their holdings on a profitable basis. The railroads must take their chance as competitors with new and improved means of carriage. But this is very different from expecting that they shall bear the burden of government aided competition brought about by erroneous representations as to the conditions of the trade. The Panama Canal tolls are undoubtedly to be settled during the coming winter. It should be demanded that this settlement shall be made in such a way as to guarantee reasonable fairness of treatment for the railroads which are to come into competition with the new route between East and West.

FINANCING THE COTTON CROP.

As a result of the agitation concerning cotton prices, which has been in progress for a long time past, there seems to be an approach to a certain agreement on the details of a plan for financing the cotton crop of the coming year. This plan includes several elements. It calls, first of all, for a pledge to reduce acreage, then for joint action in selling and holding cotton, and finally for the advancing of a substantial part of the value of the cotton to growers who need the money. The payment for this advance is to

Digitized by Google

be a share in the increase of price, if any, effected by the combination, and it is understood that sales will take place between 12 and 13 cents per pound, growers retaining the right to order sales when the price reaches 12 cents.

Here is a proposition of complex character, which involves the use of an immense amount of money for the purpose of attaining the desired object. The money, however, can doubtless be had, large as is the sum needed, provided the scheme gives fair promise of success. But, in order to have that promise of success, the agreement to restrict acreage, and to form the selling pool which is recommended will have to be strictly lived up to. Can this be done? Experience in the past certainly makes it doubtful whether planters can be federated together in a way and with a closeness that would render such a proposal feasible. Such experience has shown that every advance in the price of cotton tends to increase the acreage, and since cotton land is not a monopoly, there is no influence, except public opinion to prevent the increase of the crop.

Moreover, even if a binding agreement of this kind could be secured among planters in the United States, there is no good reason for believing that it would produce the desired effect, unless harmonious action could be obtained abroad. The extension of cotton growing in those countries where efforts are being made to promote it has been quite marked within recent years, and it may reasonably be expected that still further success will be had as time goes on. The more the acreage of cotton abroad increases, the less will the acreage in the United States be an effective determinant of the price. Cotton has long been a staple whose value was fixed in the world market, and it is coming more and more to be a staple whose price is not dependent upon conditions of supply and demand in any particular part of the world.

In view of these factors in the present cotton situation, it may reasonably be doubted whether the new plan for financing the crop can have any very marked success. It may work well for a year or two, if all details are carefully developed, and if circumstances generally favor the prospects of the enterprise. But, as soon as the object of the scheme appears to be successfully obtained in whole or in part, it will necessarily begin to break down from natural causes. The plan may have a good effect, if it results in supplying to all planters the capital which is necessary to enable them to carry their cotton through, and wait for the highest market price that offers during the season—a thing which many have not been able to accomplish in the past. In the long run, however, it will be found that the profitable operation of the cotton plantation, like that of every other enterprise of similar character, is dependent upon keeping expenses of production down, and carrying on the enterprise in an economical and effective way. These methods of making a profit on cotton are old-fashioned and simple, but they will be found much more effective than the newer ideas of manipulating prices.

APPEALING THE TOBACCO CASE.

The lapse of ten days since the Department of Justice made known its decision not to appeal the tobacco decree of the lower court has tended to strengthen the opinion that this decision was in many respects unwise. It is not well to criticise too early, and Attorney-General Wickersham has not officially made known his disposition in the matter. Positive statements have, however, been unofficially made, and there is no reason to doubt that, up to date, the attorney-general is determined not to carry the decree to the higher tribunal.

The termination of the proceedings in the tobacco case has undoubtedly relieved a great deal of anxiety, and has given a much stronger tone to securities. That in itself is desirable, and shows that the business world was pleased with the termination of a disturbed condition of affairs. It is also true that the carrying of the decree to the Supreme Court might have impaired the administration's hold on the community by giving the impression that it was inclined to go to extremes in its anti-trust programme. It does not appear, however, that either of these considerations has had much weight with the attorney-general. Evidently, he did not think that the plan of the Tobacco Company was satisfactory, for he attempted to get the lower court to modify it. None of the important points that he made against the plan were accepted by the lower court, but all were adjudged beyond the power of that tribunal. Of course, this raises the question whether in a case which had been so much protracted, and in which the Supreme Court had taken a decidedly different view from the lower in its original decision, it was not really demanded that there should be a complete test of the validity of the decree by the ultimate tribunal of last resort.

Not only the independent tobacco manufacturers but various lawyers of competence and authority have lately expressed the view that an appeal should certainly have been taken. They think this because the independents had no standing in court; hence, were not enabled to go to the Supreme Court on their own initiative. They also believe that the enforcement of the Sherman law will not be effective or conclusive, unless it is accompanied by a policy that will completely exhaust all of the remedies that are within reach. If it be true, as many assert, that the Supreme Court would not have approved the finding in the tobacco case, there can, of course, be no justification for stopping the appeal. If it be true that the court would have upheld the lower tribunal, the only argument for not going to the higher authority would be the waste of time and increase of anxiety involved in a still further delay. This is probably not a good reason for discontinuing the case at a point which will always be considered, whether justly or not, inconclusive and unsatisfactory. It is probable that the administration will hear frequently from its opponents, because of the failure to carry the case further. This in itself is a consideration that should not be neglected. The question of appeal is one which rests entirely with President Taft and his attorney-general. There is still time for them to reconsider their determination if they choose. It is a serious question whether they ought not to do so, and thereby to stop much carping criticism and some that is more legitimate.

EVEN HOMER NODS.

Our inspiring weekly contemporary, correctly entitled Life, adds so much to the joy of living that we pardon its alleged confusion over problems of financial legislation, as illustrated by the following quotation which it makes from the United States Investor:

"Probably the most serious objection thus far made to the Aldrich plan has been the fact that it so clearly paved the way for centralization. The reply has been made that the Aldrich plan did not aim at centralization." This occurs in the center of an editorial, which concludes thus: "Perhaps it is as well to have the issue made as sharp as possible in the beginning."

Life says: "This is amusing, but let's take it seriously. What is the issue? This is it. The present plan of having the public funds in the public treasury is centralization. Mr. Aldrich merely wishes to change the centre of the centralization. Shall we have public centralization or private centralization? That is the issue."

It is not to be wondered at that poor Life has missed the real point of the Aldrich plan. When one makes a deliberate resolve to see the ludicrous side of everything, one's sense of perspective must suffer. It isn't

Digitized by Go

within human power to excel in all qualities. Hence, that Life should imagine that the principal motive back of the Aldrich plan is to get control of the government funds is lamentable, but not strange.

The most amateur economist who has read the plan in question knows that the government's deposits will constitute only a modest fraction of the funds with which the proposed National Reserve Association will do its work. He knows also, that the government will have a large share of control over the conduct of the association. What is more important, he knows that the primary purpose of the new organization will be to provide this country with that same sort of sound and scientific paper currency, and that proper disposition at all times of the country's bank reserves which practically every other civilized country in the world has. The hope is that, as a result, this country will be spared repetitions of the panic of 1907, from which this country so needlessly, and yet so keenly, suffered We say "needlessly", because similar panics never occur in countries which do have this proper paper currency and this rational disposition of reserves.

It is a sad disillusionment to learn that Life numbers not even an amateur economist on its editorial force. Evidently, it is no longer permitted one to believe that the editorial end of that paper is endowed with omniscience.

The issue of December 2, of the United States Investor will be the annual American Bankers' Association edition. In its preparation, due recognition is given to the fact that the current convention at New Orleans is probably the most important session the American Bankers' Association ever has had. The chief item of interest about the convention is, of course, the series of discussions of the proposed plan for a National Reserve Association. On that account, these discussions will be made the feature of our special edition of next week.

FINANCIAL INQUIRY.

Bitter Root Valley Irrigation 6s.

21332. (Ithaca, N. Y.) Will you please give what information you can concerning the bonds of the Bitter Root Valley Irrigation Company, located in Missoula County, Mont.

Ans: These bonds are secured by a first mortgage on the entire irrigation system of the Bitter Root Valley Irrigation Company, and in addition are secured by a first mortgage lien on the farm lands irrigated. By the provisions of the trust deed, bonds cannot be issued to an amount exceeding $30 per acre so that each $1,000 bond is secured by a first mortgage on 33 1-3 acres of land. The minimum price at which this unimproved land is selling is $250 an acre, while improved land is easily worth double that.

The bonds are of $1,000 denomination, except $200,000 of 1910 maturity, which are $500 denomination. The principal is due in annual installments on January 1, as follows: 1914, $100,000; 1915, $100,000; 1916, $150,000; 1917, $150,000; 1918, $250,000, and the remainder in 1919. Bonds due in 1914 and 1915 are not optional, those due in 1916, 1917 and 1918 are optional at 103 and interest on any interest date on or after July 1, 1915. Bonds due in 1919 are optional at 103 and interest on any interest day.

The company's property consists of about 35,000 acres of land in the Bitter Root Valley in Ravelli County, Montana, valued, it is said, at $10,000,000. It lies on a branch road of the Northern Pacific Railroad, and is within a few miles of Missoula. It is also near the new transcontinental lines of the Chicago, Milwaukee & St. Paul Railroad, so that it has excellent transportation facilities. The company also owns Lake Como, which is three miles long and a mile and a half wide, together with its waters, tributary creeks and reservoir developments. The object of the company is to irrigate its land by canals from this lake. The bonds appear to have real investment qualities.

A NEW CREATION
WEBSTER'S NEW INTERNATIONAL

GET THE BEST

THE MERRIAM WEBSTER
The *Only New* unabridged dictionary in many years.
An Encyclopedia. Contains the *pith* and *essence* of an authoritative library. Covers every field of knowledge.
The *Only* dictionary with the *New Divided Page*. A "Stroke of Genius."
400,000 Words Defined. 2700 Pages. 6000 Illustrations. Cost $400,000.
Let us tell you about this most remarkable single volume.
Write for sample pages, full particulars, etc. Name this paper and receive FREE, a set of pocket maps.
G. & C. MERRIAM CO., Springfield, Mass.

FAST TRAINS
TO THE
WEST
NORTHWEST
AND
SOUTHWEST
VIA
BOSTON & MAINE RAILROAD

Modern Equipped Trains operated on fast schedules, providing standard electric lighted Vestibule Sleeping and Parlor Cars, also modern through Tourist Cars. Unexcelled Dining Car Service.

Leave North Station, Boston
*10.00 A.M. For Chicago, St Paul, Minneapolis, Detroit, Toronto and Montreal.
*11.00 A.M. For Montreal
*11.30 A.M. For Chicago, Toronto and Montreal.
*12.30 P.M. For St Louis, Chicago, Cleveland, Buffalo and Detroit.
* 4.00 P.M. For Chicago, Cincinnati, Cleveland, Buffalo, Binghamton, Hornell, and Jamestown.
† 6.19 P.M. For Chicago, Cleveland, Toledo, Detroit and Buffalo.
* 7.30 P.M. For Chicago, Detroit, Toronto and Montreal.
* 8.30 P.M. For Chicago, Detroit, Toronto and Montreal.
* Daily. † Daily except Sunday.
For general information tickets and reservations apply to City Ticket office, corner of Washington and Court Streets or General Ticket office, North Station.
C. M. BURT, G.P.A.

BOSTON AND MAINE RAILROAD

Digitized by Google

Wabash-Pittsburgh Complications

The Wabash Railroad Directors Will Meet Tuesday of Next Week and Finally Approve Tentative Agreement Heretofore Made With the Wabash-Pittsburgh Terminal Bondholders' Committee—Two of Four Members of Recently Announced Wheeling & Lake Erie Minority Committee Are Directors of the Lorain & West Virginia Railroad Company, Which Was Built For the Purpose of Being Sold to the Wheeling & Lake Erie.

The sky seems to be brighter for the much-troubled Wabash-Pittsburgh bondholders who have recently had added to all their other complications a proposed endeavor on the part of the Wheeling & Lake Erie minority stockholders for the purpose of dislodging the majority owners and doing numerous other things which these shareholders say would be of benefit to them.

After negotiations which have been continued ever since the Chaplin committeee of terminal bondholders was organized, it was authoritatively announced this week by the Wabash Railroad people that a special meeting of their directors had been called for Tuesday of next week, at which time the tentative agreement which has been discussed so long in settlement of the claims of the terminal bondholders will, it is generally understood, be ratified.

A member of the Chaplin committee is authority for the statement that, although no announcement has been made by the committee for some months, material progress has been made, and when the announcement of the reorganization plan is given out, which he predicts will be in a few weeks, that all parties at interest

WILL BE WELL SATISFIED,

and that even the complaining Wheeling & Lake Erie minority shareholders will discover that they have been given very fair consideration.

The delay in the announcement of the Wabash-Pittsburgh Terminal reorganization has been occasioned solely by the dilatory tactics of the Wabash Railroad Company and the Gould promoting syndicate, both of which interests have been called upon to make a substantial settlement on account of their repudiated obligations. First, the executive committee of the Wabash board after many conferences agreed on terms, but they said that their decision would have to be approved by the full board of directors. It took many months to secure a quorum at a directors' meeting, but even after this was secured, the announcement was made in a semi-official manner that the directors had decided it would be advisable to have the whole matter referred to the stockholders, although no statement was made as to whether a special meeting of the stockholders would be called for this purpose, or the matter go over until the next regular annual meeting. The explanation of this move on the part of the Wabash board was generally interpreted as indicating that they had been compelled to make an

AGREEMENT SO UNFAVORABLE,

as far as their company was concerned, that they thought it might be safer for them as individuals to have it formally ratified by the stockholders before it was carried out.

Now it appears that the idea of having a stockholders' referendum has been temporarily held in abeyance, or in any event, the official announcement from the Wabash office is that the whole matter will be decided at the directors' meeting next Tuesday.

Some of the holders of the Wabash-Pittsburgh Terminal bonds are becoming disturbed, as has been indicated by recent sales at declining prices in the stock market, and co-incidently the Wheeling & Lake Erie stockholders are becoming aroused by reason of the hope held out by the recently organized minority committee that they might be able to shake off the majority owners and reorganize the property on their own account. Both of these ideas are brought out in the two following letters which we have received this week from subscribers:

Candor, N. Y., Nov. 20, 1911.

ED. UNITED STATES INVESTOR:

Do you hear or know of any complications of any kind that would lead one to feel as though he should dispose of his Wabash-Pittsburgh Terminal fours? I read considerable about them from time to time, but glean but little. J. P. F.

Falmouth, Mass., Nov. 21, 1911.

ED. UNITED STATES INVESTOR:

Referring to the articles which have been appearing in your valuable paper regarding the Wabash-Pittsburgh, Wheeling & Lake Erie reorganization, it should, I think, be clearly understood what the Wabash-Pittsburgh people so far have proposed to do with the Wheeling minority stockholders. They have proposed to use their nominal control of 51 per cent of stock to force the 49 per cent to pay an assessment of $25 per share, and accept a reduced amount of stock in a new company. They, themselves, propose to avoid paying this $25 per share on their 51 per cent of stock by defaulting. They then planned to regain control of the new road by their bonds. This is certainly using a nominal control to a very questionable way, and to

EXPLOIT THE MINORITY

with a vengeance. Will our courts stand for a use of majority control which does not accept the same conditions it places upon the minority and actually pay the assessment upon its 51 per cent of stock and accept its reduced amount of stock in a new company.

It will be something gained to have our courts pass upon such methods as the Wabash-Pittsburgh people thus far have proposed to use. H. H. S.

In reply to our subscriber who is disturbed about his Wabash-Pittsburgh Terminal bonds, I will say that I cannot discover any reason for a holder to dispose of his bonds at the present time, and, on the other hand, there seems to be every reason to believe that within a comparatively short time the reorganization plan will be announced, and that it will make the situation appear much more hopeful than is indicated by any information now available, or by the prevailing market prices of the bonds.

Our Massachusetts subscriber, who clearly is the owner of some Wheeling & Lake Erie stock, takes an entirely distorted view of the situation. In the first place, he should be informed that any assessment which is levied on 49 per cent of the stock of the Wheeling Company must also be levied on the remaining 51 per cent. I do not recall of any reorganization in which the minority alone was compelled to pay an assessment, and it can hardly be assumed that at this late day any such innovation would be attempted. The Wabash-Pittsburgh Terminal Company, as the owners of a majority of the stock of the Wheeling & Lake Erie, will necessarily have to pay the same assessment on each share of stock held as is paid by every other holder.

Our subscriber should also bear in mind the fact that his Wheeling & Lake Erie Company by due and formal action of his board of directors

AGREED TO PAY

into the treasury of the Wabash-Pittsburgh Terminal Company 25 per cent of the gross revenue arising from all traffic interchanged with that company, on the basis of which agreement as well as a similar agreement by the Wabash Railroad Company, the Wabash-Pittsburgh Terminal Company spent something like $40,000,000 or $50,000,000 in putting together a terminal property in Pittsburgh and making connections with the Wheeling. It hardly needs to be recited that an isolated terminal property cannot be self-sustaining, and particularly is this true in Pittsburgh, which is probably the most expensive place in this country for a terminal enterprise with the single exception of Manhattan Island. Unless the Wheeling and the Wabash roads had agreed to pledge to this enterprise 25 per cent of their traffic revenue, the bonds never could have been sold from which were secured the funds required.

Now, of course, both the Wabash and the Wheeling companies have repudiated

THESE AGREEMENTS,

and, as a result, the terminal company as well as the Wheeling & Lake Erie have been in the hands of receivers for some years. The Wheeling minority committee in making its recent appeal for a deposit of stock made the statement that if the road could be absolved from entangling alliances, by which, of course, is meant the majority ownership, it could take care of itself nicely.

This contention, however, seems to be the height of absurdity, as the Wheeling & Lake Erie stockholders now appear in the strange light of not only wanting the repudiation of their traffic agreement ratified, but also desire to have the majority owners who paid $6,000,000 for the controlling interest in the property throw that majority stock out of the window so that the minority may assume control, and as they term it, without entanglement.

It is true that the Wheeling & Lake Erie stockholders have just cause for complaint, but they must necessarily direct all their complaints to and make their recovery from the Gould syndicate which originally acquired control of the property, manipulated it and then wrecked it. The Wabash-Pittsburgh Terminal Company is very clearly an innocent purchaser and for sub-

Digitized by Google

stantial value. Its title to ownership cannot be assailed, and an examination of the list of bondholders will show that more than a thousand investors, banks and insurance companies scattered throughout the country are to-day the real parties at interest.

What is known as the Cleveland Committee, organized a few weeks ago to protect the interests of the Wheeling & Lake Erie minority, is not likely to make very much progress, as its motives seem to have been very justly questioned. It has been charged and not denied that this committee has for

ITS PRINCIPAL PURPOSE

the selling to the Wheeling & Lake Erie of another railroad property.

The facts of the case, therefore, are worthy of recital. In May, 1906, the Wheeling & Lake Erie Company authorized the purchase of the Lorain & West Virginia Railroad Company at that time under construction and running from Wellington to Lorain, Ohio. The $2,000,000 of stock of the company was to be purchased and its $2,000,000 of 4 per cent bonds were to be guaranteed. In October, 1908, this guarantee of the bonds was cancelled and the purchase agreement annulled. According to the last statement, the company had outstanding loans of $1,717,000 which were secured by the company's $2,000,000 bond issue as collateral, none of the bonds having been sold. In addition the company had accrued liabilities of $132,052 and current liabilities of $182,426. Net earnings of the company during the past three months have been at the rate of a little over $12,000 a month, but as the interest account and proper maintenance charges just about offset these earnings it cannot be doubted that the owners of the property are anxious to dispose of it.

It is, therefore, of significance that J. R. Nutt, who is chairman of the Wheeling minority committee, is the treasurer of the Lorain & West Virginia road. Another member of the committee, William E. Mather, is also a director of the Lorain road. Of the other two members of the committee, George T. Bishop and John W. Platten, it is well-known that Mr. Platten's only interest is that of representing the New York City Trust Company with which he is identified and which is one of the depositories of the committee.

I am, therefore, inclined to advise our subscriber, who is disgusted about his experience on Wheeling & Lake Erie stock, to carefully consider these facts and

NOT DEPOSIT HIS STOCK

with any committee which may have an ulterior motive, in any event, until such time as the reorganization plan of the Wabash-Pittsburgh Terminal Company is announced and he knows exactly what the majority owners have in store for him. P. DE MEDICI.

SPOKANE, WASH.—Arthur G. Closer, manager of the postal savings bank in Spokane, reports that $500,000 has been refused, as the depositors desired to place more money than the rules allow. He declined two deposits of $1,000 each and scores of smaller ones in one day. One hundred and forty-three deposits represent a total of $7,000

C. F. I. Preferred A Bargain

Last Sale of Colorado Fuel & Iron Preferred Was at 108, Although Over 70 Per Cent Has Accrued in Accumulative Dividends—During Past Two Years, Company Has Earned About Twice the Amount Necessary to Wipe Out These Past Due Dividends of $1,400,000—Company Is One of the Very Few of Which John D. Rockefeller, Jr., Is Still a Director—Net Cash Working Capital, According to Last Statement, $7,972,658, of Which $3,846,538 Was in Cash.

One of our subscribers, who has apparently in the past indulged in the luxury of buying 30-cent stocks which were going to 60 cents next week, writes us to ascertain if we know of any stock listed on the New York stock exchange which at the present time is selling at a real dead sure bargain price.

To comply with this request I have scanned the New York stock exchange exhibit thoroughly, and with my most discriminating vision with the result that I have suggested Colorado Fuel & Iron 8 per cent preferred as the security which is most likely to appeal to our bargain-hunting subscriber.

The last sale of the stock was 108, although it carries with it past due accumulative dividends dating from February, 1903, amounting to a little over 70 per cent. Should these past due dividends be paid on the preferred at this time, the stock would stand the purchaser only about 38, and, of course, if the past due dividends were taken care of this would mean that the company was in shape to maintain the regular 8 per cent dividend rate in current payment.

In other words, the stock might have a possibility of being a prosperous 8 per cent preferred industrial at the

RIDICULOUS PRICE OF 38.

The common stock, of which there is $34,235,000 outstanding, as compared with only $2,000,000 of the preferred, is now selling around 28, and during the present year has sold as high as 36¾.

The company's surplus net earnings for the fiscal year ending June 30, 1911, available for dividends amounted to $1,259,672, and this amount is particularly significant when it is borne in mind that the total amount of past due dividends on the preferred stock only amounts to $1,400,000. During the year just passed, therefore, the company earned almost enough to clean up the old dividend account, and if that item were out of the way, the earnings last year were more than seven times as large as would be necessary to pay the regular 8 per cent dividend on the $2,000,000 of preferred.

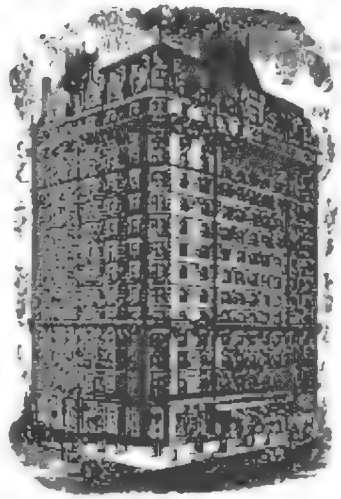
The case appears even stronger when it is considered that during the year ending June 30, 1910, the surplus earnings available for dividends aggregated $1,506,819. Hence, a year ago the management, had it been so disposed, could have wiped all the accumulated dividends off the preferred out of the current earnings and carried $266,000 to the surplus account, and after doing that they could have during the fiscal year which ended on June 30, 1911, paid the regular dividend of $160,000 on the preferred and still have carried $1,099,672 to the surplus account.

The last dividend on the preferred stock of the company was paid in February, 1903, and the net results of the company's operations since that time

BEST TELL THE STORY

of its year's deficit of over $1,000,000 being converted into an annual surplus of over $1,000,000 as a result of its progressive management. The figures

"In the Heart of Things"
HOTEL
MARTINIQUE
Absolutely Fireproof
B'way, 32d-33d Sts., New York City
ONE BLOCK FROM NEW PENN. R. R. DEPOT
and opposite
HUDSON TERMINAL
connecting with
Erie Lackawanna Lehigh Valley Pennsylvania Railroads
from which
BAGGAGE TRANSFERRED FREE TO AND FROM HOTEL



In the midst of leading Department Stores and Theatres
600 ROOMS 400 BATHS
Rooms with use of bath, - - $1.50 up
Rooms with private bath, - - $2.50 up
CHAS. L. TAYLOR, Pres. W. S. GILSON, Vice-Pres.
WALTER CHANDLER, Jr., Mgr.
Also Proprietors of St. Denis Hotel

Digitized by Google

as shown in the company's annual report since 1903 are as follows:

Year ending June 30.	Surplus or deficit.	Amount.
1904	Deficit	$1,584,857
1905	Deficit	341,992
1906	Surplus	671,812
1907	Surplus	470,093
1908	Surplus	294,365
1909	Surplus	858,375
1910	Surplus	1,506,819
1911	Surplus	1,259,673

In commenting on last year's operations President J. F. Welborn in the annual report just made public says:

"The year commenced with promise of better coal business than had previously been enjoyed by the company, but an unusually mild winter and the extreme drought in the agricultural states west of the Missouri River during the season of 1911 caused a lighter demand for Colorado domestic coal in the first half of that calendar year than has been known in a similar period in the last decade, with the result that our coal production fell off 489,067 tons, and earnings from fuel sales decreased $274,696.23. This decrease in earnings would have been overcome by the

MORE EFFICIENT MANAGEMENT

that ruled in both producing and selling divisions of the fuel department but for the disastrous coal mine explosions that occurred in January, 1910, and October, 1910, most of the expense of which had been paid and charged to operating expenses prior to July 1, 1911.

"The Iron Department shows an increase of $170,832.09 in gross, and $10,430.31 in net earnings, with prices on all products except rails much lower than for many years. Had the higher prices of the previous year been secured, the net earnings from the sale of iron and steel would have shown an increase of at least $250,000, due to lower costs of ore and steel, or, with selling prices that obtained prior to the panic of 1907, an additional $1,000,000 would have been earned.

"Had we escaped the two coal mine explosions, and in other prospects experienced as favorable conditions as during the previous year, the surplus might well have been $2,000,000. It may, therefore, be said that, considering the unfavorable conditions, which the management could neither have foreseen nor prevented, the results from the year's operations were more favorable than in any previous year of the company's history."

The statement is also made in the annual report that

EXPENDITURES

for maintenance have been on as liberal a basis as heretofore and that the physical condition of the property has been improved during the year. The gross earnings from operations for the year ending June 30, 1911, were $22,934,685, while the net earnings from operations only amounted to $3,478,349, or a matter of 15 per cent. In all probability, therefore, the company included in its operating expenses a liberal amount of expenditures which might have been charged to capital account. In any event, a coal, iron and steel corporation with all the advantages of location, equipment and property of this company is likely to realize a net profit of more than 15 per cent on its gross receipts if it is well managed, and there has never been any doubt that the Colorado Fuel & Iron Company has for some years had the benefit of a management which was top-notch in efficiency along all lines.

After the liberal deduction for operating expenses the income account for the past year shows further deductions of $128,106 for equipment renewal and $24,903 for prospecting. In summary, therefore, it would appear that the management had been very conservative in declaring that its net profits for the year were $1,259,673.

The company's

FINANCIAL CONDITION

at the close of the year was as strong as could be suggested by anyone as being necessary. Current assets consisting of $3,910,341 in supplies and stock on hand, $2,945,604 in accounts and bills receivable and $3,846,538 in cash aggregated $10,702,483. Against this in current liabilities the company had only $1,754,269 in accounts and bills payable and pay rolls. The annual statement also included, however, accrued bond interest not due amounting to $862,056 and accrued taxes not due amounting to $113,500, making a total of current and accrued liabilities of $2,729,825.

Deducting current liabilities from the company's quick assets there remains a balance of $7,972,658 in net working capital which indicates the well-entrenched financial position of the company and re-enforces my suggestion to our bargain-hunting subscriber that a portion of the company's $2,000,000 8 per cent preferred stock looks good at ruling prices.

Not the least of the virtues of Colorado Fuel & Iron, which, of course, must include the common as well as the preferred stock, is the fact that

JOHN D. ROCKEFELLER, JR.,

is one of the directors. Mr. Rockefeller, Sr., is doubtless the richest individual in the world, and Mr. Rockefeller, Jr., if he were so disposed, could probably be a director in so many corporations that it would be a joke about his attending meetings. The interesting fact is that Mr. Rockefeller, Jr., permits himself to be named as a director on only two or three corporations, of which the Colorado Fuel & Iron Company is one.

It is, of course, true that this son of the world's richest man is devoting his energies to philanthropy instead of business, but the sole fact that he still remains on the Colorado Fuel board, and with him on the board is F. T. Gates, another Rockefeller representative, makes the securities of the company appealing from my viewpoint, even though they are tainted by the fact that George J. Gould is one of the directors. P. DE MEDICI.

MINING INQUIRY.

Calumet Pinal Mining Co.

21360. (New York.) Will you kindly advise us what the general opinion of the Calumet Pinal Mining Company is? Their mines are said to be located near Red Rock, Pinal County, Ariz. They are asking, over the signature of James B. Riley, vice-president and general manager, that the stockholders protect their investments by taking up additional stock equal to 20 per cent of the present holdings, at 50 cents per share.

Ans.: According to reports received by us from disinterested correspondents at Red Rock and Tucson, the Calumet Pinal properties have shown up well in the course of the work thus far done, and appear to have good prospects of developing into a good shipping mine. This favorable opinion extends not only to the property, but to the officials as well. The company owns 17 claims in the Owl Head Mountains, about 35 miles north from Tucson, these properties having a record of shipping a considerable amount of ore previous to being taken over by the present owners. To employ the words of one correspondent "Rumors claim the amount $80,000, but I think $35,000 will be nearer the mark." A shaft has been sunk to a depth of over 300 feet, and the large bodies of leached ore encountered would indicate a considerable zone of secondary ores showing good values in copper and silver.

Big Profits

From Legitimate, Going Business for Careful Investors With $500 to $10,000.

Fractional Shares Can Be Arranged For by Small Investors.

The Southern Combing Gin Co. of Chattanooga, Tenn., offers to the public the opportunity to participate in unusually attractive profits that are guaranteed by actual orders now in hand for the greatest machine ever perfected in the history of the Cotton Industry:

The Combing Cotton Gin

"The Gin Without Saws."

The basic patents, a big going plant and orders in excess of our capacity are the assets which assure this company's healthy growth and profit to the stockholders.

Never since the Bell Telephone Company's organization has there been an equal profit opportunity.

Investigate us—our officers and our product—thoroughly.

Write to-day for the facts and our book, "The Primer of the Combing Cotton Gin"—

(sent on request postpaid). Address

J. W. Lindau, Suite 1,041,
45th St. Exchange Bldg., New York

Southern Combing Gin Co.,
Chattanooga, Tenn.

References—Any bank in Chattanooga, Dun's or Bradstreet's.

Fiduciary Agents:

CITIZENS' NATIONAL BANK
CHATTANOOGA, TENN.

Digitized by Google

Financial Summary of the Week

Amalgamated Asbestos Corporation, Ltd.—This company, which, as stated in this column last week, has defaulted on its bond interest and is about to be reorganized, was incorporated in March, 1909, under the laws of the Dominion of Canada, for the purpose of acquiring a number of companies having asbestos mines in Canada. The company has an authorized capital stock of $10,000,000, consisting of $8,125,000 common and $1,875,000 7 per cent cumulative preferred stock, all of which is outstanding. It also has an authorized issue of $15,000,000 first mortgage 5 per cent gold bonds, of which, as already stated, $8,000,000 is outstanding. For the seven months ended December 31, 1910, the corporation earned only $34,019 above its fixed charges.

American Soda Fountain Co.—The American Soda Fountain Company committee has put its plan into operation and organized the American Soda Fountain Company of Maine, with an authorized stock of $1,250,000 (one class). An exchange of the $3,750,000 present stock, in equal amounts of first preferred, second preferred and common will be made into $1,250,000 new stock; for every 100 first preferred, 90 shares of new stock; for every 100 shares second preferred, 7½ shares, and for each 100 shares of old common stock, 2½ shares. Accumulated dividends on first preferred aggregate upwards of $700,000, and on the second preferred upwards of $1,400,000.

Associated Oil Co.—W. S. Porter, vice-president and general manager of the Associated Oil Company, discussing a report that the company would put out a preferred stock issue in the near future, said that directors of the company had not yet decided upon making certain contemplated extensions nor how the money would be provided. Financing called for by whatever action the directors may take might be effected through sale of preferred stock or bonds or out of earnings. Mr Porter states that since the close of the fiscal year on February 28, earnings of the company have been running in excess of last year.

Atlantic Coast Line R. R. Co.—A semi-annual dividend of 3½ per cent was declared by the Atlantic Coast Line this week, placing the stock on a 7 per cent per annum basis, as against 6 per cent heretofore. At different times during the past year Wall street has been looking for a large disbursement in view of substantial advances in both Louisville & Nashville and Atlantic Coast Line. Atlantic Coast Line owns more than half of the $60,000,000 Louisville & Nashville. In 1908, the Louisville & Nashville dividend was reduced from 6 to 5 per cent but was restored to 6 per cent in August, 1909, and increased to 7 per cent in 1910.

Baltimore & Ohio R. R. Co.—The Baltimore & Ohio, to October 31, had more than earned the three per cent dividend on the common to be declared in January out of the operations of the first half of 1911-12.

Brooklyn Union Gas Co.—This company has declared an extra dividend of one per cent, as well as the regular quarterly dividend of 1½ per cent. This is the first step toward making up to stockholders the difference between dividends paid and an average of 6 per cent since 1906. Such action requires 9½ per cent in all, and this declaration leaves 8½ per cent still to be declared. The company says extra declarations will be made from time to time, but there is no agreement to declare the extras each quarter. This distributon of 2½ per cent calls for $450,000 cash.

Canadian Pacific Ry. Co.—Earnings, if sustained at the present rate for the remainder of the year, would achieve a total of roughly $116,000,000, which would compare with actual gross of $104,167,808 last year. This indicated gain is at the rate of about $1,000,000 a month over last year, and compares with the average monthly gain in fiscal year 1911 over 1910, of $765,000 and $1,556,000 in 1910 over 1909. Estimating operating expenses at the conservative proportion of 65 per cent of gross earnings for the current year on the estimated $116,000,000, Canadian Pacific will earn net roughly $40,600,000, which would compare with $36,659,000 last year and $33,839,000 the year before.

Chicago, Milwaukee & St. Paul Ry. Co.—According to a statement said to have been made by a member of the board of directors of the Chicago, Milwaukee & St. Paul Railway Company, there appears to be no possibility that the company can earn its dividends on its common stock for the last six months of the current year. The question of maintaining the present rate will not come before the directors until January, and their action at that time doubtless will be based wholly upon business conditions prevailing at the end of the year, and the outlook for traffic in 1912. The management of the St. Paul road always has been conservative in its disbursements to stockholders, and it is not likely it will draw to any extent upon surplus account for dividends unless it is convinced conditions affecting the property will show material improvement. The chances are the company will enjoy a larger income in 1912 than in 1911.

Cities Service Co.—This company reports an increase in net earnings of $17,411 and a gain in surplus of $10,748. For the year ended October 31, net earnings of the company were $885,987. After allowing for dividends, there was a surplus left of $232,677.

City Water Co. of Chattanooga.—This Company has issued $1,800,000 first refunding 6 per cent twenty-year bonds, which, on January 2, 1912, become a first lien on the complete water works system supplying Chattanooga and its suburbs. The issue underlies an issue of Consolidated 5s, and is unconditionally guaranteed by the American Water Works & Guarantee Company, which reports a fully paid capital and surplus of over $10,000,000.

Copper Market.—Sales of electrolytic copper were made this week as high as 13 cents a pound. This continues to be the minimum quotation of the leading selling agency. The demand, according to producers, continues good. There is a better demand for export than for domestic shipment. Representatives of the large selling agencies hold to the opinion that the metal will go higher. Consumers are not clamoring for copper, and few care to make commitments for delivery beyond a month or two. They argue that surplus stocks and prospects of a heavy production next year will prevent a scarcity of copper.

Crucible Steel Co.—Crucible Steel has declared a dividend of 1¾ per cent on the preferred stock payable December 22, to stockholders of record December 12. The dividend for the quarter was more than earned in the two months of October and November. The earnings for November are the largest of any month since February, 1910, being in excess of $400,000.

Detroit-Edison Co.—Stockholders of the Detroit Edison Company voted to increase the capital stock from $9,000,000 to $15,000,000. Of the new stock $1,500,000 will be offered to shareholders at par to the extent of 25 per cent of their holdings. It will be recalled that the Detroit-Edison in the past has favored its stockholders quite liberally in regard to dividend return on their holdings. Dividends at the rate of 4 per cent per annum were paid quarterly from July 15, 1909 to April 15, 1910. In July 1910, the rate was raised to 6 per cent per annum, and on January 15, 1911, the rate was further raised to 7 per cent per annum, the present rate. In view of the fact that the additional stock to be offered will increase dividend outlays, it is impossible to predict just when a higher rate will be ordered by the management. It is well known, however, that current earnings of the property are sufficient to maintain an 8 or even a 10 per cent dividend per annum.

Florida East Coast Ry.—The gross business of the Florida East Coast is still small, but it is showing a gratifying increase for a new line. Total revenues in 1910-11 were $4,181,000, an increase over the preceding year of $494,000. Earnings per mile of road were $7,166. Operating expenses were $2,604,000, or 62.2 per cent of gross. Although its business is still much less than the road is capable of handling, the East Coast earned its 4½ per cent interest on $10,000,000 of first mortgage bonds and paid on November 1, last, 4 per cent on its $20,000,000 of general mortgage income bonds for the year 1911. The balance of $67,000 from the year's earnings was credited to profit and loss.

General Chemical Co.—This company has declared an extra dividend of 5 per cent on the common stock, payable February 12, in common stock of the company at par. The regular dividend of 1½ per cent was also declared on the preferred.

General Electric Co.—Current estimates of earnings for the fiscal year to end December 31, indicate total receipts of $68,000,000. This would, it is figured, leave about 13.5 per cent on the outstanding stock, as compared with 16.65 per cent last year and 9.36 per cent in 1909, when only 11 months were covered by the report.

General Motors Co.—The report just issued to stockholders covers only the ten months ended July 31 For this period the net profits were $4,066 51. The deduction of accrued interest on the 6 per cent first lien notes left a balance of $3,316,251. After the payment of the preferred dividend of April 1, and the reservation of four months proportion of the October 1 preferred dividend, there remained $2,474,175 undivided profits for the ten months. There was $2,000,000 applied to reduction of inventories October 1, 1910, and $399,084 applied to adjustment of claims arising out of transactions prior to October 1, which left the profit and loss surplus at $1,240,175 on July 31

Georgia Railway & Power Co.—This company has been organized with $30,000,000 of bonds and $27,000,000 stock divided into $15,000,000 common stock, $2,000,000 6 per cent cumulative first preferred, and $10,000,000 4 per cent noncumulative second referred, and all earnings above 4 per cent on the second preferred participate equally with the common shares. The new company will guarantee 8 per cent on the present Georgia Railway & Electric common stock amounting to $8,019 400, and in addition will give each holder of 100 shares of old common stock, 125 shares of second preferred at a bonus, which would be the equivalent of the old Georgia Railway & Electric common, selling at 160, getting a dividend return of 13 per cent.

Hocking Valley R. R. Co.—This company has declared a semi-annual dividend of 3 per cent, putting the stock on a 6 per cent basis, an increase of 2 per cent over the former annual rate. The dividend is payable December 30 to stock of record December 8.

International Motor Co.—A 7 per cent cumulative preferred stock is being offered by bankers at $97.50 per share for the unsold balance of $2,000,000. Subscription books close November 18. The International has united under one management the Mack Bros. Motor Car Company in Allentown, Pa., and the Saurer Motor Company at Plainfield, N. J. The Mack Company is now making 1,200 trucks per year and earned 2½ times the dividend on the outstanding preferred stock. C. P. Coleman, former president of the Saurer company, is president of the International Motor Company, and J. M. Mack, former president of the Mack Motor Company, becoming vice-president. Otis H. Cutler, president of the American Brake Shoe & Foundry Company, is chairman of the executive committee.

International Paper Co.—The fiscal year of the company has been changed to end with the calendar year, so a statement of earnings will be given out some time in January. For the year ended June 30, 1911, net earnings were $1,671,016, or 7.5 per cent on the $22,406,700 cumulative 6 per cent preferred stock. The balance available for dividends, after a special depreciation charge of $484,760, was equal to 5.3 per cent on the stock. The next report is expected to show that earnings have continued at this comparatively high level. Only 2 per cent is paid on the preferred stock, and no increase is looked for in the near future, as the company plans to spend $500,000 or more in improvements in the next two years.

Laramie, Hahns Peak & Pacific.—The last rail of the Laramie, Hahns Peak & Pacific Railroad was laid last week, and the road has now passed from a construction enterprise to an operating railroad Twelve years operations were necessary to complete the construction of this railroad through the Rocky Mountains. The road passes through the Medicine Bow Forest Reserve, the lands of the Lake Hattie Irrigation Company and the North Park of Colorado, one of the best cattle districts in the West, and in

Digitized by Google

which the Black coal vein is located. This road has been financed wholly by New England capital.

Minneapolis & St. Louis R. R.—An issue of $10,000,000 of additional stock for the absorption of the Iowa Central has been approved by the executive council of the state of Indiana. Announcement was also made that the Hawley lines will be extended by Twin City to Winnipeg.

New York Air Brake Co.—An officer of the New York Air Brake Company says: "Business of the New York Air Brake Company is showing consistent improvement. The company has received orders for air brakes for 15,000 cars within two weeks. The showing is gratifying, as compared with business earlier in the year."

National Biscuit Co.—Earnings in the current fiscal year are estimated at $48,000,000 gross and about $5,000,000 net. It is expected that the amount available for dividends on the common stock will be equal to more than 11 per cent.

Pacific Telephone & Telegraph Co.—There is little doubt that the Pacific Telephone & Telegraph Company, had it so desired, could have shown at least 10 per cent earned on its common stock during the last fiscal period. But it is well known, however, that the purpose of the management has been to place the property in the highest state of efficiency before payment of dividends on the junior issue is commenced. Therefore, it was not necessary to present a favorable exhibit in this respect during the last fiscal period.

Pennsylvania R. R. Co.—It was learned from trustworthy sources that this company is not planning to put out a $100,000,000 bond issue, as has been reported, nor is it contemplating any new financing at present. It appears to be the belief in banking quarters that should be well informed on the situation, however, that ultimately the Pennsylvania will take over the Norfolk & Western Railway Company, which it now controls through stock ownership, under lease, and that when that time comes a bond issue will probably be made.

Pittsburgh Coal Co.—The advance in the shares of the Pittsburgh Coal Company is due to the belief that in the near future the back dividends will be paid off. The sale of the coking coal properties to the United States Steel Corporation resulted in a cut of about 50 per cent in fixed charges, which places the company in a better position to satisfy full dividend requirements. The outlook for business is regarded as satisfactory and the company is well provided with liquid assets.

Seaboard Co.—Seaboard Air Line Ry.—Dissolution of the Seaboard Company, the holding company for the Seaboard Air Line Railway, is planned. A preliminary step will be retirement of the $6,360,600 first preferred Seaboard Company stock. The Seaboard Air Line Railway will sell to a banking syndicate $6,500,000 of adjustment income bonds which are now held in the treasury of the Seaboard Company. Following the retirement of the preferred stock, the payment of $15,993,650 second preferred and $28,545,775 common will be taken up. It is believed that shares of the Seaboard Air Line Railway Company will be given in exchange for the second preferred and common shares of the Seaboard Company. Officials of the Seaboard system say that the Seaboard Company was organized to facilitate reorganization of the Seaboard Air Line and that there is no further need for its existence.

Standard Oil Co. of New Jersey.—This company has declared a dividend of $7 a share, payable December 14, to holders of record November 17. The standard Oil Company of New York declared a dividend of $20 a share, payable December 15, to holders of record December 5. This is the equivalent of $3.05 a share on Standard Oil Company of New Jersey stock, which brings the disbursement up to about the regular payment of $10 a share for this period.

Steel Market.—Manufacturers are inclined to express confidence in the outlook, due largely to the better demand for steel on the part of the railroad companies. The improvement in this direction is offset by the shrinkage in the demand for the lighter grades of steel. For example, the tin plate plants start the week with about 50 per cent of capacity in operation. Several weeks ago, operations were on a basis of more than 75 per cent. Wire production is also off, a number of mills having been closed, including those at Donora. Prices show no change to speak of. The minimum price for steel bars by the large producers seems to be $1.10, but iron bars have been sold at a lower figure.

Tennessee Copper Co.—It is reported that the directors will declare a dividend next month of $1 a share or 4 per cent; while 2 per cent under the declaration a year ago, it is probable that the dividend will be styled a quarterly one, the management believing that it will be possible to pay $4 a share, or 16 per cent out of the earnings in the next year, without regard for the price of copper metal. In 1903, and every year since, with three exceptions, 5 per cent has been paid; in 1907, 13 per cent was paid, with 10 per cent in 1908 and 6 in 1910. To date, $2,602,250 has been distributed from profits.

United Fruit Co.—The United Fruit Company has declared an extra dividend of 10 per cent, and gives shareholders the right to subscribe to new stock at par to the amount of the dividend.

United Railways Investment Co.—The fiscal year of the United Railways Investment Company will end on December 31. Results for the year, as shown by preliminary figures, will be very favorable. The progress made by the United Railroads of San Francisco has been particularly striking, that property showing the largest gross and net earnings on record. In well-informed circles, it is stated that the regular dividend on the United Railways Investment Company's preferred stock will be resumed soon after the turn of the year, and that probably a plan will be announced by which a portion of the 25 per cent of back dividends will be paid.

United States Express Co.—The report of the United States Express Company for the year ended June 30, 1911, shows gross earnings of $20,364,074, expenses of $19,983,420, net income of $750,821, and surplus over dividends of $150,821. The net is equal to 7.51 per cent on the stock, as compared with 7.96 per cent earned in the preceding year. The balance sheet of the company shows assets of $14,582,574 and a profit and loss surplus of $1,585,196.

United States Steel Corporation.—Reports current lately that the United States Steel Corporation was contemplating the issue of a large block of bonds to compensate it for the outlay in connection with the construction of the Gary and other plants, received denial this week. E. H. Gary, chairman of the corporation, said that such a question had not been considered, and that there was no reason for considering it.

Union Pacific R. R. Co.—The report for the year ended June 30, shows earnings from transportation operations equivalent to 8.12 per cent on the common stock, and income from investments equivalent to 8.49 per cent, a total of 16.61 per cent. The report also shows an increase in assets in the year in excess of the increase in liabilities of $71,118,284, of which a balance of profit realized by the Oregon Short Line Railroad Company from the sale of Northern Securities stocks and stocks received in exchange therefor contributed $53,728,678. Actual net increase in assets was $104,855,134, against a net increase in liabilities of $33,736,850.

Vandalia R. R. Co.—This company has issued a statement to shareholders explaining why the dividend was passed recently. The statement in part is as follows: "There has been a constant decrease in gross earnings, and this, with the inability to reduce expenses correspondingly, and at the same time maintain the property to the standard necessary, has so reduced net earnings that the dividend could not be continued, except by further drafts on the surplus. This, the board did not consider wise. The inability to make a greater reduction in expenses is largely due to two causes, an increase of over $400,000 in the pay rolls, brought about by the establishment of rates of pay to railroad employes by national and state mediation and arbitration boards, and an increase of over $135,000 in expenses of operation, resulting from compliance with the regulations of national and state agencies."

Western Maryland Ry. Co.—The report for the year ended June 30, 1911, shows gross earnings of $7,200,933, an increase over 1910, of $119,076; expenses of $4,440,227, an increase of $337,706; net earnings of $2,760,705, a decrease of $218,629, and a credit balance on the profit and loss account of $219,413, a decrease of $440,750. The report says that the depression in the coal and coke market greatly affected earnings. Passenger revenues increased 10 per cent.

MINING INQUIRY.

New Arcadian Copper Co.

21357. (Keene, N. H.) What value is there in New Arcadian, now selling around 3? Is there a possibility of it going to 7 or 8?

Ans.: New Arcadian's present market price is generally looked upon as a very fair index of its actual value as far as has been demonstrated by actual results. The management has been keeping up exploration work with two diamond drills in service in the eastern limits of the property along the contact of the Great Eastern sandstone with the mineral belt, this being the approximate horizon of the Baltic lode. Exploratory work in the western limits along the strike of the Kearsarge lode resulted in small promise of future mining operations, although in the Portage-Isle Royale bed just east of that horizon good values were obtained in a number of borings. The property lies to the east of what have been considered the master lodes of the district, but the management has entertained strong hopes of locating a commercial lode by drilling operations, and upon the results of these latter depends the market future of the stock. Certainly, so far as we can see, there is little promise of such an advance as you suggest in the near future.

FOR

Oil and Gas Land Leases

WRITE

C. W. DEMING

Tulsa, Okla.

FOR HIGH GRADE OIL STOCKS

EQUITY BOND & SECURITY CO.

37 WALL STREET, NEW YORK CITY

EMNAHA GOLD MINING COMPANY

Incorporated under the laws of the State of Idaho. Capitalization, $500,000, divided into 500,000 shares. Par value $1.00 per share. Of which 200,000 shares have been placed in the Treasury, for the development of the property.

This Company owns and controls nine claims on Battle Creek, Imnaha, Willowa Co., Ore., on which there are three well defined parallel veins, carrying very rich gold quarts. A limited amount of the shares of the stock have been sold.

For full particulars, address

JOHN SENNETT, Treasurer

79 Milk Street, Room 602 Boston, Mass.

Digitized by Google

The Best Purchases on the Industrial List

As Indicated by the Two Standards of Comparison: of Present Investment Yield on Basis of Current Dividends and Prevailing Market Price, and on Basis of Present Earnings on Prevailing Market Values

The average net yield of the 50 industrial stocks quoted in the following table was 6.38 per cent on November 21, as compared with 6.37 per cent on November 14, 6.30 per cent on January 3, and 5.76 per cent on January 2, 1910.

The above figures relating to the average net yield of the fifty industrial dividend payers in our list show that there has been no startling change in the position of the market, or at least, this section of it, within the past week. The preponderance of market sentiment is still bullish, but as the recovery has progressed, it has very naturally slackened its pace not a little. The unmistakable evidences of an improvement in trade conditions are the accompaniment of a decided letup in the general hostility towards the corporations, as reflected in the Roosevelt "fair play" magazine article last week. The steel trade situation is improving, and prices of steel products are to be raised, thereby increasing the profits on the expanding business very materially. The railroads are placing orders for equipment more liberally than for a long time past, having been convinced by recent legal decisions that they are insured against the success of any measures of a confiscatory character, and, of course, the steel and equipment companies are bound to profit by this improved condition of affairs. In the copper world, too, conditions show a continuation of that improvement which has been under way for some weeks past, the metal market having at last reached the 13-cent mark, with a probability of still higher figures in the not far distant future.

Here and there, however, there are discordant notes in this song of returning prosperity, as in the case of the Union Bag & Paper Company, which is finding conditions far from satisfactory in the current fiscal year. The company's output, to be sure, has been of good proportions, but earnings have not shown up correspondingly well, owing to the fact that prices have been kept down to an unusually low level. In the twelve months ending January 31, last, the company earned 5.54 per cent on its $11,000,000 of 7 per cent cumulative preferred stock outstanding. It is very doubtful if the showing for the current year will be as good unless conditions show a very pronounced change for the better in the two months still remaining. The company is burdened with an excessively large capital, with the result that not only has the common stock been compelled to go without any, but there is at the present time about 16 per cent owing on account of unpaid preferred dividends.

Such instances as this, however, are the exception rather than the rule, and the majority of reports obtainable from trustworthy quarters regarding the position of industrial corporations are distinctly favorable in their tenor, thereby fitting in very well with Wall Street's present optimistic mood.

Now, with the tide moving in the other direction, as far as sentiment is concerned, it is a comparatively easy matter for the market leaders to attract a following by stories of increased disbursements in other directions.

Stocks.	Present dividend.	Price.	Yield on present price.	Present rank.	Stocks.	Price.	Earnings on present price	Year ended
Am. Malt Corp., pref.	4%	42	9.52	1	Inter. Mer. Marine, pref.	13	62.46	Dec. 31, 1910
Am. Beet Sugar, com.	5%	55	9.09	2	Bethlehem Steel, pref.	68	23.15	Dec. 31, 1910
Republic I. & S., pref.	7%	81	8.64	3	Allis-Chalmers, pref.	14	22.17	June 30, 1910
U. S. Rubber, com.	4%	47	8.51	4	Am. Locomotive, com.	45	20.22	June 30, 1911
United Dry Goods, com.	8	98	8.16	5	Am. Beet Sugar, com.	55	20.00	Mar. 31, 1911
U. S. Steel, com.	59	72	8.00	6	Westinghouse, com.	66	19.80	Mar. 31, 1911
Am. Woolen, pref.	77	95	7.95	7	Ry. Steel Spring, com.	52	18.81	Dec. 31, 1910
U. S. Rubber, 2d pref.	6%	76	7.89	8	Am. Ag. Chem., com.	55	16.55	June 30, 1911
Union Bag & Paper, pref.	4%	53	7.55	9	Pressed Steel Car, com.	54	16.45	Dec. 31, 1910
Central Leather, pref.	7%	95	7.37	10	Sears, Roebuck, com.	170	15.65	Dec. 31, 1910
U. S. Ind. Alcohol, pref.	7%	95	7.37	11	Am. Woolen, com.	78	14.80	Dec. 31, 1910
Inter. Steam Pump, pref.	6%	82	7.32	12	United Fruit	195	13.75	Sep. 30, 1911
Nat. Enam. & Stpg., pref.	7%	96	7.29	13	Inter. Harvester, com.	103	13.60	Dec. 31, 1910
U. S. Realty & Imp.	5%	70	7.14	14	Am. Malt Corp., pref.	42	13.45	Aug. 31, 1911
Pressed Steel Car, pref.	7%	100	7.00	15	U. S. Realty & Imp.	70	12.75	Aug. 31, 1911
Ry. Steel Spring, pref.	7%	101	6.93	16	Am. Car & Fdy., com.	54	12.00	Aug. 31, 1911
Am. Smelt. & Ref., pref.	7%	102	6.86	17	Am. Ice Sec. Co.	50	12.50	Dec. 31, 1910
Am. Locomotive, pref.	7%	103	6.80	18	U. S. Ind. Alcohol, pref.	95	11.85	Dec. 31, 1910
Va.-Carolina Chem., pref.	8%	118	6.78	19	Ohio Fuel & Land, com.	58	11.70	Jan. 31, 1911
Lackawanna Steel	7%	105	6.67	20	Inter. Paper, pref.	47	11.60	Dec. 31, 1910
Pressed Steel Car	7%	105	6.67	21	Republic I. & S., com.	8	10.75	Dec. 31, 1911
National Lead, pref.	7%	105	6.67	22	General Electric	155	11.71	Dec. 31, 1910
Corn Prod. Rfg., pref.	7%	76	6.58	23	Nat. Enam. & Stpg., com.	11	10.00	Jan. 31, 1911
U. S. Steel, pref.	7%	106	6.60	24	Union Bag & Paper, pref.	53	10.75	Jan. 31, 1911
National Biscuit, com.	7%	106	6.60	25	U. S. Steel, com.	72	11.75	Sep. 30, 1911 (9 mos.)
International Sec. Corp.	6%	92	6.52	26	Am. Linseed, pref.	58	11.70	July 31, 1911
Am. Cotton Oil, pref.	6%	92	6.52	27	Corn Prod. Rfg., pref.	76	11.60	Dec. 31, 1911
Am. Tobacco, pref.	8%	98	6.52	28	International Sec. Corp.	92	11.60	Sep. 30, 1911
Am. Beet Sugar, pref.	6%	98	6.52	29	National Biscuit	106	11.60	Sep. 30, 1911
Westinghouse, 1st pref.	7%	115	6.52	30	Distilling Sec. Corp.	98	11.60	Dec. 31, 1911 (9 mos.)
Am. Car & Fdy., pref.	7%	108	6.48	31	U. S. Steel, pref.	106	11.60	May 31, 1911
Am. Sugar, pref.	7%	115	6.09	32	Am. Smelt. & Ref., com.	102	11.56	Apr. 30, 1911
National Lead, com.	7%	115	6.09	33	National Lead, com.	115	11.56	Apr. 30, 1911
Am. Sugar, com.	7%	117	5.98	34	Lackawanna Steel	105	11.50	Dec. 31, 1910
Pacific Coast, com.	4%	100	5.00	35	U. S. Ind. Alcohol	95	11.50	Dec. 31, 1910
Mackay Companies, pref.	8%	85	5.88	36	Am. Car & Fdy.	108	11.11	Dec. 31, 1910
Inter. Harvester, pref.	7%	125	5.79	37	Am. Cotton Oil	100	11.11	Sep. 30, 1911 (9 mos.)
Va.-Carolina Chem., com.	7%	70	5.71	38	National Enam. & Stpg.	105	11.11	Dec. 31, 1910
Am. Ice Sec. pref.	6%	105	5.71	39	Amalgamated Copper	60	10.95	Apr. 30, 1911
Am. Smelt. & Ref., com.	4%	72	5.55	40	Inter. Paper	18	10.83	Sep. 30, 1911 (9 mos.)
Am. Ice Sec.	5%	90	5.55	41	Am. Sugar, com.	115	10.87	Dec. 31, 1910
General Electric	9%	155	5.81	42	Mackay Companies, com.	85	10.59	Dec. 31, 1911
Sugar Refining, com.	7%	130	5.38	43	International Power	85	10.59	Dec. 31, 1910
Inter. Harvester, com.	7%	130	5.38	44	Central Leather, com.	95	10.53	Mar. 31, 1911
Distilling Sec.	4%	75	5.33	45	Lackawanna Steel	105	10.48	Dec. 31, 1910
Sugar Refining, pref.	7%	130	5.38	46	Am. Agricultural Chem.	95	10.53	Nov. 30, 1911
International Power	4%	75	5.33	47	U. S. Rubber, com.	47	10.64	Mar. 31, 1911
Western Union	7%	95	5.26	48	Central Leather, pref.	95	10.53	Dec. 31, 1910
Am. Car & Fdy., com.	7%	94	5.32	49	Sugar Refining, pref.	130	10.38	Aug. 31, 1911
Amalgamated Copper	5%	95	5.26	50	Inter. Steam Pump, com.	82	10.37	Dec. 31, 1910 (9 mos.)

Digitized by Google

THE BANKERS' LIFE.

(Continued from page 1952.)

come, and come very shortly, an immense drain upon its resources, caused by the increasing death rate, which is as inevitable as the setting of the sun or the going out of the tide.

The experience of the Bankers' Life Association will be watched with peculiar interest, and we are sure that many of our readers will remember our former comments upon this subject and our predictions not only with regard to assessment life insurance in general, which may now be said to be practically dead, but also as to this particular association, concerning which we have had inquiries from time to time, which we have answered in the best way we could from our knowledge of life insurance and of its different systems. It is to be hoped that some means will be found for the Bankers' Life to fulfill its obligations to its great army of assessment policy holders, but at the present time, we see no way in which it can be done.

In justice to the association it may be said that its affairs have

RECENTLY BEEN AUDITED,

and that, considering the basis upon which it has been doing business, it was found in good shape, and that the new level premium rates have been prepared for it by competent actuaries, who, if any one, could provide safely for its future. For this future, however, and for the reasons stated above, we must continue to have grave misgivings.

EVANSVILLE BANKS UNITE.

The Mercantile Trust and Savings Bank, of Evansville, Indiana, which, under the guidance of President Charles Finley Smith, has been making rapid strides in the past two years, took another big step forward on November 1, when it acquired, through purchase of all the stock, the Evansville Trust & Savings Company, of this city. Through this move, the Mercantile Trust adds approximately a million dollars to its deposits. Both banks were capitalized at $100,000. All the old officers and directors of the Evansville Trust Company retire and are succeeded by the Mercantile board and officers.

BROOKLYN RAPID TRANSIT CO.

New York, November 22nd, 1911.

The Board of Directors has this day declared a quarterly dividend of ONE AND ONE-QUARTER PER CENTUM (1¼%) on the capital stock of this Company, payable on January 1st, 1912, to stockholders of record at the close of business on Saturday, December 9th, 1911. J. H. BENNINGTON, Secretary.

MASSACHUSETTS ELECTRIC COMPANIES.

A dividend of Two Dollars ($2) per share has been declared payable on January 1, 1912, to Preferred Shareholders of record at the close of business December 23d, 1911.

J. H. GOODSPEED, Treasurer.

Boston, November 22nd, 1911.

THE UNITED STATES LIGHT & HEATING CO.

The annual meeting of the stockholders of The United States Light & Heating Company will be held at the office of the Company at 281 St John Street, Portland, Me., on Wednesday, December 13, 1911, at 11 A. M. Stock books close November 29th and open December 14th.

W. S. CRANDELL, Treasurer.

Third Avenue Railroad Co.

Reorganization.

TO HOLDERS OF CERTIFICATES OF DEPOSIT OF THE CENTRAL TRUST COMPANY OF NEW YORK FOR CONSOLIDATED FOUR PER CENT BONDS OF THE THIRD AVENUE RAILROAD COMPANY:

The delay in consummating the Plan and Agreement of Reorganization of December 2 1909 has been caused by protracted litigation with the Public Service Commission of the First District, resulting from its refusal to authorize the issue of the securities provided for in the Plan of Reorganization. Both the Appellate Division of the Supreme Court and the Court of Appeals have unanimously upheld the contention of your Committee and ruled that the Commission should have granted the order applied for.

A notice is being published offering stockholders the privilege of availing of the Plan and Agreement of Reorganization as in said notice stated, and the CENTRAL TRUST COMPANY of New York as Syndicate Manager has agreed to take the place of nonassenting stockholders and to guarantee the sum of $7,200,000 for the purposes of the reorganization.

$37,250,000 Consolidated Bonds, out of a total issue of $37,500,000, have been deposited under the Plan and Agreement of Reorganization, being over ninety-nine per cent of the outstanding bonds.

Interest at the rate of four per cent per annum from January 1, 1910, to January 1, 1912, on the Refunding Bonds of the new company will be paid in cash to holders of certificates of deposit at the time of the delivery of the new securities, and the Refunding Bonds will bear the coupon maturing July 1, 1912, and subsequent coupons.

New York, November 22, 1911.

JAMES N. WALLACE, Chairman.
ADRIAN ISELIN,
EDMUND D. RANDOLPH,
MORTIMER S. SCHIFF,
JAMES TIMPSON,
HARRY BRONNER,
Bondholders Committee.

WILLIAM D. GUTHRIE,
JOHN M. BOWERS,
Counsel to Committee.

CENTRAL TRUST COMPANY OF NEW YORK,
Depositary.
54 Wall Street, New York, N. Y.

TO HOLDERS OF

Outstanding Consolidated Four Per Cent. Bonds

OF THE

Third Avenue Railroad Co.

Referring to above notice addressed to holders of certificates of deposit, notice is hereby given to holders of the remaining outstanding Consolidated Bonds that they are granted the privilege of depositing their bonds under the Bondholders Agreement and Plan and Agreement of Reorganization with the same effect as if heretofore deposited, and without penalty, provided their bonds, with all coupons maturing after July 1, 1907, are deposited with the Depositary prior to **DECEMBER 23, 1911.**

New York, November 22, 1911.

By order of Bondholders Committee.

JAMES N. WALLACE, Chairman.

Third Avenue Railroad Co.

REORGANIZATION

NOTICE TO STOCKHOLDERS.

STOCKHOLDERS OF THE THIRD AVENUE RAILROAD COMPANY are hereby offered the privilege of participating in the Plan and Agreement of Reorganization dated December 2, 1909, on the following terms, viz.:

1. Stockholders must on or before **SATURDAY, DECEMBER 23, 1911,** deposit the certificates for their respective shares, duly stamped and endorsed for transfer, with the **CENTRAL TRUST COMPANY OF NEW YORK** as Depositary, at its office, No. 54 Wall Street, New York City, to be held by said Depositary for account of and subject to the order and direction of the undersigned Bondholders Committee.

2. At the time of such deposit, stockholders must pay to the said Depositary the sum of fifteen dollars ($15) per share, and thereafter the additional sum of fifteen dollars ($15) per share on or before **JANUARY 15, 1912,** and the further sum of fifteen dollars ($15) per share on or before **FEBRUARY 15, 1912,** making in the aggregate the sum of forty-five dollars ($45) per share, which sums are to be held for the account and use of the undersigned Bondholders Committee. Stockholders may anticipate instalments, and on all prepayments interest will be allowed at the rate of four per cent per annum to the respective dates when such instalments are payable.

3. All deposits and payments are to be made subject to the terms and conditions of this notice and of the Plan and Agreement of Reorganization dated December —, 1909.

4. Holders of certificates of deposit representing deposited stock upon which the sum of forty-five dollars ($45) per share has been duly paid, on or before the respective dates aforesaid, will receive, upon surrender of such certificates of deposit, if and when the reorganization shall be completed, at the rate per existing share of forty-five dollars ($45) par value in stock of the new Third Avenue Railway Company, being the corporation organized pursuant to such Plan and Agreement of Reorganization, and forty dollars ($40) face value in first Refunding Mortgage Fifty-Year Four Per cent Gold Bonds of said Railway Company, with all coupons maturing after January 1 1912, thereto attached. Bonds will be of the denomination of $1,000 and $500, and convertible Scrip will be issued for fractional amounts of shares and of bonds to which depositors may be entitled.

Suitable certificates of deposit indicating the deposit of shares and payment of the first instalment of fifteen dollars ($15) per share will be issued by the Depositary, and the receipt of subsequent instalments will be stamped by the Depositary upon such certificates of deposit, which must be presented to the Depositary for that purpose at the time of payment. Application will be made to the New York Stock Exchange for the listing of the certificates of deposit.

Any stockholders who shall fail, on or before **DECEMBER 23, 1911,** to deposit the certificates for their stock duly endorsed for transfer as aforesaid, and to pay the sum of fifteen dollars ($15) per share at the time of such deposit, or who shall fail on or before the respective dates aforesaid to make the additional payments in cash, or either of them, will not be entitled to participate in the reorganization or to share in the benefits thereof, and at its option will forfeit to the Bondholders Committee any payments theretofore made.

The attention of stockholders is called to the Bondholders Agreement dated November 6, 1907 the Plan and Agreement of Reorganization dated December 2, 1909; the Agreement of Readjustment dated February 23, 1910, entered into for the purpose of carrying out the provisions of said Plan and Agreement of Reorganization; the deed dated April 18, 1910, executed by the Special Master on the foreclosure sale conveying the property and franchises of the Third Avenue Railroad Company to James N. Wallace, Adrian Iselin, and Harry Bronner, as a Purchasing Committee; the order of the United States Circuit Court confirming such sale, dated April 13, 1910; the Certificate of Reorganization of the Third Avenue Railway Company dated April 19, 1910, and duly filed pursuant to sections 9 and 10 of the Stock Corporation Law, and the agreement entered into between the undersigned Bondholders Committee, the Purchasing Committee, and the new Third Avenue Railway Company, dated May 20, 1910, providing, among other things, for the issue and delivery to the undersigned Bondholders Committee or its nominees of the stock and bonds of the Third Avenue Railway Company. Copies of each of these documents should be inspected by any stockholders at the office of said Depositary.

Dated, New York, November 22, 1911.

JAMES N. WALLACE, Chairman.
ADRIAN ISELIN,
EDMUND D. RANDOLPH,
MORTIMER L. SCHIFF,
JAMES TIMPSON,
HARRY BRONNER.
Bondholders Committee.

WILLIAM D. GUTHRIE,
JOHN M. BOWERS,
Counsel to Committee.

CENTRAL TRUST COMPANY OF NEW YORK,
Depositary, 54 Wall Street, New York, N. Y.

Digitized by Google

RESERVE AGENTS APPROVED.

The Harriman National Bank of New York, N. Y., has been approved as reserve agent for the United States National Bank of Portland, Ore., and the First National Bank of Ogden, Utah.

The National Reserve Bank of New York has been approved as reserve agent for the Peoples National Bank of Hendersonville, N. C., and the State National Bank of Cordell, Okla.

The Chase National Bank of New York, N. Y., has been approved as reserve agent for the First National Bank of Yonkers, N. Y.

The Continental & Commercial National Bank of Chicago, Ill., has been approved as reserve agent for the First National Bank of Burbank, Cal., the Central National Bank of Los Angeles, Cal., American National Bank of San Francisco, Cal., and the Farmers National Bank of Grayville, Ill.

The Atlantic National Bank of Boston, Mass., has been approved as reserve agent for the National Union Bank of Woonsocket, R. I.

The Franklin National Bank of Philadelphia, Pa., has been approved as reserve agent for the First National Bank of Huntsville, Ala.

The Mellon National Bank of Pittsburgh, Pa., has been approved as reserve agent for the State National Bank of Austin, Tex.

The First National Bank of Boston, Mass., has been approved as reserve agent for the Fourth National Bank of Greenville, S. C.

The First National Bank of Cleveland, O., has been approved as reserve agent for the Bellfontaine National Bank of Bellfontaine, O.

The Coal & Iron National Bank of New York, N. Y., has been approved as reserve agent for the Montgomery County National Bank of Rockville, Md.

The Diamond National Bank of Pittsburgh, Pa., has been approved as reserve agent for the Union National Bank of McKeesport, Pa.

The Hanover National Bank, New York, N. Y., has been approved as reserve agent for the First National Bank of Ashford, Ala.

The National Bank of Western Pennsylvania, Pittsburgh, Pa., has been approved as reserve agent for the Citizens National Bank of East Liverpool, O.

The National City Bank of New York, N. Y., has been approved as reserve agent for the Commercial National Bank of Columbus, Neb.

The Harriman National Bank of New York has been approved as reserve agent for the Continental National Bank, Salt Lake City, Utah.

The Irving National Exchange Bank of New York has been approved as reserve agent for the National Bank of Savannah, Ga.

BOSTON STOCKS AND BONDS

For the Week Ending Thursday Evening, November 23, 1911.

Names.	RANGE FOR WEEK		Last Sale	Sales for Week	RANGE FOR YEAR OF 1911						RANGE FROM JAN., 1879, TO JAN., 1911.	
Railroads.	Low	High			Lowest			Highest			Lowest	Highest
Boston & Albany	221½	222	221⅝	176	219	Sept		226	Feb	15	129	1879 *230 1899
Boston Elevated.	128	129½	129	624	126½	Oct	3	139⅝	Aug	2	65⅝	1898 190 1901
Boston & Maine.	100	102	101	276	96½	Oct	20	122⅝	Feb	15	106⅝	1879 230 1887
do. pref.	...	...	145	.....	142½	Nov	9	164	June	6	134⅝	1891 190 1902
Cent. Verm't 4s.	89⅝	89⅝	89⅝	7,000	82½	Sept	20	92	Mar	27	75	1904 96¼ 1899
C. B. & Q. Jt. 4s	96⅝	96⅝	96⅝	66,000	95⅝	Jan	5	99⅛	June	2	82½	1907 102 1906
Chic. June. R...	...	...	158	.....	156	Apr	29	165	Aug	23	50	1898 182 1904
do. 5s	...	...	101¼	.....	101¼	Sept	23	102	Aug	24	89¾	1891 116 1899
Fitchburg pref..	126½	127	126½	106	125	Oct	25	130	Jan	9	63½	1889 148 1905
K.C.,Ft.S.&M.6s	117	117¼	117	5,000	115	Mar	22	117¾	Nov	17	76	1895 126 1902
K.C.M.&B.new4s	...	...	92	.....	91	Oct	27	93½	Jan	3	125⅝	1904 1102 1895
do. ins. 5s....	...	...	95	.....	87¼	Oct	27	102½	Nov	4	8	1895 104 1900
N.Y., N.H. & H.	139½	143	143	1,289	128¾	Sept	14	151⅜	Feb	22	127	1900 279 1889
Old Colony.....	189	190	190	94	182	Mar	15	190	Nov	22	95	1879 221 1893
Rutland pref....	33½	33½	33½	6	32	Jan	28	45	Aug	4	6¼	1879 125¼ 1902
West End.....	85½	85	85	176	85	Oct	4	95	Feb	6	43	1894 102 1905
do. pref.	102½	103½	103½	173	100	Sept	26	105	June	22	78	1888 118¾ 1901
Miscellane's.												
Am. Agri. Chem.	53½	56	55½	812	46½	Oct	6	69½	May	18	9	1903 59¾ 1909
do. pref.	102	107	107½	670	99	Jan	6	109¼	Mar	1	66½	1903 105 1910
Am. Pneu. Ser..	4¾	4¾	4¾	200	3½	Oct	7	6½	Jan	31	3	1903 29 1906
do. pref.	14	14½	15	285	12¾	Sept	1	19¼	Jan	31	9½	1903 46 1906
Am. Tel. & Tel.	138¾	141¾	141¾	7,341	131⅝	Aug	30	152¼	Jan	5	53	1880 166 1902
do. 4s	96½	96½	96½	66,000	89½	Mar	22	97	May	2	71	1907 101½ 1901
do. cons. 4s....	100½	111	111	13,000	106	Aug	2	113⅝	June	19	86⅞	1908 107⅝ 1909
Am. Woolen.....	28	28	28	70	27½	Sept	19	36¼	Mar	20	7⅝	1903 45 1906
do. pref.	87¼	88½	88½	200	85⅜	Oct	27	96½	June	1	65	1903 110⅜ 1906
B. & Wor. Elec.	12	12	12	50	6	Feb	1	13	July	7	3	1910 39½ 1903
do. pref.	...	...	36	.....	35½	Jan	27	58	July	1	25	1910 90 1903
Cumberl'd Tele..	152	152	152	2,500	146	Jan	19	158	June	2	93½	1901 152¼ 1910
Dom. Coal 5s....	...	...	97¾	.....	90	Jan	4	98¾	Sept	22	90	1906 101½ 1905
E. Boston Land	6¾	6¾	6¾	50	6¼	Nov	23	12	May	1	2¾	1892 18¾ 1909
Edis. Elec. Ill..	280	290	287	21	275	Sept	9	294	Oct	30	10	1903 310 1906
Gen'l Elec. Co..	141	143	143	42	142	Sept	22	161¾	May	29	20½	1899 208¾ 1901
Mass. Elec.....	27½	27½	27½	2,731	16	Apr	24	31	June	3	9½	1907 45¾ 1902
Mass. pref.....	91	91	91	5,400	83¾	Jan	9	98	Nov	22	37	1907 99 1902
Mass. Gas.....	91	93½	93	64	87¾	Sept	28	98¾	Aug	4	50	1903 91¾ 1910
do. pref.	97¾	98¼	98¼	470	91¾	Apr	13	99¾	Nov	17	74½	1903 97 1910
Mergenthaler ...	210	213	213	39	211	Jan	3	250	July	31	113¾	1897 226 1910
N. E. Cot. Y'n	103	104	104	121	103	Nov	21	119	Mar	14	40	1898 125 1909
do. pref.	...	...	102	.....	102	Nov	1	116¾	Mar	15	24¾	1906 118 1909
do. 5s	99	99½	99½	5,000	99	Nov	22	103	June	2	93	1906 106¾ 1901
N. E. Telephone.	148	150	150	200	137	Jan	17	170¾	June	29	75¾	1879 170 1906
Portland Elec ..	73½	73¾	73¾	50	62¾	July	25	75	Nov	15	.....	.....
Pullman Car....	164	164	164	125	153	Sept	25	183	Jan	3	55½	1901 221½ 1895
Reece But. H...	10¾	11¾	11¾	50	12	Jan	5	16¾	May	22	7½	1884 163 1901
Torr g'n Co.Cl.A	29	29½	29½	200	29	Nov	17	36	Jan	7	15	1903 37 1910
do. pref.	36	36	36	25	27	Sept	6	39	July	26	20	1903 35 1909
U'ted Fruit Co.	146½	149½	148	1,170	140	Aug	28	167	June	12	73	1901 200 1910
U'ted Fruit 4½s	95½	96¼	96¼	1,000	95¾	Nov	8	99½	Jan	6	95	1910 97½ 1910
Un Shoe Mach'y	46¾	47¾	47¾	8,000	40¾	Aug	28	58¾	Feb	18	28	1903 56½ 1905
do. pref.	27½	28¾	28¾	271	26½	Sept	27	29½	Mar	7	22	1903 39½ 1907
West. T. & T..	...	...	97	.....	95	Sept	28	97	Nov	8	4	1903 33½ 1902
do. pref.	...	...	91¾	.....	89	Jan	21	94¾	Nov	9	50	1903 100½ 1902
do. 5s	100½	100	100¾	7,500	99¾	Jan	3	104½	Nov	15	74	1907 106¼ 1902
Mining.												
Adventure	4½	5¼	5¼	17	4	Oct	9	7½	May	18	¼	62½ 1907 33 1901
Allouez	21	21	21	3,200	21	Aug	26	29	Jan	6	⅜	1894 74¼ 1907
Amalgamated ..	70½	71	70¾	11,857	40½	Sept	25	71	June	26	33⅜	1904 129¼ 1899
Am. Zinc	7	7	7	500	5	Oct	3	10¼	June	14	⅛	1903 67 1899
Arizona Com....	10	10	10	515	10	Nov	22	15¾	June	14	7⅜	1903 51⅜ 1909
Bos. & Corbin..	3⅝	3⅝	3⅝	100	3¼	Aug	24	4⅜	June	6	6	1903 25 1905
Butte Bal'k'n.	4	4	4	1,100	3¾	Aug	29	6⅜	Jan	4	4½	1903 18¾ 1910
Butte Coalition	19¾	19¾	19¾	4,700	14	Sept	26	21¾	May	24	10	1903 42 1906
Calumet & Ariz	54½	55	55	15,400	45	Sept	25	68	June	14	44⅜	1900 198 1907
Calum. & Hecla	410	415	415	240	360	Sept	25	545	Jan	4	125	1903 1000 1907
Centennial	10½	11½	11½	1,700	8	Sept	27	16	Jan	5	6¾	1898 61 1899
Copper Range...	65	66	65½	2,400	56½	Sept	25	69¾	Feb	2	37	1903 105 1907
Daly-West	20	20	20	3	3	Feb	15	6½	June	21	3½	1910 54 1902
East Butte.....	11	11¾	11¾	7,800	8¾	Aug	26	14¾	June	26	3½	1903 18½ 1907
Elm River.....	.15	.15	.15	17	.10	July	24	2⅜	Jan	6	.05	1910 7 1907
Franklin	7⅜	8⅜	9	3,700	5½	Aug	24	14	June	14	4	1879 30 1899
Giroux	4⅝	4 15-16	4¾	11,000	3¾	Sept	28	8¾	Feb	6	2⅜	1907 13⅜ 1901
Granby	29	29½	31¾	1,200	26	Aug	25	43½	June	21	20	1910 151 1907
Greene Cananea	7⅜	8	8	14,400	5 5-16	Feb	9	8¾	Nov	22	6	1907 18 1907
Hancock, Con..	16	17	17	2,700	17	Sept	28	30¼	June	19	1⅜	1907 38 1910
Helvetia	1	1¼	1¼	50	28	Nov	1	2	Mar	4	1⅜	1910 28 1909
Isl'd C'k Coal**	28½	40	40	2,800	29½	May	9	40¾	June	3	3⅝	1910 53¾ 1910
do. pref.** ...	87	87	87	10	82½	Sept	27	91	June	13	64½	1910 90¾ 1910
Isle Royale.....	19½	19¾	19¾	3,300	11¾	Aug	24	19¾	June	13	5¼	1903 75 1899
Kerr Lake.....	3⅜	3⅜	3⅜	200	2⅜	Oct	21	7⅜	Jan	23	6	1910 35 1907
Keweenaw	75	1	80	4,465	1¾	May	15	3⅝	June	14	2½	1909 7¾ 1908
La Salle.....	4½	5⅜	5⅜	1,250	3	Oct	31	6	Jan	3	3	1908 22½ 1905
Lake Copper....	34	35½	35	6,745	21⅜	Aug	26	40	June	13	4	1907 94½ 1910
Mass. Cons.....	3⅜	3⅜	3⅜	2,200	2½	Aug	25	10	June	19	2¾	1908 37⅜ 1901
Miami	20⅝	20⅝	20⅝	2,300	16⅝	Oct	3	23⅜	June	21	4⅜	1908 29 1910
Michigan	1½	2⅛	2⅛	700	1¾	Nov	17	4½	May	6	3	1908 24½ 1907
Mohawk	42	49	49	500	38	Apr	24	53	June	17	11½	1900 *97 1907
Nev. Cons.....	17½	19¾	18¾	3,000	15	Sept	25	21¾	June	16	6¾	1907 30 1908
New Arcadian..	2⅜	3¼	3¼	1,600	2	Sept	29	4⅜	May	17	11	1908 185½ 1899
Niptssing	7½	7⅝	7⅝	500	2½	Nov	22	11½	Feb	17	5	1908 33⅜ 1906
North Butte.....	23	25	24⅜	8,540	20	Sept	25	36	June	13	13½	1910 120 1907
North Lake.....	6⅜	6¾	6¾	1,900	3⅜	Aug	23	9⅜	June	3	4½	1909 11⅞ 1908
Old Dominion...	45	47½	46½	1,530	24¼	Sept	25	49	June	19	9¼	1904 66⅜ 1908
Osceola	91	96	97	978	81	Sept	22	124	Jan	4	7¼	1859 181 1907
Parrot	10⅜	12	12	30	7⅜	Sept	22	13¾	May	22	8⅜	1907 73¼ 1899
Quincy	60	66	66	736	58	Sept	22	74	July	24	10	1879 180 1899
Ray Consol'ted..	14⅜	16¼	15⅜	7,200	12	Sept	25	18⅜	Jan	3	7½	1906 27¼ 1906
Santa Fe.....	1	1 1-16	1 1-16	150	.75	Apr	26	1⅜	June	13	1	1905 22 1899
Shannon	8	9	10⅛	3,817	7	Oct	9	13¾	Feb	6	2½	1904 34⅜ 1907
Superior Copper.	27½	27½	28	2,600	20	Oct	30	34⅜	June	14	7	1907 63¼ 1910
Sup & Boston..	3¼	3	3⅜	1,465	2	Oct	27	8¼	June	15	1⅜	1908 1⅜ 1908
Tamarack	25	27	25¾	700	20	Sept	26	52	Jan	3	45½	1910 *68 1901
Tennessee	...	...	24¼	.....	24¼	Aug	9	43½	June	12	9¼	1901 55¼ 1907
Trinity	2⅝	3⅜	3⅜	3,450	2⅜	Oct	5	5	June	20	2⅜	1904 42¼ 1907
U. S. Smelting..	31	36	36	8,200	30⅜	Sept	25	46¼	June	14	24⅜	1907 70 1907
do. pref.	46⅜	48	48	1,750	45⅜	Oct	10	62½	June	26	37⅜	1907 64¼ 1909
Utah Cons.....	15½	17¾	17¾	2,900	9¼	Jan	20	20	June	26	13⅜	1910 *79 1907
Utah Apex.....	2½	2⅝	2⅝	1,700	2	Oct	3	3⅜	June	15	1⅞	1907 10¼ 1905
Victoria	2½	2⅜	2⅜	350	1	Aug	19	2⅜	Nov	10	1	1906 12 1901
Winona	5	6	6	965	4	Oct	31	9¼	Feb	6	1	1902 23 1898
Wolverine	85	91	90½	284	75	Nov	2	122	Feb	10	75c	1883 280 1907

* Ex-dividend. † Assessment paid. ‡ Rights off. ‖ Auction. § Old securities. ♦ Old stock. = Temporary certificates.

Digitized by Google

Ray Consolidated Coming Fast

A Few Pertinent Questions From a United States Investor Reader Show a Discriminating Mind—A Sign of Reviving Public Interest in Metal Securities—Four Classes of Coppers of Known Merit—Ray Consolidated to Take Second Place Among World's Individual Producers—An Object Lesson in Energetic Development and Equipment Operations—Costs Lower Than Officially Estimated—Large Earnings Possible With Copper at 12½ Cents—The Bonds and Their Security—Unusual Speculative Possibilities in the Stock.

Wenonah, N. J., Nov. 17, 1911.

ED. UNITED STATES INVESTOR:

Will you please publish information regarding Ray Consolidated Copper Company? What is known as to its ore supplies, cost of production, probable profits and duration of its reserves, also concentration, bonds and whether in operation, profitably, now or not? C. J. Y.

That public interest in copper shares is on the increase is shown by the manner in which inquiries similar in their general tenor to the above have been coming in with the regular weekly grist of questions relating to investment topics from subscribers of the United States Investor. Since the metal market, after apparently heading for the 12-cent level, turned in its tracks and climbed back to a 12¾-cent per pound basis there has been a noteworthy stimulation of investment interest in this direction, and it is particularly pleasing to note that it is the companies of merit which are arousing the greater degree of interest.

SURVIVAL OF THE FITTEST.

This is perhaps due in considerable measure to the fact that the proportion of "lame ducks" to the total number of mining companies has been much below the average of previous years. I am afraid that this is due less to any change of heart on the part of promoters than to the fact that since the puncturing of the 1907 copper boom it has been an increasingly difficult matter to interest the public in metal stocks which had little more than more or less vague promises and an acreage of mineralized property of uncertain value behind them. It is quite true, however, that prospective purchasers of copper stocks were never as critical in their selections as they have been in the past three or four years, which is something to be thankful for, at all events.

FOUR CLASSES OF COPPERS.

Disregarding the producers of former days which have found the burden of low metal prices too heavy to bear, and others which, for one reason or another, could never be expected to make good, it may be said that there are, roughly speaking, four classes of copper companies which really merit the serious consideration of investors and speculators. First, there is the old deep vein proposition which has adjusted its operations to meet the changed conditions of the last four years; in this class Anaconda is a conspicuous figure for reasons which I commented upon at some length in these columns recently. Secondly, there is the low-cost producer, which has already demonstrated its ability to pay large dividends on a metal market under 13 cents, Utah and Nevada Consolidated being the most striking representatives of this class. A third class is composed of properties which are beginning operations under conditions which give promise of very satisfactory results in the future, but which are not as yet at a producing point, such as Inspiration. The fourth class includes the companies which have joined the list of producers so recently that they are not yet ranked among

THE DIVIDEND PAYERS,

and in this class Ray Consolidated figures most conspicuously, as by the close of 1912 this property will probably take rank as the world's second largest individual copper producer.

The Ray Consolidated Copper Company made its debut just about the time when the late lamented boom in the red metal began to show signs of crumbling, having been incorporated in May, 1907. It acquired possession of 1,950 acres of mining claims and mill sites near Ray, in the Mineral Creek mining district, Pinal County, Arizona, also a tract of 4,000 acres in Gila and Pinal Counties about 15 miles north of Kelvin and about 21 miles

PHILADELPHIA STOCKS

For the Week Ending Wednesday Evening, November 22, 1911.

Names.	RANGE FOR WEEK Low	High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911 Lowest		Highest		RANGE FROM JAN., 1879, TO JAN., 1911. Lowest	Highest
Amer. Cement..			1...	.....	10 Sept 19		27½ Jan 4		7½ 1907	46 1909
Amer. Railways	44⅝	46...	45⅝	230	42 Jun 16		46⅝ Aug 5		21 1907	67⅛ 1907
Am. Tobacco...			17...						45 1907	124⅝ 1909
Cambria Steel..	4...	47⅝	4...	864	46⅞ Sept 2		48⅝ Feb 18		13½ 1879	45⅝ 1909
do. Pref.....	40	40½	44...	2	42 Oct 2		46 Mar 27		42 1907	118 1892
Elec. Co. of Am	1...	1...	1...	601	1½ Oct 2		12½ Jan 10		5⅝ 1903	25 1899
Elec. Storage....	...	71...	69...	50	47... Jan ...		76... June 1		15 1884	194 1899
Gen'l Asphalt...	31	34...	33...	75	28⅝ Aug 25		48... Oct 2		3 1907	34⅜ 1910
do. pref.	73	73	73	100	68 Aug 25		80⅛ Jan 9		11 1905	81⅛ 1910
Heat & P. T....			5...	...	4... Oct 21		8 June 12		7 1910	42 1906
do. pref	14	14	14	100	14 Nov 1		27 Feb 1		7⅝ 1880	90⅜ 1902
Lake Sup. Corp	1...	2...	2...	200	1⅝ Sept 28		3⅝ Feb 4		2⅝ 1908	33⅞ 1909
Lehigh Valley..	85⅜	86...	85⅜	1,100	76... Sept 12		90... Feb 7		17⅝ 1905	121⅛ 1910
Lehigh Navigtn.	91	91	91	147	84½ Sept 12		94½ July 29		35 1878	157⅛ 1904
Marsden	...	...	17⅛	...	.....		.....		⅝ 1907	38⅜ 1899
Penn. Steel	...	...	90...	...	.....		.....		5 1904	90... 1881
do. pref	100	100	100	70	100 Nov 8		106⅛ Apr 11		10 1895	117½ 1909
Penna. Salt	74	74½	74...	1,5...	68⅛ Sept 2		77⅛ June 7		35⅜ 1907	155⅛ 1905
do. pref	3...	4...	4...	50	4... Oct 12		45 Feb 8		34 1905	52 1906
Phila. Elec.	1...	1...	1...	4...	1... Nov 15		1⅝ July 17		2 1900	16⅝ 1910
Phila. Ltg. Trtfs	...	...	1...	1...	1⅛ Apr 1		1⅝ Aug 4		12 1907	30... 1909
Phil. Traction..	84	84...	84...	100	80... Oct 17		94... July 14		7... 1895	100... 1905
Tonopah Mining.	2...	2...	2...	1,1...	2 9-16 Aug 2		3... Jan. 17		3 16... 1907	23⅝ 1906
Union Gas Impt.	...	...	...	...	80... Sept 28		89... Jan. 9		56 1903	175... 1909
Un. Traction....	51⅛	52...	51...	2,1...	43 Jan 4		57... July 14		18⅜ 1907	67⅛ 1906
Warwick Steel..	10	10⅜	9...	1...	9⅜ Jun 14		11⅝ Feb 28		2½ 18...	18... 1899
Westm. Coal Co.	...	...	78...	...	78... Nov 14		91½ Mar 20		4⅝ 1879	114 1905

* Ex dividend. † Trust certificates. ** Temporary certificates.

CHICAGO STOCKS

For the Week Ending Wednesday Evening, November 22, 1911.

Names.	WEEK'S RANGE Low	High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911 Lowest		Highest		RANGE FROM JAN., 1879, TO JAN., 1911. Lowest	Highest
Am. Can	11⅞	11⅞	11½	900	8⅝ Jan 27		12½ May 23		2⅝ 1901	31½ 1901
do. pref	90⅛	90⅝	90⅛	1,355	76⅝ Jan 7		92 Nov 10		25½ 1902	86 1909
Am. Radiator....	...	...	260...	.....	245... Jan 9		300... Nov. 10		30 1900	260⅛ 1910
do. pref.	...	...	130...	.....	120½ Mar 9		131 Aug 29		98 1900	116 1900
Am. Shipbldg...	48	48	48...	10	48... Nov 18		79 Feb. 4		19 1904	84⅛ 1910
do. pref.	...	...	106½	.....	110⅛ Jan 16		113 May 19		82 1904	112 1910
Chic. City Ry...	...	...	180...	.....	185... Mar 27		190... Apr 28		140 1903	176 1892
Chic. Pneu. T'l	45	45⅜	45...	250	39⅝ Sept 27		56½ Feb 22		18 1904	105½ 1902
Chic. Subway...	⅝	1...	⅝	670	⅝ Nov 14		4... Mar 1		2⅝ 1910	87⅝ 1906
Chic. Telephone.	124½	130⅝	130½	325	115 Jan 25		130⅝ Nov 21		95 1907	286 1901
Cmn'wlth. Edis	132...	133½	134½	1,010	113 Jan 26		137⅝ July 15		77 1907	128 1910
Diamond Match.	103⅝	104½	104½	177	90 Jan 16		105⅛ July 11		82⅝ 1910	163 1893
Kan. City Light	18	20	20	27	15 Sept 26		35 May 27		20 1910	68½ 1906
do. pref.	46	50	50	70	39 Sept 26		72½ Feb 25		68 1906	93½ 1906
Met. El.	...	...	21	.....	19⅝ Feb 1		25⅝ June 28		12 1890	43 1902
do. pref	...	...	75	.....	64 Mar 16		***75 July 17		33 1909	93⅝ 1901
Nat. Carbon.....	103	103	101	15	100 Sept 13		120 June 3		15 1889	145 1910
do. pref.	...	...	198	.....	105⅝ Aug 21		120 Apr 12		73 1900	124 1909
No. West. El....	...	...	201...	.....	200½ Apr 27		29⅝ June 30		13⅜ 1908	55 1901
do. pref	...	...	65½	.....	60 Mar 1		67 Mar 10		44 1904	97 1901
Quaker Oats.....	195	198	198	144	165 Mar 17		193 June 29		35½ 1904	168 1910
do. pref	105	105½	105	90	102½ Feb 9		107½ July 24		73 1903	109½ 1905
So. Side El.....	...	...	80	.....	68 Feb 18		80 June 30		40½ 1897	109 1901
Streets' Car.....	8	8	8	50	8 May 31		13¾ Feb 24		10⅞ 1910	54½ 1908
do. pref	38	38	38	19	38 Nov 21		50 Aug 11		40 1910	111½ 1906
Swift & Co.....	100⅛	100⅝	100⅝	647	97⅜ Sept 25		104 June 9		75⅛ 1907	177½ 1902
Un. Box Board..	2	2⅝	2...	100	1½ Sept 29		7 Jan 5		⅝ 1906	17½ 1902
do. pref.	...	...	7⅝	.....	.....		.....		1⅝ 1906	71 1902
Western Stone..	15	15	15	70	13½ July 25		34⅝ Jan 24		14 1908	60 1908

* Ex-dividend. † New. ** Receipts. ‡ Assess ment paid.

Digitized by Google

from the mines, the latter tract having been purchased for the erection of the concentrating mill, smelter, electric power plant and the storing of tailings.

Since that time the management has been

PUSHING OPERATIONS

rapidly, despite continued weakness in the metal market, with the result that it is now in a position to share in the era of greater prosperity which, copper authorities generally tell us, is on the way. In the comparatively brief period in which this property has been under active development more than 77,000,000 tons of ore, carrying 2.17 per cent copper, have been proven, thereby giving the company the right to be classed as the possessor of the second largest tonnage of copper ore actually known to exist in the world. Although these figures are of themselves sufficiently impressive to satisfy the seeker after values, they do not represent the limit of possibilities by any means, since there is still a considerable area of the property which has not yet been prospected, although giving good indications of value.

While the development work has been carried on in this energetic manner, provisions for the treatment of the ores have not been neglected by any means. For some time past the concentrator which, when completed, will be one of the largest in the country, has been under construction. This mill will be composed of eight constituent units, of which four are

IN ACTIVE OPERATION

at the present time, with the probability that the entire plant will be running within 8 to 10 months. This mill has been handling about 3,200 tons of ore per day, with entirely satisfactory results, I am informed. This puts the property on a basis of 35,000,000 pounds per annum. Eventually, production will vary from 80,000,000 to 100,000,000 pounds. Depletion of ore reserves per year on this basis would be 2,800,000 tons, which, in turn, would give the property an estimated life of 28 years, without taking into account the results of further prospecting and development operations.

One very encouraging feature of the company's affairs is to be found in the fact that the official estimates of mining and milling cost have been seemingly too conservative, a fact which of itself ought to establish the company's position as

AN UNUSUAL PROPOSITION.

The earlier official estimates were that copper could be produced for 9 cents per pound. The actual operation of the mill to date gives positive assurance that this estimate will be bettered and that 8½ cents per pound is a conservative estimate of what costs will be when the full plant is running smoothly. This, on a basis of 80,000,000 pounds annual production, would mean earnings of $2.37 per share on a 12½-cent metal market, or $2.67 per share with copper at 13 cents. Nine-cent costs would mean earnings of $2.07 per share and $2.37 per share on the basis of 12½-cent and 13-cent copper respectively. The following table will give a good idea of what the [illegible] may be expected to

NEW YORK STOCKS AND BONDS

For the Week Ending Thursday Evening, November 23, 1911.

Names.	RANGE FOR WEEK		Last Sale	Sales for Week	RANGE FOR YEAR OF 1911				RANGE FROM JAN., 1879, TO JAN., 1911.	
	Low	High			Lowest		Highest		Lowest	Highest
Atch. & T. R.R.	106⅝	108½	108⅛	27,100	99⅞	Sept 27	116⅝	June 5	3 1-16	1854 122½ 1896
Atch. & Top. pf.	104½	104⅝	104⅝	1,700	100⅜	Jan 3	103½	June 12	14	1856 103½ 1901
Atch. & Top. 4s.	90⅝	90⅝	90½	85,000	90⅛	Sept 20	97⅜	Nov 13	61	1854 103⅝ 1903
do. adj. 4s.....	94⅝	94⅝	94⅝	50,000	90⅝	Mar 29	97½	Jan 25	26	1856 95⅝ 1905
At'tic C'st Line.	111	179⅜	179⅜	24,000	117	Jan 3	179½	Nov 13	58	1867 170 1905
B. & O. Gold 4s.	95⅜	95	95⅜	25,000	93¼	Sept 30	98⅜	Oct 10	83	1897 106⅜ 1905
B.& O.S. W.3½s.	90	91	91	20,000	89½	Sept 29	97	Mar 17	80	1897 96 1899
Balti. & Ohio...	104⅝	104⅞	104⅝	11,200	93⅜	Sept 25	109⅝	July 27	9	1857 125¼ 1906
do. pref.	89½	89½	89½	500	84½	Aug 30	91	Jan 4	67½	1869 109 1906
Brooklyn R. T..	71½	72⅜	71⅝	9,800	72	Sept 25	85¾	July 20	18	1896 137 1909
B.R.T conv't 4s.	84½	84⅝	84⅜	109,000	83¼	Oct 2	93⅜	Jan 25	56	1900 122½ 1905
Canadian Pac....	238¾	240½	239⅝	4,800	220¾	Jan 3	247	July 21	33	1886 202¾ 1910
Canada South..	....	....	68	.....	62	Mar 3	68	May 12	23	1888 97 1902
Cen.ofGa Con.5s.	109	109	109	5,000	107¼	Jan 12	110	July 26	55	1907 120¾ 1911
do. 1st inc....	96	96	96	2,000	95	Nov 11	114½	Apr 18	30	1888 102 1910
do. 2d inc.....	96	96	96	11,000	91	Oct 17	106⅛	Apr 6	9	1892 101 1910
do. 3d inc.....	100	100	100	1,000	85	Feb 24	102	Apr 4	4	1888 100 1910
Central N. J....	310	320	310	100	260	Sept 26	285	June 5	81	1885 312 1910
Cent'l Pac. 3½s	....	....	90	.....	90	Nov 3	92	Mar 8	75	1907 91 1920
Ches.O. gen 4½s.	103⅝	103⅝	103⅝	2,000	99⅜	Nov 15	102	May 18	61	1878 111 1905
Chesapeake & O.	70½	70⅝	70⅝	10,400	65⅜	Sept 25	85⅜	Feb 10	1	1855 15.⅞ 1881
Chic. & Alton....	....	....	19	.....	15	Aug 28	31⅛	May 22	8⅛	1880 74⅜ 1909
do. pref.	....	....	40	.....	40	Oct 6	53	Jan 27	47	1906 85⅛ 1906
Chic. Gr't West.	20⅝	21	20⅝	1,100	17⅜	Sept 14	25⅞	June 7	3⅝	1897 37⅜ 1909
do. pref. A....	30½	30½	30	1,400	26	Sept 27	45⅛	Feb 6	15⅛	1906 30½ 1901
Chic. M. & St.P.	110	111⅛	112	31,200	106⅜	Oct 4	127⅛	Feb 7	34⅜	1879 199⅜ 1906
do. pref.	147½	147⅞	147½	100	141	Sept 14	162½	June 15	74⅝	1879 214 1906
Chic. & N. W....	145	146⅝	146⅝	2,600	138½	Sept 22	170½	June 15	42⅝	1879 213½ 1902
do. pref.	....	....	197	.....	195	Aug 30	204½	Aug 9	128	1880 274⅛ 1902
Chi.,St.P. & Om.	....	....	144	.....	130⅜	Apr 20	141	June 12	18½	1880 125 1905
do. pref.	....	....	150	.....	152	Feb 18	168	Feb 18	66	1880 210 1905
Chic. Un. Trac..	23⅞	24⅛	24	1,600	1⅝	Sept 30	5	June 2	⅝	1908 23 1902
do. pref.	44⅞	45⅜	44⅞	700	45	Nov 27	71½	Feb 6	3	1900 60 1902
C.,C.,C. & St. L	60	60	60	100	48⅜	Sept 15	66	Jan 15	19½	1880 111 1905
do. pref.	....	....	94½	.....	94½	Aug 22	98	Feb 1	63	1907 124½ 1907
Colo. & South'n.	....	....	43	.....	43	Sept 25	60	Jan 18	4⅝	1889 63½ 1909
Col. & So. 1st pf.	68⅝	70⅝	70⅝	100	72	Oct 20	84⅜	July 10	35	1900 86 1909
do. 2d pref....	....	....	65½	.....	66	Sept 18	75	Aug 8	12⅝	1900 84½ 1909
Del. & Hudson..	171	171⅝	171⅜	200	159½	Sept 27	173⅜	June 8	23	1879 240⅜ 1905
Del., Lack & W.	570	570	570	400	505	Sept 26	570	Nov 10	48	1879 650 1909
Den. & Rio G'de	23⅝	23⅝	23⅝	100	21½	Sept 14	35	Feb 21	4⅝	1888 [illegible] 1880
do. pref.	47⅝	48⅛	47⅝	400	44	Sept 14	74	Feb 21	24	1901 105⅝ 1901
Del.,So Sh & Atl	20	9	9½	300	9½	Sept 5	17½	May 1	2½	1895 24 1912
do. pref.	14⅝	14⅝	14⅝	200	14⅛	Nov 22	28⅜	Apr 4	5	1900 46⅜ 1908
Erie 1st gen. 4s	79½	79½	79½	10,000	72½	Jan 3	94⅞	Nov 10	55	1908 95 1905
Erie	32⅜	32⅝	32⅛	19,400	27⅜	Jan 11	38⅝	June 20	3⅜	1901 52⅞ 1881
Erie 1st pref....	52⅛	52⅝	52⅛	4,600	45⅜	Jan 12	61⅝	July 1	15	1892 95 1891
Erie 2d pref....	44	44⅞	44¼	400	35	Jan 13	49⅞	July 3	13	1896 73⅜ 1905
Ev'sv'le & T. H	....	....	41	.....	60	Feb 1	88	July 24	20	1899 152 1892
do. pref.	....	....	85½	.....	85	June 6	90	July 31	72	1901 104⅜ 1902
Gr'nc&Wdob'B.	....	....	12½	.....	11	Sept 25	15⅜	Jan 28	3½	1900 27½ 1903
Gt Northern pf.	128½	129	128	11,400	119	Sept 25	140	June 5	44⅝	1880 148 1906
Hock'g Valley**	....	....	124	.....	121	May 24	134	Apr 29	22	1899 140 1910
do. pref.	....	....	128	.....	....	....	....	....	53½	1899 161¾ 1910
Illinois Central..	141½	146⅞	146⅜	4,200	132	Jan 3	147	July 30	79⅛	1873 154⅞ 1908
Inter-Met (w.i.).	14½	16	14	9,350	12⅜	Sept 25	20⅝	Feb 15	4⅝	1901 25⅜ 1908
do. pf. (w. i.)	46⅜	48⅝	47⅜	9,125	29⅝	Sept 25	53⅝	Feb 10	14	1901 57⅜ 1908
Iowa Central....	....	....	18	.....	16	May 12	22	Sept 8	2	1888 51⅝ 1902
do. pref.	....	....	34	.....	28	Apr 27	39	Sept 8	12	1898 90⅜ 1902
Kan. City & So.	29	30⅝	30⅛	2,300	25½	Sept 25	38⅜	June 15	7	1900 50⅛ 1909
do. pref.	66	66	66	100	61½	Sept 25	70	May 26	27½	1900 75⅛ 1909
K.C.,Ft.S &M.pf.	....	....	75	.....	75	Aug 7	76	May 3	58	1908 58 1902
L'ke E. & West.	....	....	14	.....	10	Sept 25	17	Nov 9	1⅜	1887 76⅛ 1891
do. pref.	....	....	31½	.....	25	Sept 5	40	Jan 13	34	1908 138 1902
Louis. & Nashv.	152	160⅝	156⅝	51,625	150½	Sept 14	160⅛	Nov 27	22	1880 162¼ 1909
Manh'ttan Elev.	134⅝	135⅝	134⅝	200	133½	Sept 25	142⅜	July 19	64⅝	1884 175 1905
Minn. & St. L...	32½	33⅛	32¾	200	21½	Apr 24	35⅝	Nov 9	3½	1880 115 1902
do. pref.	....	....	59	.....	32	Mar 15	44	Sept 17	7⅜	1880 127⅜ 1902
M.S.P. & S.S.M.	134⅜	135	135	300	124⅜	Sept 22	152½	Mar 30	6	1887 164 1908
do. pref.	146	147	146	200	143⅜	Aug 26	156½	July 21	10	1887 193⅜ 1908
M.,K.&T. 1st 4s.	....	....	90⅞	.....	87½	Sept 8	98⅛	Nov 13	50	1887 104⅞ 1905
do. 2d 4s.....	84½	84½	84½	8,000	83½	Jan 3	96⅛	Feb 17	27	1895 98⅜ 1906
M K. & T. 1st 5s	102½	103⅞	104⅜	8,000	97⅜	Oct 25	105⅜	July 10	72	1897 114½ 1909
Mo., K. & Tex..	32⅝	32⅞	32⅝	6,300	27	Sept 26	33⅜	June 14	5⅜	1870 64 1891
do. pref.	....	....	58⅝	.....	52⅜	Sept 25	70	Oct 17	13⅜	1893 78⅛ 1909
Missouri Pacific.	41	41	40	2,500	37½	Sept 19	62	Feb 15	10	1907 125½ 1902
N. Y. Central...	140½	140⅞	140⅝	10,300	135⅞	Sept 27	153⅛	Feb 3	31⅜	1885 174⅛ 1901
N.Y.,C. & St. L	36	36	36	200	28	Oct 9	45	Jan 20	9	1886 73⅝ 1905
do. 1st pref..	....	....	86½	.....	86⅜	Sept 25	101⅝	Mar 20	4	1885 124⅜ 1902
do. 2d pref....	....	....	82½	.....	80⅞	Aug 25	96	Jan 18	18	1900 140 1902
N.Y., Ont. & W	41½	41¾	41	4,700	37⅜	Sept 27	46⅜	July 22	6⅝	1885 64 1905
No & W'st'n. 4s.	96⅝	96	96	10,000	90⅛	Oct 25	99⅜	Nov 4	76	1896 105 1905
Norfolk & West.	110⅞	111⅛	110⅞	16,500	103⅜	Sept 25	111⅝	Nov 22	⅛	1896 108⅝ 1910
do. pref.	90	90⅜	90½	400	86⅜	Apr 25	91	May 27	4⅛	1896 98 1909
N. Pac. prior 4s.	100	100⅜	100	81,000	98⅜	Sept 22	102⅛	Nov 2	80⅛	1896 109 1997
do. gen. 3s.....	69⅝	69⅝	69⅝	21,000	63	Sept 25	73½	Aug 4	57	1896 79 1932
North'n Pacific.	118⅞	120⅜	120⅛	27,300	113⅜	Sept 27	127⅜	June 8	11	1896 160 1901
Pacific Coast..	....	....	102	.....	100	Jan 11	102	Jan 10	34	1899 142 1908
do 1st pref....	....	....	100	.....	....	....	....	....	65	1900 105 1910
do 2d pref....	....	....	101	.....	101	Jan 11	101	Jan 11	50½	1900 125 1906
Penn. R. R	123¾	123	123	11,200	118⅜	Sept 27	128⅜	Feb 1	92¾	1880 170 1902
Peoria & East'n	....	....	20	.....	....	....	....	....	2	1859 50 1901
P.,C.,C. & St. L	96	96	96	400	86½	Sept 26	100	Jan 17	10⅛	1904 105½ 1902
do. pref.	....	....	107	.....	103½	Sept 25	112	Feb 17	40	1902 128 1902
Reading gen. 4s	96½	96⅝	96⅝	161,000	90⅜	Mar 15	99⅛	Nov 14	77	1896 104⅜ 1997
Reading	149⅝	150⅛	149⅝	281,700	134	Sept 25	161⅞	June 3	17⅜	1896 177½ 1908
do. 1st pref...	....	....	91	.....	88	Sept 26	92	July 14	31⅜	1907 81 1909
do 2d pref....	95	95	95½	700	90⅜	Sept 20	101	May 2	25⅞	1907 88⅝ 1909
R'k Island, new	26⅜	27⅜	27⅛	5,400	23⅞	Sept 27	34⅜	June 14	6⅝	1907 90½ 1901
do. pref.	59½	61⅛	59⅞	3,300	44	Sept 25	68⅜	June 14	18⅜	1879 120 1887
St L.&S F 1st 4s	80⅜	80⅜	80⅜	24,800	77	Oct 3	93	May 4	4⅜	1879 94½ 1887
St L.&S F 1st pf	67⅜	67	67	100	59	Sept 19	69	July 25	50	1879 104½ 1905
St L.&S F 2d pf	41	41¼	41⅜	6,700	26	Apr 21	49⅞	July 21	12	1891 90½ 1902
St L.&SW 1stg4s	91½	92½	91⅞	2,000	89⅜	Jan 24	96⅜	Aug 22	6⅝	1896 102⅞ 1909
do. 2d g. 4s.	....	....	79½	.....	78	Jan 9	89⅜	June 20	36	1896 97 1905
St. L. Southw...	....	....	28	Jan 17	24	Feb 4	1	1897 39½ 1901
do. pref.	....	....	72	.....	70⅜	Jan 3	78	Nov 22	21⅞	1900 80 1902
Sthrd A L coll 5s	84⅞	85⅜	84½	137,000	74⅜	Sept 27	93⅜	Nov 17	69⅜	1910 77⅜ 1910
San Ant & A.P 4s	87⅜	87⅜	87⅜	1,000	86	Sept 11	88	Oct 17	45	1908 92½ 1909
So. Pac. 1st 4s.	95	95⅛	95	182,000	94⅜	Sept 28	98⅞	Nov 2	94¼	1896 98⅛ 1905
South'n Pacific	112¾	113⅜	113⅜	26,400	104½	Sept 25	126⅜	June 26	12	1896 139½ 1909
do. pref.	....	....	71⅜	.....	....	....	....	....	94⅜	1909 137 1909

Digitized by Google

NEW YORK STOCKS AND BONDS

For the Week Ending Thursday Evening, November 23, 1911.

Names.	RANGE FOR WEEK Low	RANGE FOR WEEK High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911 Lowest		RANGE FOR YEAR OF 1911 Highest		RANGE FROM JAN., 1879, TO JAN., 1911. Lowest		RANGE FROM JAN., 1879, TO JAN., 1911. Highest	
Southern	29⅝	31⅜	31⅛	27,500	24⅝	Sept 26	33⅜	July 22	82	1894	263	1892
do. pref.	71⅛	74⅛	73½	8,900	61⅝	Jan 11	75½	July 20	812	1894	102	1905
Texas & Pacific.	23½	25	24½	500	22⅜	Sept 21	30⅛	June 9	4⅜	1893	73⅜	1881
Third Avenue...	6⅜	13⅜	6⅜	24,900	7	Nov 22	26	Mar 2	5½	1910	242	1889
Tol.Rys.& Light	4½	4½	4½	100	4	Nov 16	8½	Jan 17	5½	1910	38	1902
Tol., St. L. & W	15	15⅜	15½	500	17	Sept 11	24⅜	Feb 8	10⅜	1901	54½	1909
do. pref.	41	43¼	41⅜	2,500	38	Sept 1	53⅜	Feb 8	22⅜	1903	74½	1909
Twin City R. T.	105½	106	105⅜	500	104	Sept 15	111	Feb 3	9½	1897	129	1902
U.P.cvt. 4s, 1927.	103½	104⅜	104⅛	1735,000	100	Sept 22	106⅝	June 27	78⅜	1907	124⅝	1899
Union Pacific....	173⅝	178⅛	178	449,100	152⅝	Sept 2	192⅜	July 22	3	1896	204⅜	1906
do. pref.	92⅝	96	94⅝	6,571	89	Sept 21	96	Nov 21	47	1898	118½	1909
Wabash 1st 5s...	105	108⅛	105	37	99½	Aug 26	110	Mar 30	93	1890	121	1902
do. deb. B's...	...	...	101	.....	.....		.....		19	1893	101	1909
Wabash	9¾	11⅝	11	7,000	9¾	Nov 21	18⅝	Feb 23	3	1885	60	1881
do. pref.	19⅝	24⅝	21⅜	20,300	19	Sept 27	40⅝	Feb 23	9	1884	86¼	1881
West. Md., pref.	81⅝	81⅝	81⅝	200	76	Jan 14	88⅛	July 24	67	1910	77	1910
Wheel. & L. E.	4	4½	4	700	2½	Sept 26	6½	Feb 3	½	1897	63⅝	1887
do. 1st pref..	10½	11½	10⅝	500	7½	July 17	17⅝	Feb 7	2⅝	1897	80½	1902
do. 2d pref....	5	5	5	100	3	Sept 5	8	Feb 23	4	1910	42⅜	1902
Wis. Central....	55	56½	55	300	45	Sept 21	72¼	May 1	40	1899	64	1910
do. pref.	...	...	88½	.....	.....		.....		50c	1899	91⅞	1909
do. 1st 4s.....	92½	93	93⅜	34,000	92	Aug 28	98⅝	July 5	87	1898	99½	1890
Miscel. St'ks.												
Adams Express.	...	...	100	.....	226	Jan 20	243	June 13	97¼	1898	315	1907
Allis Chalmers..	3⅛	3⅜	3⅜	1,500	2	Oct 9	9⅝	May 31	4	1907	27⅜	1906
do. pref.	12	15	13	400	9¾	Oct 14	24	Feb 2	14	1906	87½	1906
Amal. Cop.....	63⅜	66⅞	64½	135,400	44⅜	Sept 27	71⅝	June 19	33⅝	1900	130	1911
Am. Beet Sugar.	56½	56⅝	56	11,100	35⅝	Jan 12	59⅜	Oct 20	9½	1905	49¼	1909
Am. Car & F'd.	54⅜	56½	56⅛	73,300	42½	Sept 27	68⅛	July 19	16⅝	1899	78½	1909
do. pref.	116	116⅛	116	60	113	Oct 25	120	May 24	51	1903	124⅝	1909
Amer. Cot. Oil..	43⅜	45⅜	44½	2,900	41⅝	Nov 7	62⅞	Feb 28	3	1898	79½	1909
do. pref.	...	...	97	.....	96	Oct 27	106½	Mar 21	27⅛	1899	107⅞	1909
Amer. Express..	...	...	211	.....	201	Sept 27	246	Mar 27	100	1895	301	1910
Am. H. & L....	...	...	37⅛	.....	3	Oct 9	5	July 21	2½	1907	37⅜	1899
do. pref.	...	...	17⅞	.....	17½	Oct 31	26⅝	June 14	10	1907	83⅛	1899
Am. Ice Sec.....	19½	21	20⅜	3,800	16½	Aug 28	25⅜	July 12	8½	1907	96	1907
Am. Linseed Co	...	...	9	.....	8	Aug 11	12⅜	Feb 17	5	1903	30⅜	1901
do. pref.	28	28½	28⅜	300	26⅛	Oct 27	31	Feb 14	16½	1907	66	1901
Am. Loco.....	36	37½	37½	2,600	24	Sept 26	42⅛	May 22	11	1907	78½	1906
do. pref.	102½	102⅞	102½	100	102	Oct 27	110⅜	Mar 1	67½	1903	122½	1901
Amer. Malt Co..	4½	4⅝	4⅜	400	3	Sept 15	5⅜	July 11	2½	1907	90⅜	1902
do. pref.	42½	43⅜	43	1,400	21½	Mar 8	43⅜	Oct 18	14½	1903	59	1899
Am. Smtl. & Ref	76⅜	74⅜	74⅜	54,100	56⅜	Sept 13	83⅞	June 15	30	1899	174	1901
do. pref.	102	104	103⅜	2,300	98⅜	Sept 27	108⅛	June 15	77⅛	1899	127	1901
Am. St'l F'dry ..	33½	34	34	1,600	25	Sept 25	52½	Feb 9	3½	1901	66⅜	1902
Am. Sugar Ref.	117⅜	118⅜	118	4,000	112¼	Sept 2	121⅞	June 14	55	1899	182	1909
do. pref.	116	116	116	200	111	Jan 5	119½	Feb 14	60½	1903	143	1901
Am. Tob. pref..	97⅞	98½	98	4,600	87	Aug 24	102	May 23	60	1907	151½	1902
Anaconda‖	37	40⅜	39¼	41,000	29	Sept 27	41⅛	June 20	‖25	1907	302⅜	1907
Br'k Un'n Gas..	145	146⅜	145	300	129	Sept 15	148½	Nov 10	80	1907	253	1902
Central Leather.	22⅜	23⅛	22⅝	4,700	18⅜	Sept 25	23⅜	Feb 2	11⅜	1907	51⅜	1909
do. pref.	94	95	94	1,000	91⅜	Nov 4	106	Feb 10	68	1907	111	1909
Chino Copper....	22⅝	24	23⅝	7,600	16½	Sept 2	25⅜	May 19	2¼	1910	13	1909
Colo. Ind. 5s....	74½	74½	74½	1,000	73	Aug 12	79½	Feb 23	35	1907	88⅛	1906
Colo. F'l & Ir'n	27	28⅛	28¼	500	25	Sept 25	36⅜	Feb 6	14	1907	176½	1901
do. pref.	...	...	108	.....	108	Oct 27	110½	Jan 9	30	1907	142½	1901
C.&H V Co'l&Ir.	...	...	112	.....	4	Feb 9	4	Feb 9	⅝	1896	90½	1909
Consolid't'd Gas.	140¾	142⅝	142	9,400	129	Sept 27	143½	June 6	67	1897	241½	1897
Con. Tobacco 4s.	...	...	91	.....	81¾	Jan 11	91¾	Nov 9	51¾	1903	85⅝	1904
Corn Prod'ts R.	10⅝	11⅜	11⅜	2,200	9⅜	Oct 20	15⅜	May 17	3	1907	29	1906
do. pref.	75½	75½	75½	200	73	Oct 19	85	May 29	46	1907	93½	1909
Dist. Secur.....	31½	32⅜	32⅜	3,900	29	Sept 25	38¾	June 6	19½	1904	78	1907
Fed. M. & Smlt.	...	...	18	.....	15	Oct 27	36	Feb 16	6⅜	1904	199	1906
do. pref.	49⅜	50⅜	49⅝	500	47	Oct 13	66½	May 19	47	1907	112¾	1906
Goldfield Con....	4½	4⅝	4½	6,900	3½	Oct 14	7⅝	Jan 2	3⅛	1907	10	1910
Internat. Paper.	10⅜	10⅝	10⅛	100	9	Sept 9	13⅜	Feb 3	7½	1907	69½	1909
do. pref.	46⅜	46⅝	46⅜	600	44⅝	May 15	56⅜	Jan 21	47	1909	95	1898
Int. Harvester..	107½	109	108½	1,200	99¾	Sept 29	120⅞	May 5	52	1898	125⅝	1911
do. pref.	120	120⅜	120	100	115	Sept 29	125⅝	May 4	90	1898	129	1910
Inter. Stm. P'mp	32	34⅜	34⅛	4,600	22	Oct 31	44	Feb 10	7⅜	1907	60	1901
do. pref.	82⅜	87⅜	87⅜	1,600	80	Nov 1	90½	June 12	80	1907	96	1902
Laclede Gas.....	104½	105⅝	105½	1,650	101¼	Sept 25	114⅝	Jan 20	95¼	1910	116¼	1910
Mackay pref....	73	73	73	100	72	Aug 11	77	Mar 7	50	1907	78⅝	1910
Nation'l Biscuit.	140	141	140⅜	2,000	117¼	Jan 19	143⅝	Nov 14	25	1900	120	1910
do. pref.	126⅞	126⅞	126⅝	100	124	Jan 20	130	Feb 4	79½	1900	130	1910
Nat. En. & St'p.	...	...	13⅞	.....	13⅜	Oct 30	22	July 24	6½	1907	36	1903
do. pref.	...	...	96	.....	85	Jan 6	100⅜	July 22	70	1900	99½	1909
Nat. Lead.....	50	52⅜	51⅝	2,200	42½	Oct 27	58⅞	Mar 15	$104⅜	1903	95⅜	1906
do. pref.	105	105	105	100	104	Sept 22	109⅝	Aug 15	48	1899	115	1899
N.Y. Air Brake	55	57	55	200	50	Nov 4	76	June 19	14	1899	168⅜	1901
North Amer. Co.	72	74⅜	74⅜	2,700	64	Jan 10	76½	May 22	2⅜	1902	174	1902
Pacific Mail.....	31⅛	31	31	9,900	22⅛	Apr 24	31⅜	Nov 6	8⅛	1907	70	1902
P'ple's G.L.& C.	104⅞	105⅜	104½	1,800	101½	Aug 22	109	Jan 19	89	1907	125½	1899
Pressed St'l Car	33	34⅛	34⅜	1,500	25	Sept 25	37⅝	July 20	15⅝	1907	65⅜	1906
do. pref.	100	100	100	400	81	Sept 22	102⅝	June 16	52½	1907	115⅜	1899
Ry. Stl. Spring.	31	32⅝	32⅝	1,200	24⅝	Aug 26	39	June 14	15⅜	1894	63½	1905
do. pref.	101	101	101	200	88⅜	Aug 30	102⅜	May 24	67	1903	109	1909
Rep'b Ir. & St'l	22¼	23⅞	23⅝	4,700	18	Oct 17	35⅛	Feb 6	5	1904	49½	1902
do. pref.	81	84⅜	84⅜	6,100	74⅛	Oct 17	99⅝	Mar 14	36⅜	1903	111½	1909
Sloss-Sh. S. & I.	...	...	43	.....	34	Sept 27	56⅛	Feb 6	17⅛	1900	115½	1901
do. pref.	...	...	112	.....	112	Feb 15	112	Feb 15	69½	1900	130	1907
T. Pac. Ld. Tr.	...	...	87	.....	84	Sept 11	92	Jan 24	5	1898	86	1910
Texas Company.	74½	82⅜	78	2,700	82	Nov 10	136½	Feb 1	124½	1910	144	1910
Underw'd Typew.	103	103⅜	103⅛	1,139	63	Mar 20	111	June 26	44	1900	44	1900
Un. Bag & Pap ..	...	...	5⅜	.....	5⅜	Sept 22	9	Feb 10	3⅜	1904	45	1899
do. pref.	...	...	53	.....	50⅝	Nov 1	59½	Jan 30	36	1900	89	1899
U.S Cast IP & F	14	14	14	100	11	Sept 27	19	Feb 24	6	1903	52	1906
do. pref.	43¾	45	45	600	40½	Sept 25	59⅜	Feb 24	22	1903	97⅜	1906
U. S. Express....	...	...	90	.....	85	Sept 25	104	Feb 1	85	1896	160	1899
U.S.R'lty & Imp.	63	70	69	400	63	Nov 17	79⅝	May 29	36	1907	98½	1906
U. S. Rubber....	46⅞	47⅝	47⅝	6,800	30½	Sept 25	47⅞	Mar 1	7	1903	60⅝	1903
U. S. Rubber pf.	106⅞	109⅜	109	700	104	Sept 25	115⅛	July 7	30½	1903	123¾	1909
U. S. Steel.....	62⅜	65⅝	65	612,000	50	Oct 27	82⅛	Feb 6	9⅜	1904	91	1910
do. pref.	108⅝	110⅜	109⅝	2,720	103	Oct 27	120⅞	Feb 4	49⅜	1903	125⅜	1910
do. 5s	101⅞	102⅛	102	370,000	100	Sept 20	106⅜	May 27	65	1903	105½	1910
Utah Copper....	43⅛	50⅜	51⅛	59,200	38	Sept 25	55⅛	Nov 22	13	1907	67⅝	1909
Virg. Car Chem	52⅜	53⅞	53⅜	2,100	43¼	Sept 25	70⅜	Feb 28	12⅜	1907	72	1901
do. pref.	118½	119⅛	119⅛	100	114	Sept 26	128½	Mar 15	75	1907	133¾	1902
West. Un'n Tel	78	79	78½	1,600	71⅝	Mar 20	84½	May 24	41	1903	137⅞	1881
West. Mfg. Co..	66⅜	67⅜	66	3,900	58⅝	Sept 25	79	May 29	20½	1908	154	1907
do. pref.	...	...	115	.....	110½	Aug 16	122	Jan 6	63¼	1895	160	1907

* Ex-dividend. ** New. † Assessment paid. ‡ Ex-rights. § Price bid. ¶ Price asked. ‖ Old securities. † Certificates. x Ex-interest. ‖‖ Par value basis. *** Receipts.

do under varying conditions of costs and production:

Cost per lb.	Annual production.	Earnings per share. 12½c.	13c.
8c.	80,000,000 lbs.	$1.78	$2.07	$2.27
8½c.	80,000,000 lbs.	2.07	2.37	2.67
8c.	80,000,000 lbs.	2.37	2.67	2.97
8c.	100,000,000 lbs.	2.22	2.60	2.97
8½c.	100,000,000 lbs.	2.60	2.97	3.34
8c.	100,000,000 lbs.	2.97	3.34	3.71

From these figures it will be noted that every half-cent advance in the price of copper adds about 30 cents per share to net earnings, and as the metal market, in the opinion of competent authorities, is likely to advance well beyond the 13-cent mark within the next two years, it can be seen purchasers of the shares may expect in all reason to receive substantial dividends on their shares inside of that time.

The company has an authorized capitalization of $14,000,000, of which $11,991,750 is outstanding, the shares having a present market valuation of $14.50 per share. Since the

SHARES WERE LISTED

on the New York stock exchange last March they have ranged between 18½ and 12.

There are $3,000,000 of first mortgage 6 per cent bonds outstanding convertible after January 1, 1912, and up to and including January 1, 1917, into stock at $20 per share. Some of the bondholders were inclined to criticize the action of the management last August in selling the partially constructed smelter to the American Smelting & Refining Company, their stand being based, presumably, on a suspicion that the security back of the bonds had been impaired. I cannot find any particular justification for this opinion, unless the dissatisfied ones care to estimate upon such uncertain factors as profits from the smelting of custom ores, for the American Smelting & Refining Company is to refund to the Ray Consolidated the amount actually extended on the smelter, and has also made an offer to smelt the Ray ores at a figure which is as low as the company estimated it could treat its own ores in its own smelter. Furthermore, the contract provides that Ray is to share in lowered smelting costs arising from new processes or improvements. In short, Ray is guaranteed that its ores will be smelted about as cheaply as it could treat them itself, and, in addition, is relieved from the operation, maintenance and depreciation charges in connection with a smelting plant.

Taking all these things into consideration, I believe that Ray Consolidated is destined to become one of the country's largest producers and most liberal dividend payers, and I certainly do not believe my correspondent will go wrong in buying the stock at current prices for a hold of two years, remembering, of course, that he is buying into a proposition which is not yet eligible to be classed as an investment, however strong a position it is likely to attain in that respect in the future.

P. DE MEDICI.

LEWISTON, IDAHO.—Directors of the First National Bank, of Lewiston, declared a dividend of 40 per cent and paid its stockholders $20,000. The bank is rated as one of the most stable and flourishing institutions in the state. It stands first in Idaho, and the 96th in a list of 2,400 banks in the United States.

Digitized by Google

This Week and Next

The Growing Popularity of Public Utilities—Southern Issues to the Fore—Coast Line's Dividend Increase, and the Jump in Louisville & Nashville—More Money For the Southern Railway in the Queen & Crescent Extra—Calumet & Hecla a Weak Spot in a Strong Copper Situation—Two Views of Thirteen-Cent Copper—Amalgamated Copper, a Market Freak.

The inquiry columns of the United States Investor have proved time and time again that they reflect with absolute accuracy the public frame of mind toward the investment situation. Consequently, I am not surprised to find that a considerable number of investment inquiries are coming to hand from day to day embracing no particular class of securities to the exclusion of others, but indicating in the main a desire to obtain stocks or bonds of established strength from an investment point of view, giving at the same time a substantial return. The popularity of public utility issues has shown a very noticeable increase since I called attention to its reappearance only a few weeks ago, as shown by the manner in which the Montreal Tramways 5 per cent bonds passed into the hands of individuals this week so quickly that the late comers found nothing left for them. Bonds of a speculative character, that is, those which are usually spoken of as "second or third grade stuff", have been taken out of dealers' hands in considerable quantities. There have been numerous reports of large bond issues by several of the more important railroad systems of the country, but thus far they have failed to put in an appearance, and the only one of which there is positive knowledge is New York Central's $15,000,000 equipment issue which will probably be brought out in installments. It is seldom, however, that offerings of this kind appear singly, and for that reason, we shall probably hear of others in the very near future.

SOUTHERN ISSUES STRONG.

Certainly, if there is any one class of issues which is entitled to a share of the present market buoyancy, that class which is made up of the southern railroads is eligible. At all events, there is no lack of evidence of substantial prosperity on the part of the roads operating in that section of the country. Atlantic Coast Line has raised its dividend rate from 6 to 7 per cent, and has not laid itself open to criticism in so doing, for as if to justify the increased rate, the company submitted its annual report showing that in the last fiscal year there was earned an amount equal to almost double the increased rate. Naturally, Louisville & Nashville has participated in the market strength which has accompanied this dividend increase. While the two issues now pay the same rate of dividends, Louisville & Nashville is selling around 160, while Atlantic Coast Line is about 140. I need hardly say, in view of this condition of affairs, that a distribution of one kind or another is looked for upon Louisville & Nashville stock in addition to the regular 7 per cent rate. A week ago one Wall street news bureau, in discussing the pronounced strength of Louisville & Nashville, stated that it might be attributed not to the expectation of an extra dividend or of an increase in the present rate, but to the improved earnings of the road. The fact that the advance has been continued since that date to the extent of 10 points or more would probably influence the auther of that statement to the extent of a revision of opinion.

QUEEN AND CRESCENT.

Another evidence of southern prosperity is found in the declaration of an extra dividend of 2½ per cent on the common stock of the Cincinnati, New Orleans and Texas Pacific, popularly known as the "Queen and Crescent Route". The most significant feature of this development from a stock market standpoint is to be found in the fact that the Southern Railway controls the Queen and Crescent and will benefit considerably by this extra dividend. Attention is called to the fact that this makes the eleventh important dividend increase authorized during the current year, as compared with six reductions, the latter including the newly announced cut in the Calumet & Hecla dividend. These must be sorrowful days for the old-time holders of Calumet & Hecla shares, who recall that five years ago the company paid $70 per share in dividends and sold at $1,000 per share.

BETTER FEELING IN COPPER.

In no section of the market do I find a more pronounced reversal of ever fickle "sentiment" than in the copper list, where an actual improvement in basic conditions warrants the belief that the new order of things is not simply a will o' the wisp freak of market irregularity, but the actual dawn of a brighter era for the copper shares, which have been forced to bear more than their just share of the market burdens of the past four years. The spirit of national prodigality which was one of the moving causes of the troubles of four years ago was very much in evidence in copper mining circles, for, with the metal quoted for a time above the 25-cent mark, producers unwisely concluded that there was no particular need for economy of operation.

A NEEDED LESSON.

The result was that when the crash came, with a plummet-like drop of about 50 per cent in the selling price of the red metal, the majority of producers were caught unawares, and for a considerable time, considered themselves fortunate if they were in a position to make both ends meet to the extent of showing even a limited balance to the credit of the stock after paying expenses and allowing for charges. Some, indeed, came to the conclusion that the handicap was too great and admitted defeat by suspension of operations. Fortunately, about this time the porphyries began to get into their stride in the direction of low producing costs, setting an example which some few of the vein mining propositions were ambitious enough to attempt to follow. The success attained in this direction by the Anaconda was commented upon in these columns a few weeks ago, and while this is the most striking instance of an adaptability to new conditions that has come to my notice, there are various other instances where costs have been materially reduced, with the result that a 13-cent metal market is being accepted as a

STRONG BULL ARGUMENT.

The advance in the metal to 13 cents will enable the Anaconda to earn its 8 per cent dividend with something to spare for the first time in several years, and will place the Amalgamated in a position to about double its present 2 per cent rate. I must confess, however, that I cannot bring myself to enthuse over Amalgamated as an investment proposition, since it has advanced to a point where it yields but little more than 3 per cent. One of the most striking of the market spectacles of the past week has been the sight of Amalgamated, a 2 per cent stock, selling on a level with Steel common, a 5 per cent issue. The only reasonable conclusion to be reached is that Amalgamated is a market prodigy, with no particular connection existing between its market price and its actual investment value, as measured by the standards which are applied to other shares. With stocks like Utah Copper and Nevada Consolidated giving a much larger return on the investment, it is evident that the small investor, with whom a substantial yield is an important consideration, is not likely to go into raptures over an issue which gives a return smaller than that obtainable from first-class bonds. THE FORECASTER.

SIOUX FALLS, S. D.—The American National Bank has increased its capital stock to $200,000.

U. S. Steel
Amalgamated Copper

Our weekly market letter mentions the above, also Beet Sugar, First Nat'l, Greene-Cananea, Mazatan, Pocupines Tonopah, Cobalts, "Coppers" and "Curb" stocks in general. Mailed free upon request.

"Coppers" and Curb Stocks bought and sold for Cash or Carried on Margin

H. A. BROWN & CO.

Members Boston Curb Exchange

60 State St. Boston — 74 Broadway New York

TIMBER and FARM LANDS

There are good opportunities now to secure land and timber that will bring large returns for the money invested.

J. L. WHITNEY & CO.
18 Ziegler Block, Spokane, Wash.

Digitized by Google

The Best Purchases on the Railroad List

As Indicated by the Two Standards of Comparison: of Present Investment Yield on Basis of Current Dividends and Prevailing Market Price, and on Basis of Present Earnings on Prevailing Market Values.

The average net yield of the 50 railroad stocks quoted in the following table was 5.24 per cent on November 22, as compared with the 5.26 per cent on November 15, 5.43 per cent on January 4, and with 4.71 per cent on January 2, 1910.

Evidently, the industrial shares are not to be permitted to enjoy a monopoly of dividend increases, for following closely upon the elevation of Norfolk & Western to the 6 per cent class, the directors of the Atlantic Coast Line have decided that the shareholders are entitled to a more liberal proportion of the road's remarkable prosperity, and, what is more, have given a practical demonstration of their liberality in this respect by increasing the semi-annual dividend to 3½ per cent, an increase of one-half of one per cent, thereby placing the issue on a 7 per cent basis. It will be found, therefore, that Atlantic Coast Line has advanced appreciably in the following list of dividend payers, the net return at current prices being about 5 10 per cent. It may be recalled that the Coast Line owns $30,600,000 of the $60,000,000 outstanding stock of the Louisville & Nashville. Wall street is now beginning to look for a higher rate of dividends on Louisville & Nashville, which, although paying the same rate as Atlantic Coast Line, in view of the latest action of the directors of the latter road, sells nearly 20 points higher. The Louisville & Nashville earned in its last fiscal year over 14 per cent on par, and at the present time, earnings are running at the rate of about 17 per cent, so if the directors were to decide on an annual rate of 8 per cent, they would run no great risk of submitting themselves to criticism on the ground of a want of conservatism.

The improvement in feeling towards Union Pacific has become more pronounced than ever within the last few days. There has been a remarkably strong resemblance between the recent market movements of Steel common and Union Pacific common, since both issues not many weeks ago were frowned upon as risky ventures; but now, having regained the good will of the investing and speculating community once again, are vastly more popular than when they were selling more than ten points below the present market level. In the case of Union Pacific, it is the very significant feature of an increase of over $71,000,000 in the credit profit and loss balance, bringing that item up to the formidable total of $187,000,000, or more than $90 per share on the common stock, which has caused this change of sentiment. The fact that the increase is largely a matter of bookkeeping in no wise alters this attitude, since the knowing ones hold, and not without reason, that there is ground for believing that this imposing array of assets would not be lined up at this time, were it not for the fact that there is some inclination to cut a very juicy melon for the benefit of the common shareholders, to whom the profit and loss credit would naturally belong. It is to be presumed that these shareholders who were frightened into selling at 160 or less, are calling themselves hard names, and there is no expressing their opinion of the bear raiders whose fantastic rumors of dividend cuts and other dire possibilities almost too numerous to mention caused them to unload at the bottom. Fortunately, the majority of those small investors who had bought at higher levels refused to be coerced into sacrificing their precious investment holdings, for which they are to be congratulated.

STOCKS SHOWING BEST INVESTMENT YIELD

Present rank.	Stock.	Present dividend	Price.	Yield on present price.
1	Toledo, St. L. & W., pref....	4%	43	9 72
2	Chesapeake & Ohio, com ...	5%	75	6 66
3	Detroit United ...	5%	75	6 66
4	B. R. T. ...	5%	78	6 41
5	Colo. & Southern, 2d pref...	4%	69	6 35
6	St. Paul, com. ...	7%	131	6 41
7	St. L. & San F., 1st pref ...	4%	65	6 15
8	K. C. Southern, pref. ...	4%	66	6 15
9	M., K. & T., pref. ...	4%	66	6 06
10	Baltimore & Ohio, com ...	6%	102	5 88
11	Northern Pacific ...	7%	119	5 88
12	Union Pacific, com.. ...	10%	174	5 75
13	N. Y., N. H. & H. ...	8%	141	5 67
14	N. Y., C. & St. L., com.....	3%	53	5 66
15	Twin City R. T., com ...	6%	106	5 66
16	St. Louis S. W., pref ...	4%	71	5 63
17	Atchison, com ...	6%	107	5 60
18	Lehigh Valley ...	10%	180	5 55
19	Great Northern, pref ...	7%	127	5 51
20	Norfolk & Western, com.....	6%	110	5 45
21	Colo. & Southern, 1st pref...	4%	74	5 41
22	C., C., C. & St. L., pref.....	5%	94	5 32
23	Southern Pacific, com.....	5%	117	5 31
24	C., St. P., M. & O., com..	7%	132	5 30
25	M., St. P. & S. S. M., com...	7%	135	5 19
26	K. C., F. S. & M., pref.....	4%	77	5 14
27	P., C., C. & St. L., com.....	5%	97	5 15
28	Atlantic Coast Line ...	7%	137	5 11
29	Delaware & Hudson ...	9%	173	5 09
30	N. Y., O. & W. ...	2½	46	5 00
31	Illinois Central ...	7%	142	4 93
32	Pennsylvania ...	6%	122	4 92
33	Western Maryland, pref. ...	4%	82	4 88
34	Atchison, pref ...	5%	103	4 85
35	Chicago & N. W., com.....	7%	145	4 83
36	Buffalo, R. & P., com. ...	5%	105	4 76
37	M., St. P. & S. S. M., pref.	7%	147	4 76
38	St. Paul, pref ...	7%	148	4 73
39	N. Y. Central ...	5%	107	4 62
40	Louisville & Nashville	7%	155	4 50
41	Baltimore & Ohio, pref. ...	4%	90	4 44
42	Norfolk & Western, pref. ...	4%	90	4 44
43	Union Pacific, pref ...	4%	90	4 44
44	Canadian Pacific ...	10%	24	4 17
45	Colo. & Southern, com ...	4%	96	4 08
46	Boston & Maine ...	6%	150	4 00
47	Reading, com ...	8%	151	3 97
48	Central of N. J. ...	12%	310	3 87
49	L., L. & W. ...	20%	560	3 57
50	Southern Railway, pref. ...	3½	94	3 72

STOCKS SHOWING BEST EARNINGS.

Present rank.	Stock.	Price.	Earning on present price.
1	St. L. & San F., 2d pref.. ...	43	27 70
2	Erie, 1st pref. ...	54	18 80
3	Detroit United ...	75	18 25
4	Southern Railway, pref.....	72	18 09
5	Hocking Valley, com.. ...	128	14 70
6	Buffalo, R. & P., com ...	105	13 75
7	Norfolk & Western, com ...	110	11 36
8	Twin City R. T., com ...	106	10 25
9	Louisville & Nashville ...	155	10 25
10	C., C., C. & St. L., com.....	61	9 50
11	N. Y., C. & St. Louis, com.....	53	9 35
12	D. & R. G., pref ...	48	9 05
13	Atlantic Coast Line ...	137	8 95
14	R. R. T. ...	78	8 95
15	Union Pacific, com ...	174	8 80
16	Colo. & Southern, com. ...	49	8 75
17	M., St. P. & S. S. M., com.....	135	8 70
18	Central of N. J. ...	310	8 25
19	Great Northern, pref. ...	127	8 20
20	Chicago Gt. Western, pref.....	39	7 85
21	St. Louis S. W., pref ...	71	7 80
22	Lehigh Valley ...	180	7 75
23	Canadian Pacific.. ...	240	7 75
24	Baltimore & Ohio, com. ...	102	7 75
25	United Rys Invt., pref.. ...	63	7 60
26	Delaware & Hudson..... ...	171	7 45
27	N. Y. Central..... ...	107	7 45
28	Southern Pacific, com ...	117	7 40
29	Erie, com ...	32	7 05
30	Chesapeake & Ohio, com ...	75	6 85
31	K. C. Southern, pref...	65	6 60
32	Northern Pacific... ...	119	6 50
33	P., C., C. & St. L., com ...	97	6 40
34	Illinois Central. ...	142	6 00
35	Pennsylvania	122	5 40
36	Atchison, com ...	107	5 15
37	D., L. & W. ...	560	5 00
38	N. Y., N. H. & H ...	141	4 65
39	Chicago & N. W., com..	145	4 60
40	Western Maryland, pref. ...	82	4 55
41	Reading, com ...	151	4 45
42	C., St. P., M. & O., com ...	132	4 15
43	M., K. & T., pref. ...	66	3 70
44	Rock Island, pref ...	50	3 60
45	St. Paul, com. ...	131	2 25
46	Iowa Central, pref. ...	33	2 00
47	N. Y., O. & W. ...	40	1 85
48	Toledo, St. L. & W., pref ...	43	1 80
49	K. C. Southern, com..... ...	24	0 75
50	Boston & Maine ...	140	0 45

UPON PRESENTATION

at the Office of

THE MIDDLESEX BANKING COMPANY

OF MIDDLETOWN, CONN.

DEBENTURES of Series E14, maturing November first, 1911, and Series E15, maturing December first, 1911 WILL BE PAID at par with interest to the date of payment.

5% PROFIT SHARING BONDS

Protected by carefully selected NEW YORK CITY REAL ESTATE

The profit Additions for the past 9 years have averaged over

12% Per Annum

making present Book Value of a $1,000 Bond $2,087.20 after having received $450 in interest

SOLD AT PAR

Denominations, $10 to $1,000 and upwards

Can you afford to overlook this safe investment opportunity?

INTER BOROUGH REALTY COMPANY

(Assets Over $1,105,000.00)

10 WALL STREET, NEW YORK CITY

6% NEW YORK CENTRAL REALTY BOND

A Good Investment

To investigate is the six per cent Realty Bond of the New York Central Realty Company issued in denominations of $1,000. $500. and $100.

It offers a high grade of security, a liberal cash availability and an interest earning of 6%.

WRITE for booklet illustrating the methods of the Company, describing its bonds, their redemptive privileges and advantages over other Realty securities. Everybody knows us.

New York Central Realty Co.

Suite 1190, 1328 Broadway, Cor. 34th St., New York City

CAPITAL AND SURPLUS, $1,464,588.34

20%

Dividends on stock of the SMITH VALLEY LAND & LIVE STOCK COMPANY will be very conservative with positively no chance of losing the amount of your investment. If you are interested in dividends and absolute security back of your investments you will want some of this stock. It is a sure winner; a sure dividend payer, and a very high class investment. Write for particulars.

Glass & Meyer

56-58 Vandergrift Bldg. Pittsburg, Pa.

GEORGIA FARM LOANS 6%

Net on first mortgage farm loans in the rich belt of Southwest Georgia. Cotton, corn, oats, wheat, hay, peaches, cantaloupes, and other money crops are produced.

Seventeen years' experience without a loss.

EMPIRE LOAN & TRUST CO.
Americus, Ga.

WANTED

Butte Water Co. 5s
Peoria Water Works Co. 4s
Idaho-Oregon Light & Power 6s
Austin, Texas, 4s
Glens Falls Gas & Elec. 5s
York Haven Water & Power 5s

H. C. SPILLER & CO.

Specialists in Inactive Bonds

27 STATE STREET BOSTON

MONATON REALTY INVESTING CORPORATION

Pays

6% COMPOUND INTEREST

On Money Invested in

Its Accumulative Certificates
Running terms of 10, 15 or 20 yr.

Payments may be made annually, semi-annually, quarterly or monthly.

SECURITY

OWNERSHIP OF NEW YORK INCOME PROPERTY

Affording

Immediate returns on investments and Opportunity for increase of valuation.

For Illustrated Booklet, inquire:

Publicity Department

Times Building

Broadway & 42nd Street, New York City

First Mortgage Bonds

For Small Investors

WEEKLY OR MONTHLY PAYMENTS

Government, State and Municipal Issues, also Standard Railroad, Public Service and Industrial Bonds sold in any amount for Cash or on Weekly or Monthly Payments. **Best, Easiest and Safest way to provide for your future.**

Circulars 104 on request; Correspondence invited

Resident Representatives Wanted

FUNDING COMPANY OF AMERICA

40 EXCHANGE PLACE, NEW YORK

---

6 PER CENT INTEREST PAID

By Coupon on Bonds Secured by Well Selected New York Real Estate.

"We Deal in No Other Securities"

THE DEBENTURE CORPORATION OF NEW YORK

334 Fifth Avenue New York City

BENNETT'S INFORMATION AGENCY

INVESTMENT DEPARTMENT

The wisest men in the United States are those who never make a new investment which they consider good, and never get rid of an old investment which they consider bad, until they have made an investigation of the merits of the investment through BENNETT'S INFORMATION AGENCY.

CONGRESSIONAL INFORMATION

We attend to business at the Treasury Department as well as before Congress, the Courts, and all departments of the United States government, through our Washington office, 208 Corcoran Building, and through our staff of Washington correspondents. If you desire any information from Washington, or any business transacted at the Nation Capital, we shall be pleased to perform the desired service for our subscribers.

PROBATE DEPARTMENT

Information respecting probate matters, in any town or city of the United States, is furnished to our subscribers gratuitously if the inquiry is answered through the columns of the INVESTOR, or for $2.00 if the reply is by private letter.

LEGAL DEPARTMENT

Questions answered by prominent attorneys upon any desired subject for $2.00 each.

MERCANTILE DEPARTMENT

A report regarding the standing and reliability of any firm or individual in the United States furnished for $2.00. Our information goes into the character and individuality of members of a firm and its methods of doing business.

MISCELLANEOUS QUESTIONS

Inquiries of any sort answered for $2.00 each. Send for descriptive pamphlet of the agency.

REAL ESTATE DEPARTMENT

A report upon any piece of property in the United States furnished for $2.00.

Conducted by

Frank P. Bennett & Co., Inc.

530 Atlantic Ave., BOSTON.
308 Chestnut St., PHILADELPHIA.
2 Rector St., NEW YORK.

INDUSTRIAL SAVINGS AND LOAN COMPANY

BROADWAY AND 42ND ST., NEW YORK

Established 18 years, under New York Banking Law Assets $2,250,000

5% PER ANNUM

$25 to $3,000 may be deposited or withdrawn on any date desired—earnings credited for full time. For 18 years we have never paid less than 5% per annum. ¶ A good place for your temporarily idle money

WRITE FOR FULL PARTICULARS

1911

UNITED STATES INVESTOR

American Bankers' Association Edition

IRVING NATIONAL EXCHANGE BANK
B/L

Special Facilities and Service in all Departments of Modern Commercial Banking

RESOURCES OVER THIRTY FOUR MILLIONS

OFFICERS

LEWIS E PIERSON, President.

JAMES E. NICHOLS, Vice Pres. ROLLIN P. GRANT Vice Pres. BENJ. F. WERNER, Vice Pres.

HARRY E. WARD, Cashier.

DAVID H. G. PENNY, Asst. Cash. RICHARD J. FAUST Jr., Asst. Cash. J. FRANKLYN BOUKER, Asst. Cash.

WEST BROADWAY AND CHAMBERS ST. NEW YORK.

THE NEW ENGLAND TRUST CO.

135 DEVONSHIRE STREET, BOSTON, MASS.

Capital and Surplus Over - - $3,000,000

OFFICERS

DAVID R. WHITNEY, President
ALEXANDER COCHRANE, Vice-President.
GEORGE WIGGLESWORTH, Vice-President.
JAMES R. HOOPER, Actuary
HENRY N. MARR, Secretary
FREDERICK W. ALLEN, Treasurer and Asst. Secretary
THOMAS E. EATON, Asst. Treasurer
FRANCIS R. JEWETT, Trust Officer
CHARLES E. NOTT, Manager Safe Deposit Vaults

BOARD OF DIRECTORS

WILLIAM ENDICOTT, Chairman

Walter C. Baylies, Alfred Bowditch, S. Parker Bremer, Timothy E. Byrnes, Alexander Cochrane, Philip Dexter, William Endicott, Jr., Francis W. Fabyan, William Farnsworth, Frederick P. Fish, James G. Freeman, Morris Gray, Franklin W. Hobbs, James R. Hooper, David P. Kimball, Ernest Lovering, Theophilus Parsons, James M. Prendergast, Henry H. Proctor, Herbert M. Sears, Lawrence M. Stockton, Eugene V. R. Thayer, David R. Whitney, George Wigglesworth

The New Building occupied exclusively by this Company offers every convenience to its Depositors.
Accounts of Institutions, Trustees, Firms and Individuals are desired, and the same care and attention is given to small as to large deposits. If more convenient, deposits may be made by mail and will be promptly acknowledged.
Interest Allowed on deposits subject to check.
Letters of Credit and Travelers' Checks, available in all parts of the world, issued.
Authorized to Act as Trustee under Railroad and other Mortgages and as Agent for the Transfer and Registration of Stocks. Also as Guardian, Administrator, Executor and Trustee.

THE SAFE DEPOSIT VAULTS

Of this Company, embrace every device for security against burglars, fire and flood. The Coupon Rooms are light and perfectly ventilated. The Vaults being in the same building with our other departments make it unnecessary to take securities outside for collection. Safes of all sizes.

THE EQUITABLE TRUST COMPANY OF NEW YORK

618 Fifth Avenue — 15 Nassau Street — 23 Rue de la Paix, Paris

Capital $3,000,000 **Surplus $10,000,000**

ALVIN W. KRECH, President

FREDERICK W. FULLE, Vice-President
H. MERCER WALKER, Treasurer
HERMAN J. COOK, Assistant-Treasurer
LYMAN RHOADES, Secretary
RICHARD R. HUNTER, Assistant-Secretary
GEORGE M. STOLL, Assistant-Treasurer

Receives on deposit the funds of individuals, firms and corporations as well as the moneys and securities of executors, administrators and trustees.

Allows interest on daily balances.

Acts as executor, administrator, guardian or trustee under will or appointment of authority, being authorized by law to execute trusts of every description.

THE FOURTH NATIONAL BANK

OF THE CITY OF NEW YORK

OFFERS to bankers, depositors and customers unusually effective service in the handling of active and surplus funds whether for investment or in the regular transaction of daily business.

A specially equipped investment department is maintained under the watchfulness of experts in standard stocks and securities. The information in our possession is at the disposal of customers of this bank for all legitimate purposes.

Instructions and orders are given every immediate attention as fast as received by wire or letter from all points in the United States.

"Monthly Business and Financial Outlook" mailed on request.

OFFICERS

JAMES G. CANNON
PRESIDENT

SAMUEL S. CAMPBELL
VICE-PRESIDENT

CHARLES H. PATTERSON
VICE-PRESIDENT

DANIEL W. ROGERS
CASHIER

ERNEST W. DAVENPORT
ASST. CASHIER

CHARLES E. MEEK
ASST. CASHIER

Digitized by Google

FRANKLIN NATIONAL BANK

PHILADELPHIA

Incorporated 1900

CAPITAL
$1,000,000.00

Surplus and Profits

$2,822,047.43

OFFICERS

J. R. McALLISTER
President

J. A. HARRIS, Jr.
Vice-President

E. P. PASSMORE
Cashier

L. H. SHRIGLEY
Assistant Cashier

J. W. HARDT
Assistant Cashier

Foreign Exchange Department

WILLIAM WRIGHT, Mgr.

DIRECTORS

SAMUEL T. BODINE
Vice-President United Gas Improvement Co.

THOMAS DE WITT CUYLER
Lawyer, Director Girard Trust Co., Commercial Trust Co., Pennsylvania R. R. Co. Equitable Life Assurance Society

GEORGE H. FRAZIER
of Brown Bros. & Co., Bankers of Philadelphia, New York and London

WILLIAM F. HARRITY
Lawyer, Director The Equitable Trust Co., Trustee Mutual Life Insurance Co. of New York

EDWARD B. SMITH
of Edward B. Smith & Co., Bankers, Philadelphia

HENRY TATNALL
Third Vice-President, Pennsylvania R. R. Co., Director Girard Trust Co. Commercial Trust Co.

J. RUTHERFORD McALLISTER
President, Director Commercial Trust Company

FREDERICK L. BAILY
of Joshua L. Baily & Co., Dry Goods Commission Merchants

EFFINGHAM B. MORRIS
President Girard Trust Co., Director Pennsylvania R. R. Co., Commercial Trust Co.

EDWARD T. STOTESBURY
of Dre[illegible]phia, J. P. Morgan & [illegible]organ Harjes [illegible]

PERCY C. MADEIRA
President Madeira, Hill & Company

JOHN B. THAYER
Second Vice-President Pennsylvania R. R. Co.

ELLIS PUSEY PASSMORE
Cashier

J. ANDREWS HARRIS, JR.
Vice-President

JOHN HAMPTON BARNES
Lawyer

MORRIS L. CLOTHIER
Strawbridge & Clothier

C. S. W. PACKARD
Pres. Penna. Co. for Insurances on Lives and Granting Annuities

CHARLTON YARNALL
Director Commercial Trust Co.

W. W. ATTERBURY
Fourth Vice-Pres. Penn. R. R. Co.

Digitized by Google

BANKERS TRUST COMPANY

7 Wall Street **NEW YORK** **120 Broadway**

CAPITAL

$5,000,000

DIRECTORS

J. S. ALEXANDER,
President National Bank of Commerce, New York.

STEPHEN BAKER,
President Bank of the Manhattan Co., New York

SAMUEL G. BAYNE,
President Seaboard National Bank, New York

EDWIN M. BULKLEY,
Spencer Trask & Co., Bankers, New York

JAMES G. CANNON,
President Fourth National Bank, New York

EDMUND C. CONVERSE,
President, New York

T. DeWITT CUYLER,
President Commercial Trust Co., Philadelphia

HENRY P. DAVISON,
J. P. Morgan & Co., Bankers, New York

RUDULPH ELLIS,
President Fidelity Trust Co., Philadelphia

E. HAYWARD FERRY,
Vice-President Hanover Nat. Bank, New York

WALTER E. FREW,
President Corn Exchange Bank, New York

FRED'K T. HASKELL,
V.-Pres't Illinois Trust and Savings Bank, Chicago

A. BARTON HEPBURN,
Chairman of the Board, Chase Nat. Bank, New York

FRANCIS L. HINE,
President First National Bank, New York

THOMAS W. LAMONT,
J. P. Morgan & Co., Bankers, New York

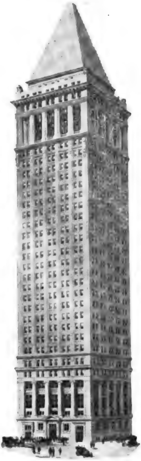
EDGAR L. MARSTON,
Blair & Co., Bankers, New York

JOSEPH B. MARTINDALE,
President Chemical National Bank, New York

GATES W. McGARRAH,
Pres't Mechanics' and Metals Nat. Bank, New York

CHARLES D. NORTON,
Vice-President First National Bank, New York

GEORGE W. PERKINS,
New York



New Building, No. 16 Wall Street
to be occupied May 1, 1912

SURPLUS

$10,000,000

DIRECTORS

WILLIAM C. POILLON,
Vice-President, New York

DANIEL E. POMEROY,
Vice-President, New York

WILLIAM H. PORTER,
J. P. Morgan & Co., Bankers, New York

DANIEL G. REID,
Vice-President Liberty National Bank, New York

BENJ. STRONG, Jr.,
Vice-President, New York

EDWARD F. SWINNEY,
President First National Bank, Kansas City

GILBERT G. THORNE,
Vice-President National Park Bank, New York

EDWARD TOWNSEND,
Pres't Importers and Traders' Nat. Bank, New York

ALBERT H. WIGGIN,
President Chase National Bank, New York

SAMUEL WOOLVERTON,
President Gallatin National Bank, New York

Affords exceptional security and service as a Depositary for the inactive accounts of banks corporations and individuals, but does not invade the provinces of Commercial and Savings Banks. Interest is paid on balances of one thousand dollars or more.

E. C. CONVERSE, *President*
D. E. POMEROY, *Vice Pres.*
F. N. B. CLOSE, *Secretary*
H. W. DONOVAN, *Asst. Treas.*
R. H. GILES, *Asst. Treas.*

B. STRONG, JR. *Vice Pres.*
F. I. KENT, *Vice Pres.*
G. W. BENTON, *Treasurer*
B. W. JONES, *Asst. Secy.*
H. N. DUNHAM, *Asst. Treas.*

W. C. POILLON, *Vice Pres.*
H. B. THORNE, *Vice Pres.*
G. RICHARDS, *Asst. Secy.*
H. F. WILSON, JR. *Asst. Secy.*
I. MICHAELS, *Trust Officer*

Digitized by Google

SPEYER & CO.

24-26 Pine Street, NEW YORK

ESTABLISHED 1837

AGENTS FOR

SPEYER BROTHERS - - - London
LAZARD SPEYER-ELLISSEN - Frankfort° M
GEBR. TEIXEIRA de MATTOS - Amsterdam

Digitized by Google

THE CHASE NATIONAL BANK

OF THE CITY OF NEW YORK

CLEARING HOUSE BUILDING, No. 83 Cedar Street

UNITED STATES DEPOSITORY

CAPITAL	$5,000,000
SURPLUS AND PROFITS (Earned)	8,444,473
DEPOSITS	113,424,098

Officers

A. BARTON HEPBURN, Chairman of the Board

ALBERT H. WIGGIN, President
SAMUEL H. MILLER, Vice President

HENRY M. CONKEY, Cashier
CHARLES C. SLADE, Asst. Cashier
EDWIN A. LEE, Asst. Cashier
WILLIAM E. PURDY, Asst. Cashier
ALFRED C. ANDREWS, Asst. Cashier

Directors

HENRY W. CANNON
JAMES J. HILL
GRANT B. SCHLEY
A. BARTON HEPBURN
JOHN I. WATERBURY
GEORGE F. BAKER
ALBERT H. WIGGIN
GEORGE F. BAKER, JR.
FRANCIS L. HINE

WE RECEIVE ACCOUNTS OF

Banks, Bankers, Corporations, Firms or Individuals on favorable terms, and shall be pleased to meet or correspond with those who contemplate making changes or opening new accounts.

FOREIGN EXCHANGE DEPARTMENT

The Eliot National Bank

OF BOSTON, MASS.

JOHN HANCOCK BUILDING

CAPITAL	**$1,000,000**
SURPLUS (Earned) AND PROFITS	**$1,300,000**

HARRY L. BURRAGE
PRESIDENT

GARRARD COMLY,
VICE PRESIDENT

WILLIAM J. MANDELL,
CASHIER

WILLIAM F. EDLEFSON,
ASSISTANT CASHIER

WILLIAM P. BAILEY,
ASSISTANT CASHIER

LOUIS HARVEY,
ASSISTANT CASHIER

ROBERT B. RAYMOND,
MANAGER OF FOREIGN DEPT.

Organized 1838

The American Exchange National Bank

Nationalized 1865

NEW YORK

OFFICERS

LEWIS L. CLARKE, President

EDWARD BURNS, Vice-President
WALTER H. BENNETT, Vice-Pres't and Cashier
A. K. de GUISCARD, Asst. Cashier
ARTHUR P. LEE, Asst. Cashier
ELBERT A. BENNETT, Asst. Cashier
GEORGE C. HAIGH, Asst. Cashier

Capital, Surplus & Profits :: $9,624,000

¶ Accounts of Mercantile Firms, Corporations, Banks and Bankers Invited. ¶ We Offer Every Facility Consistent with Sound Banking.

Digitized by Google

FRANK O. WATTS.
Retiring President of American Bankers' Association.

Digitized by Google

CENTRAL TRUST COMPANY

of NEW YORK

54 Wall Street

Capital and Surplus, $18,000,000
(of which $17,000,000 has been earned)

Officers

JAMES N. WALLACE, President

E. FRANCIS HYDE, Vice-Pres. BENJAMIN G. MITCHELL, Vice-Pres.
DUDLEY OLCOTT, 2d. Vice-Pres. MILTON FERGUSON, Secretary
FRANK B. SMIDT, Assistant Secretary
CHARLES P. STALLKNECHT, Assistant Secretary

Board of Trustees

Samuel Thorne	Chas. Lanier	Geo. Macculloch Miller
Adrian Iselin Jr.	A. D. Juilliard	James N. Jarvie
E. F. Hyde	James Speyer	William A. Read
Henry Evans	Henry D. Babcock	James N. Wallace
Dudley Olcott, 2d	Dudley Olcott	James C. Brady
	Jacob H. Schiff	

Authorized to act as Executor, Trustee, Administrator or Guardian.
Receives Deposits, subject to check, and allows Interest on Daily Balances.
Acts as Transfer Agent, Registrar and Trustee under Mortgages

Digitized by Google

American Bankers' Association

THE FEATURES OF THE NEW ORLEANS CONVENTION WAS THE SERIES OF ADDRESSES AND DISCUSSIONS OF THE ALDRICH PLAN

THE PROPOSED MONETARY PLAN

By Hon. Nelson W. Aldrich

CHAIRMAN NATIONAL MONETARY COMMISSION.

In introducing Senator Aldrich, the President of the American Bankers' Association, F. O. Watts said: The guest of honor for this occasion needs no introduction to the bankers of this country. In truth, he needs nothing the bankers or the country can give, but he evidently desires a thorough consideration of his work stripped of the discoloration of prejudice or partisanship, and on the part of the bankers I bespeak for him a consideration of what he would gladly make his life work.

I take pleasure in presenting to you the Honorable Nelson W. Aldrich, chairman of the National Monetary Commission. (Applause).

Address of Senator Aldrich.

Mr. Chairman and Gentlemen: I thank you for the kind reception. I feel that I must apologize to the members of this association for what must be a very unsatisfactory treatment of this question, so vast in its main and collateral phases, and I feel also that I must apologize to those who are not bankers who grace this occasion with their presence for what will be necessarily the technical and uninteresting character of my remarks.

Among the

IMPORTANT TASKS ASSIGNED

the National Monetary Commission is that of devising a plan by which this great country may, in the interest of all its people of every class and every section, secure that immunity which, for half a century, has been enjoyed by the people of every other great commercial nation, from the disastrous results of monetary panics and acute monetary disturbances; that of presenting a plan which will protect the rights and afford security to bank depositors, and enable the banks at all times to respond to every legitimate demand for the credit and currency so essential for the development of our industries; that of constructing a monetary system for the United States that shall answer the present and prospective needs and requirements of the economic life of a great people. If we are successful in solving these complex and intricate problems, we shall have done much to create and maintain that feeling of confidence in the safety and effectiveness of our banking institutions which is so essential to our uninterrupted national progress.

There is a general agreement among intelligent students of the subject that to accomplish these beneficient results, it is necessary to provide a comprehensive

RE-ORGANIZATION OF CREDIT,

and a thorough reconstruction of banking systems and methods.

The failures of our monetary system can be attributed in part (1) to our inability to enforce that effective cooperation of banks which is necessary to protect the public interests as well as their own in times of stress or crises; (2) to the limitations and restrictions imposed by antiquated or obsolete laws with reference to the treatment of reserve, and (3) to a defective, inelastic and unscientific system of note-issue.

The appointment of the Monetary Commission was the result of the panic in 1907. I am disposed to say a word to you about the results of that crisis.

As a result of bank suspension, we had a suspension of all the productive industry, a shrinkage of all values, a reduction of wages, a lack of employment with irreparable loss to the wage-earners, an

ARREST OF ALL PROGRESS

and destructive impairment of competition, and a loss of prestige to the country. Farmers and other producers were not able to secure the necessary facilities, either for holding or marketing their products. Business men of all classes were unable to meet their current obligations. There was no opportunity for the great mass of the people who suffered these losses, to prepare for the crisis and the transition from prosperity to depression and panic took place without warning.

It is utterly impossible for any man to measure the extent of the loss and injuries direct or indirect to the productive forces of the country which have arisen from our defective monetary system. In the exuberance of youth, nations, as well as individuals are likely to be indifferent to the evil results which are sure to follow a profligate waste of vital forces. At such times, a feeling seems to exist that the evil results of a continued infraction of natural laws can be safely ignored. Were it not for our unrivaled natural resources, and the characteristic energy of our people, which have given us an unprecedented prosperity and a rapid growth in wealth, in spite of all obstacles, we should have long since found the defects to which I have referred intolerable. Our great and natural advantages have enabled us to

GO ON SUFFERING LOSSES

that would have ruined any other country. Any intelligent man who has observed the unsatisfactory character of our banking practices, and who has had an appreciation of their destructive results, must have been filled with wonder and amusement that a great people should have so long submitted to such crude and expensive methods. It must be apparent that the entire public is vitally interested in everything that pertains to the strength and safety of our financial institutions. They are the principal creditors of the banks, as the number of the depositors in our financial institutions is greater than the number of persons employed in all the useful occupations of this country. In considering the uniformity of the public interests in the case of monetary reform, I am constantly reminded of the striking statement made by Sir Robert Peel in

Digitized by Google

opening the discussion on the English Bank Act of 1844. With reference to that proposition, he said:

"There is no contract, public or private, no engagement, national or individual unaffected by it." The enterprise of commerce, the profits of trade, the arrangements made in the domestic relations of life, pecuniary transactions of the highest and the lowest amounts, the command of many of the necessities of our life are all affected by the question submitted by me for your consideration. The questions which were involved in the provisions of the act of 1844 were small, compared with those that confront us today. There was then practically only one question considered—that affecting the character and the extent of the note-issues of the bank of England. We have to deal with a great variety of questions, all far outweighing in magnitude that involved in the legislation I have referred to.

It has been frequently suggested to me, why have we suffered as a result of these defects for so long

CARONDELET STREET.
The "Wall Street" of New Orleans.

WITHOUT AN ATTEMPT

being made to remedy them? I think you will all remember that we had, from the close of the Civil War down

Digitized by Google

Trust Company Service in New York City

THIS COMPANY, with ample capital, large resources, and an efficient and well systematized organization, which dates back to 1864, has the ability and disposition to give good trust company service.

Our various departments, including banking, foreign exchange, bond, trust, transfer, reorganization, and collection, are well equipped with modern facilities for transacting business promptly and economically.

For these reasons we feel justified in cordially inviting the New York accounts of banks and trust companies.

GUARANTY TRUST COMPANY OF NEW YORK

28 Nassau Street

Fifth Avenue Branch
5th Avenue & 43d Street

London Office
33 Lombard Street, E. C.

Capital and Surplus . . .	$23,000,000
Deposits	161,000,000

Digitized by Google

Engineering Securities Corporation

43 Exchange Place, New York, N. Y.

J. G. WHITE, President
FREDERIC H. REED, Vice President — R. B. MARCHANT, Treasurer
GEORGE T. ORDWAY, Vice President — HENRY P. DU BOIS, Secretary

Offers, to Bankers, Issues of

MORTGAGE BONDS

AND

PREFERRED STOCKS

of Approved Public Utilities

CORRESPONDENCE SOLICITED

to the passage of the Resumption Act, a long discussion over the resumption of specie payments. We had a controversy covering a large part of that period as to whether the United States could issue in unlimited amounts, United States notes which were to be made legal tender. In other words, we had the greenback question, which took ten years. Before these questions were finally disposed of, the question of the free coinage of silver came to the front, and from 1875 to the final adoption of the Gold Standard Act in 1900, that was the main question. The discussion of this question was bitter and acrimonious, and unfortunately, it became a political question. So that we may fairly say that between the time of the Civil War and the passage of the Gold Standard Act of 1900, questions which were in a sense currency questions, but collateral to the real question which I am now discussing, occupied and distracted public attention.

I realize as fully as any man can that our country, above all others should never have lost sight of the evolution—yea, the revolution in the monetary methods and practices which, during that period, marked the economic history of every other great commercial nation. Not by legislation, not regulated by laws of any kind, each of these great nations

EVOLVED SYSTEMS

and methods and practices which resulted in freeing those countries, and their industries and their development from the incubus which arose, and is fatal with reference to crises and periods of great business disturbances.

I ought to say, perhaps, in this connection, that even following 1900, until we were rudely awakened by the results of 1907, there was no idea on the part of bankers or business men of the real defects of our system. When the Commission was appointed, and we undertook this great work, there was little information available for us, either as to our own conditions, or as to the methods and practices in various countries. I could count upon the fingers of one hand the gentlemen, the names of many of whom are known to you, who had any accurate knowledge of the real, practical methods and practices by which the banking and monetary systems of Europe were carried on. We have entered upon what was, in effect, a new field of exploration, and I venture to say that it is only within the last two or three years that our people have become thoroughly awakened to the importance of this great question, and it is within that time that we have very largely, I think, had a very satisfactory and gratifying consensus of public opinion, not only as to the character of the facts, but as to the general character of the remedies which must be applied.

I propose to discuss briefly some of

THE SALIENT FEATURES

of the plan to remedy these defects through the organization of a National Reserve Association. It is proposed to organize the banks of the country into local associations, and these inter-district associations each with distinctive functions, and each with local self-government, and to organize all district associations into the National Reserve Association.

The organization proposed is not a bank, but a co-operative union of all the banks of the country for definite purposes, and with very limited and clearly defined functions. It is in effect an extensive revolution of the clearing houses of the country to meet the needs and requirements of its entire people. The plan of organization includes positive provision, first, to maintain the integrity and independence of existing banks, state and national. The new organization is positive and superimposed upon the existing system.

The proposed association, as I have already said, is not a bank, and is not a competitor in any sense for the business of existing banks. In its ownership and domestic business, it is

CONFINED STRICTLY TO BANKS

and the government.

Second, it provides clearly for the equality of privileges and advantages to all banks, great and small, wherever located.

Third, it provides equality in rates of discount, or rediscount to all banks, and those rates are to be uniform throughout the country. This, it is believed, will insure steadiness and reasonableness of rates everywhere. I do not expect, of course, that this provision for uniformity of rates will at once make the rates uniform throughout the country as to all classes of business. I do not mean to say that a borrower in a rural community, for a small amount, without security, is to

Digitized by Google

THE
LIBERTY
NATIONAL BANK
OF NEW YORK

OFFICERS

FRED'K B. SCHENCK
President

DANIEL G. REID
Vice-President

ZOHETH S. FREEMAN
Vice-President

CHARLES W. RIECKS
Vice-President
and Cashier

FRED'K P. McGLYNN
Assistant Cashier

HENRY S. BARTOW
Assistant Cashier

HENRY P. DAVISON
Chairman Exec. Com.

DIRECTORS

EDMUND C. CONVERSE
GEORGE B. CASE
HENRY P. DAVISON
ZOHETH S. FREEMAN
THOMAS A. GILLESPIE
FRANCIS L. HINE
ARTHUR F. LUKE
HOWARD W. MAXWELL
CHARLES A. MOORE
AMBROSE MONELL
DANIEL G. REID
CHARLES W. RIECKS
FRED'K B. SCHENCK
CHARLES H. STOUT
HENRY C. TINKER
CHARLES H. WARREN

Capital, Surplus and Undivided Profits,
$3,700,000.00

receive the same terms that a man in the city of New Orleans, with first-class securities may receive, but it means that so far as the organization is concerned, and its advantages and its benefits, every bank

AND EVERY SECTION

shall be treated precisely alike. (Applause). The tendency of this must be to an equalization of rates for the same class of securities and paper everywhere throughout the United States. In France, for half a century, the discount rate has been substantially uniform, varying, I think, but little more than 1 per cent—less than 1 per cent under ordinary circumstances, and not much more than that under extraordinary circumstances. The effect has been that the business of France, the credit of its people, has been administered in a way which gave to all of its people equity of privileges and equity of consideration throughout the entire country. (Applause).

And I want to say further, that this condition of affairs, involving as it does in France, and as it will surely involve in the United States, steadiness of rates, opportunities for employment, will certainly not result to the

DISADVANTAGE OF THE BANKS

of the United States, if we can judge by the experience of the great joint stock business in all of the countres I have mentioned. The business of France and of England and of Germany, notwithstanding this general equalization of rates for the same conditions, pay dividends that would be considered respectful, at least, in any community in the United States. Why? Because of this steadiness that I have alluded to. The banks to-day loan many times at one-half of one per cent, or 1 per cent, or 1½ per cent, or 2 per cent upon collateral, for speculative or other purposes. They may perhaps, for a few days loan money at 100 per cent, but there is no banker who hears me to-day, but that if he was reasonably

CERTAIN OF BEING ABLE

to invest his funds at a steady rate, much lower in some communities than those which are now used, or imposed, he would have a more satisfactory condition of his business, and he would serve the community in which his bank is located much more satisfactorily than it is done now. The vast benefit of this country with its approaching equalization of conditions—because a man who loans money on a mortgage to the west of the Mississippi or the Missouri, or here, does not expect, and cannot receive the same rate that he received half a century ago—we are accordingly becoming a homogeneous people in our industries, and in our financial operations. I look forward to the time, and I hope if this plan is adopted, that this regulation that I have suggested will urge it forward—I look forward to the time when the producer or the farmer in your midst, or along the Mississippi or Missouri valley, or in the mountains in our mountain states for the same class of securities will be enabled

TO SECURE HIS CAPITAL,

—the capital that is necessary for his business—at as low a rate as is secured by his competitor anywhere else in the East, in New York, or any other of our great centres. (Applause.)

Fourth, this organization is of a form and character that will effectually prevent the control of its operations by political influence, local or national. I have taken occasion to say repeatedly from the inception of our investigation, that this plan will never be successful, and can never be successful, that this great question can never be successfully solved, unless it is kept out of politics. (Applause.)

We have had

TOO COSTLY AN EXPERIENCE

in this country in the past by having economic questions made political questions. This is not a political question; it is simply and purely a business question. A business question that not only affects bankers, but to a much greater extent and more vitally, the business man of the country; and not only the business men, but the great people, the farmers and all the people who are engaged from one end of the country to the other in the productive force which makes for the greatness of this country more than any other.

I say then we have to consider and they have to consider, not only these classes of people, but more particularly the wage earners of the country, because they are the people who are to lose and their loss cannot by any process be recuped. The banker many times, not infrequently perhaps, passes through a crisis with un-

Digitized by Google

diminished dividends and unimpaired resources,

BUT THE WAGE EARNERS

of the country, the farmers of the country, the great mass of the people of the country who are so vitally interested in everything which pre tends to the distribution of credit and capital, have no way of staving them selves from loss.

Fifth, every means has been taken, every safeguard adopted, to prevent beyond question the possibility of its control by any corporation or combination of corporations, banks, or otherwise, by any individual or combi- The country suspends. If it should be announced from this platform now, at this minute, that there was great excitement and

AGITATION IN NEW YORK,

and that one of our great institutions had suspended—banks or trust companies had suspended—there is not a man in this audience who would not realize in an instant that his capital and his organization were in peril, and the chances are that there would be no relief to be found in any direction.

Now, this organization, which we propose, has, for its first and its prime purpose, to place the business of the per cent of the banking capital of the United States and 60 per cent of the banking resources of the United States. That great middle west, which is a very important factor in our economic life, would have four districts undoubtedly—41 per cent of representation with 25 per cent of banking resources. (Applause.) The South, which I will take up later and show you, is to be the section to receive the greatest benefit from this organization, the entire South would have at least 31 per cent of representation with 14 per cent of the banking resources of the country. (Applause.)

FINANCIAL DISTRICT OF NEW ORLEANS FROM A DISTANCE.

nation of individuals in Wall street or elsewhere, for selfish or sinister purposes.

That, of course, is one of

THE VITAL THINGS

involved in the re-construction of our monetary system. To-day the whole financial interests of the country depend upon what is popularly known as "Wall street." The country banks depend upon their correspondents in reserve cities or central reserve cities. The central reserve cities, the reserve agents through the country banks and individual banks, depend upon the banks of New York, necessarily, because New York is a great financial centre and she has vast accumulations of capital. What happens if New York, for any reason—like those which resulted in 1907 in suspension —fails to respond to drafts from the country and suspends? country, through local organization—the banking of the country—in such form that there can be no general suspension of the banking institutions of the country and no general suspension of their credit functions. (Applause.) As your president has said, in the latest revision of the plan of organization, we propose to

LIMIT THE REPRESENTATION

of the district to four out of the 39 elected directors. Under that plan New York would be entitled to four representatives, but New York City alone had 20 per cent of the banking capital and 26 per cent of the banking resources of the United States. The whole of the eastern states, including New England, New York, New Jersey and Pennsylvania, would have and could have but 12 representatives, or 31 per cent of the representation. Those states have 50

I think that this statement must of itself convince you that there can be

NO LOCAL DOMINATION;

no domination of selfish interests in this organization. It has been my purpose, as it has of those with whom I have been associated in the preparation of this plan, that this one subject should be placed beyond dispute, and, if we find growing out of the criticism from any quarter that it is not fully covered in the draft which is now presented, you can be certain that before it leaves the hands of the Monetary Commission, that point will be fully covered. (Applause.)

(6) The dominating principle is co-operation and

NOT CENTRALIZATION.

We were satisfied that we could not adopt or adapt to our use an organization like the central banks of Eu-

Digitized by Google

Old Colony Trust Company

Court Street BOSTON Temple Place

Capital - - - -	*$ 5,000,000*
Surplus - - - -	*7,500,000*
Stockholders' Liability - -	*5,000,000*
Total Protection to Depositors	*17,500,000*
Deposits - - - -	*90,000,000*

OUR financial statements issued from time to time omit one of our strongest assets-reputation. This is an intangible part of our resources whose value cannot be measured in dollars and cents, yet it is one of the most important units of consideration in choosing a depository for your funds.

The personnel of the officers and directors is a guarantee that the welfare of our stockholders, our depositors, and the public, will be zealously guarded.

Chairman Executive Committee
T. JEFFERSON COOLIDGE, Jr.

Chairman of Board
GORDON ABBOTT

Vice-Chairman
FRANCIS R. HART

President
PHILIP STOCKTON

Vice-Presidents
WALLACE B. DONHAM
JULIUS R. WAKEFIELD
E. ELMER FOYE
CHESTER B. HUMPHREY

Treasurer
FREDERIC G. POUSLAND

Secretary
S. PARKMAN SHAW, Jr.

Cashier
GEORGE W. GRANT

Trust Officer
FERDINAND M. HOLMES

Manager Temple Place Branch
F. M. LAMSON

Digitized by Google

The Mechanics and Metals National Bank

OF THE CITY OF NEW YORK

Capital - - - - - - $6,000,000

Surplus - - - - - - $6,000,000

OFFICERS

GATES W. McCARRAH, Pres.
ALEXANDER E. ORR, Vice-Pres.
NICHOLAS F. PALMER, Vice-Pres.
FREDERIC W. ALLEN, Vice-Pres.
FRANK O. ROE, Vice-Pres.

WALTER F. ALBERTSEN, Vice-Pres.
JOSEPH S. HOUSE, Cashier.
ROBERT U. GRAFF, Asst. Cash.
JOHN ROBINSON, Asst. Cash.
CHARLES E. MILLER, Asst. Cash.

DIRECTORS

FREDERIC W. ALLEN
JAMES M. BECK
JAMES C. BISHOP
CHARLES F. BROOKER
DANIEL BARNES
W. R. CRAIG
THOMAS F. COLE
OTIS H. CUTLER
STANLEY FIELD
THOMAS P. FOWLER
CHARLES S. SARGENT, Jr.
H. O. HAVEMEYER
H. H. HEWITT
HENRY HENTZ
THOMAS H. HUBBARD
WILLIAM A. JAMISON
CLARENCE H. KELSEY
ADOLPH LEWISOHN
LOWELL LINCOLN
GATES W. McGARRAH
V. EVERIT MACY
HENRY R. MALLORY
EDGAR L. MARSTON
S. T. MORGAN
ALEXANDER E. ORR
WILLIAM A. PAINE
ROBERT C. PRUYN
NICHOLAS F. PALMER
CHARLES M. PRATT
GEORGE W. QUINTARD
HENRY H. ROGERS
F. W. ROESLING
PERCY A. ROCKEFELLER
JOHN D. RYAN
CHARLES H. SABIN
GEORGE R. SHELDON
R. M. STUART-WORTLEY
HENRY B. STOKES

Depository of the United States, State and City of New York

lope or the Second Bank of the United States.

We have once and a while a man appear, who, largely, I think for personal or political reasons affecting himself, or he may believe affecting the interests of his party, who talks without knowledge about this being a central bank, and who summons the ghost of Andrew Jackson and commences to discourse about the Second Bank of the United States. Well, I am inclined to be charitable, and we have welcomed and we do welcome intelligent criticism from every source, because intelligent criticism is the most valuable thing which can be received or secured in a great constructive work, such as we are engaged in; but when men—and usually they are men who admit that they have not read the plan, and who obviously have not given it sufficient consideration to have at all comprehended its meaning or its purposes—talk about the Second Bank of the United States or a central bank, you may be certain, if you examine that man and his surroundings and his predilections, to find a man who is

TRYING TO INCITE PREJUDICES,

to arouse passion, not for the purpose of securing the settlement of this question in the interest of all the people of the United States, but on account of certain personal reasons or some political reason he wants to exploit himself. Now, I greatly mistake the character and the intelligence of the American people if those fakirs are to have any important influence in the solution of these problems. (Applause.)

Among the provisions of the plan intended to remedy defects and cure existing evils are: (1) To

INSURE THE MAINTENANCE

of adequate reserves by the association and its members, with such provisions for discounts and note-issues as shall enable the organization to respond promptly at all times to normal or unusual demands for credit or currency without danger of undue expansion or inflation.

As I have already stated, one of the principal defects of our banking system grows out of the artificial and unscientific treatment of reserves required by our banking laws. There is universal agreement that a portion of a bank's assets must be kept at all times in liquid form to enable it to meet promptly its demand obligations. With us a certain percentage of its liabilities is required to be kept in actual cash, and another portion on deposit with reserve agents.

In ordinary times withdrawals of balance are equalized by new deposits, but banking institutions must be prepared at all times to meet exceptional demands, and all well-managed financial institutions keep reserves in cash and at bank and also have

A SECONDARY RESERVE

of commercial paper or other quick investment assets that may be readily convertible into cash.

In this country [illegible] had but little serious d[illegible] reference to the proper character and extent of bank reserves, but all must agree that the manner of distribution makes them useless when needed. When we consider that the cash reserves of the banks are necessarily divided into 25,000 widely scattered portions, it is not surprising that they should fail of their purpose and prove useless in time of trouble. Instead of being concentrated, as they are in all other countries for the effective protection and benefit of any, they are rendered by this distribution

INEFFECTIVE AND USELESS

to all. In other countries reserves are regulated, both as to character and extent, by the judgment and custom of managers of banks and not by legislative provisions.

Our trouble arises largely from the absurd limitations prescribed by the National Banking Law—a limitation that has been generally followed by legislation in the states—that not only prevents a bank from giving credit or discounting the paper of its customers, but practically forbids the use of its reserves for the purposes for which they were created whenever and so long as the aggregate of cash and balances falls below the prescribed legal percentage. The effect of this paralysis is disastrous in times of stress. Not only is extension of relief to customers prohibited, but no method is provided for protecting or replenishing the reserves.

In every other commercial nation, deposits by joint stock banks in a

Digitized by Google

THE

SEABOARD NATIONAL BANK

OF

THE CITY OF NEW YORK

Capital - - - - - - $1,000,000
Surplus and Profits Earned - 2,100,000

S. G. BAYNE - - - President

S. G. NELSON - - Vice-President
C. C. THOMPSON - - Cashier
W. K. CLEVERLEY - Assistant Cashier
L. N. DE VAUSNEY - Assistant Cashier
J. C. EMORY - - Assistant Cashier
O. M. JEFFERDS - Assistant Cashier

Accounts of Banks, Corporations, and Firms Invited on Favorable Terms

central institution are held by custom to be

EQUIVALENT TO A CASH RESERVE

and this balance can always be increased upon reasonable demand by the rediscount of commercial paper of a recognized standard. In all other countries in times of stress or anticipated trouble, aid is liberally extended to all solvent customers who have the credit or necessary collateral, and the reserves of the bank are freely used, protected and increased in the manner I have described.

You are all familiar with our experience in 1907. Before and during the general suspension, individual banks, almost without exception, outside of the great cities took every means to increase the amount of their cash reserves, as they naturally believed this course was necessary for

SELF-PRESERVATION.

This scramble for an increase in the cash reserves of the banks from the Atlantic to the Pacific accentuated, if it did not create, panicky conditions.

I repeat that it is clear that in times of pressure the scattered cash reserves in the possession of our individual banks are practically useless and ineffective for any of the purposes for which reserves are created.

2. To provide for concentration of the cash reserves of all the banks to be used for the assistance and support of any, under assured decentralization of control. Scattered reserves have been found useless in times of pressure. Deposit balances in the Reserve Association are to be counted as legal reserves.

3. To authorize the association

TO RE-DISCOUNT,

through its district branches under local control, commercial paper of a definite character for individual banks, to be used in replenishing their reserves.

4. To give to individual banks the facilities for an increase of their reserves and loaning power which will enable them to adopt the policy which has been universally effective in other countries of allaying excitement, creating confidence and preventing panics, by prompt payment of all demand obligations as presented, and at the same time, granting a liberal extension of credit to all deserving customers in times of uncertainty and distrust.

5. To grant the power for further note-issues to this co-operative association of all banks, an authority which is now vested in national banks scattered

THROUGHOUT THE COUNTRY,

and by requiring the association to forward its notes to any subscribing member at once upon application and without charge for transportation.

Prompt redemption of all notes is required at the several branches of the association.

6. To give authority to the Reserve Association to fix rates for re-discounts, which must be uniform throughout the country.

7. To give to the Reserve Association power to protect its own reserves, and thus enable it at all times to perform its most important function, that of sustaining the credit of communities and the country. For this purpose, the association is required to keep its assets

ALWAYS IN LIQUID FORM,

and all its re-discounts and investments must be in short-time paper or securities. To enable the association to strengthen its own reserves it may, first, attract gold from other countries by an advance in the discount rate. In other countries, whose conditions are perhaps unlike ours, this method of attracting gold and of replenishing the gold supplies of the country has been always found effective. Second, purchase and borrow gold and give security for its loan. It can purchase and borrow gold. It is authorized to buy and sell, either here in the United States of its corresponding banks, or subscribing banks, or in foreign countries through foreign banks or correspondents, or through its own agencies, bills of exchange drawn against American products and payable in any of the great commercial countries. This plan of

INVESTING IN FOREIGN BILLS

has been, in recent years, especially in Germany and in Austria, deemed the most important agency for protecting gold reserves. It is not necessary for me to explain to you why this is so. It is very evident that there can be no better way of bringing gold to the United States or placing it to the credit of the banking institutions of the United States than in having a portfolio of short-time prime bills constantly becoming due and constantly adding an accretion to the gold supply of the country. We

Digitized by Google

CAPITAL $1,000,000 | SURPLUS AND PROFITS $1,750,000 | DEPOSITS $25,000,000

The National Commercial Bank
of ALBANY, N. Y.

ROBERT C. PRUYN, *President* — EDWARD J. HUSSEY, *Cashier*
JOHN E. WALKER, *Vice President* — WALTER W. BATCHELDER, *Asst. Cashier*
JAMES H. PERKINS, *Vice President* — JACOB H. HERZOG, *Asst. Cashier*

Reserve Agent for National and State Banks

New York and New England Collections Solicited

propose to create a wider discount market in this country—and I believe that this is after all the most important provision, or certainly one of the most important provisions in this whole scheme—we propose to authorize the national banks, for, of course, we have no control in this regard over state institutions, to accept drafts drawn upon them, properly secured; for instance, secured by a pledge or a deposit, or by a bill of lading upon merchandise—upon the great products of the country. For example, on cotton in transit or in warehouse, wheat in transit or in elevators. All the

GREAT AGRICULTURAL PRODUCTS

of the country are susceptible under this plan of being given immediate current value, either in national markets or in international markets.

We propose to establish a standard of commercial paper outside of these acceptances—commercial paper which is defined as notes or drafts, issued or drawn for agricultural, commercial and industrial purposes, and not for the carrying of stocks and bonds and other stock exchange investments. (Applause.)

THE VALUE

of the agricultural products of the United States in 1910 was $9,000,000,000. If we add to that the value of the manufactured products, the products of the mines, and of the various other industries of the country we will have a sum represented by the products of this great people which is almost beyond imagination. All of those products, from the first step to the last, from their production to their consumption, requires the greatest amount of credit which is available by the banks and financial institutions of the United States. But it does something more. We exported $2,000,000,000 of our products. We imported $1,500,000,000. We exported last year about $650,000,000 in value of cotton. That cotton was largley financed by 60 or 90 day bills drawn on Liverpool or London or Berlin or Paris. The business was practically all done by foreign banks. Of course, some of the banks here granted temporary loans. Of course, the banks in New York were enabled to collect a commission—not as large as they would liked to have had it, perhaps—but a commission over a great many of these bills in transit. In the final analysis, however, these bills were all

FINANCED BY FOREIGN BANKERS.

We are the first country in the world in our financial resources, and we have natural resources that are vastly greater than any country in the world. Ought we not to be ashamed of a financial monetary system that does not permit—and I use that word permit intelligently, I think—the banks of the United States to finance the country's products, the products of its farms and its manufactories and its mines. Why? Largely for the reason that these institutions

DO NOT DARE TO BUY

this kind of paper. In the summer months, and at other times, too, the banks of all of you, gentlemen, if you have a surplus, what do you do with it? I am not now talking about reserve moneys or the money deposited with reserve agents. Of course, we do not propose to change that. But if you have any surplus money, what do you do with it? You send it to New York, perhaps, through New Orleans or Kansas City or Chicago, but it all ends in New York. What do the New York bankers do with it? What are they obliged to do with it? They loan it out on call on stock exchange collateral. There is nothing else that they can do with it. They loan it at the market rate, thus inducing many times, as they know, as well as we know, dangerous speculation and dangerous conditions. When your banks want that money you may get it and you may not. You may be told that conditions are such that you will have to wait. In times like 1907 you didn't get it at all by any process.

Now, what ought to happen and what would happen under this plan? You, gentlemen, send your money to New York at 2 per cent because there is

NOTHING ELSE THAT YOU CAN DO

with it. You do not dare to buy bills of the character which I have described, first, because you have no knowledge of the responsibility of the parties who made them; and, second, and more important to all, because at the time when you need the money you cannot get it. Now, we propose to erect the machinery to devise a system by which instead of investing your money at 2 per cent in

Digitized by Google

FOURTH STREET NATIONAL BANK

PHILADELPHIA

Capital, - - - - - - $3,000,000
Surplus and Profits, - - $6,500,000

Offers Unexcelled Facilities to Banks and Bankers

Correspondence Invited

E. F. SHANBACKER, President
JAMES HAY, Vice-President
B. M. FAIRES, Vice-President
FRANK G. ROGERS, Vice-President
R. J. CLARK, Cashier
W. A. BULKLEY, Assistant Cashier
W. K. HARDT, Assistant Cashier

Wall street for speculative purposes, you shall invest it in bills representing the industries and the products of the United States. (Applause.) It may be that you will not be able to get the full rate of discount for ordinary commercial loans, but you will

GET MORE THAN 2 PER CENT

for your money; you will get 3 or 3½ per cent. You will have to compete, of course, for that business with foreign banks, but you will get more than 2 per cent and you will get paper, created for wise purposes, for necessary purposes, which you can take across the street to the district organization and have it turned into cash at any moment in the whole 365 days. (Applause.)

And what I say about foreign bills is true of domestic bills of the character of the acceptances of your banks. A man who raises cotton in Texas or in Louisiana cannot have his paper sold in the markets of Chicago or New York, because the bankers of Chicago or New York do not know him and have no means of finding out whether he is responsible or not. But when one of your great banks here in New Orleans, knowing the party who makes the draft, whether he is a sugar planter or a rice planter, or a producer of cotton, a man who may have deposited with the bank security on the property either in warehouse or otherwise, when that bank

ACCEPTS HIS PAPER,

why, then it goes in any market of the world. (Applause.)

Is it not worth while, gentlemen, to take the financial institutions of the United States out of this condition of congestion, and place them alongside the best banking institutions in the world? There is not a particle of reason why sterling bills should remain the highest form of credit. The United States, by virtue of its resources, its intelligence, and the energy of its people, ought to make New York and New Orleans and Chicago financial centres of as great importance as those of Europe. It ought to make a bill drawn by a producer here in Louisiana, or anywhere in the United States, drawn in dollars and cents instead of in pounds, shillings and pence. (Applause.)

ARE YOU WILLING,

gentlemen, to do this? It is largely in your hands. I do not mean to say that the bankers of the United States can do this alone. They are not, as I have already said, the people who have the greatest interest in this matter, but they do reach the great mass of the people of the country and their influence directly and indirectly will be great in this direction. The organization of the banks in foreign countries assists in the extension of our international trade. The United States has recently entered upon a career as one of the great powers of the world. Nothing can help us in international trade more than for us to have banking connections with these foreign countries, and then extend to them the same care in the production of products for their market that we do to those of our own markets. There are a

GREAT MANY AGENCIES

which I will not stop to recite with reference to the extension of our commercial trade, but one of them certainly is to give us banking connections. And secondly, and vastly more important than that, is to give an international character and currency to American bills of exchange and commercial paper that will make them known and make these financial conditions known in every part of the world. Think of this great city, the gateway of that new path of commerce to the markets of the world which is soon to be opened; think of the possibilities of this great centre, representing as it does an empire, along the valleys of these great rivers that centre here; think of the possibilities with

THE PANAMA CANAL OPENED,

with direct communication with Central America and South America, and with better communication with the Orient; think of the possibilities and of the development of growth! I am sure that the bankers of New Orleans and of Louisiana recognize the importance of developing in every possible way the opportunities which will accrue from the opening of the Panama Canal, but unless they have more organization of credit, credit instruments, the confidence which grows out of strong financial institutions, what do the people of South America or of the Orient know about New Orleans as a financial centre? They

Digitized by Google

RUEL W. POOR, President JAMES McCUTCHEON, Vice-President
WILLIAM L. DOUGLASS, Second Vice-President ARTHUR W. SNOW, Cashier

The GARFIELD NATIONAL BANK

OF NEW YORK CITY

CAPITAL AND SURPLUS, $2,000,000

Offers to Banks, Bankers, Corporations and Firms the services of a thoroughly equipped institution

The new home of the bank contains everything necessary for the SAFE and EFFICIENT care of your business

YOUR Account Solicited

know little about New York, perhaps less about Chicago. We are in an unfortunate position otherwise. Not only is the American flag rarely seen representing a commercial business in the ports of any country in the world, but our banking institutions are not known and cannot be known. As long as New Orleans pays for the coffee which it buys in Brazil by drafts upon London in sterling exchange, it cannot

INCREASE THE KNOWLEDGE

of these countries of American financial institutions. I believe that the provisions which we make for building up the credit institutions of these great sections of the country, for the taking care in a reasonable way of the products of the country, for making the United States what it ought to be—the great financial country of the world—I think that these things are the most important features of this plan of reorganization. In my judgment they must appeal to you men of the South, especially to the men here in Louisiana, who have memories of strong financial institutions existing here, and in but few places elsewhere before the Civil War; to the men who represent fairly the best sentiment of the people of the South. If these propositions do not appeal to them, then I have ceased to

HAVE ANY CONFIDENCE

in human nature. (Applause.)

The dividends of the association to which stockholders are limited are 5 per cent, and the association, for the important privileges granted to it, pays franchise or other taxes which are equivalent to the excess of its net earnings above dividends. It is estimated that the amount to be paid into the treasury of the United States will increase the revenues of the government at least fifteen millions of dollars per annum.

Now, we are to be confronted with two classes of opponents to this proposition. First, the gentlemen to whom I have alluded who are trying to exploit themselves for political purposes, and, second, a class of people who honestly believe that the government of the United States ought to issue its own notes. I see indications all around that that is one of the

PRINCIPAL OBJECTIONS

that we have to make. There are some people who believe conscientiously that the government of the United States ought to issue all notes practically without limitation. I never heard them say exactly how they are going to get them out, but they say they ought to be issued any way and that the government ought not to give this important privilege to the banks. Now I am willing to admit myself—because that is what I believe—that the issuing of notes, of money of any kind, is a function of a sovereign government, but the experience of the world, without exception has shown that the exercise of that outhority directly by the government has invariably led to disastrous results. (Applause.) We now give this

IMPORTANT PRIVILEGE

to six or seven thousand banks. We propose that it shall be exercised by one organization directly under government control and supervision, putting about it restrictions and limitations of such a character as will in my judgment make inflation impossible. It requires the association to facilitate domestic exchanges by transfer of balances from one branch of the association to another upon application. I think all of you have felt the importance at times of having an institution of this character, which should make these transfers for you easily and practically without cost. I believe that the internal duties of the country will be greatly benefitted. The great banks of Europe make this kind of transfer for their customers and for the public. We have felt obliged to confine all the business of the association to the banks, but it is easy for any individuals to secure transfers through the bank in which they keep their account, and I expect that

GREAT BENEFIT WILL ACCRUE,

especially in times of excitement and uncertainty, by having one great institution, that by simply transferring a balance upon its books, can transfer the cash from one section of the country to another without delay.

It admits state banks and trust companies to membership in the organization under provisions which co-ordinate the conditions of membership of all banks with reference to the character of their reserves against demand and time deposits, and with reference to the character and [illegible] of examinations, and [illegible]ency and character of [illegible]ion The treatment of time deposits is believed to be equitable to banks of all classes. It is believed that the character of examinations and the enforced publicity of frequent reports will prove

AN IMPORTANT FACTOR

in creating public confidence in solvent institutions.

I do not think it probable to overrate the importance of the provision which I have just alluded. We are living in an age when publicity with reference to the management and conditions of public or quasi public institutions is demanded for imperative reasons. Publicity is not more important any where than it is with regard to financial institutions with whom the great mass of the people have to deal at times. We have not undertaken to change the business or the privileges of state banks or of trust companies. We only say that if they come into this organization, they shall enjoy equal privileges, the only condition being that they shall keep the same class and amount of reserves that a national bank does under the same condition and in the same locality. Also, that it shall submit to the same kind of

AN EXAMINATION,

these examinations to be conducted by local authority in the district, and are to be uniform as to all institutions. I expect that we will be able to work out a plan, certainly it is my intention to do so, which will prevent numerous and expensive duplication of examination. Some of you gentlemen have had to submit to three or four examinations a year, which is not only burdensome, but expensive and unnecessary. We propose to concentrate the examination, so that they will be effective, and recognized as of value by everybody concerned. Then, taken in connection with frequent reports of the condition of the institution, I believe that the

WHOLE AMERICAN PEOPLE

will be able to judge of the character, and solvency of all financial institutions.

We propose to give the national banks increased privileges. There has always been a feeling that in the competition for business throughout the country state banks and trust companies, especially in recent years, have had an advantage over national

Digitized by Google

The facilities of this Bank are especially arranged for serving the interests of out of town Banks

THE COAL AND IRON NATIONAL BANK

Corner Liberty and West Streets, NEW YORK

Capital, Surplus and Profits $1,435,000

Investment Securities

A BUSY PART OF CANAL STREET

banks. I do not know how much basis there is for that feeling, and it is impossible to tell. But one thing we do know, namely, that the increase in number of the state banks and the trust companies has been far greater than the increase in the number of national banks within the last 10 or 15 years. I believe it is fair to both classes of institutions that so far as we can, by National legislation—and that, of course, is very limited in this respect—we ought to give to state banks and to trust companies and to national banks an

EQUALITY OF PRIVILEGES

and an equality of advantages. (Applause.) We propose that the same rule which we fixed for reserves on time deposits, which have given me personally much more trouble than almost anything else in this bill, to define time deposits, and to find provisions that would be reasonably satisfactory to all of those institutions—we propose that as to time deposits national banks shall have the same privileges that are given to state banks and to trust companies.

We propose to go further—and this is in answer to an insistent demand from this section of the country from here to the Northwest, and especially the Northwest—and give to the national banks the right to have a

SAVINGS DEPARTMENT,

and to loan money on real estate, under proper regulations and control. (Applause.) I asked the comptroller of the currency to make an investigation of this question for the purpose of ascertaining what was the wish of the national banks in this direction, and I have just received a copy of the results of his investigations. To me it was most striking, and I must confess surprising. In answer to the question whether the national banks wished to have savings department, it was ascertained that 51 per cent of them now have such departments. In answer to the question whether national banks should be permitted to loan money upon a certain part of their deposits, savings deposits or otherwise, to loan

Digitized by Google

THE NATIONAL RESERVE BANK

165 BROADWAY, NEW YORK CITY

Capital and Surplus :: :: $1,500,000.00

YOUR ACCOUNT SOLICITED

OFFICERS

WILLIAM O. ALLISON - - President
FRANK V. BALDWIN - - Vice-Pres't
ROBERT B. MINIS - - - Cashier
HANSELL HILLYER - - Asst. Cashier

the money on real estate, 81 per cent of the national banks responded in the affirmative or 5,543 out of a total of 7,000. The other questions, which were rather elaborate in character, were answered approximately along the same lines.

Now I believe, while I have always held the opinion and still hold it that a commercial bank in a large city

SHOULD TIE UP

a part of its assets in loans upon real estate or the obligations of a class of deposits like savings deposits, I am certain that the sentiment of the country, the sentiment of the national banks of the country, is such that it will be impossible to pass any bill establishing a plan which did not allow, under reasonable conditions and restrictions, a national bank to loan some part of its assets upon real estate. That is the practical side of the question, and so long as there is confidence all along between the state banks and the trust companies, I will not say but that they should have it.

THIS ENDS MY ANALYSIS

of the main features of this plan. I realize that the subject is so great from every standpoint, that it is impossible, as I said at the outset, to do more than merely touch upon some of its salient features. I have tried to explain to you what our purposes were in reference to this organization. I do not mean to say, indeed, it would be impossible for any man to say that I have covered all the points in all of the details. I have not tried to cover the details. I have simply submitted an outline of the plan, and I do not mean to say that it is at all perfect. We expect a continuation of criticism from intelligent men, and we welcome it, having in view the needs and the necessities of this vast country with its varied interests, and sectional demands.

Now, it remains for you gentlemeu, it remains for the people of this country, who are interested in the future development of the country, the people who are interested in the welfare of their children and of their grandchildren to

STUDY THIS QUESTION

carefully, and, after they have studied it, to make up their minds that it is important that it should be enacted into law. Let your representatives in Congress and the men who form public opinion in your community understand that this is a matter of vital interest to the whole people of this country, and sooner or later, the public opinion of all those people will judge of the man capacity to represent him by his comprehension of the needs and requirements of this great subject. (Prolonged applause.)

On motion of Cornelius J. Pugsley, of Peekskill, N. Y., the convention, by a rising vote, expressed its thanks to the distinguished speaker for coming to New Orleans, and addressing the association.

RELATION OF THE NATIONAL RESERVE ASSOCIATION TO FOREIGN TRADE AND BANKS AND THE WORLD'S FINANCIAL CENTRE

By Frank B. Anderson of San Francisco

With inadequate banking machinery (a great part of which was created to finance the government rather than to finance business) our active and aggressive people have succeeded in building up a large and increasing foreign trade. To accomplish this, we have been forced to borrow the financial machinery of other countries and to pay annually millions of dollars for the use of it; incidentally, with every transaction adding to the prestige and supremacy of the financial centre to which we have had to appeal. We have in this country all the fundamental conditions favorable to predominance in the world's trade—vast natural resources; intelligent, aggressive, inventive people; and a commanding stock of gold. If we take advantage of our opportunities intelligently, it would seem that increasing importance in

THE WORLD'S TRADE

is inevitable. On the other hand, if we are to compete with the world, especially with England and Germany, we will have to change many of our theories and conventions and equip ourselves with the necessary machinery.

In a few years we will complete the Panama Canal and may say we are at the threshold of a new phase in the world's history, a phase that will deal mostly with the development of the countries bordering on the Pacific Ocean. A new impulse will be given to commerce, mighty changes will be made in the trade routes of the world, and we believe that the United States will receive more benefit than any other country. Our geographical location will, through the use of the Canal, give us a decided advantage over our competitors for the trade of the countries bordering on the Pacific Ocean, countries which contain a world of undeveloped resources.

In order to take our place in the world's trade we need an efficient banking system, a merchant marine, and a better knowledge of the pur

Digitized by Google

ORGANIZED 1803

THE PHILADELPHIA NATIONAL BANK

PHILADELPHIA, PA.

Capital $1,500,000 Surplus and Net Profits $4,000,000 Deposits $50,000,000

LEVI L. RUE, President

LINCOLN GODFREY, Vice-President HARRY J. KESER, Cashier

HORACE FORTESCUE, Assistant Cashier

WILLIAM S. MADDOX, Assistant Cashier DAVID S. STEWART, Assistant Cashier

chasing power, the resources, the necessities, the manners and customs of the countries where our trade can be extended, and an education which will enable us to negotiate with the people in their own language. The banking system must be able to extend credits in accordance with the usages of the various countries and be of such a nature as to give the world confidence that it can, if necessary, immediately realize upon the bills of exchange created by our foreign trade. Ultimate solvency is not sufficient; there must be no doubt about our ability to pay gold. We must relieve our merchants of the necessity of speculating on the rates of exchange which they cannot escape when they have to trade under credits that call for payments in sterling, or have to bill their goods in sterling. The relation that such a system will bear to our foreign trade will depend greatly upon the success which meets our efforts to build up a discount market, in order to absorb the bills of exchange which are created by that trade. This market cannot grow to any great importance without the privilege of going to the National Reserve Association in case of need, and the association cannot perform its functions intelligently or safely unless it can make its rate of discount effective; in other words, unless it is given the power to protect itself by influencing the rates of interest throughout the country. The banks will stand between the association and the public, but the association must be able to influence the banks, if it is to be a successful guardian of the gold reserves of the country.

JAMES B. FORGAN.
Vice-Chairman of Currency Commission.

Foreign bankers, especially those in the great financial centres, view with some alarm the inability of our bankers to control their reserves and to protect themselves in

TIMES OF UNEASINESS.

The scramble for gold on the part of our banks to build up their waning reserves not only intensifies the uneasiness here, but influences the foreign bankers and investors to sell our securities, to hesitate when applied to for help, and to call their loans. The high rates of interest which ensue do not attract foreign money; on the contrary, they repel it and cause the foreigners to sell the American stocks and bonds which they had previously bought for investment, through the fear that we will not be able to control the situation. These sales are made on a falling market, add to the general uneasiness, and give the foreigners a call on our gold supply at a time when we are struggling to maintain it. Our imports shrink and our exports are forced on the market in an effort to get relief.

Will the National Reserve Association of the United States give us the necessary machinery to enable us to seek foreign trade, and to deal quickly and intelligently with the great banks in the financial centres? The only question between the legitimate borrower for commercial purposes and his banker will be that of the rate for the accommodation, and when the rate becomes sufficiently attractive, the foreign banker will be in our markets as a purchaser of the bills of ex-

ORIGINAL CHARTER 1829

THE CALLATIN NATIONAL BANK
OF THE CITY OF NEW YORK

CAPITAL, - - - - - $1,000,000 SURPLUS AND PROFITS (Earned,) $2,500,000

OFFICERS

SAMUEL WOOLVERTON, President — GEORGE E. LEWIS, Cashier
ADRIAN ISELIN, JR. Vice-President — HOWELL T. MANSON, Assistant Cashier

DIRECTORS

ADRIAN ISELIN, JR. — FREDERIC W. STEVENS — ALEXANDER H. STEVENS — W. EMLEN ROOSEVELT
CHARLES A. PEABODY — SAMUEL WOOLVERTON — CHARLES H. TWEED — THOMAS DENNY

change which will be brought into being under the new plan. The National Reserve Association, freed from the necessity of making such profits as our banks seek, is watching the situation and controlling it through the

INFLUENCE OF ITS RATE,

which is unform at all of its branches; it has formed connection with the great banking houses of the world; has their confidence; can, without fear or hesitation, part with gold to aid them in their problems, or arrange to obtain gold from them to help it solve its own problems.

Agencies have been established in the larger cities of the world which dominate and control the trade of their respective countries, not only buying, selling and collecting foreign bills of exchange arising from commercial transactions, but studying the trade conditions and sending home knowledge which will enable our exporters and importers to extend their business and to operate more safely and intelligently than they can to-day. The head of the Department of Commerce and Labor is a member of the Board of Directors of the Association; he will have an opportunity of coming into intimate daily contact with the financial affairs and business needs of the country; he will be able to render valuable aid to the trade of the country through the machinery of his department and will be in a position to advise and recommend to Congress such legislation as is necessary for the benefit of trade, in other words, the Department of Commerce and Labor can co-operate and act as an agency for the development of trade and commerce. The new tariff board will no doubt work in close touch with the foreign agencies of the association as well as through consular bureaus, and will be able to give intelligent advice to Congress as to what changes in the tariff would aid in securing the trade of foreign countries without sacrificing our own. Intimate contact with the problems of business will give the

GOVERNMENT REPRESENTATIVES

in the board of the association an opportunity of understanding the probable effect of proposed legislation before it is placed on the statute books.

The provisions of the plan under discussion make everything that I have outlined possible, except the clause which reads, "In addition to the rights now conferred by law, national banks shall be authorized to accept commercial paper drawn upon them, having not more than four months to run, properly secured, and arising out of commercial transactions." This will enable the national banks to do a great portion of the business which is now done through the aid of London, but not all of it. To my mind, the reservation that the bill of exchange must arise out of a commercial transaction is sufficient without limiting the bill to four months. Sailing ships still carry cargoes, and many legitimate transactions are presented which cannot be consummated

WITHIN THE FOUR MONTHS.

For instance, when this paper was being prepared, the bank which I represent was called upon to give a credit authorizing six months' drafts on its London correspondent covering coffee to be shipped in a sailing vessel from Java to New York. The coffee benefits by the long, slow ocean trip and arrives at its destination materially enhanced in value. I cannot imagine any more legitimate commercial transaction, and cannot understand why we should legislate against business of this character. The practice abroad is to grant short credits in transactions within their own borders, but to grant credits outside which will bridge over the time necessary to make the transactions possible. In granting foreign credits under our present system we now exercise great care and will not grant such credits as authorize four-months' drafts on our foreign correspondents, if we know that the transaction does not require more than ninety days, nor will we grant credits allowing sixty-day drafts when we know that thirty is sufficient. The clause as it now stands does not prevent our doing the business, but it places us in a position where we will only be able to do part of it with our own machinery, and will have to continue to borrow London's machinery to do the balance.

The provision that the acceptances of the national banks will have to be properly secured

WILL NEED INTERPRETATION.

Many of a bank's transactions that have no specific deposit of security back of them are more secure than those with specific security. A clause in the bill to the effect that the banks could not make loans except when properly secured, would in my opinion be just as sensible as a clause that they cannot accept commercial paper unless properly secured; the banks try not to make loans of any kind unless they feel confident that the loan is good and in lending their credit exercise greater care than in lending money; documents attached to time bills have to be delivered against trust receipts and many legitimate transactions are presented where there is no specific security; for instance, we are often asked for letters of credit authorizing drafts against the receips of the captain and engineer of a steamship for bunker coal bought in foreign ports. The coal cannot be regarded as security, as it is being cousumed daily, and the bank has nothing but the guarantee of the shipping firm to protect it. In other words, it is practically a loan on the clean note of the shipping firm.

In operating through its foreign agencies, the National Reserve Association may

PURCHASE PRIME BILLS

of exchange arising from commercial transactions running for not more than ninety days, and bearing the signature of two or more responsible parties. This fits the character of the foreign bills which will be available, but the agencies should be allowed to purchase American bills with documents attached and arising from American merchandise letters of credit; otherwise the demand for those bills in foreign countries will be small until such time as American banks are established. This demand for bills on American cities must be fostered, otherwise our importers will have to continue to use London credits.

The powers given to the National Reserve Association to deal in gold coin, or bullion, to grant loans thereon, and to contract for loans of gold coin, or bullion, giving, when necessary, acceptable security for their repayment, together with the other powers conferred upon it in relation to dealing with foreign countries, are ample to enable it to transact its business intelligently, and place it in a position where it can establish reciprocal relations which will enable it to co-operate with the great foreign banks, lending its powerful aid to help them in their emergencies, and attracting their aid when necessary to relieve the emergencies of the banks which rely upon it for protection.

I take it for granted that the power to deal in gold coin or bullion includes

SILVER AS WELL AS GOLD

bullion, as it will be necessary to deal

Digitized by Google

HARRIMAN NATIONAL BANK

Fifth Avenue and 44th Street

NEW YORK

CONDENSED STATEMENT OF SEPT. 1, 1911

Loans and Discounts	$4,222,273.13	Capital Stock	$200,000.00
U. S. and Other Bonds	543,864.81	Surplus and Profits	239,908.21
Safe Deposit Vaults	100,000.00	Circulation	45,970.00
Furniture and Fixtures	50,000.00	Deposits	6,502,160.33
Cash, due from Banks, and Exchanges	2,071,900.60		
	$6,988,038.54		$6,988,038.54

OFFICERS

JOSEPH W. HARRIMAN, President.
BRYAN L. KENNELLY, Vice-Prest. THOMAS B. CLARKE, Jr., Vice-Prest.
FREDERICK PHILLIPS, Vice-Prest. JOHN A. NOBLE, Cashier.

DIRECTORS

ROBERT M. GALLAWAY, President Merchants' National Bank.
ELBERT A. BRINCKERHOFF, Vice-President Merchants' National Bank.
JOSEPH W. HARRIMAN, Harriman & Co., Bankers.
DONALD MACKAY, Retired.
EDWARD HOLBROOK, President Gorham Manufacturing Company.
WILLIAM A. TALYOR, Taylor, Clapp & Co., Dry goods commission.
CHARLES A. BOODY, President People's Trust Company, Brooklyn.
THOMAS B. CLARKE, Merchant.
MARTIN VOGEL, Vogel & Vogel, Lawyers.
ROBERT S. LOVETT, Chairman Southern and Union Pacific Railroads.
CHARLES C. TEGETHOFF, Estate of E. H. Harriman.
HENRY F. SHOEMAKER, Banker.
FRANK L. POLK, Alexander, Watriss & Polk, Lawyers.
WILLIAM I. SPIEGELBERG, L. Spiegelberg & Sons, Cotton commission.
HARRISON K. BIRD, Banker.
SAMUEL S. CAMPBELL, Vice-President, Fourth National Bank.
BRYAN L. KENNELLY, Real Estate.
ANCELL H. BALL, Best & Co., Dry Goods.

in silver bullion in connection with the Orient and other silver-using countries. London's great prestige comes largely from the fact that it is the only free market for gold; the plans for the National Reserve Association, if properly supported, will give us the opportunity to challenge London's supremacy, but the standing of our bank acceptances abroad will depend largely upon the freedom with which we part with gold. As a rule, when a gold movement starts in any country, arbitrary means are employed to retard or stop it; even London, the freest of all markets, will unduly raise the price of gold and of foreign coin, releasing them only when a point is reached where her own sovereigns will be shipped if she does not. If we can gain the confidence of the world that gold will be released freely, it will be our greatest aid in retaining our own gold, as our financial paper will be bought freely and held until maturity, gold only being taken when absolutely needed.

The ability of the National Reserve Association to protect and control the legal cash reserves of the bank and to relieve them individually of that responsibility seems to me

TO BE THE CRUX

of the whole situation. If any doubt of this ability creeps into the minds of the public, the banks, or the foreign banking and investing public, we will be back again to the position where these elements periodically compete with each other to see which can lock up the most gold. The plan says that "The rates of discount which the National Reserve Association shall have authority to fix from time to time shall be published when fixed, and shall be uniform throughout the United States;" this means that the rate shall be uniform at its branches throughout the United States.

The power to make its rate effective would be the association's greatest weapon of offense and defense; it will, if efficient, give the elasticity to our banking system which is so desirable—elasticity means contraction and expansion, not expansion alone. In normal times the influence of the association's rate would be practically nil; under the plan the association would be a beggar at the doors of its depositors, dependent upon them for the investment of its funds; failing there, all of its funds would have to go abroad for investment. On the other hand, when the banks were loaned up and actual stringency existed, the banks would have to go to the association and accept such terms as it imposed, that is, the association rate will be effective only when the banks have to borrow. In other words, the association can only act

ON THE DEFENSIVE

and its influence will not be felt until inflation has gotten under pretty full headway. World conditions might be so settled that the association felt that the business public was entitled to lower rates and that there was no danger in allowing business to expand. It certainly would not be wise to encourage the banks to borrow the association's money at such a time; on the other hand, it would be conservative for the association to let some of its money out by purchasing bills in the open market, because it would be in a position to control the situation when necessary. The purchases of the association would be only of the highest grades of short-time paper, and the competition with the banks would be practically negligible; the association would certainly be able to serve the nation and the banks more intelligently and with more safety if it could purchase and sell in the open market. If the association is to be charged with the responsibility of guarding the reserves of the banks and the gold supply of the country, it should be given the power to make its rate effective. If the lessons of history are worth anything, the association will not be fully successful unless it can make

ITS RATE EFFECTIVE.

Provision is made for the banks subscribing to the National Reserve Association to hold the association's notes as part of their reserve, but no such provision is made for those banks which do not subscribe. Under the existing laws the non-subscribing national banks, and a great many of the state banks and trust companies would not be allowed to hold notes of the association as reserve money, and unless the notes of the association are made lawful money, the National Bank Act and the laws of a great number of the states will have to be changed or the non-subscribing banks will drain the association of its lawful

Digitized by Google

reserve money as the national bank notes are presented for redemption.

If the association's notes are

MADE LAWFUL MONEY

or the different laws are changed so that they can be held as reserve by all banks, the association must be placed in a position where it can have a reasonable hope of controlling the volume of credit through the country; in other words, it must be able to make its discount rate effective.

The same banks which now hold national bank notes in their reserve will hold notes of the association. The same affiliations which now exist between national banks and state banks and trust companies will exist or be established between members of the association and non-members, and if there is any advantage in keeping the association's notes from seeking redemption, they will be kept out just as the national bank notes are now; in fact, they will have to take the place of the national bank notes which are now being held as reserve money by the state banks and trust companies when these notes are retired, or some way will have to be found to shrink the credits of the country.

EVERY BANKER

with whom I have discussed the question admits that the association would be more efficient if given the power to buy and sell in the open market, but many say that this power would create friction with the existing banks, because they would fear the competition of the association. There will be no competition worth talking about; such as there is will be salutary and will tend towards more stable and reasonable interest rates throughout the country. Bank earnings will be increased rather than decreased owing to the greater volume of business which will be encouraged and which can be safely done. The competition will be in the best interest of the business public, and it is through their growth and success that we grow and succeed.

The thought naturally arises, will the mere fact of the directors of the National Reserve Association naming a rate have any effect when their hands are so tied that they have no way of enforcing the rate and of making it effective? For instance, they wish to enforce a low rate to encourage legitimate transactions and for the benefit of the trade of the country. They can make no investments in this country except through the good will of their depositors and it is certainly not sound to encourage their depositors to borrow money to expand their business when money is plentiful and times are easy; but as I have said before, it would be conservative for the association to

LET OUT SOME

of its money at such a time by purchasing bills of exchange in the open market, because it would be in a position to control the situation. On the other hand, they wish to curb expansion; the banks are busy making money, they feel safe; the responsibility of guarding the legal reserves is not theirs; if they become over-extended they can go to the National Reserve Association; the directors raise their rate as a warning, the cautious banks pay attention, the others do not; the association is not allowed to sell any of the domestic acceptances which it may have in its portfolios, and there is no other provision to absorb any of the money which is being so freely loaned; the directors see the storm coming, know they will have to protect the banks, but have to wait for the wind to blow hard enough to make their depositors take in sail. The association will not have any control over the situation until the demands of the great mass of non-member banks have put such a strain on their reserve city banks, who are members, as will drive those banks to the association for help. It it had the power to sell in the open market it could force contraction and it is only through contraction that it can prepare itself to fulfill its responsibilities towards the banks.

The relation of the National Reserve Association to

FOREIGN TRADE

and to the money centres of the world will depend entirely upon the confidence that the association will be able to instil into the minds of the foreigners as to its ability to control credits and defend the gold supply of the country, and the freedom with which it parts with gold. As I have said before, ultimate solvency is not sufficient; there must not be the shadow of a doubt in the mind of any one on the question of ability to realize at once through our discount market, and to get gold as a result. The extent of this confidence will determine the success of our efforts to build up a discount market and to pay for imports with drafts on American points.

We must keep in mind the fact that the association is to be charged with the responsibility of keeping the ultimate lawful money reserve of the banks and with the protection of the gold supply of the country and also that the individual banks are to be relieved of this responsibility. Experience has proven that the supreme weapon of defense of an issue bank to protect its gold reserve is to raise the rate of discount, but the mere act of raising the rate would be of no avail if the power to make it effective were lacking. In other countries the great banks of issue are not only banks for banks but for the commercial and industrial public; in our plan we propose to limit the domestic transactions to such an extent that the raising of the rate is no more than a

CRY OF "WOLF."

The raising of rates will not decrease demands from the clients of the individual banks; for men with immediate liabilities will pay whatever

A BARTON HEPBURN.
Chairman of Currency Commission, American Bankers' Association.

Digitized by Google

WE INVITE BUSINESS

From Banks desiring another Reserve Depository or wishing to establish better connections for the collection of Items.

"A Pittsburgh connection is a banking necessity"

Capital	:: :: ::	**$1,000,000**
Surplus & Undivided Profits	::	**500,000**

CHARLES McKNIGHT . . . President
G. S. MACRUM . . . . Vice-President
J. S. M. PHILLIPS . . . . Cashier
H. C. BURCHINAL . . . . Asst. Cashier

NATIONAL BANK OF WESTERN PENN'A. AT PITTSBURGH

ATLANTIC NATIONAL BANK
UNITED STATES DEPOSITORY
PROVIDENCE, R.I.

EDWARD P. METCALF, President
ERNEST W. TINKHAM, Vice-President
ROBERT E. BUDLONG, Vice-President
FRANK W. PEABODY, Cashier
GEORGE H. CAPRON, Assistant Cashier

WRITE US FOR OUR TERMS FOR COLLECTING ALL ITEMS ON RHODE ISLAND.

Digitized by Google

rate is asked. These demands will be freely met until the pressure on the banks that are members of the association drives them to that association to ask for help; in other words, the association can do nothing to enforce its rate; its depositors are operating to make as great a profit as possible, are no longer charged with protecting their lawful money reserves, and know that in any event they can fall back on the association for protection; the association, on the other hand, is dependent on them to put the brakes on their clients and on perhaps fifteen to twenty thousand banks which are not members of the association and are confident that they are safe in any event, as their reserve banks can fall back upon the association. The association can do nothing; it can only wait, bracing itself for the demand from its depositors which will finally give it control of the situation. Inflation under such a system is allowed to get under too full headway before the association can take hold of and curb it.

Experience has proven that the great banks of Europe are

NOT SERIOUS COMPETITORS

of the private institutions; their rules are more conservative, the lowest bank rate is, as a rule, higher than the rates ruling with the other banks. General business deals with the other banks, because the controlling institutions do not pay interest on balances of any character and because as a rule better rates can be obtained; its needs are better understood and the private institutions grant longer credits.

The refunding plan suggested by Senator Aldrich, in my opinion, evades the issue and attempts to put a burden on the shoulders of the banks and private investors which should be placed on the nation as a whole; it destroys the market for all of the two per cent bonds which are not turned over to the association, and forces the national banks to join the association to protect themselves from loss; it makes no provision to refund or protect the bonds which are not now deposited to secure circulation, and reduces their value about thirty per cent. It places a franchise tax on the association of one and one-half per cent during the fifty years of its existence, based on the theory that the banks now pay one-half per cent on their circulation, and to cover the extra interest which the government will have to pay.

The nation would run

PRACTICALLY NO RISK

in refunding the two per cent bonds into threes, as the association's earning power will be great, and all of the profits over a small percentage go to the government. I regret that the suggestion is being made to use part of the government's share of the earnings to aid in refunding the two per cent bonds, as in my opinion all of the profit which the government receives should go towards cleaning up its economic position. In other words, these profits should be used to retire the greenbacks, to put more value back of the silver certificates, and to retire the government debt; in time these obligations of the government would be retired without calling upon the public to pay any additional taxes.

THE STATE BANKS

and trust companies should be encouraged to join the National Reserve Association, but not on more liberal terms than the national banks; they have multiplied more rapidly than national banks; the reason they have done so is that they are better fitted to meet in competition the business needs of the communities where they exist. In my opinion the great majority of these institutions will seek a national charter if the national bank act is so liberalized that they can enter the system without giving up the competing advantages which they now enjoy. They will at least have the privilege of doing so, and when nationalized can then have the privilege of joining the National Reserve Association. The business which they are doing is legitimate and is necessary to their communities; and it certainly would be sounder common sense and better morally to allow a national bank to do a commercial, savings and trust business openly, in its own banking room under one supervision and one set of regulations, than to do the business through subsidiary corporations next door or downstairs, under a different set of laws and under different supervision.

REDISCOUNTS AND BOOK CREDITS

By George M. Reynolds of Chicago

The reserve requirements under our national banking system are such that an effort on the part of one bank to increase its own reserve must of necessity result in its withdrawing funds standing to its credit with some other bank, thereby reducing and weakening the reserve of that bank.

The system is unscientific, and the fact that it has served us as well as it has, and that we have not had more frequent panics or seasons of severe depression in business, is due very largely to the growing use of credit in business transactions in this country, one of the most used instruments of which is the bank check.

Where formerly currency had to be sent to the country for crop-moving purposes, the enterprise of the country banker, so called, has resulted in the majority of our

FARMERS OPENING ACCOUNTS

with the various banks throughout the country, and to-day the major portion of the products of our soil are paid for in checks given to the farmers, who, in turn, deposit such checks in their local banks and take credit for them. They, on the other hand, pay their obligations to their creditors with checks on the bank, thus making each transaction one in which credit has been the agent of money itself. Indeed, this practice has become so general that fully ninety-five per cent of the business of the country is done on credit.

In business, there are different forms of credit, the initial form being that created in a transaction between two individuals or concerns, through which one gives to the other his note for the amount due or where the other charges the debtor on his books with the amount.

If the credit thus created is protected by the solvency of the debtor it is intrinsically as good as any credit, but we will assume that inasmuch as "A," the debtor in this instance, is not known a long distance away from home, and the extent and character of the property which he owns and which is a protection to his debt is unknown to the public generally, it is impossible for "A's" note to be passed from hand to hand in the payment of obligations between others having business relations. So the owner of the credit, "B," if he wishes to use his credit in some other business transaction, must transfer it into some other form of credit which will be acceptable to the person with whom he contemplates dealing. To do this he takes "A's" note to the bank and discounts the same and takes credit in his own account for the proceeds and

DRAWS HIS CHECK

on the bank for the amount of his transaction; or he may, with the proceeds of the note thus discounted, buy from the bank a bill of exchange or a banker's draft on its correspondent, which bill is given by him in payment of the debt thus incurred.

Let us see what becomes of this credit which is represented by a bank credit or a banker's bill of exchange. "B," in his transactions with, we shall say, "C," gave this check or bill of exchange to "C" in payment of his obligation, but "C," expecting to leave the community in which he had resided and intending to go to some remote section of the country where in his mind there might exist some doubt about the financial responsibility of either "B" or the banker being known, does not wish to carry a check or a draft or bill of exchange with him, and so he goes to the bank and, instead of taking credit for the amount of the check, he draws currency for the same, and the bank gives him currency in the form of bank notes

Digitized by Google

THE GIRARD NATIONAL BANK

PHILADELPHIA

Capital :: :: ::	$2,000,000
Surplus and Undivided Profits,	4,600,000
Resources :: :: ::	47,500,000

FRANCIS B. REEVES, President

Richard L. Austin, Vice President — Joseph Wayne, Jr., Vice President & Cashier

Theodore E. Wiedersheim, Vice President — Charles M. Ashton, Assistant Cashier

WE WANT YOUR PHILADELPHIA BUSINESS

CAPITAL AND SURPLUS
$1,000,000

DEPOSITS
$17,000,000

CHARTERED 1803

NEW YORK STATE NATIONAL BANK

ALBANY, N. Y.

LEDYARD COGSWELL, President

LEDYARD COGSWELL Jr., Vice Pres. — LAURENCE H. HENDRICKS, Cashier

GEO. A. WHITE, Asst. Cashier

Digitized by Google

which are known throughout the country.

So, in these transactions, we see the credit created in the individual transaction between "A" and "B" exchanged for other forms of credit and used in other business transactions until it finally falls into the hands of some one who wants currency, thus converting, through these processes, the credit represented by "A's" note into a

CIRCULATING MEDIUM.

Therefore, it must be clear to you that the banker is a dealer in credit, but when he sells his credit, through discounting paper or in any other way, he knows he must be able to protect that credit by always being prepared to pay money on demand against the credit he extends. This requires that he must keep on hand an amount of money known by exerience and measured under the law of averages as being in a proper relation to his outstanding credits.

Since the credits of a community arising from the profits of the industries in that community are pretty generally concentrated in its banks, the shipment of its products to the markets of the world naturally increases the balances of the local banks in the reserve centres, for when a carload of the products of a commun- it goes forward to market it is generally represented by a bill of lading which the shipper takes to his local bank and attaches to a draft upon some commission merchant at the destination of the shipment, which draft is generally drawn for from 75 to 80 per cent of the value of the shipment. This draft is deposited to the credit of the shipper in his local bank, thereby increasing the deposits or the credits in that bank. The bank, in turn, forwards the draft with the bill of lading attached to its correspondent in the reserve centre most convenient, which, as you will see, increases the amount of the credit of the local bank with its reserve correspondent.

This process, then, represents the marketing of the products, or one side of the business transactions of that community, and if we were to stop here we would find the deposits as well as the cash means of the local banks at the highest point of the year; but there is

ANOTHER PROCESS

which is going on all the while, and that is the process of the importation of whatever commodities, such as dry goods, groceries, hardware, etc., the people of the community do not produce among themselves and which must be brought in from other places where they have products of this character to spare. All products thus imported must be paid for, and this is accomplished through the merchants in the local community purchasing the drafts or bills of exchange of the banks of that community upon their reserve correspondents, which are forwarded to the centres from which these commodities are purchased.

Thus you will see that through this process the credits which were built up in the local banks and with their reserve correspondents are gradually diminished; you will also see that the debts and credits in every community centre more or less in the banks of that community, and through this process of offsetting or cancellation which the banker can employ, most of the debts and credits adjust themselves and are discharged without the use of money, the bank being compelled to pay out money only when someone demands it against a credit which has gone away from home and has not fully served its purpose and has not reached its proper destination.

This, my friends, is the natural trend of the business of a bank, as, indeed, it is the natural trend of all business, and if we safeguard our business against recurring panics and seasons of extreme depression, we must have a system of currency and banking for the protection of credit, by means of which our liquid credits can be used and exchanged as I have indicated, thus making it possible, when needed, for a bank to

CONVERT ITS LIQUID ASSETS,

which consist in great part of notes of solvent concerns, into other forms of credit, even to the extent of being able to convert same into [illegible] or bank notes when nec[illegible]

This is absolutely [illegible] our present system [illegible] elasticity of our bond secured national bank notes.

It is to correct these inefficiencies in our present banking and currency system, and to protect credit in this country through making the credit backed by the solvent debtor exchangeable for such forms of credit as the holder or owner of the credit may demand, that we need currency legislation. The inauguration of a system of currency and banking such as will give to business these facilities is the basis of the plan proposed for the organization of the National Reserve Association of the United States.

GEORGE M. REYNOLDS.

THE RESERVE ASSOCIATION.

To secure credit now the public must depend upon the ability and the inclination of bankers in those cities to furnish it, but if the Reserve Association is formed the country banker, as well as the city banker, will be given the right by law, as he will by the very nature of the plan, an assurance that he can secure, through rediscounting paper with the Reserve Association, the credit necessary for the protection of the industries of his community when they are conserva-

Digitized by Google

FEDERAL TRUST COMPANY

BOSTON, MASS.

Transacts a general Trust Company Business. Prompt and careful attention given to collections, accounts of banks, bankers, corporations and firms.

OFFICERS

President, JOSEPH H. O'NEIL

VICE-PRESIDENTS.

FREDERICK H. PAYNE — JAMES W. KENNEY — JOHN C. HEYER

TREASURER. — ACTUARY. — SECRETARY.

SAMUEL A. MERRILL — DAVID H. BATES — J. H. TURNBULL

TOTAL RESOURCES - $7,800,000

WESTERN TRUST & SAVINGS BANK

ESTABLISHED 1873 — CHICAGO, ILLINOIS

CAPITAL - $1,250,000 — *DEPOSITS - $10,000,000*

Thoroughly equipped to handle all business pertaining to banking, and invites the accounts of banks, corporations, firms and individuals

OFFICERS

JOSEPH E. OTIS, President
WALTER H. WILSON, Vice-President — W. C. COOK, Vice-President — LAWRENCE NELSON, Vice-President
HARRY MOORE, Cashier — ADDISON CORNEAU, Asst. Cashier — A. E. COEN, Asst. Cashier
W. G. WALLING, Secretary — LLOYD R. STEERE, Asst. Secretary — LOUIS H. SCHROEDER, Mgr. Bond Dept.
J. H. MUSSON, Mgr. Foreign Dept.

THE honor of acting as Correspondent for Banks and Trust Companies seeking such service in the rich Counties of Oneida and Herkimer, Central New York State is solicited by the **CITIZENS TRUST COMPANY OF UTICA, N. Y.** It offers promptness, efficiency, courtesy, and a thorough knowledge of men and conditions within the chosen sphere of its influence.

THE ALBANY TRUST CO. ALBANY NEW YORK

Assets Over - $8,000,000.00

¶ All branches of the banking and Trust Business. ¶ Interest allowed on deposits. ¶ Direct connections with every State, granting depositors and correspondents excellent collection facilities based upon balance or reciprocal terms.

OFFICERS

CHARLES H. BISSIKUMMER, First Vice-President

FREDERICK A. MEAD, Second Vice-President — PHILIP FITZSIMONS, Jr., Asst. Treasurer
ALONZO P. ADAMS, Jr., Treasurer — JAMES H. WALLACE, Asst. Secretary

HORACE G. YOUNG, Chairman Executive Committee

Digitized by Google

THE ROYAL BANK OF CANADA

Capital Authorized, $10,000,000
Capital Paid Up, $6,200,000

Reserve Funds, $7,200,000
Total Assets, $106,000,000

BOARD OF DIRECTORS

H. S. HOLT, President
E. L. PEASE, Vice-President
WILEY SMITH D. K. ELLIOTT
HON. D. MACKEEN
W. H. THORNE HUGH PATON
JAMES REDMOND G. R. CROWE
F. W. THOMPSON
T. J. DRUMMOND
WILLIAM ROBERTSON

OFFICERS

E. L. PEASE, General Manager
C. E. NEILL, F. J. SHERMAN
Assistant General Managers
W. B. TORRANCE,
Superintendent of Branches

COLLECTIONS In Canada, Newfoundland or West Indies, handled promptly at lowest rates.

INCORPORATED
— 1869 —

New York Agency, The Royal Bank of Canada, Cor. William & Cedar Sts.
The entire ground floor of this building has been secured under a long lease

Branches in

CANADA
175 from Atlantic to Pacific

NEWFOUNDLAND
St. John's

CUBA and PORTO RICO
18 Branches—Havana, Santiago, San Juan, etc., etc.

BRITISH WEST INDIES
BAHAMAS, Nassau
BARBADOS, Bridgetown
JAMAICA, Kingston
TRINIDAD, Port of Spain and San Fernando

NEW YORK
Corner William and Cedar Sts.
S. H. Voorhees, Agent

LONDON
Princes St., E. C.
W. M. Botsford, Manager

— HEAD OFFICE —
MONTREAL

tively managed; therefore, the plan, while providing for the centralizing of our reserves, provides for a decentralization of credit which, in view of the fact that 95 per cent of our business is done on credit, means the decentralization of the business power those reserves create.

I hope you will get clear in your minds that, under the principle that reserves are held only as a protection to credit, and that since credit itself is the controlling power in business, the credit large reserves will justify

IS GIVEN BACK

to the members of the association, or the thousands of banks located all over this country, thereby decentralizing and taking away from the control of a few that power so vital to business life.

The plan proposed is not a wide departure from our present system. Rather it augments and widens the system, correcting the weaknesses in the plan and furnishing the machinery for the natural ebb and flow of business and a constant increasing and decreasing of credits and the rise and fall of the amount of bank notes in circulation.

The plan of the National Reserve Association is based on these

ESSENTIAL PRINCIPLES:

First, that it will be able to protect our credit by extending credit to the amount of all reasonable requirements.

Second, that through it credits could be exchanged from one form into or for credit of another form, thus making it possible through the process of business for any form of credit to be exchanged into or for bank notes, or the highest form of bank credit.

Third, that the character of the paper it would discount would very largely prevent over-expansion of credit and confine the credit it would extend to the natural channels of business.

Fourth, its circulating notes would be elastic and respond fully to the requirements of business, and yet at the same time the tax which would be imposed upon such notes when the reserve of the institution would fall below 50 per cent, would be an additional safeguard against over-expansion.

Fifth, it would assure less violent fluctuations in interest rates and provide credit to all banks at the same rate of interest.

Sixth, it would either prevent panics or minimize their effects.

The adoption of the proposed plan would enable a banker

IN A SMALL COMMUNITY

to exchange his draft for 75 per cent of the value of a car of grain, when accompanied by a bill of lading, into either bank credits, through the use of which he could liquidate his indebtedness, or he could exchange that bill of lading credit into bank notes or currency through the National Reserve Association, which bank notes it is provided shall be secured one-third by gold coin and two-thirds by commercial credits of the character I have described.

If you are a banker in a small community at this time, you know that under the present national charter, or any other charter for that matter, you cannot under the existing law extend to the people of your community credit in an amount which will be out of proportion to your reserve or which will impair your reserve below the legal requirements, no matter how great the needs for credit of that community may be.

The fluctuation in the yield, as well as the value, of crops produced year after year, makes it necessary some seasons to use an infinitely greater amount of credit in moving the crops than is required in other years, and I contend that our system of currency and banking should be such as would enable the local banker in a community to secure, through the use of the notes of solvent people in the community, backed by the products of the soil,

WHATEVER AMOUNT OF CREDIT

would be necessary to move his crops.

The proposed plan of the National Reserve Association, having been constructed along scientific lines, would make it possible, through the use of this institution in connection with a bank in any community, to secure whatever amount of credit might be necessary to supply the reasonable and conservative needs of that community where the requirements for credit would exist.

Now, some people have an impression that this is a banker's bill or a bill intended to be solely advantageous to the banks of the country. This is not true, for the banks will not share in its benefits in any of its measure than will any other line of

Digitized by Google

National Bank of Commerce

KANSAS CITY, MO.

ESTABLISHED 1865

Capital, $2,000,000 **Surplus, $500,000**

J. W. PERRY, President.

GEO. D. FORD, Vice President. CHAS. H. MOORE, Vice President.
J. J. HEIM, Vice President. JAS. T. BRADLEY, Cashier.
WALTER S. DICKEY, Vice President. CHAS. M. VINING, Assistant Cashier.
W. L. BUECHLE, Vice President. W. H. GLASKIN, Assistant Cashier.
JAS. F. MEADE, Assistant Cashier.

business which is dependent upon the use of credit in its transactions.

If the bill is adopted and it accomplishes what we hope for, and expect it will accomplish,

ALL LINES OF BUSINESS

will be benefited, in that we will not have frequently recurring panics and seasons of extreme depression when business is at a low ebb.

I have an abiding faith that when the people of this country awaken to the importance of this legislation they will put aside all feelings of prejudice and selfishness and treat the subject entirely upon its merits, in which event I have full confidence in the belief that the bill itself will enlist the support and co-operation of business men generally regardless of what their party affiliations may be.

It is my belief that representatives of the people at Washington, no matter in what branch of Congress they may be, desire to cast their votes upon all these important questions in accordance with the wishes of their constituents. Therefore, the most effective way to further the cause of currency legislation is to interest all business men, generally, in this subject and secure their co-operation in our efforts to have it inaugurated into a law.

I contend that this bill has been constructed upon the theory of giving to the smallest bank in the country the same privileges and the same prerogatives that it furnishes to the largest institution; and, too, I contend

THE WAGE-EARNER

who is dependent upon a continuation of prosperity without interruption should favor the adoption of this bill, as such an institution as it contemplates, will, in active operation, be the means of preventing these frequent seasons of depression which result in throwing hundreds of thousands of men out of employment.

I contend that the farmer should be enthusiastically in favor of this bill for the reason that it gives him an assurance that his note, if he is solvent and it is protected by grain and live stock which he produces, can be discounted by his local bank, because the local bank, in turn, will have the right to discount it with the National Reserve Association, which will furnish him either credit or currency, no matter what the state of the reserve in its relation to the credits already extended by the local bank may be.

I contend that the business men of the country, without reference to the kind or character of business they are doing, should favor the enactment of a law providing for the adoption of this bill, as it will give to them, if they are solvent, an assurance that they can

AT ALL TIMES

secure credit in proportion to their reasonable needs for credit, when such credit is backed and protected by liquid assets of a character which are readily convertible into other forms of credit when so desired.

Under existing conditions it is impossible to import a carload of coffee from Mexico to any point in the United States except through the use of a foreign bill of exchange, and every transaction of this character means that the foreign banks get a commission for the use of their credit in business transactions between concerns or individuals in Mexico and the United States.

We want to have enacted a law which

WILL CORRECT THIS CONDITION.

We have in this country nearly 40 per cent of the banking power of the world and yet we must depend upon the English bill of exchange if we wish to import $5,000 worth of coffee from Mexico to New Orleans or to New York City

It has been said that bankers are to blame for the periodical stringency in money because they do not carry sufficiently large reserves to meet the requirements of crop moving.

I wonder if it has ever occurred to such critics that a bank can protect itself against any condition by increasing the amount of the reserve in its vaults, but the only way that this can be done is through cancelling a proportionate amount of the credits which it extends; consequently, an attempt on the part of the banks to carry larger reserves to provide for the requirements during crop-moving season would mean a

RESTRICTION IN THE CREDITS

extended by the banks to business interests generally, which would of necessity materially reduce the volume

Digitized by Google

of business which is done even now; and do you, if you believe that the banks are derelict in this respect, appreciate that just in proportion as they increase their reserves as a protection against the conditions which I have mentioned they must take away from you and from all their other customers a part of the lines of credit which they now extend?

Furthermore, to follow that plan would mean to cause a large amount of money to be idle eight months in the year in order that the banks might take care of that particular demand which extends over but four months of the year.

This, I think, you will agree,

IS UNSCIENTIFIC

and not in keeping, with the spirit of the times; especially since it is possible to correct all these conditions through the enactment of currency legislation which will provide for the adoption in this country of the National Reserve Association with facilities to meet all of these conditions and requirements.

The proposed establishment of branches of the National Reserve Association in fifteen districts throughout the country, located geographically with a view of giving the greatest service to the greatest number of people, will assure every community the same facilities, the same consideration and the same promptness in all transactions of business with the association.

The fact that it provides for the use of commercial paper as a part of security for the circulating notes which it will issue in excess of those to take the place of the present United States bond-secured national bank notes will make such notes elastic and gives an assurance of an ability on the part of the association to protect the credits of our country when based upon the principles of conservation.

Our present methods of conducting business are the outgrowth of business evolution, just as our form of government, our customs and mode of living are the result of the development peculiar to our people and our geographical location; and in the formation of the National Reserve Association, its authors have been steadfast in confining their efforts to the rehabilitation or remodeling of our present banking and currency system and to a perpetuation of the good that is in it so that it will conform to the growing requirements of our people, at the same time avoiding the introduction of revolutionary methods. Therefore, please

DO NOT BE CONFUSED

into the belief that the plan proposed is but another name for a central bank such as those established in foreign countries, for, unlike them, the National Reserve Association would not accept accounts from individuals and corporations or discount paper direct. Instead, it would confine its business relations entirely to the banks of the country and would act as the reserve depository for at least a part of the reserves in actual cash that they now carry in their vaults.

Whether or not this or similar legislation is enacted will depend entirely upon the patriotism of our people and whether or not our business men, our farmers and the laboring men of this country, who are dependent upon prosperity for their position, are sufficiently interested to study the bill and make an expression of their opinion of it to their representatives in Congress.

The plan proposed is the creation of many minds, after exhaustive study of this subject, and it has been approved by our leading bankers, by the Monetary Commission of the American Bankers' Association and by the leading political economists of the country.

May we not depend upon you lending your influence and your co-operation in the dissemination of information on this subject looking to the ultimate passage of this bill, upon the theory that such action on your part will be the highest form of patriotism in the discharge of your duty to your citizenship?

THE MOBILIZATION AND CONTROL OF THE RESERVES OF THE COUNTRY

By James B. Forgan of Chicago

Our present system makes each bank responsible for the maintenance, control and custody of its own fixed proportion of lawful money. Under this requirement, the reserves of the country are divided into as many separate portions, and put under as many different controls as their are individual banks. The result is that the legal reserve money, which could be massed and mobilized for the effective protection of all, is distributed for the ineffective protection of individual banks.

Probably, the most vivid description that has been written of this vital defect in our present banking system and of the futility of our disintegrated and widely distributed reserves in the time of financial stress comes to us from the other side of the counter. I refer to

MR. A. B. STICKNEY'S LETTER

published in the New York Times on December 16, 1907, when our latest panic was at its acute point. Mr. Stickney, as you know, is not a banker, but a prominent railway official. He wrote:

"Some of the statistics contained in Mr. Ridgely's report, which has just been published, when analyzed and compared with other banking systems, prove most conclusively the necessity of the central reserve bank which he advocates.

"It appears that on August 22, the 6,650 national banks of the country held deposits amounting $4,755,000,000, and held for 'statistical purposes', actual cash reserves amounting to $552,000,000, while all the banks in England in October, 1901, the last date at my immediate command, held $2,732,000,000 in deposits, against an actual cash reserve of only $185,885,000 in gold in the Bank of England.

"With this enormous reserve for 'statistical purposes' of $552,000,000 in gold, all the banks in the United States were compelled to suspend specie payment in October.

"With these facts before me, the question arises: Do the banks in this country

POSSESS ANY RESERVE

in any true sense of "the word 'reserve'?

"The units of a nation's military reserve are its able-bodied fighting men, but as long as these fighting men are scattered over the country, unorganized, they constitute no military reserve to defend the country against mobs, insurrections, or the invasion of the public enemy.

"So, if these units of the military reserve of a country are organized into 7,000 small bands, under the command of 7,000 independent captains, for the purpose of protecting their individual localities, but absolutely refusing to leave their locality or engage in the general defense or in the defense of any other locality, owing no allegiance to each other or to any superior officer, they would in no proper sense of the world constitute a military reserve.

"The present condition of the so-called bank reserves is exactly similar. Its enormous units, consisting of over 552,000,000 of gold dollars, are unorganized, scattered in insignificant banks, each commanded by an independent captain, who is intent upon taking care of himself, who refuses allegiance to any superior officer, and refuses to go to the defense of any other bank when beset by the

PUBLIC ENEMY—DISTRUST.

"These independent captains not only refuse allegiance to any superior officer and refuse to go to the defense of any other bands, but they are continually making efforts to increase their own band by depleting the forces of the other captains.

"Under such circumstances, can the $552,000,000 be properly considered as

Digitized by Google

Maryland Trust Company

N. W. Cor. Calvert and German Streets, Baltimore, Md.

CAPITAL :: $1,500,000

TRANSACTS A GENERAL TRUST AND BANKING BUSINESS.

Interest Allowed on Deposit Accounts Subject to Check

Special Rates on Time Deposit Accounts

Acts as Trustee under Mortgages of Railroads and Other Corporations; as Depository under Plans of Re-Organization; as Financial Agent for the Transfer and Registration of Stocks and Bonds, and for the payment of Interest and Dividends.

A Legal Depositary for Court and Trust Funds.

SAFE DEPOSIT BOXES FOR RENT

Correspondence and Interviews Invited.

Oldest Bank of Issue in Pittsburgh Not Merged or Consolidated

THE EXCHANGE NATIONAL BANK

·OF PITTSBURGH···· 240 FIFTH AVE·

Capital $1,200,000.00 **Surplus $800,000.00**

Resources $8,600,000.00

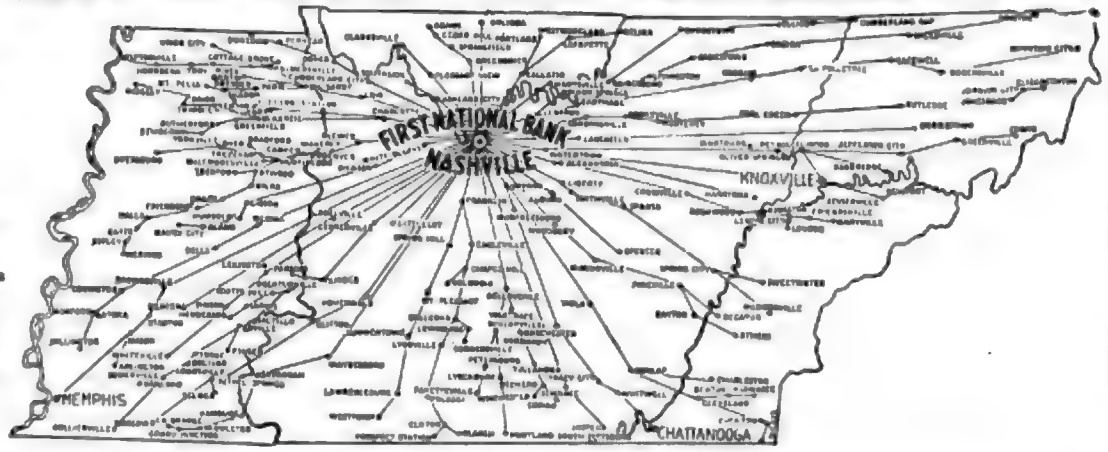
SEVENTY-FIVE YEARS OF SUCCESSFUL BANKING

ESTABLISHED 1836

Correspondence from Banks wishing a desirable Pittsburgh connection respectfully invited.

SEND US ALL OF YOUR TENNESSEE ITEMS

OFFICERS
President
F. O. Watts
Vice Pres.
D. S. Williams
Cashier
Randal Cargill
Asst. Cashier
Frank K. Houston
Asst. Cashier
J. R. Johnson
Auditor
D. M. Wright



CAPITAL
$500,000

SURPLUS
$350,000

DEPOSITS
$5,000,000

UTICA TRUST AND DEPOSIT CO.

UTICA, NEW YORK

RESOURCES, $8,000,000.00

JAMES S. SHERMAN
President

GRAHAM COVENTRY
Asst. Secretary

J. FRANCIS DAY
Vice President and Secretary

CHARLES J. LAMB
Asst. Treasurer

Digitized by Google

bank reserves, any more than the larger number of dollars which are contained in the pockets of the people?

"On the other hand, had this enormous amount of gold, constituting a huger pile than has ever been aggregated in the history of commerce been held in a great central reserve bank, like the Bank of England, or the Bank of France, available for defense against the attack of distrust and panic in any section of the country, it is beyond question that the banks in this great country, instead of occupying their present humiliating position, would not be on a gold basis, capable and willing to extend all the necessary credits required by the vast commerce of the nation.

"A London banker recently wrote me as follows:

" 'It is ridiculous that with £300,000,000 of gold in the United States, as compared with £30,000,000 in the Bank of England, the great American nation should be reduced to such

A PITIFUL PASS.' "

Lest these descriptions should seem exaggerated or inaccurate, let me give you some statistics showing what actually took place during the panics of 1893 and 1907.

On May 4, 1893, the legal tender money held by all the national banks in the country amounted to 16.9 per cent of their net deposits. By July 12, when the next Comptroller's statement was published, this percentage was increased to 17.2 per cent. By October 3, the date of the next call, it had increased to 22 per cent, and by December it reached 23.2 per cent, an increase of 6.3 per cent during a panic period of seven months.

The liquidation of net deposits by the banks outside of the reserve and central reserve cities, between May 4 and October 3, 1893, amounted to $203,000,000, and notwithstanding this enormous liquidation of their liabilities, amounting to 21 per cent of their net deposits, the aggregate amount of their lawful money in their vaults was increased by about $7,000,000, and they had on hand at the end of the scrimmage, lawful money amounting to 15.2 per cent of their deposits. This was more than the percentage of legal reserve required, notwithstanding the facts that three-fifths of it may be kept on deposit with legal reserve agents, and that under normal conditions, one half of it is usually so kept. Their legal reserves, including their balances with reserve agents, were 30 per cent of their deposits, being double

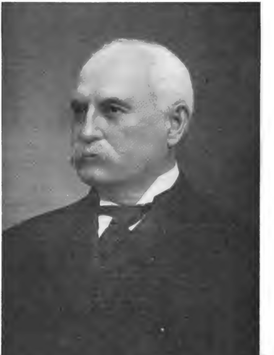
THEIR LEGAL REQUIREMENTS

During the same period, the reserve city banks liquidated $75,000,000 of their net deposits, and practically held their own as to the aggregate amount of their lawful money on hand. They used $23,000,000 of Clearing House Loan certificates, and thus increased the percentage of their cash on hand to net deposits from 16.8 per cent to 19.4 per cent.

During the same period, the banks in the central reserve cities liquidated nearly $60,000,000 of their net deposits, and at the same time, increased their lawful money on hand by $20,000,000, and the percentage of it to net deposits from 28.2 per cent to 36.9 per cent. In order to accomplish this, they imported $50,000,000 of gold, and had in use $38,000,000 of Clearing House Loan certificates.

Between May 4 and October 3, 1893, a period of five months, during which panic prevailed, the national banks of the country liquidated $337,000,000 of their net deposits, and increased their actual holdings of lawful money by about $25,000,000. To accomplish this, they put in use $61,000,000 of Clearing House Loan certificates and imported $50,000,000 in gold, $20,000,000 of 000,000 of gold, received $75,000,000 of gold on deposit from the government, enabled them to liquidate their loans to the extent of $257,000,000.

The banks outside of the reserve and central reserve cities liquidated $166,000,000 of their net deposits by calling in and enforcing liquidation of $176,000,000 of their loans, while at the same time, they increased their legal reserve money on hand by $33,000,000.



HON. NELSON W. ALDRICH.

which got away from them. Some of this

MAY HAVE BEEN ABSORBED

by the state banks, but the probabilities are that a large part of it was locked up by those, who, through fear, had withdrawn their deposits. The enforced liquidation of deposits was therefore almost entirely accomplished by a corresponding enforced liquidation of loans, which were reduced during this same period to the extent of $318,000,000.

In 1907, the same thing occurred. Between August 22, 1907, and February 14, 1908, the national banks liquidated $218,000,000 of their net deposits. During the same period, they increased their specie and legal tenders by $88,000,000. They imported $116,-

These figures are impressive, but they tell

ONLY HALF THE STORY,

for they relate only to the national banks, which do less than half the banking business of the country. If similar statistics were available for the state banks, the aggregate figures would be doubled.

The financial loss to business concerns through the enforced liquidation of their credits during these periods of panic must have been enormous in the aggregate. Those who weathered the storm not only suffered loss through the process of liquidating and the consequent depreciation in the realizable value of their assets, but must have met directly with large loss as creditors of those who failed. The

Digitized by Google

HORNBLOWER & WEEKS

DIRECT PRIVATE WIRES

INVESTMENT SECURITIES

OFFICES

BOSTON, MASS.
60 Congress St.

NEW YORK
42 Broadway

CHICAGO
125 West Monroe St.

DETROIT - - - Majestic Bldg.

NEW HAVEN, CONN.
27 Center St.

HARTFORD, CONN.
49 Pearl St.

NEWPORT, R. I.
33 Bellevue Ave.

PROVIDENCE, R. I.
10 Weybosset St.

MAPLEWOOD HOTEL, WHITE MOUNTAINS, N. H.

MEMBERS NEW YORK, BOSTON AND CHICAGO STOCK EXCHANGES

Digitized by Google

amount of such loss direct and indirect to those who survived, as well as to those who failed, it is impossible to estimate, but a vivid impression as to the extent and far-reaching effect of such loss is made on one's mind by a study of the statistics of business failures, as furnished by the commercial agencies. The

STATISTICS OF FAILURES

for the past 24 years, and a comparison of them in years of panic with those in years of normal conditions show as follows:

Comparative statistics of failures in the United States between years of panic and years of normal conditions:

Particulars	In panic years 1893, 1896, 1907, 1908.	Twenty normal years from 1887 to 1910. Panic years omitted
Average yearly number of failures	13,728	10,945
Average yearly amount of actual assets of failed concerns	$206,900,000	$73,040,000
Average yearly amount of total liabilities of failed concerns	327,100,000	141,880,000
Average yearly percentage of assets to liabilities	63.10%	51.30%
Average yearly percentage of failures to the number of concerns in business	1.12%	.95%

It will be observed that in panic years the relative amount of assets to liabilities was increased to 63.1 per cent, against 51.3 per cent in normal years. When it is borne in mind that bankruptcy causes a much greater shrinkage in the realizable value of commercial assets in panic than in normal years, and that such shrinkage runs from 25 per cent to 50 per cent, or even more, the abnormal percentage of assets to liabilities shown in panic years clearly indicates that a large part of the increased number of failures in these years were of solvent concerns, and were caused by enforced liquidation and by the curtailment of their bank credits.

How different from our method of meeting an emergency is that employed by European banks. In every country in Europe, whose banking system the National Monetary Commission investigated, it was found that the practice is just

THE REVERSE OF OURS.

They meet emergencies by expansion of credit, we by contracting it; they increase their loans, we curtail ours; they have facilities for so doing, we have none.

Take Germany, for example: On September 23, 1907, at the time of their commercial crisis and our panic, the cash on hand of the Imperial Bank was $236,797,000; on September 30, it had declined to $199,025,000, a decrease in one week of $37,772,000. During the same week, the loans and discounts rose from $289,750,000 to $391,637,000, an increase of $101,887,000; and the note circulation rose from $339,625,000 to $433,437,000, an increase of $93,812,000. On December 23, 1907, the cash on hand was $196,588,000, and on December 31, it had declined to $187,306,000, a decrease in that week of $9,282,000. During the same week, the loans and discounts rose from $340,337,000 to $441,275,000, an increase of $100,938,000; and the note circulation rose from $372,637,000 to $447,925,000, an increase of $75,288,000.

During the last week of September, this year, when monetary conditions were disturbed by the Morocco scare, the specie in the Imperial Bank fell from $264,100,000 to $236,300,000, a decrease of $27,800,000; while during the same period the

LOANS AND DISCOUNTS ROSE

from $308,300,000 to $445,500,000, an increase of $137,200,000, and the note circulation increased $183,800,000.

In a crisis, our system provides no method of maintaining mutual confi-

their reserves are impaired, they shall make

NO NEW LOANS

to their customers.

The percentage of actual cash reserves to deposits carried by each bank becomes fixed in the public mind as the sole measure of its ability to pay its deposits, and practically such it is under our defective system in times of panic.

For example, a bank with $100,000 deposits is required by law to keep on hand $6,000 in lawful money. Its de-

WILLIAM LIVINGSTONE.

President American Bankers' Association.

dence between the banks and the public. The banking business is based on confidence, and confidence must be mutual. The public never will have confidence in the banks during financial crises until facilities are provided in our banking system that will enable the banks to protect themselves in panic times. The primary cause of panics is the requirement in the National Bank Act that each bank must hold in reserve for an emergency a fixed percentage of lawful money, which it is prevented by the same law from using when an emergency arises. No facilities are provided, nor are methods suggested in the National Bank Act by which the banks in a crisis may protect their reserves and maintain the legal percentage required, except the fatal provision that while

positors, measuring its ability to pay its deposits by this small percentage of available money, take alarm whenever anything occurs foreshadowing financial trouble, and many of them decide to get their money out of the 6 per cent cash on hand while it lasts. Against such an attack, the bankers, not knowing where or when it will end, have only one resort, i. e., to increase at any cost their individual holdings of reserve money. This produces a scramble among the banks themselves and entirely changes the relations existing between them and the alarmed public. Mutual confidence which had previously controlled such relations is shattered, and

PANIC PREVAILS.

My early banking experience was under the branch bank system, and I

Digitized by Google

Wells Fargo Nevada National Bank
of San Francisco, Cal.

Statement of Condition at Close of Business, September 1st, 1911

ASSETS		LIABILITIES	
Loans and Discounts	$19,155,678.72	Capital	$6,000,000.00
United States Bonds	6,285,094.63	Surplus and Undivided Profits	5,059,948.29
Other Bonds	3,306,262.81	Letters of Credit, etc.	2,546,578.22
Customers' Liability on Letters of Credit	2,476,152.99	National Bank Notes Outstanding	5,969,995.00
Bank Premises, Furniture and Fixtures	2,238,470.60	Reserved for Taxes	38,180.43
Money on Hand $3,607,702.88		Deposits	24,972,259.61
Due from Banks 7,215,598.92	10,823,301.80		
Redemption Fund with U. S. Treasurer	300,000.00		
	$44,586,961.55		$44,586,961.55

General Banking Business Transacted.
Foreign and Domestic Exchange Bought and Sold.
Telegraphic Transfers and Letters of Credit Issued on the Principal Cities of the World.
Collections Made Promptly and Economically.
Special Attention Given to Accounts of Banks and Bankers.
Correspondence Invited.

KNAUTH, NACHOD & KÜHNE
BANKERS

New York City, N. Y. **Leipzig, Germany**

ISSUE Letters of Credit in Pounds, Marks, Francs and Dollars for individual use.

ISSUE Commercial Letters of Credit for financing importations of merchandise.

ISSUE Travelers' Checks, in convenient denominations, available throughout the world, and furnish same to Banks and Bankers for direct sale, with descriptive advertising matter.

DRAW Drafts on all Parts of the World.

TRANSFER Money by Mail or Telegraph.

ARRANGE with Banks and Bankers to enable them to draw their own drafts on more than one thousand cities of Europe and the Orient.

ALLOW interest on deposits subject to check.

COLLECT legacies and inheritances both here and abroad.

BUY and **SELL** Foreign Coin and Bank Notes at ruling rates.

DEAL in securities for investment of funds of institutions and individuals.

PRINCIPAL FOREIGN CORRESPONDENTS

PARR'S BANK (LIMITED) LONDON
CREDIT LYONNAIS - - PARIS
AND BRANCHES
DEUTSCHE BANK - BERLIN
DRESDNER BANK - BERLIN
KNAUTH, NACHOD & KUHNE - - - - - - - - LEIPZIG
BANCO NACIONAL DE MEXICO - - - - - - - - MEXICO CITY

MEMBERS NEW YORK STOCK EXCHANGE

Digitized by Google

GIRARD TRUST COMPANY

CHARTERED 1836

Capital and Surplus :: :: $10,000,000

E. B. MORRIS, President
A. A. JACKSON, Vice-President
W. N. ELY, Vice-President
C. J. RHOADS, Vice-President and Treasurer
E. S. PAGE, Secretary

PHILADELPHIA, PENNA.

know that no such thoughts or fears disturb a community whose banking facilities are supplied by a branch of a bank with large cash reserves at its central office. The thoughts of the local customers of a branch bank are never directed to the amount of lawful money it may have in its vault. From time to time they see the statements made by the parent bank, and realize that there could be shipped promptly from the large reserves it carries sufficient money to pay all the deposits at the branch. The customers are concerned only in having the branch keep on hand sufficient acceptable circulating medium for the payment of checks as they are presented. This the branch does by carrying a sufficient supply of the parent bank's notes. It requires only such lawful money in small denominations as is needed for small change.

Under the proposed plan for a National Reserve Association, the minds of the local depositors in our banks would be diverted from the small lawful cash reserves they individually maintain. Attention would be directed, rather, to the fact that the

BANKS WERE AFFILIATED

with a central association, maintaining and controlling for them their lawful reserves and standing ready to supply them with its circulating notes whenever necessary. The plan suggested will, therefore, afford our banks the principal advantages of the branch banking system, without surrendering their individuality of ownership, their interest in local affairs or the local control of their business.

In order to ascertain what power the National Reserve Association would have to mobilize and control the reserves of the country under ordinary conditions, and to utilize them in a crisis for the protection of the banks and through the banks for the protection of the public, I have prepared what might be called

A PROSPECTUS

of the institution. The figures are purely prospective, and probably about as accurate as those of the average prospectus of any unorganized business undertaking.

Before giving you these figures, I should explain that my estimates are based on Senator Aldrich's revised edition of his Plan for Monetary Legislation, in which among other new suggestions he [illegible] the following:

1. That the National Reserve Association will have a paid-in capital of approximately $150,000,000 to start with.

2. That its minimum legal reserve shall be 50 per cent of its net liabilities, any deficiency from that figure to be subject to a graded tax which shall increase as the deficiency increases.

3. That its net liabilities shall be ascertained by deducting from its gross liabilities—the combined amount of its deposits and circulation—50 per cent of the face value of the government bonds taken over from the national banks.

4. That the government shall refund at 3 per cent its two per cent bonds thus taken over from the national banks.

5. That as an offset to this 1 per cent additional interest, and as a special tax for its note issuing privilege, the National Reserve Association shall pay to the government

A FRANCHISE TAX

equal to 1½ per cent on the amount of bonds so refunded.

PROSPECTIVE FIGURES.

If the National Reserve Association should commence business with a capital as proposed of		$150,000,000
It would gradually assume liabilities approximately as follows:		
Government deposits	$100,000,000	
Bank deposits (estimated at a little over half the present lawful money in the national banks alone)	500,000,000	
Circulation against government bonds taken over from national banks	700,000,000	
Its total liabilities outside of its capital would be		1,300,000,000
		$1,450,000,000
Against these liabilities it would acquire the following assets:		
Gold or legal tender money for its capital	$150,000,000	
Gold or legal tender money for its deposits	600,000,000	
Government bonds against circulation	700,000,000	
		$1,450,000,000
Its lawful money reserve against its liabilities would be as follows:		
Gross liabilities		$1,300,000,000
Deduct 50% of government bonds on hand		350,000,000
Net liabilities		$950,000,000
Lawful money on hand, 79%		750,000,000

On the basis of these figures it would have a loaning or

INVESTING CAPACITY

of $275,000,000 as, after investing that amount of its lawful money, it would still have left 50 per cent of its net liabilities. But in the ordinary course of business its deposit and circulation liabilities would increase in proportion to the amount of its loans and investments, doubling its loaning capacity. Expanded to its full capacity its loans would be $550,000,000 and its net liabilities $1,500,000,000, while its $750,000,000 of lawful money would still be 50 per cent of the latter.

If the loans and investments required under normal conditions should be one-half this amount, or $275,000,000, (or in other words, if the management should, as it probably would, under normal conditions, run the association at half its maximum loaning capacity), the normal reserve would be 61.22 per cent, and there would be, placing the minimum legal reserve at 50 per cent, a leeway for expansion of the loans of $275,000,000.

A normal balance sheet on this basis would be:

ASSETS.

Gold or legal tender money	$750,000,000
Government bonds	700,000,000
Loans and investments	275,000,000
	$1,725,000,000

LIABILITIES.

Capital	$150,000,000
Government deposits	100,000,000
Bank deposits (originally deposited in lawful money)	500,000,000
Circulation	700,000,000
Bank deposits created by, or circulation issued against, loans and investments (immaterial which)	275,000,000
	$1,725,000,000

And a statement of liabilities and legal reserve against them would be:

Gross liabilities	$1,725,000,000
Deduct capital	150,000,000
	$1,575,000,000
Deduct 50% of government bonds	350,000,000
Net liabilities	$1,225,000,000
Legal reserve money, 61.22%	750,000,000

To indicate that the association could afford from the standpoint of profit to thus run

UNDER HALF STEAM,

so to speak, I offer the following prospective figures of its income and expenses under normal conditions:

INCOME.

2% on government bonds	$21,000,000
3½% on loans and investments	9,625,000
	$30,625,000

EXPENSES.

Operating expense	$5,000,000	
Expenses connected with note issue	2,000,000	
Franchise tax (equal to 1½% on government bonds taken over from national banks with privilege of circulation against them)	10,500,000	
		17,500,000
Net profits		$13,125,000
Dividend on capital stock 4%		6,000,000
Applicable for division between surplus and the government besides the franchise tax, as above		$7,125,000

Digitized by Google

CAPITAL AND SURPLUS, $2,575,000.00

¶ THE UNION NATIONAL BANK of Cleveland, Ohio, offers to banks seeking an outlet for their Ohio items adequate service through connections acquired during twenty-seven years of banking experience.

CORRESPONDENCE INVITED

GEO. H. WORTHINGTON, President — E. R. FANCHER, Vice President — G. A. COULTON, Cashier
W. E. WARD, Assistant Cashier — W. C. SAUNDERS, Assistant Cashier — E. E. CRESWELL, Assistant Cashier

When the maximum dividend of 5 per cent is paid to stockholders and the surplus is 20 per cent of the capital, the distribution of profits would be as follows:

Net profits, as above	$13,125,000
5% maximum dividend to stockholders	7,500,000
Balance of profits to government	$5,625,000

These figures are made up on the basis of the original and direct business which the National Reserve Association would acquire. They do not disclose the reserve strength it would have nor the increased loaning power it would acquire as its business develops.

An important part of its reserve strength would be its foreign balances and the foreign bills and foreign government securities in which it is authorized to invest and which would therefore under normal conditions form a very considerable part of its current loans and investments. These foreign investments would be increased or diminished, or in other words, the National Reserve Association would invest its gold in them or convert them again into gold as the fluctuations of international commerce and the trade balances between this and foreign countries made such transactions necessary or desirable.

Another feature of inherent strength in the National Reserve Association will be found in its

NOTE ISSUING PRIVILEGE

which will afford it proper protection for its gold reserves through its right to issue its notes for circulation as substitutes for gold or lawful money. The demand for its circulating notes will fluctuate with the seasons. When crops are being moved the demand for them will be at its height and the maximum amount of them for which legitimate use can be found will be reached. At such times, the banks will have to support their reserve balances with the National Reserve Association, against which they may have currency shipped to them, by rediscounting their available paper. As the business demand for circulating notes declines, they will return to the banks and through them to the branches of the National Reserve Association for credit on deposit. Simultaneously will mature the rediscounts on which the increased issue of notes was based. Thus, when circulating notes are shipped out, there will simply be a change in the form of the National Reserve Association's liabilities from that of deposits payable on demand to that of demand notes outstanding. When they return the transaction will be reversed, without in either case changing the proportion of lawful money on hand to the total liabilities of the National Reserve Association.

The lawful money reserve of the National Reserve Association will be but.

SLIGHTLY AFFECTED

by its domestic business transactions. So far as they are concerned, its cash reserves will remain practically stationary except, of course, as they may increase with the growing business and wealth of the nation. Its total liabilities will fluctuate as its rediscounts, prime acceptances purchased, or other permissible investments fluctuate, and the aggregate amount of these it will control and regulate in accordance with the percentage of lawful money it has on hand as legal

OLIVER C. FULLER.
Retiring President, Trust Company Section.

Digitized by Google

WEBSTER and ATLAS NATIONAL BANK

SEARS BUILDING, BOSTON

Capital, $1,000,000 Surplus and Profits, $1,050,000

JOHN P. LYMAN, President

JOSEPH S. BIGELOW, Vice-President JOSEPH L. FOSTER, Cashier

ROBERT E. HILL, Assistant Cashier

DIRECTORS

Charles B. Barnes, Jr. — Joseph S. Bigelow — Alfred Bowditch — Theodore C. Bremer — William R. Cordingley — Amory Eliot — John W. Farwell — Robert H. Gardiner — Walter Hunnewell — John P. Lyman — Homer B. Richardson — Richard S. Russell

Over 50 years of sound independent management should recommend this bank to those seeking banking facilities

reserve against its liabilities. Fluctuations in its lawful money reserve will occur principally through the withdrawal or the deposit of gold in connection with the settlement of foreign balances. Control of this will be in the hand of the management as has already been indicated by dealing in foreign exchange and foreign government securities, carrying a line of foreign acceptances and maintaining foreign balances.

I am convinced that the National Reserve Association would become the largest, the strongest, the safest and the best financial institution in the world. I believe that it would put our banking and currency system where it should be in the front rank of those of the leading nations of the world, instead of trailing as now at the end of the procession, under the constant fear, shared in by other nations, that it may at any time break down and upset domestic and international financial relations and arrangements.

ANNUAL ADDRESS OF THE PRESIDENT

By F. O. Watts of Nashville, Tenn.

Mr. Watts said in part: The address of the president of your Association will pass the many questions of public policy which have made the year a notable one in business, politics and judicial construction, and deal only with the routine work of the Association and the one public question on which the banker is an expert and which can only be solved by his serious and constant interest.

MEMBERSHIP.

When the Association met in New Orleans nine years ago the membership was 6,354, while at this, the thirty-seventh annual convention, the membership on November 1 was 12,232. These figures show a practical doubling in membership, and the accomplishment and promise are fully in keeping with the numerical increase. Of this increase 827 has been in the period since your last convention.

THE JOURNAL.

Among the increased duties and responsibilities of the general secretary none were a greater charge on him than as publisher of the Journal. It is not intended to supplant the live financial papers that have done so much for good banking any more than the employing of a general counsel by this Association in any way changed the relation between the banker and his local counsel.

GENERAL COUNSEL.

The wisdom of the establishment of this office is more apparent every year, and those charged with the duty could have made no other selection to fill the office so entirely satisfactory as the selection of the incumbent.

The work of the

BILL OF LADING COMMITTEE

is of a character requiring persistence and determination. The members of that committee possess those qualities fully up to the requirements of the situation, and whatever the required time, neither the committee nor the Association behind them will falter until a fair and uniform bill of lading is adopted. This committee has had a special question to deal with during the year in which only a part of the Association had a direct interest and which was rather apart from the main work assigned to the committee. They endeavored to settle the question of validation of cotton bills in a spirit of compromise and to meet a situation which many thought to be fraught with injury to all those interested in cotton from the planter to the spinner. The committee did not assume to act in other than an advisory capacity, for in the very nature of things, any plan must be voluntary, and they would probably be glad to turn over the further handling of the matter to any committee representing those directly interested. My opinion is that there was no imminent danger of more than fleeting inconvenience and trifling loss to the South, for its staple will be used and payment will be made in the most economical and safest way. It is probable that southern bankers, assisted by our ever-ready New York correspondents, have built up a dangerous and expensive system when we should have had foreign buyers establish credits in our principal markets and take title and make payment where the bartering is properly done. Tennessee tobacco is bought and taken in that way, and why not southern cotton?

CLEARING HOUSE SECTION.

Neither this section in other years nor any other section this year has accomplished more than our Clearing House Section by completing the numerical system and pushing the idea of examiners for all clearing house cities. The thought and labor necessary to perfect the numerical system can hardly be appreciated by those unfamiliar with it, but the accomplishment and the hearty reception it received surely repays those who gave freely such thought and labor. As a result of the educational work of this section, the cities of New York, Boston, Buffalo, Cincinnati, Chicago, Washington, San Francisco, Pittsburgh, St. Louis, Detroit, Milwaukee, Hartford, Cleveland, Columbus, Kansas City, New Orleans, Richmond, Denver, Des Moines, Seattle, Toledo, St. Paul, Spokane, Salt Lake City, Omaha, Oklahoma City, Portland, Atlanta, Savannah, Grand Rapids, Wilmington, Fremont, Pasadena, Nashville, Los Angeles and Chattanooga, have adopted

Digitized by Google

INCORPORATED 1792

THE NATIONAL UNION BANK
BOSTON

Capital, $1,000,000 Surplus and Profits, $1,460,478 Deposits, $11,056,779

OFFICERS

HENRY S. GREW, President
THEOPHILUS PARSONS, Vice-President
CHARLES P. BLINN, Jr., Vice-President
WM. S. B. STEVENS, Cashier

NEW ENGLAND BUSINESS OF OTHER BANKS SOLICITED

the system of clearing house examinations.

MONETARY REFORM.

The officers having in charge the programme of this meeting decided to make the discussion of that subject in all its phases the special feature, and to that end they received the co-operation of the sections of the Association, who abridged their programme in order to permit the Association to devote practically two days to the discussion.

Your executive council, meeting in May in Nashville, Tenn., unanimously adopted this: "Resolved, That the Executive Council of the American Bankers' Association heartily approves the plan for monetary legislation suggested by the Hon. Nelson W. Aldrich, as modified by the Currency Commission of the American Bankers' Association, and the principles set out in the report of the Special Committee of the Currency Commission for extending the benefit of the plan to state banks and trust companies. We firmly believe that it is thoroughly practical, fundamentally sound and comprehensive, and that if enacted into law it will correct all principal defects of our present banking and currency system".

CHARLES H. HUTTIG.
Vice-President American Bankers' Association.

If the bankers and business men, who must be the leaders in the movement, succeed in keeping the question non-partisan and in convincing the public beyond a reasonable doubt of the integrity of the control, then its

ENACTMENT INTO LAW

will be an easy accomplishment. The Currency Commission and officers of your Association have been in a number of conferences with the chairman and members of the National Monetary Commission, both before and after the public presentation of the tentative plan, and those having the responsibility of forming a plan showed remarkable willingness to hear and adopt any suggestions tending (1) to keep the control away from speculative marts, (2) keep it apart from political control or prevent its being at any time a political issue, (3) keep the investments of a character that would make any control of little value compared to such an outlay as necessary to acquire it.

This disposition is shown in the recent revision of the plan in which it is provided that not more than four of the thirty-nine elective directors, nor more than one of the five elective members of the executive committee shall reside in one district. It seems that the only way in which this disposition can go further is to provide for an executive committee consisting of one and only one member from each of the districts. It is practically certain that the real management and control will finally rest either by direct authority or acquiescence of the directors in the executive committee. If every district has an equal voice at such a time, nothing will be permitted which would appear to specially

FAVOR ONE INTEREST

or district to the injury of the whole country. The working value of a small committee and the expense incident to a large one are quite insignificant and lacking in force as arguments compared with the value of assuring every district in the entire country that it will be fitly represented and by one of its own choosing.

There were many bankers in New

ESTABLISHED 1877

CHARLES HEAD & CO.

STOCKS Bankers and Brokers BONDS

Members Boston and New York Stock Exchanges, Chicago Board of Trade

BOSTON PROVIDENCE MONTREAL NEW YORK TORONTO OTTAWA

Private Wires Connecting All Offices

ESTABROOK & CO.

BANKERS

NEW YORK BOSTON

BALTIMORE CHICAGO HARTFORD

Investment Securities

GOVERNMENT, MUNICIPAL AND CHOICE RAILROAD BONDS

F. H. PRINCE & CO.

Bankers and Brokers

28 State Street, Boston

Members of New York, Boston and Chicago Stock Exchanges

J. R. WILLISTON & CO.

5 NASSAU STREET
NEW YORK
BANIGAN BLDG.

19 CONGRESS STREET
BOSTON
PROVIDENCE, R. I.

Members

NEW YORK STOCK EXCHANGE BOSTON STOCK EXCHANGE
NEW YORK COTTON EXCHANGE NEW YORK COFFEE EXCHANGE
CHICAGO BOARD OF TRADE

Digitized by Google

KIDDER, PEABODY & CO.

115 Devonshire Street :: BOSTON
56 Wall Street :: NEW YORK

INVESTMENT SECURITIES
FOREIGN EXCHANGE
LETTERS OF CREDIT

CORRESPONDENTS OF
BARING BROTHERS & CO., LTD.
LONDON

PAINE, WEBBER & CO

Shawmut Bank Building 82 Devonshire St. and 55 Congress St., Boston

Bankers and Brokers

Members of the New York Stock Exchange, Boston Stock Exchange, New York Cotton Exchange and Chicago Board of Trade

Special attention given to copper stocks. Private wires connecting with branch offices at Houghton, Mich., Calumet, Mich., Marquette, Mich., Detriot, Mich., Butte, Mont., Milwaukee, Wis., and Duluth, Minn.; also private wire connections with principal mining centers.

ESTABLISHED 1880

Write for any of Our Publications Which May Serve as an Investment Guide:

THE NEWS LETTER is a weekly publication issued on Wednesday afternoons. It contains the latest information about the general stock market, copper stocks, cotton and grain.

THE DIVIDEND BOOK, 64 pages, contains statistics of the standard railroad, street railway, industrial and mining stocks.

COPPER SHARE STATISTICS is the title of a large folder which will tell at a glance the records of all the producing copper companies.

DAILY NEWS BULLETINS are issued every day covering the latest news developments of the active issues in the New York and Boston markets.

THOMPSON, TOWLE & CO.

Members of
NEW YORK, BOSTON and CHICAGO STOCK EXCHANGES N. Y. COTTON and COFFEE EX'S and CHICAGO BOARD OF TRADE
BOSTON, 50 Congress St WORCESTER, 338 Main St SPRINGFIELD, 318 Main St NEW YORK, 25 Broad St

Digitized by Google

W. C. LANGLEY & CO.

10 WALL STREET NEW YORK | Members of New York and Boston Stock Exchanges | 19 KILBY STREET BOSTON

ORDERS EXECUTED IN ALL MARKETS

Direct Wires to New York

CLINTON M. HALL, Member New York Stock Exchange
LAURENCE B. FLETCHER, Member Boston Stock Exchange

York so conversant with the correct principles of banking and bank credits and having such a position among bankers of the country that it seemed most desirable that they should be here taking part in the discussion, and yet their fear of the public prejudice and belief that injury would be done the cause prevented the part being taken by them which otherwise they would have taken willingly. The officers of this Association

DOUBTED THE EXISTENCE

of any such extreme prejudice among the bankers, and believed that such as did exist would pass away by such participation and discussion together. We believed that every interest favoring monetary reform should come out in the open and advocate it, and by doing so when we came to its final solution we would have as an additional accomplishment a better understanding each of the other, which would more than compensate for the delays caused by unfair and unfounded prejudice.

The Administrative Committee appointed a special committee to consider some changes in your constitution.

ANOTHER AMENDMENT

suggested is concerning the Executive Council. While the wisdom of adopting the present method of making up the personnel by state representation gets more apparent as we watch the effective work and increased interest in the Association, yet there seems to be ground for the criticism that it gives to convening members no opportunity to either compliment the cities or sections in which they meet, or to select those who because of special residence or predominating influence might greatly aid in the Association's largest undertakings. Taking this view of the matter, the Administrative Committee recommends that the membership be increased by the election of six members at large, two being elected at this convention and two in each succeeding year.

There appears yearly some suggestion that the

LINE OF SUCCESSION

be broken and a new order of things set up by selecting each year different men for the three administrative offices. Whatever the moving cause of such suggestions, and no doubt they are often made with no selfish purpose, surely no one would seriously propose such a change who had ever been charged with official responsibility in the Association or who had made a study of the methods of getting the best results in such an organization. Efficiency should be placed above the desire to hand around honors. Of those taking the other view, it might be asked what appeasement to ambitions would there be in placing only two honors yearly among more than thirty-thousand bankers? Such a policy in comparison to the present businesslike one seems as foolish as for the executive officers of any bank or large industrial corporation to be changed periodically that the honors might go to the whole board. Under the rule of succession there is only one new member each year to become familiar with the affairs of the Association, while under the other suggestion an entirely new committee would come into the management.

To go to a custom of electing the two chief officers of the Association at the convention each year would in final practice mean the return to what has once been abandoned as

FRED E. FARNSWORTH.
Secretary American Bankers' Association.

A BAD CUSTOM,

the selection of an officer as a compliment to the entertaining city, and with two such compliments that custom would probably be supplemented by giving the second honor to prospective hosts. In such a custom there would be two evils. First, the president of the Association would practically be selected by the hosts of the convention, and second, no banker residing in a city not of a size to entertain the Association would have any chance to attain the highest honor within the gift of the organization, thereby confining such honors to less than a dozen cities.

Digitized by Google

Lewis Bros. & Co.

Successors to MASON, LEWIS & CO.

BANKERS

60 Devonshire Street .. .. BOSTON

State, City, County, School and Choice issues of
Street Railroad and Corporation Bonds . . . . .

PERSONAL INTERVIEWS INVITED **WRITE FOR CIRCULAR**

THE RELATION OF STATE BANKS, SAVINGS BANKS AND TRUST COMPANIES TO SENATOR ALDRICH'S PLAN

By F. H. Goff of Cleveland

The status of national banks being left unchanged and full rights of membership accorded state institutions, it would seem as if Senator Aldrich's revised plan, with slight modifications, should be acceptable to state banks discounting commercial paper. To the extent that the laws of the several states creating them would permit, every advantage, privilege and facility afforded national banks may be enjoyed by state banks of discount. If the revised plan adequately provides for all the needs and is satisfactory to national banks, I can see no reason why it ought not to be

SATISFACTORY TO STATE BANKS

of the character I have referred to.

If I am correct, but few questions remain to be discussed. First. Ought the privileges of membership to be extended to state banks having less than $25,000 capital?

There are about 18,000 state banks, 6,000 having more than $10,000 and less than $25,000 capital. About 1,800 of these smaller banks are located in the South; 1,600 in the Middle West; 2,600 in the Far West. Their aggregate capital and surplus is perhaps in the neighborhood of $100,000,000. For the most part they are serving communities where it would be unprofitable to establish a national bank. While it is doubtful whether many of these institutions would become members of the Reserve Association if the opportunity were afforded, I

CAN SEE NO OBJECTION

to giving the right of membership to such as have been subject to proper examination, supervision and control by state authorities. It would certainly not only tend to popularize the plan and be helpful in securing its adoption, but lessen the possibility of large financial interests securing control of the Reserve Association.

Second. What facilities for rediscount, in addition to those provided in the plan, should be given state institutions which do not discount commercial paper?

Out of a total of about $16,000,000,000 deposits, over $6,000,000,000 are savings. If Senator Aldrich is correct in assuming that it is essential that the Reserve Association include within its membership all the banks of the country, and Mr. Forgan is correct in assuming that unless they shall become members, the defects in our banking methods will continue, the suggested plan for monetary legislation must be

CONDEMNED AS INADEQUATE

unless it affords sufficient advantages to savings institutions to induce them to accept of membership. What advantage can savings institutions derive from membership under the proposed plan? There are four ways in which the National Reserve Association can extend credit to its members:

1. It can rediscount paper arising out of commercial transactions having not more than 28 days to run; commercial paper being defined in the revised plan as notes and bills of exchange or drawn for agricultural, industrial or commercial purposes. While the language used is somewhat vague, I assume it would be interpreted

TO EXCLUDE OBLIGATIONS

issued for investment and to cover only obligations arising out of the distribution of commodities to supply present consumptive demands.

2. It can purchase bank acceptances having not to exceed 90 days to run.

3. With the endorsement of the local association, it can discount paper arising out of commercial transactions having more than 28 days and not exceeding four months to run.

4. Whenever the secretary of the treasury, the governor and the executive committee of the National Reserve association all agree that the interests of the pubic so require, it can discount the direct obligation of a depositing member, when endorsed by the local association, and secured by satisfactory collateral; the bank receiving the guaranty being required to

PAY SUCH COMMISSION

as may be fixed by the local association.

Savings banks and trust companies restricting their investments to savings bank standards, for the most part, have no paper arising out of commercial transactions, even as defined in the revised plan. The only facilities afforded them would be the right to discount their direct obligation at such times, and at such times only, as the secretary of the treasury, the governor and the executive committee of the Reserve Association should unanimously determine that protection of public interests required such accommodation to be given.

The situation can best be illustrated by giving one or two

CONCRETE EXAMPLES.

A commercial bank could rediscount an unsecured obligation of the United States Steel Corporation, if you please, having less than twenty-eight days to run, provided only it arose out of a commercial transaction, while a savings institution could not rediscount an obligation of the same company having the same maturity, not arising out of a commercial transaction, although secured by government bonds.

Digitized by Google

A commercial bank could rediscount the note of a farmer given for seed or fertilizer, while a savings bank could not rediscount a note of the same party for the same amount, and having the same maturity, although secured by mortgage on real estate worth several times the amount of the loan, if issued for other than commercial or agricultural purposes. Manifestly, if the membership and the co-operation of savings institutions is needed or desired, either Senator Aldrich's plan must be broadened so as to qualify for rediscount assets held by them or the legislatures in many states must

REPEAL EXISTING LAWS

prohibiting savings institutions from investing in unsecured obligations. Until quite recently, at least, it has been generally conceded that savings deposits ought to be invested in loans and securities which are locally recognized as the safest. The belief that savings deposits should, in good morals, be regarded in the nature of trust funds, has induced many states to restrict the character of investments that may be made by savings institutions. It is said that in England, France and Italy, savings funds are largely invested in government bonds and mortgages; in Germany, in municipal bonds and mortgages. The law committee of the American Bankers' Association has been actively considering whether banks doing both a commercial and savings business ought not to be required to segregate their savings funds and investments.

Conceding, without admitting, that in the panic of 1907, prime commercial paper was found more liquid than well-secured Wall street loans, it may well be doubted whether unsecured commercial paper will ever come to be regarded in some jurisdictions, at least, as

A PROPER INVESTMENT

for savings deposits. In considering the self-liquidating value of commercial paper, it should be remembered that the panic of 1907 was a money panic and that general business conditions remained undisturbed for some months; that commercial paper was not found to be so satisfactory nor so self-liquidating in the industrial panics of 1873 and 1893, when more comparatively solvent concerns failed. It should also be remembered that stocks, bonds, real estate and collateral loans were freely received as security for currency issued by the Clearing House Associations in 1907, and proved eminently satisfactory. The currency then issued has been said by no less an authority than F. A. Vanderlip, president of the National City Bank of New York City, to have been as safe a currency as National Bank notes.

I seriously doubt whether any plan which

PENALIZES SAVINGS BANKS

and trust companies for adherence to standards supported by sound reason and long experience will prove acceptable in the end to the public. If it is essential to the success of the proposed plan that state institutions should become members of the Reserve Association, the plan must be liberalized so as to give such of these institutions, as voluntarily or under legal compulsion adhere to savings banks standards in the matter of investments and loans, the right to use their prime secured loans for rediscount.

I am well aware that it is contended that prime commercial paper is the most

SELF-LIQUIDATING ASSET

a bank can have; that it is essential that the assets of the Reserve Association be kept liquid and that to permit savings institutions to use secured loans for rediscount will in some mysterious way further the interests of Wall street. But so far as I have observed those who are most insistent that the assets of the Reserve Association be kept liquid have entered no protest to the suggestion that the association purchase from the national banks $700,000,000 of irredeemable 2 per cent bonds which would be absolutely unmarketable in its hands, and when deprived of the circulating privilege, worth not to exceed 70 cents on the dollar. I fully agree with the opinion expressed by the currency commission that it would be a menace to the establishment of the National Reserve Association on a solid basis to permit the taking over of these bonds unless some definite

PLAN FOR REFUNDING

them is worked out in advance, to which the government is definitely committed. It is gratifying to find that Senator Aldrich has made careful provision for this in his revised plan.

Those who contend that Wall street interests will profit if secured loans are qualified for rediscount have failed to take note that the demand is made only in behalf of institutions adhering to savings bank standards in the matter of investment. The only savings institutions in the state of New York are mutual savings banks, and unfortunately, as it seems to me, even under the revised plan, they are to be

DENIED THE RIGHT

of membership. Were they admitted and given all the facilities for rediscounting prime collateral loans equal to the facilities afforded national

Frederick B. SCHENCK.
President Liberty National Bank, New York.

Google

GEO. D. COOK & CO.

BANKERS

71 BROADWAY, NEW YORK

We make a specialty of Mexican Government, State, Municipal and Railroad Bonds.

Chicago Office, 226 South La Salle St. CORRESPONDENCE INVITED

HIGH GRADE RAILROAD BONDS

SUITABLE FOR BANKS AND BANKERS

GUARANTEED R. R. STOCKS

EXEMPT FROM TAX

SUITABLE FOR EXECUTORS, TRUSTEES, &c.

Descriptive List of Offerings on Application

A. M. KIDDER & CO.

Members of the New York Stock Exchange

5 Nassau Street, New York

ONTARIO POWER COMPANY

OF NIAGARA FALLS

First Mortgage 5 per cent Bonds

Denomination $1000

Dated February 1st, 1903 *Due February 1st, 1943*

These bonds have been purchased by Universities, Colleges, Savings Banks, Trust Companies, National Banks, Fire and Life Insurance Companies and Trustees of Estates.

We recommend these Bonds as a Sound Investment netting the investor about 5.10 per cent

WRITE FOR SPECIAL CIRCULAR

A. H. BICKMORE & COMPANY

BANKERS

30 PINE STREET :: :: :: :: NEW YORK

tized by Google

THE NATIONAL CITY BANK OF CHICAGO

SOUTHEAST CORNER DEARBORN AND MONROE STS.

UNITED STATES DEPOSITORY

Capital Stock - $2,000,000

Surplus & Undivided Profits, 500,000

Total Resources - 29,300,000

Excellent collection facilities; liberal par list to all correspondents; we attempt to take care of our customers at all times; your account invited.

OFFICERS

DAVID R. FORGAN, President
ALFRED L. BAKER, Vice Prest.
H. E. OTTE, Vice Prest.
F. A. CRANDALL, Vice-Prest.
L. H. GRIMME, Cashier
W. T. PERKINS, Asst. Cashier
W. D. DICKEY, Asst. Cashier
HENRY MEYER, Asst. Cashier
A. W. MORTON, Asst. Cashier
WM. N. JARNAGIN, Asst. Cashier
WALKER G. McLAURY, Asst. Cashier
R. U. LANSING, Mgr. Bond Dept.
M. K. BAKER, Asst. Mgr. Bond Dept.

banks for discounting commercial paper, the amount that would be available for speculative purposes would be a negligible quantity, if all the savings banks in the city of New York were to lend themselves to such purpose, which, of course, is unthinkable.

Third. In view of the fact that members of the local association will be required to guarantee the obligations of discounting members, it is important that

MEMBERSHIP BE RESTRICTED

to solvent, ably and honestly managed institutions. It is far easier to exclude than to suspend the undesirable if admitted. Mere examination, either by a state banking department or by the comptroller of currency, ought not to entitle a bank to membership as a matter of right. Every applicant should be required to present credentials from the department supervising it, certifying to its condition on the date of the last examination and to the fact that the applicant is in good standing with its department.

Fourth. Ought the privileges of membership to be extended to

MUTUAL SAVINGS BANKS?

There are 635 mutual savings banks in the country with deposits aggregating $3,500,000,000, nearly 25 per cent of the total deposits of the entire country. Upon what theory are they to be excluded? Is it because they neither need nor desire the protection, which it is assumed membership in the National Reserve Association would afford, or has the decision to exclude them been found the most convenient way, in view of the fact that they would only have collateral loans to offer for rediscount, to escape from the hue and cry against Wall street. In times of public distrust, savings institutions are peculiarly subject to attack because of the number and character of their depositors. They can, it is true, require 30 to 60 days notice of withdrawal to be given, but to take refuge under that right is humiliating, if not a disgrace, at least in normal times. A bank enforcing it

FAILS IN THE SUPREME TEST

of good banking, which has been said to be the ability to pay all demands in cash.

Nearly 40 per cent of the total deposits of the country are savings. Under Senator Aldrich's plan practically none of the resources in which savings deposits are invested could be converted into cash except in times of extreme disturbance, when their direct obligations, properly secured and guaranteed by the local Reserve Association, could be used. Under ordinary conditions protection to savings deposits must result, under the plan proposed, from the conversion of investments representing commercial deposits held by other institutions. I fear too much reliance is placed on the self-liquidating quality of commercial paper and that Senator Aldrich, in his zeal to avoid the appearance of giving any supposed advantage to Wall street, has entirely

OVERLOOKED THE NEEDS

of savings institutions.

If the co-operation of mutual savings banks is essential, the plan must be modified to meet the conditions under which they operate and are powerless to change. Whether secured loans are less liquid than obligations arising out of commercial transactions is not the only question. The acceptable plan must deal with conditions as they exist and afford the banks of all classes the maximum of opportunity consistent with sound banking to convert their resources into cash.

Fifth. The Currency Commission has recommended that state banks be required to maintain against demand deposits a

RESERVE OF LIKE CHARACTER

and proportion as required of national banks in the same locality, trust deposits, savings deposits and liabilities for deposits payable beyond thirty days not to be subject to reserve requirements provided for demand deposits. No suggestion was made by the committee as to what the requirements for such deposits ought to be. In the revised plan Senator Aldrich has provided that time deposits and money held in trust, payable or maturing more than thirty days from date, shall be subject to the same requirements as demand deposits for the thirty days preceding their maturity, no reserve to be required except for such period; savings deposits subject to thirty days or more to be covered by a reserve equal to 40 per cent of that required for demand deposits in the same locality.

At first glance, this seems reasonable and just, but there may be instances where it

MIGHT PROVE UNREASONABLE

and operate to exclude institutions whose membership should be desired. To illustrate: National banks in central reserve cities are required to keep a 25 per cent cash reserve in vault. After a thorough and careful investigation, the clearing house of New York City reached the conclusion that it would be unfair to require the trust companies, in view of the number, character and amount of their clearance items, to maintain such reserve, and it will be remembered that they were admitted to membership under a rule requiring a reserve of 15 per cent cash in vault and 10 per cent on deposit with members of the association carrying 25 per cent in vault. But for this concession, the trust companies of New York City would undoubtedly have declined to become members of the Clearing House Association. It is possible that failure to lodge power somewhere to make exceptions in the matter of reserve requirements might operate to exclude many, if not all, of the larger trust companies in New York City from membership in the Reserve Association, which would be unfortunate. Similar conditions may exist in other reserve centres. I would suggest that instead of having Congress fix the reserve requirements the executive committee of the Reserve Association be given power to

FIX FROM TIME TO TIME

the amount of reserve required to be maintained by its members for all classes of deposits, savings, time certificates and demand.

If the Reserve Association shall be able to provide for the needs of its members in times of emergency, trade expansion and crop movement, I firmly believe that reserve requirements can gradually be liberalized and within a few years at most entirely dispensed with. Under existing laws, $1,500,000,000 out of a total of $3,500,000,000 of currency in this country, is required to be locked up in our vaults and made unavailable for any purpose. It is uneconomic and wasteful, the burden falling in the last analysis upon the borrowing merchant, manufacturer and farmer.

I gave at the outset some of the advantages that would accrue to na-

Digitized by Google

tional bank members if the plan were adopted. A summary of

THE DISADVANTAGES

state institutions accepting membership in the Reserve Association would labor under until state laws are amended may be of interest:

1. State banks could not accept paper drawn on themselves.
2. In many states, they could not establish branches.
3. They could not own stock in banks doing business in foreign countries.
4. In most jurisdictions they would be compelled to maintain greater reserves against their demand deposits than is required by the law of the state where they are located.
5. While national banks would not be required to keep any reserve for time deposits not payable within thirty days, state banks in most jurisdictions would be compelled to do so.
6. While national banks would only be required to keep a reserve for savings deposits equal to 40 per cent of that required for demand deposits, which in reserve cities would be 10 per cent and in non-reserve cities 6 per cent, state banks in many states would be compelled to maintain a 15 per cent reserve against savings liabilities.
7. Funds deposited with the Reserve Association

COULD NOT BE COUNTED

as reserve.

8. Notes of the Reserve Association held by state banks could not be counted as reserve.
9. State banks must agree to submit to such examinations and to make such reports as may be required by Federal law or by the local association.

While the disadvantages at the outset would be many and burdensome, I am confident the legislatures in the several states can be relied upon to promptly enact legislation correcting these inequalities.

I have already expressed the opinion that the plan proposed by Senator Aldrich ought to be satisfactory to state banks or discount. If it shall be amended so as to give mutual savings banks and the smaller state banks the right of membership and trust companies and savings institutions adhering to savings bank standards adequate facilities for rediscount and provide for making proper exceptions in the matter of reserve requirements, the plan submitted, in my judgment, should receive the unqualified support and approvel of all state institutions.

ORIGINAL CHARTER 1929

THE CALLATIN NATIONAL BANK
OF THE CITY OF NEW YORK

CAPITAL, - - - - - $1,000,000
SURPLUS AND PROFITS (Earned,) 2,500,000

OFFICERS.
SAMUEL WOOLVERTON, President.
ADRIAN ISELIN, JR. Vice-President.
GEORGE E. LEWIS, Cashier.
HOWELL T. MANSON, Assistant Cashier.

DIRECTORS.
ADRIAN ISELIN, JR. — CHARLES A. PEABODY.
FREDERIC W. STEVENS. — SAMUEL WOOLVERTON
ALEXANDER H. STEVENS. — CHARLES H. TWEED.
W. EMLEN ROOSEVELT. — THOMAS DENNY.

THE NEEDS OF THE FARM AND ITS BENEFITS FROM THE NATIONAL RESERVE ASSOCIATION

By Joseph G. Brown of Raleigh, N. C.

The population of this country is ninety-two millions of people. Of these more than half, say forty-nine millions, live in the rural districts. There are nearly one billion acres of cultivated lands. The value of these lands, including buildings, amounts to more than thirty-four billions of dollars, and their annual product is nine billions of dollars, or about as much as the entire resources of all our national banks. It would require only 10 per cent of one year's product to pay the national bonded debt. The capital invested in agriculture exceeds that invested in either manufacturing or railroad enterprises. The man who tills the ground is, in these United States, creating wealth at the rate of $25,000,000 daily. How essential then that we bear in mind that no system of finance can be effective that does not embrace in its scope the needs of

THE AGRICULTURAL SECTIONS.

Back of all commerce, back of all banking, back of all manufacturing, back of all industry lies agriculture, the real basis of all prosperity.

There is one special need, however, which appeals to us particularly on this occasion, a need that underlies all others and without which we can never hope to get out of country life the very best there is in it. There must be some system of finance by which the farmer may not only secure funds to make his crop, but may also be sure of facilities for holding or marketing it after it is made, so as to get for himself a fair share of the profits of his labor. Under the present system all too often he is forced to

RUSH HIS CROP

to market and sell under most unfavorable conditions.

The recognition of this condition and the fearful losses entailed upon the country by the panics that have come with almost periodical certainty have led to a careful and perhaps more exhaustive study of the whole question than has ever been given to any other problem that has come before the American people, and out of it all has been evolved the plan proposed by the monetary commission. But the question before us at the moment is what benefit is to accrue to the farmer from the operations of this bill if enacted into law?

Under the proposed plan the bank can readily and quickly convert into actual cash the solvent commercial paper it is carrying, and in emergency its own obligations, so that hardly any condition can arise by which the farmer with his crop, which constitutes the safest collateral known to the commercial world, cannot secure needed help.

Of course

SHORT CROPS MAY COME,

dull business may follow years of expansion, but there should be no more runs on banks, no more closing of sol-

Digitized by Google

vent banks, or selling of cash at a premium.

It is possible that some of the smaller banks which seldom have the required short-time commercial paper, may not take advantage of membership privileges, but whether members or not, they cannot fail to enjoy the benefits of the association, because their reserve correspondents, having themselves an unfailing source of supply, can always provide for their needs, and they in turn can provide for the handling of every bale of cotton and every bag of corn.

This availability and sufficiency of resources will doubtless facilitate the building of bonded warehouses, and with these in operation all over the country, the farmer will occupy a most independent position in regard to the disposition of his crop, for his warehouse certificates will be just as desirable collateral as stocks and bonds, and in many cases, far safer. The farmer will at last have that which has been denied him all these years,

FACILITIES FOR BORROWING,

equal at least to the man in the city who carries his surplus in the shape of negotiable securities.

The disfavor with which rediscounting by banks has been regarded as eliminated by this bill, and the proper use of facilities for rediscounting is emphasized as entirely legimate. So far does it go in this direction that by a system of bank acceptances it brings the resources of the world within the reach of every banking community.

The great good that accrues to the farmer from this is that the adequacy of the supply and facility for borrowing equalizes rates, and gives to the sparsely settled and undeveloped regions the same favorable terms that have obtained in the rich and populous sections where desirable collaterals are available. Texas and Wall street must pay the same rates. It hardly requires the vision of a seer to perceive what they may mean to those sections remote from the centres where interest rates have been almost confiscatory.

The Reserve Association will be especially charged with the maintainance of

UNIFORM RATES.

In France, the rate has varied only two per cent in twenty years, the highest being only 4½ per cent.

The average farmer has been the possessor of little else than his land, and our present laws forbid the lending by the banks on mortgaged security. This has forced the land owners into the hands of individual money-lenders, many of whom have not been overmodest in their charges. The farmer has had no heavier burden to bear and this is relieved by the provision in the proposed law that banks may lend on real estate.

If this be followed by the universal adoption of the Torrens Land Title System it will make available to the farmer as collateral practically every dollar's worth of his property.

Some suggest that this would make borrowing too easy, but can there be any good reason why the land owners should not be put on the same footing as the owner of other kinds of property? The man who has the capacity to accumulate must be credited with the judgment to use his property prudently. The restrictions in the present law were doubtless wise, and have served a good purpose, but conditions are now changing rapidly, and one of the objects of the proposed legislation is to give

THE FARMER A CHANCE.

This country can never be satisfied until some system is devised by which the country banks can avoid being declared insolvent when they have ample credit or ample funds in the hands of their city correspondents, who, because of defective laws, cannot come to their relief, without running the risk of placing themselves in a similar situation. All these things are too fresh in our minds to need elaboration. The system has proved insufficient in time of critical need. The country demands another that shall be effective at all times.

When such a system has been adopted then the cotton farmers of the South and the grain raisers of the West may have the assurance that funds needed for the movement of the crops are always available and always at their service. The bank with $25,000 capital will then be heard and helped as readily as the bank with $25,000,000.

Such the needs, such the benefits sought, and such I believe will be the effect of the adoption of the act creating the National Reserve Association and the plan proposed is very unique.

If we cannot have reciprocity with Canada, let us at least have reciprocity with one another.

E. R. FANCHER.
Retiring President Clearing House Section.

CHARTERED 1799

Bank of The Manhattan Company

40 Wall Street - NEW YORK

Capital	$2,050,000
Surplus and Undivided Profits	4,300,000

OFFICERS:

STEPHEN BAKER, President
HENRY K. McHARG, PIERRE JAY, Vice-Presidents
D. H. PIERSON, Cashier JAMES McNEIL, Asst. Cashier
B. D. FORSTER, Asst. Cashier

DIRECTORS:

James Talcott
Henry K. McHarg
Stephen Baker
H. D. Auchincloss
Fredk. G. Bourne
R. W. Paterson
William S. Tod
James Speyer
William Sloane
Samuel Sloan
Pierre Jay
B. H. Borden

Digitized by Google

ORGANIZED 1850

MARINE NATIONAL BANK

BUFFALO, N. Y.

THE MARINE NATIONAL BANK OF BUFFALO 1850 1902

CAPITAL	PAID IN	$ 500,000.00	
	EARNED	1,500,000.00	$ 2,000,000.00
SURPLUS AND PROFITS (EARNED)			1,500,000.00
TOTAL ASSETS			$33,000,000.00

OFFICERS

STEPHEN M. CLEMENT	President	CLIFFORD HUBBELL	Cashier
JOHN J. ALBRIGHT	Vice President	HENRY J. AUER	Assistant Cashier
JOHN H. LASCELLES	Vice President	NORMAN P. CLEMENT	Assistant Cashier

THE MARINE NATIONAL BANK WAS ESTABLISHED SIXTY-ONE YEARS AGO, AND IT HAS STEADILY GROWN UNTIL IT IS THE LARGEST BANK OF DISCOUNT IN THE STATE OUTSIDE OF NEW YORK CITY. ACCOUNTS OF BANKS AND BANKERS INVITED. WE HAVE VALUABLE PAR POINTS

TRADE FLUCTUATIONS AND PANICS

By John Perrin of Indianapolis

Panics and depressions have recurred so periodically, that there may seem excuse for thinking them inevitable as the change of seasons. If the banking machinery of every country broke down under strain in like manner, there might be justification for stoical endurance, although even then it would be the part of intelligence first to exhaust every resource of ingenuity to devise a better machinery. But ours is

PRACTICALLY THE ONLY

civilized country which has financial panics and currency famine.

Lord Beresford in his book concerning his visit to China, recounts his inspection of a fort, where he pointed out that the guns were so placed that when they fired they would explode the magazine. The Chinese general exclaimed with admiration that he was a wonderful man to observe that; that it was exactly what had happened, but the fort had been rebuilt exactly as before. We have periodically exploded our magazine, and yet for half a century we have rebuilt our banking fort exactly as before.

To maintain the individual identity, separate ownership, and absolute independence of our twenty thousand banks and at the same time to endow them both with the ability to serve efficiently the commerce of their respective localities and also the strength to meet special strains, whether local or general, it would seem that the only way would be to follow a

MIDDLE COURSE.

This would be to co-ordinate the banks of the system that it would be possible to mass part of the reserves, thereby securing a measure of efficiency and strength, which, if not the theoretical maximum, would practically, at least, be adequate.

With banks self dependent as now, each must carry now constantly a reserve which it regards as sufficient, not only for normal conditions, but for fortification against additional demands. If this surplus of reserve beyond that for normal conditions were lodged with a co-operative agency, it would gather in the one mass that portion of the reserves now held for possible requirements beyond the ordinary. This would constitute a vast consolidated reserve fund available as a basis for extending credit, or furnishing reserve money in exchange for acceptable loan assets, to those banks in any section of the country upon whom special demands might be made at any time by their depositors. Such an agency would be

POWERFUL TO PREVENT

panics. A panic results from collapse of credit, but a great reserve fund held for use in times of stress would assure to solvent borrowers extensions of credit when needed.

The other part of our money, which is not in bank reserves, is in circulation, that is, in the tills of merchants, in the pockets of the people. Banks are constantly paying out money, withdrawn by depositors, which goes into circulation. This is not at the volition of the banks, but because these owning the right to it exercise their preference to have money instead of deposits subject to check. As such money is spent, merchants and others who receive it re-deposit it in banks, again

NOT BECAUSE BANKS DESIRE

this, though, to be sure, they are willing, but because merchants prefer to exchange money for rights to check, their payments being more convenient-

Digitized by Google

UNION EXCHANGE NATIONAL BANK
of NEW YORK
5th AVE. & 21st ST.
CLEARING HOUSE NO. 100
ORGANIZED 1903

CAPITAL AND SURPLUS, $2,000,000.00 DEPOSITS, $11,000,000.00

SITUATED IN THE NEW COMMERCIAL AND MANUFACTURING DISTRICT, 5th AVE. AND 21st STREET

Banks that can handle to advantage the items payable in their locality are invited to correspond with us

HENRY S. HERRMAN, President
DAVID NEVIUS, Vice-President and Cashier LOUIS J. WEIL, Vice-President
GEO. B. CONNLEY, Assistant Cashier

ly made by check. The resultant of the preference of those owning rights to money determines the volume of money in circulation. It is beyond the power of banks to control this. Bank reserves viewed as a whole are not the amount which banks desire for that use, but the amount remaining after the demands are satisfied for money to circulate. Under our present system, the volume of money in circulation is

PERFECTLY FLEXIBLE.

It constantly expands and contracts in automatic adjustment to the requirements of trade and the convenience of the people. An increase in the volume of cash transactions brings promptly an increase in the volume of currency in circulation through the current withdrawals of money exceeding the current deposits of money. A lessening in the volume of cash transactions promptly drives unneeded currency out of circulation through the deposits of money exceeding the withdrawals. No other system could provide a currency which would adjust its volume in circulation more exactly to the needs of the trade, and the preference of the people. There is a ceaseless flow of the money in circulation into bank reserves, and of money in bank reserves, into circulation—ceaseless except in an occasional crisis, when the natural flow of money from bank reserves into circulation is arbitrarily stopped by banks refusing, for self-protection, to continue paying out to the point of exhausting reserves.

While the volume of money in circulation is thus perfectly and automatically adjusted to trade requirements, it is to be noted that this flexibility arises from the flow, back and forth, between the mass of money in circulation and the mass in bank reserves. In this lies the

MAIN ECONOMIC DEFECT

of our present currency system. An expansion in the volume of money in circulation entails a corresponding contraction in the volume of bank reserves, and necessarily, as previously pointed out, a corresponding contraction in loans. A period of expanding business would naturally be attended by both an increased volume of loans and an increased volume of cash transactions, such as increased pay rolls, increased retail sales. Increased cash transactions cause a larger volume of money to flow into circulation. But this flow is out of the bank reserves, thus reducing them and necessitating a reduction of loans depending upon them, at the very time when loans would naturally expand. Obviously, if business becomes very active, the effect upon bank reserves is so adverse, and the contraction of loans depending upon reserves so important, that embarrassment is widespread and panic ensues.

It would be a remedy to have the volume of money in circulation find its adjustment in a flow from bank deposits into money in circulation, and from money in circulation into bank deposits, instead of through a flow between bank reserves and money in circulation. Such a result would be attained by the use of bank notes as our ordinary currency.

True, bank notes are simply a bank's

PROMISES TO PAY

money, the same as are bank deposits, each backed equally by the bank's assets including the same proportion of money reserves. A conversion of its deposit promises into bank note promises, as F. A. Vanderlip has aptly expressed it, or bank note promises into bank deposit promises would in no wise change the total of its liabilities. The two kinds of promises, interchangeable at the will of the depositor, are identical in substance, different only in form, each being simply promises to pay money.

As a manufacturer drawing upon the bank for currency for a pay roll and receiving bank notes, thereby causes a reduction in the bank's deposit liability and a like increase in its bank notes in circulation. A merchant depositing bank notes thereby increases the bank's deposits and contracts to the same extent the volume of its bank notes in circulation. To place its own bank note in possession of the issuing bank would in effect cancel it the same as if destroyed. It would be like the promissory note of an individual coming into the maker's possession. If a bank note were reissued, it would be in exchange for a new asset and would be a new promise to pay money as much as if the old bank note were destroyed and an entirely new note issued in the new transaction. Those owning rights to draw, as Prof. Irving Fisher puts it, would determine according to their convenience whether they preferred deposits subject to check or bank notes. There would be

A CONSTANT FLOW

from bank deposits into bank notes in circulation and from bank notes in circulation into bank deposits. Such an interchange would in no wise disturb the bank's reserve money and consequently would in no wise affect the loans depending upon the reserves.

If the co-operative reserve holding agency, previously mentioned, were given sole authority to issue such bank notes, it would naturally use them in current payments of depositors' checks, thus leaving undisturbed the reserve money with which such deposits had been created. Current deposits with such an agency would consist to some extent of gold and other forms of lawful money as well as its own bank notes. The continuous process of receiving such deposits and paying checks with bank notes would gradually exchange bank notes for the gold, silver and greenbacks, in circulation, thus concentrating the lawful money with the agency and rendering its bank notes our ordinary currency. With the principal part of the lawful money of the country massed in such a co-operative agency, its money reserve

WOULD BE SO VAST

that it would have strength, abundant beyond question, to serve efficiently the banks and, through them, the commerce of the country. Panics would be averted not only by the actual extensions of needed credit, but by the confidence arising from knowledge that extensions of credit could be had by worthy borrowers if and when required. The possibility of currency famines would be eliminated and no longer considered, as all the deposit credits, including those created by loans, would be exchangeable at the will of the depositing bank for bank notes.

Summing up, the main defect of our present currency system is that the volume of currency in circulation has its adjustment in the flow from bank reserves into money in circulation and from money in circulation into bank reserves, causing a contraction of bank reserves and the loans depending on them as business expands, and an expansion of reserves and of loans as business contracts.

A REMEDY

would be the use of bank notes through which the volume of currency in circulation would have its adjustment in the flow from bank deposits into bank notes in circulation and from bank notes in circulation into bank deposits, thus protecting from disturbance, both bank reserves and the loans based on them.

Digitized by Google

PUBLIC OPINION AND THE NATIONAL RESERVE ASSOCIATION PLAN

By President Schurman of Cornell University

There are three considerations which I may mention in explanation of—I will not say in justification of—my appearance as a speaker before your national gathering of bankers. In the first place let me say that, having been a student of economics and finance from my boyhood, although my studies have often been interrupted by other duties I have for many years been deeply interested in the subject of banking and currency reform; secondly, although I have been compelled by administrative duties to give up teaching and have conducted no classes for many years, I am, nevertheless, at the present time giving a course of lectures to our students on economic and financial subjects, in which I am devoting considerable space to the subject of money, credit and banking; and in the third place, I have long been a disciple and advocate of the doctrine that the United States has the worst system of banking and currency in the whole civilized world.

It is impossible to estimate and difficult to exaggerate the magnitude of the losses which this country has suffered from the defects of its present banking and currency system. No other civilized country would so long have endured such a waste of its resources; no other country is rich enough to have stood it.

BANKING REFORM AND POLITICS.

The general public has no idea of the importance or urgency of the reformatory and constructive legislation which we now desire for the improvement of our banking and currency system and the protection of the financial interests which they represent. Questions of partisan politics, especially if embittered by personal feuds, easily gain possession of the public mind. But the promotion of the public welfare without appeals to passion and to fury is a much more difficult undertaking.

I believe a thorough and extensive campaign of education will be necessary. And the first lesson to be emphasized in our campaign of education is this: That banking and currency reform is the concern, not of bankers, not even of financiers, but of the American public in general. Under our present system there are times when unnecessary financial stress is experienced by farmers, by fishermen, by lumbermen, by wage-earners, by all classes of the community. Although the banker perceives these evils and realizes the causes from which they follow, he does not suffer from them in a more acute form than any of his fellow citizens. It is merely that his experience brings the evils under his observation. The general public, indeed, do not realize this situation of affairs, and are prone either to accept their sufferings as a result of the necessary nature of things or to imagine they can be remedied by some remote measure of party politics. For this reason I say it is essential that the public shall be educated to a realization of the true situation of affairs. When panics come and wage-earners are thrown out of employment, and farmers with good properties cannot borrow money at a moderate rate of interest, and no one can get the cash necessary for the transaction of routine business, and checks are not accepted at face value, the public must be made to understand that these evils in which all alike are participating are due to a cumbersome, antiquated and unscientific system of banking and currency and that they could be eliminated with the reform of that system.

IMPORTANCE OF REFORM.

If Senator Aldrich, bringing a vigorous mind and a large and varied experience to the study of banking and currency probems, has, after conference with bankers and business men and economists and other groups of intelligent citizens, worked out on sound business principles a plan for the reformation of our currency and banking system which can be fitted into existing conditions without involving abrupt or revolutionary changes, his name will be ranked among the foremost financial statesmen of modern times, and he will have laid before our people a programme of practical reform which, in view of the magnitude of the interests involved and the terrible severity of the evils to be remedied, should take precedence of every other question of contemporary public policy. In comparison with a sound banking and currency system proposed changes in our tariff and trust laws, important and urgent as they may be in themselves, fall into the background.

You will not misunderstand me. I recognize the propriety of bringing our tariff laws into a closer harmony with the conditions of modern industry and commerce and the demands both of

FIRST NATIONAL BANK

Euclid Avenue, CLEVELAND

THE FIRST NATIONAL BANK of CLEVELAND

has been assigned by the Comptroller the number seven, its original charter number, which designates this institution as one of the oldest national banks in the country.

It has had an uninterrupted period of healthy, permanent growth since its organization in 1863, from which it is safe to conclude that the service rendered its customers has been agreeable and satisfactory.

Now ranking as one of the strongest financial institutions in the Middle West, and with an organization and equipment that embraces the latest and best methods of transacting all branches of business pertaining to banking, this bank solicits the accounts of banks, bankers, firms and corporations.

It has a capital of $2,500,000. Surplus and profits of $1,350,000 and total resources of $34,000,000.

Digitized by Google

the consuming and the producing public. And although I am firmly convinced that business on a large scale is absolutely essential to efficiency in the modern world and should be protected and encouraged by all proper and legitimate means, I hold not less emphatically that the public have a right to be protected from oppressive monopolies. But whatever the losses, inconveniences and sufferings which may be attributed to our tariff and trust laws, they are far less than the losses, inconveniences and sufferings which are due to the imperfections of our banking and currency system. To the supreme importance of this issue, therefore, it is indispensable that the public should be aroused.

The business of our country has undergone consolidation, co-ordination and centralization at a tremendous rate. But our banking system is paralyzed by decentralization and lack of co-ordination. To realize how antiquated that system is one has only to imagine trade and commerce conducted to-day as it was fifty or one hundred years ago. Yet that is the

DECENTRALIZED CONDITION

in which under the present system our banks are actually left. It may not be possible or desirable to charter in the United States an institution like the Bank of France or the Bank of England. But unless some way is found of co-ordinating the scattered strength of the 25,000 independent banking establishments which now hold the money reserves of our country, business will continue in the future as it has in the past to be subject to extreme fluctuations and to suffer from the panics by which it has hitherto been characterized.

THE ALDRICH PLAN.

In its structure and organization this National Reserve Association with its branches admirably combines centralization and adaptation to local needs. The Canadian system of a few large banks with scores of branches scattered all over the country is also an example of centralization and local adaptation. But the centralization in Canada is arbitrary since it inheres in a casually elected board of directors. In the Aldrich plan the centralization is associated with representation of the country as a whole. Furthermore, in the Canadian system, while branches are scattered all over the country, and while local needs are subserved, there is no appeal to local interests and no local voice in the control. In the Aldrich system, on the other hand, the control of

THE LOCAL BRANCHES

is in the hands of the local banks. The Canadian branches are governed from Montreal or Toronto, or some other large city in which the parent bank is located and the directors live. Under the Aldrich plan the branches are governed and controlled by directors living in the localities and elected by the banks themselves.

In another respect the Aldrich plan affords an admirable example of the highest statesmanship. Burke defined a statesman as one who showed a disposition to conserve and a willingness to improve existing institutions. Senator Aldrich's plan conforms to this test of statesmanship. He might have swept the 7,200 national banks which we now have out of existence. Or he might have made them, as under the Canadian system (if indeed our Constitution would permit of such an arrangement), mere branches of one or more large parent institutions. He took neither course. These 7,200 existing national banks presumably meet local needs—else they would not exist—and they have become identified with local interests. Senator Aldrich's plan leaves them as they are, but provides a scheme by which they come together in a larger local organization, which they themselves shall constitute and control. And these local associations thus organized are combined into fifteen district associations by which, as we have seen, the National Reserve Association itself is ultimately controlled.

CREDIT ELASTICITY.

As the Aldrich system provides for centralization, so also it provides for credit elasticity. With its large capital and its deposits, both from national banks and from the government, the National Reserve Association would have a large banking power. Through its foreign exchange and gold bullion operations the bank would exert an influence on the contraction and expansion of credit, as also by its rediscounting of commercial paper and the raising and lowering of the rate of discount. But this is not the whole story. The Aldrich plan adopts a scientific system of bank-note circulation. The notes of our present banks are secured by bonds, and are, therefore, inelastic. The Aldrich plan substitutes therefor an asset currency of the same amount issued by the Reserve Association. And besides, this issue provision is made for an emergency circulation to an indefinite amount, subject, however, to an annual progressive tax, starting with 3 per cent on the first $100,000,000, and reaching 6 per cent on all above $300,000,000. Like the Canadian system, this provides not only adequate machinery for the expansion and contraction of credit, but also for automatic expansion and contraction. The danger to which all bankers are exposed is that of unduly extending their credit. When emergencies come they are caught with inadequate reserves. This, of course, is due to their desire for profits. That temptation, however, is provided against in Senator Aldrich's plan by the proviso that after stockholders receive 5 per cent on their stock and the surplus amounts to 20 per cent of paid-up capital, excess earnings shall go to the government unless, indeed, as has been suggested by the Bankers' Association, a portion of them shall go into a reserve fund.

ALDRICH PLAN AND POLITICS.

The Aldrich plan, therefore, provides both for centralization and credit elas-

JAMES G. CANNON.
President Fourth National Bank of New York.

Digitized by Google

Knickerbocker Trust Company

Fifth Ave. & 34th St. — **60 Broadway**
Lenox Ave. & 125th St. — **Third Ave. & 148th St.**

NEW YORK

OFFICERS

CHARLES H. KEEP, President

EMIL L. ALLEN, Vice Pres. — JULIAN M. GERARD, Vice Pres.
FRANCIS HENDERSON, Vice Pres. and Trust Officer — HARRIS A. DUNN, Secy. & Treas.
JAMES E. MILLER, Asst. Secy.
WILLIAM TURNBULL, Vice Pres. — J. SPERRY KANE, Asst. Treas.
PAUL H. HUDSON, Auditor

TRUST DEPARTMENT

ORRIN R. JUDD, Asst. Trust Officer
RAPHAEL L. CERERO, Asst. Trust Officer

HARLEM BRANCH
WILLIAM F. LEWIS, Manager

BRONX BRANCH
JOHN BAMBEY, Manager

Statement of Condition, Friday, September 29, 1911

ASSETS

Cash on Hand and in Banks	$10,980,226.34
Bonds and other Securities	11,981,179.34
Demand Loans	3,375,208.56
Time Loans	12,239,760.49
Bonds and Mortgages	3,244,360.57
Real Estate, Banking Houses	4,285,657.05
Accrued Interest Receivable	360,965.91
	$46,467,358.26

LIABILITIES

Capital Stock	$3,181,000.00
Surplus and Undivided Profits	5,846,037.43
Unconverted "B" Certificates	57,000.00
Total Capital and Surplus	$9,084,037.43
Due Depositors	37,093,531.06
Dividend Checks Outstanding	120.00
Reserved for Taxes, Etc.	67,577.93
Accrued Interest Payable	222,091.84
	$46,467,358.26

Wisconsin Trust Company

MILWAUKEE, WISCONSIN

Capital :: :: $500,000
Surplus :: :: 200,000

Trust Department — ***Real Estate*** — ***Savings Department*** — ***Bond Department***

SAFETY VAULTS — Boxes $3.00 per Year and Upward

OFFICERS

OLIVER C. FULLER, President

GARDNER P. STICKNEY, Vice President — *FRED C. BEST, Secretary* — *RUSSELL L. SMITH, Assistant Secretary*

Digitized by Google

Total Deposits of References Over $2,250,000,000

Learn the truth about the strength of your vault and then reflect upon what would happen if your depositors knew it

A FEW TYPICAL REFERENCES

TAKEN FROM HUNDREDS

Bankers Trust Co.	New York	National Park Bank	New York
Guaranty Trust Co.	New York	Old Colony Trust Co.	Boston
Knickerbocker Trust Co.	New York	Boston Safe Deposit & Trust Co.	Boston
Importers & Traders National Bank,	New York	Spokane & Eastern Trust Co.	Spokane
		Mississippi Valley Trust Co.	St. Louis

FREDERICK S. HOLMES

Vault Engineer

2 RECTOR STREET NEW YORK

ticity, and it fits into our existing system of banking without the necessity of radical modifications. At the same time, it gives us all the benefits of the best European and Canadian systems of banking without entailing some of the drawbacks to which those systems are exposed. On the other hand, we must recognize that any banking system in the United States, even the most perfect, is exposed to peculiar difficulties. In the first place, there has been a larger infusion of politics into currency and banking problems in this country than anywhere else in the world. And in the second place, in this day of opposition, not only to monopolistic trusts, but even to big business, there is a suspicion and apprehension that the big financiers who are supposed to control Wall street may also control and exploit this National Reserve Association.

Those of us who recall the agitation of a currency system based on 16 to 1 are not likely to underestimate the danger of politics in banking and currency legislation. And history teaches us also that two United States banks have already been

DESTROYED BY POLITICS.

Doubtless, Senator Aldrich and his coadjutors were keenly sensitive to this danger. And there are certain features of the present scheme which differentiate it completely from those which have gone before. In the first place, this is not a national bank, but a reserve association owned by bankers. It does not compete with the national banks, but it co-ordinates them and supplements their functions; it does not deal with individuals, but with banks and bankers; and it can play no part in politics, but, on the other hand, will be subject to strict Federal supervision.

THE PLAN AND WALL STREET.

There remains the dangers of Wall street exploitation and control. On this point the public will be sensitive and suspicious in the extreme. Yet the Aldrich plan seems to reduce to the lowest possible degree the opportunity of exploitation by Wall street. So far as appears, it might be said that that possibility is wholly eliminated. But in view of the subtle machinations with which the recent history of American finance has made us familiar one may hesitate to make such a positive assertion. One may, however, venture to declare that it would be difficult to lay down greater precautions than those embodied in this plan. Wall street deals in the main with stocks and bonds of private corporations. But the National Reserve Association is not permitted to purchase such stocks and bonds. Still more important is the difference in the control of the two cases. The manipulators of stocks and bonds in Wall street are the small number of men who own and control enormous holdings in combination. But the directors of the National Reserve Association are not from Wall street, but from all parts of the United States, their electorate being ultimately the local banks. It is not easy to imagine such a body of representative Americans being either the tools or agents or the daring rivals of the manipulators of Wall street. If it is said that these directors being elected by the banks, as the majority of them are, are from the very character of their experience and vocation predisposed to sympathy and alliance with Wall street, I would appeal to the voters of states outside of New York and ask whether the bankers of the South and North, of the East and West, are not really more responsive to the sentiments and views of their own localities than they are to those of Wall street. And in the second place, I would point out that of the forty-five directors of the National Reserve Association twelve are to "fairly represent the industrial, commercial, agricultural and other interests of the country". And although they may be bank directors, they cannot be officers of the bank.

ENACT OR IMPROVE.

The Aldrich scheme is now before the country. No one who is acquainted with our present banking and currency system and with the proposed plan can hesitate to pronounce it a great constructive measure. It is quite possible that it may be modified; it is quite possible it may be improved in details. And I am confident that Senator Aldrich and the Monetary Commission and the Bankers' Association would all welcome suggestions in the way of improvement. But one

Digitized by Google

fact must be recognized. Reform is absolutely essential. There has been a consolidation of our great industries in the interest of economy and efficiency. And for the same reason, railroads have been unified and multiplicity of administration abolished. The present banking law of the United States is a survival of an industrial, economic and financial condition which has passed away.

WE MUST FOLLOW

other great nations in providing an institution for the centralization and co-ordination of our banking power. The waste and inefficiency of the present system are no longer tolerable. The Aldrich plan is an attempt to solve this problem. It has received the highest commendation from intelligent men and experts all over the land. If a better scheme can be produced, let it be forthcoming. Either this scheme or a better scheme is indispensable. And until I can hear of a better scheme—of which, indeed, I have no expectation—and until I can see serious defects in the Aldrich scheme—which are not now visible to me—I heartily join this association in commending this plan to the American public and will gladly do everything in my power to secure its enactment into law. And if at any time you think I can co-operate with your association, or with its officers, in bringing about this reform, I beg to assure you I stand ready whenever my other duties permit to put my services freely at your disposal.

Charter Member New York Clearing House

OFFICERS
EDWARD EARL, President
J. CHRISTY BELL, Vice-President
JOHN MUNRO, Vice-President
W. B. NOBLE, Cashier
H. P. STURR, Assistant Cashier
N. D. ALLING, Assistant Cashier
R. M. BAILEY, Assistant Cashier

THE NATIONAL NASSAU BANK OF NEW YORK

DIRECTORS
J. CHRISTY BELL
HENRY C. MILLER
RICHARD YOUNG
SAMUEL R. WEED
JOHN MUNRO
EDWARD EARL
HARRY BRONNER

ESTABLISHED 1852 NATIONALIZED 1911

THE RELATION OF THE NATIONAL RESERVE ASSOCIATION TO THE GOVERNMENT

By Hon. A. Piatt Andrew, Assistant Secretary of the Treasury

Gentlemen: One of the merits of the proposed plan is that it contemplates the complete withdrawal of the Federal government from the banking business.

No other government in the world is so ill-adapted as ours to act as its own banker. Under governments with responsible cabinets, such as exist practically everywhere else, the machinery is provided for a balanced budget and an approximate equivalence to revenue and expenditure. Such governments are not confronted with alternating and unpredictable surpluses and deficits, and even if their funds were entrusted, as in this country, to an

INDEPENDENT TREASURY,

there would result no such haphazard and disturbing withdrawal of money from the banks and from circulation or equally upsetting reinjection of money into the currency as has occurred here from time to time. Under our peculiar methods of government, one pair of congressional committees prepare the bills for raising money, while another independent and much larger group of committees prepare the bills for spending it, and no individual or committee is seriously charged with the duty of adjusting the balance between them. In certain past years, we have been confronted with a deficit amounting to over a hundred million of dollars; in other years with a surplus of like proportions; and the effect of these vagaries in our budget, if the independent treasury had been consistently maintained, would have been a corresponding addition to our deduction from the country's currency without the slightest regard for the demands of business.

In the face of such a situation, with revenues and expenditures see-sawing in alternate surpluses and deficits, successive secretaries of the treasury during the last decade and a half have seen fit to largely qualify the independent treasury as a depositary of the government's working balance, and have adopted instead, as the

ONLY POSSIBLE ALTERNATIVE,

the deposit of a considerable proportion of the general funds with particular banks. In fact, though during the last ten years we have held on deposit with such banks anywhere between $10,000,000 and $150,000,000, we have been obliged under existing laws to transfer these funds from the banks to the sub-treasuries before checking against them. The banks, in other words, have enjoyed the full use of the money during the greater period, and in most cases, still without paying interest, while the treasury has been obliged to bear the expense of handling it. All of these institutions enjoy the distinctive privilege of advertising on their own doors, in the press and on their circulars and stationery the fact that they have been designated "United States Depositories," thus conveying to the uninstructed the false impression that they have been selected because of the peculiar assurances of safety, or of credit, which they officer. Yet, as all bankers know, the 1,362 institutions selected as United States Depositories are no more worthy of confidence or distinctive preference by the government than the 5,969 other institutions under Federal charter, nor are they so regarded by the government.

It is highly important, therefore, that the monetary plan now before the public

PROPOSES A MECHANISM

by which, on the one hand, the government's haphazard surpluses and deficits can be prevented from effecting any serious alterations in the currency supply, and by which, on the other, the manifold injustices and discriminations as between banks which are inherent in the present system of handling government funds can for the future be completely eliminated. If the plan is adopted, the government's general funds and all future revenues will be deposited with the National Reserve Association and the annual disbursements, amounting to a

Evidences Multiply

that this, a small, compact, conservative and strictly business bank, is serving a real need of the community. We solicit new accounts, large or small, but do not wish to disturb accounts that are now placed satisfactorily in other banks. But every one occasionally has a new account to open and every one should have a second bank account, and for these we would ask your consideration of this bank. We are glad always to show in full detail to our depositors our statements and to explain our banking habits. We never loan to our directors.

THE Mutual National Bank of Boston

billion or more of dollars, will be made through that institution and its branches. The government accumulations will thus be kept at the continuous disposal of all the banks and through them in the uninterrupted service of the public, and never again need the government balance serve as a disturbing factor in business, or as a source of inequitable discrimination between the banks.

Both the greenbacks and the so-called national bank circulation were credit devices to provide the government with the means to prosecute the war. Both were, and continue to-day, the equal obligations of the government. With the greenbacks, the government borrowed directly from the people; with the bonds secured so-called bank note currency, the government borrowed indirectly, the banks lending to the government in the first instance, then being allowed to borrow an equivalent amount from the people under government guarantee.

In their ultimate analyses,

I FIND LITTLE DIFFERENCE

in this respect between the system of fiat government money, represented by the greenbacks, and the so-called bank currency that the government issues to any bank which offers government bonds as collateral. It means, in either case, that the currency increases when the government has to borrow and decreases when the government repays its debts. In either case, it opens a tempting and precarious way, by which a weak government can enter upon undertakings for which it is not financially prepared at the risk of inflating the currency and undermining business credit.

It is doubtless upon some such accounts as these that the great European countries have long since abandoned the government issue of notes and have, without exception, avoided the American system of indirectly issuing government notes by allowing their issue in substitution for deposited government bonds.

The amount of circulating notes which is needed and which can be safely issued is not a multiple or coefficient of the government's need for revenue, but depends upon the general character and trend of business, upon the quantity of standard or lawful money available as a basis for credit and upon the extent to which credit in other forms is already in existence.

They are factors requiring for their just appraisal the most experienced and the most disinterested financial opinion based upon the widest relations with banks and business throughout the entire country.

Now, it is to just such authority that the control of note issue is relegated in the suggested plan.

The banks will be able to dispose of their artificially valued bonds at par; the Reserve Association will hold these bonds on such a refunded investment basis that it will be able to dispose of them from time to time without probable loss; and, finally, the government will, without additional expense, be able to refund $700,000,000 of its debt for fifty years at a net interest charge of only one and one-half per cent per annum.

This will effect great changes in the treasury administration and will make possible

GREAT ECONOMIES

to the government. As the functions of the subtreasuries are to be taken over by the Reserve Association, the expense entailed by the government of these institutions can be eliminated. The appropriations for salaries in the sub-treasuries for the current year aggregate $715,390 and for contingent expenses $170,000, or a total of $885,390, all of which would be saved to the government in the future. The details of the organization of the treasury, which would follow the adoption of this plan, have not been worked out, but it is likely that most of the expense of the division now known as the Division of Public Moneys could be wiped out. It is, of course, a question still to be determined whether the government deposits which are to be continued in national banks in places where there is no branch of the Reserve Association shall be placed there to the credit of the treasury or of the Reserve Association, but it is quite within the range of possibilities that all government money should be in the custody of the Reserve Association, and that where it has no branches it should designate the local banks in which deposits are to be made. This would relieve the secretary of the treasury of the task of distributing public funds and the remaining functions of the Division of Public Moneys could easily be assumed in the office of the treasurer. The appropriation for this division for the current year amounts to $200,600, all of which could probably be saved. It would thus not be extravagant to

ESTIMATE THE SAVING

through the elimination of the independent treasury at about $1,000,000 per annum.

In the transfer to the association of the business of bank note issue and redemption, the government will effect further important savings. During the present year the treasury has been involved in the following expenses in connection with the bank notes:

Through the Division of Loans and Currency:

For distinctive paper	$76,194	
For handling this paper	4,354	
		$80,548

Through the bureau of engraving and printing:

For engraving plates	$5,472	
Printing of notes	541,416	
		$546,888
Through the office of the comptroller of the currency redemption and issue division		66,320
		$693,756

In other words, the transfer of the business of issuing and redeeming of national bank notes to the Reserve Association would result in a saving to the government of about $700,000 annually and the aggregate saving from the elimination of the remnants of the independent treasury and of the national bank circulation would be $1,700,000 annually, to which should also be added the rental value and the present cost of maintenance of the nine sub-treasuries.

BANK ITEMS.

JEFFERSON, IOWA.—The Farmers and Merchants National Bank of Jefferson has been organized by J. McCarthey, Z. A. Church, G. B. McCully and J. Mehan.

CHICAGO, ILL.—Directors of the Central Trust Company, of Illinois, and the Metropolitan Trust & Savings Bank have voted to consolidate the two institutions. The name of the former company will be retained and the capital stock after the merger will be $2,500,000 with $1,250,000 surplus and undivided profits. The deposit account will be $25,000,000.

UTICA, MO.—A new bank is being organized here by J. Cady.

BOLIVAR, MO.—A new bank is being organized here with a capital of $25,000. F. H. Sassamann, of Owensville, Mo., has been selected for the cashiership.

FLAT ROCK, MICH.—The State Savings Bank has been incorporated with a capital of $20,000

Digitized by Google

MERCANTILE BANK

KANSAS CITY, MISSOURI

RESOURCES		LIABILITIES	
Loans and discounts - -	$279,760.41	Capital Stock - - -	$100,000.00
Bonds - - - - - -	10,093.00	Undivided Profits - -	5,911.58
Overdrafts - - - -	1,500.61	Deposits - - - -	323,050.11
Furniture and Fixtures -	3,106.17		
Cash and sight exchange -	134,501.50		
Total - - -	$428,961.69	Total - - -	$428,961.69

Officers

GEO. H. EDWARDS, President

LOUIS OPPENSTEIN, Vice-President — H. C. HONAN, Vice-President

WM. F. HELM, Vice-President — GEO. H. RUDDY, Cashier

Directors

J. H. Aikins	A. D. Flintom	R. A. Kirtley	Louis Oppenstein	Geo. H. Ruddy
A. Basile	W. F. Helm	H. C. Honan	Lee Lyon	Albert P. Spaar
A. L. Cooper	W. B. Kane	W. L. Grush	Geo. H. Edwards	

Kansas City collections will receive our careful attention.

Prompt and efficient service guaranteed. ***Correspondence invited***

CIRCULATING CREDITS AND BANK ACCEPTANCES

By Paul M. Warburg of New York City

The modern banking system has been likened to a huge sky-scraper based on a comparatively small foundation of gold, and the many superimposed stories are represented by the immense number of obligations payable in gold which, ordinarily, are settled by clearings of credits.

The most evident and direct forms of circulating credits which have taken the place of actual gold are the bank note—forming a class by itself—and bank deposits and checks. These are the main tenants of the towering structure. But they, in turn, have sublet a great many floors to all the other appliances of clearing indebtedness, all of which in the final analysis are being reduced to payments by exchange of bank credits.

Time will not allow to deal fully with the interrelation and the functions of

ALL THESE TENANTS

of the building; we shall only casually mention the most important phases.

A modern system aims at creating standard values for which a broad market can be created, so that assets can be quickly turned into bank credits. This is one of the most fundamental principles of modern banking, of equal portent for depositor and banker. Our most important staples are no longer dealt in in individual lots, which must be personally examined before the bargain can be struck, but they have been standardized and special exchanges have been organized in order to reduce merchandises into bank credits in the quickest way and to offset all purchases and sales so as to reduce to the minimum the actual use of money.

We have achieved the same perfection in dealing with stocks and bonds. While the original part ownership in a business could be transferred only by protracted negotiation and by finding a new purchaser who, after full examination, would take the place of the old owner, evolution has brought about the corporation, issuing stocks and bonds in easily transferrable shape, so that this form of indebtedness has also been mobilized. It, too, has been developed into a security for which large special markets and organizations have been created, enabling the owner to transform his holdings with the greatest possible dispatch into bank deposits. In this respect stocks and bonds have become circulating credits, they are the means of transferring the indebtedness of, or part ownership in, a corporation from one owner to another in quick succession. But while the bank note and the check are clearers of credits on demand, stock and bond transactions are clearers of credits on time, or even for an indefinite period. They are only indirect and secondary.

The most important of the subtenants is the

COMMERCIAL PAPER.

In a modern system the promissory note, running for a limited number of months and representing some kind of a commercial transaction, has been mobilized by adding to it, by indorsement on the back, or by acceptance on the face, the banker's guarantee. Thus, the old-fashioned "bill"—existing already in the form of bricks in the age of Hamurabbi—is being transformed into a "bill of exchange", thus, an immovable investment is turned into a quick asset. The impor-

Digitized by Google

tance of this evolution is twofold, because it is just as fundamental for the safety of the individual bank as it is for that of the whole credit banking system. The main assets of a deposit institution ought not to be stocks and bonds, nor loans on stocks and bonds, but commercial paper. But a bank, the deposits of which may be withdrawn on demand at any time, must have assets which can be reduced to bank credits within the quickest possible time and with the smallest possible loss, if any.

If a banking system like ours is built up on promissory notes which have no free market, the consequence must needs be that when deposits are withdrawn heavily, or when there is a strong commercial demand for money, stock exchange loans must be called and holdings of securities must be sacrificed, these being the only available liquid assets. This means great economic waste and often calamity, for it is an absolutely perverse system that expects a normal investment demand, in times, moreover, when money is scarce, to be able to supply a sufficient sum to satisfy all the immense commercial demands of the entire nation. It follows that prices of securities have to be so far reduced that at bargain, or sometimes panic prices, an abnormal demand for securities at home or abroad will be stimulated. This method is not only wasteful, but, as the past has shown us, it is most dangerous. A modern system must provide means for banks to rely upon their ability to

MARKET BILLS RECEIVABLE,

which represent the trade and commerce of the nation. In a modern system this can be done without appalling losses, there being no question of sacrifice of capital in selling securities, but only a question of difference in rate of interest in selling paper. Moreover, it can be done without creating a panic; since gradual liquidation of commercial paper means a reduction of the volume of all commerce and trade, which is adjusted by co-operation of every toiler and consumer. It is thus spread over 100 million people instead of throwing the burden on the holders of stock exchange loans and investors, few in number by comparison. While our system has remained entirely archaic and primitive in this respect, Europe enjoys the full advantages of a highly developed discount system, which averts panics there with as much certainty as we may expect their occurrence with us.

Commercial paper and bank acceptances form

THE MAIN ASSET

of European banks. These bills have the widest possible market, where millions are exchanged daily with margins of one-sixteenth per cent or one-eighth per cent in the interest rate without the necessity of scrutinizing the paper when the bargain is struck. Bills of exchange have beeen standardized, everybody in all parts of the globe knows what names of the many thousand that appear as endorsers and acceptors are considered as "good delivery", and everybody knows against which names there will be discrimination. The daily plus and minus is normally regulated in the case of European banks by means of larger sales and collections of bills receivable or by larger investment in these bills.

The mobilization of the promissory note, the system which enables Europe to transform bills into bank credits as quickly as staples or securities, is the explanation of Europe's success where we have failed. To insure safety for such a discount system, however, to render it possible and effective, a central reservoir for all the cash of the nation is necessary, as, inversely, for the safety and efficiency of the central reservoir a system of exchanging bills is a prerequisite.

If a system constructed upon credit is to be safe, the first condition is that cash

MUST BE LESS VALUABLE

than the bank credit.

Holding of cash entails the risk of loss or robbery; it is a source of danger, like explosives which we keep under our roof. Moreover, to keep cash unemployed means a loss of interest; depositor and bank alike must, therefore, try to turn cash holdings into interest-bearing bank credits with the greatest despatch and to the largest degree that may be possible and permissible [illegible] will allow cash at all times to return freely and rapidly into a central reservoir as provided by modern financial systems; this alone will allow the central organization to respond freely to any demand for cash, because the latter cannot fail to return through some other channel, unless it be taken for export.

But in order to secure the free flow of cash into a central reservior it is a prerequisite that there

MUST BE ABSOLUTE CONFIDENCE

that there is enough cash to meet all emergencies, that it will be freely forthcoming when demanded, and, most important of all, that the banks must be sure that they may be able, in case of need, to build up with such central organization a cash credit upon the strength of which they can withdraw cash, if such may be required from them. It follows, then, that under a modern system there are two entirely different duties to be performed by the general banking institutions and the central organ. The former must see to it that they can command cash credits to meet their demand obligations, but it is the duty of the central reservoir to see to it that cash credits be always transformed into actual cash when required.

WALTER H. BENNETT.
Vice-President American Exchange National Bank of New York.

Digitized by Google

Some Philadelphia Bank Buildings

GIRARD TRUST COMPANY.

GIRARD NATIONAL BANK.

CORN EXCHANGE NATIONAL BANK.

Digitized by Google

The means, however, by which banks transform their assets into cash credits with the central organ are the rediscount of bills purchased, local or foreign. Commercial paper, transformed into bills of exchange easily marketable at all times, forms the means of connection between the central organ and the banks; it constitutes the elevator system of the skyscraper, which alone renders the ever-growing tower safe and habitable.

This

DIVISION OF FUNCTIONS

and this means of connection between the central institution and the individual banks cannot be too clearly understood:

In Europe the general banks have no cash reserves, they have credit reserves. The duty to transform credit into cash resting on the central organ, it alone is concerned in the holding of adequate gold reserves and in watching that a certain and safe proportion to be preserved between the aggregate demand obligation of the nation and its holding of gold. The existence of such a strong supervisory organ and its ability to maintain the nations credit creates that safety for the circulating credits of the nation which renders the whole system possible. For it is the confidence in these circulating credits which creates the broad market for money, always flowing where it can earn interest in safety, and it is in turn this free flow of money, attracted or driven away by a higher or lower rate of interest, which protects the central organ. By increasing or decreasing its rate of interest', thus taking a larger or smaller part in the nation's investments in commercial paper by accumulating or selling holdings of foreign bills of exchange, the central organ exercises a regulative influence which keeps it strong enough to protect each bank individually in case of need, thereby safeguarding the whole nation.

"Safety", from the point of view of banking investments, consists of two elements: the one, the intrinsic value; the other, its market. A consideration of these

TWO FACTORS

produces the stipulation of the interest return that the investment must produce.

International money may flow to England and buy three months' British bank acceptances at 2 1-16 per cent, while for three months' English time money it would possibly demand 3½ per cent; the difference between the two rates showing the difference in value between a quick asset and an investment for a definite period. But even a comparative rate of 4 and 5 per cent could not cause international money to invest largely in American commercial paper; since not only is it an unsalable, unliquid investment, but it has not been standardized. It is individual and provincial in its character, while the American banks which, knowing the maker of the note, might render it liquid and salable abroad, must not, under present conditions, freely endorse or accept it. Moreover, as long as a central organ is lacking with us, that would guarantee its market in case of need and secure at all hazards the transformation of cash credit into cash, foreign money will remain cautious and the interest inducement must remain comparatively exorbitant.

Contemporaneous financial history furnishes us constantly with illustrations showing the

SUPERIORITY OF THE EUROPEAN

system. We have not only lived through the disgraceful collapse of our own machinery, but quite recently again we have seen the advantages of European financial methods. During the Morocco crisis a war scare developed in France and actual hoarding of gold began; the withdrawals from the deposit banks were at a given moment alarming, but there followed no panic. The Banque de France issued notes freely, the French banks collected their holdings of foreign paper and the general confidence in the Banque de France's power to cope with the situation overcame the fright without the calamities that would have ensued with us.

When France, for reasons just explained and as a means of political pressure, withdrew from Germany more than 200 million marks that temporarily had been invested there, when English and Russian money was called back, when runs began upon savings banks, Germany had to face a very severe strain. But what happened? The German Reichsbank rapidly increased its credit facilities by about $150,000,000; moreover, it had accumulated in times of ease vast sums of foreign bills, and when rates of exchange moved up to a point warranting gold exports it began to sell these foreign holdings. At the same time, a comparatively slight increase in its rate took place, which brought new money, mainly American, to Germany's assistance. This inflow of foreign money was increased by the sale abroad of German treasury notes.

FOURTH STREET NATIONAL BANK OF PHILADELPHIA.

What would have

BECOME OF GERMANY

without the Reichsbank?

Without the confident reliance that the Reichsbank would be able to meet the situation and without its ability to apply all the various means of defense, general suspension would have been inevitable. It is the elasticity of such a system that renders it safe, and it is the implicit confidence that it inspires that made our bankers send

The United States Treasury

has adopted our apparatus

So have about 95% of all the New York and New England banks which have ever purchased **electric protective systems.**

Among them are

The Old Colony Trust Company,	**Boston, Mass.**
New York State National Bank,	**Albany, N. Y.**
National Commercial Bank,	**Albany, N. Y.**

and the great majority of Eastern banks which have modern vaults.

Eleven years of experience, standard apparatus, and by far the largest business of this kind in the world, enable us to make the lowest prices.

Other companies, usually imitating our name, come and go.

We double our business every year.

Bankers Electric Protective Association

104 SUDBURY STREET, BOSTON, MASS.

their money, without hesitation, in spite of a critical situation, in order to secure for a few months a beggarly one-quarter to one-half per cent interest per annum more than they could have obtained at home. We had no war scare, the country was full of gold in 1907, but rates of 50 to 100 per cent could not bring money, because our system—or rather lack of system—had killed our own confidence in our own credit. We have no credit system, but a discredit system.

The advantage of a big central organ, not run for profit like the general banks, but administered solely for the protection and safety of the nation, is plainly shown by

GERMANY'S RECENT HISTORY.

The complete withdrawal of money from "gainful occupation," turning it into idle cash to serve as means of legitimate assistance in times of need (a real and effective reserve in that respect, not a nominal one like our ineffective idle funds, which are termed reserves by a misnomer); the quiet accumulation of foreign bills—less profitable than the German bill carrying a higher rate of interest—could only be brought about and brought into effect by such an institution.

It is the inefficiency and the discredit of our system which severely handicaps us also in our foreign trade; for a foreign purchaser will rather buy merchandise to be paid for in sterling than in dollars, and for the shipping of goods purchased abroad, be it South America or Asia, the American merchant has to provide European bank acceptances, because the acceptance of the American banker, no matter how good his credit, has no market. We pay an annual tribute of millions to Europe for the financing of our trade, which is not only a willful national waste, but also a blemish on our financial standing.

A wonderful change will take place in all these respects if the bill now in preparation by the monetary commission will be passed on the lines as suggested by Senator Aldrich.

Without creating a central bank—for all the far-reaching banking powers have been eliminated which are characteristic of European central banks—and without fundamentally disturbing existing banking methods, merely by a simple edvice of federating the now scattered reserves into one general

P. C. KAUFFMAN.

Digitized by Google

ADOLFO BLEY, President MAX MULLER, Vicepresident LOUIS BRAUER, Manager

BANCO DE SONORA

CAPITAL PAID UP :: :: $1,500,000.00 SURPLUS :: :: $1,200,000.00

Main Office: HERMOSILLO

Branches in GUAYMAS, NOGALES, CHIHUAHUA, ALAMOS, CULIACAN, SIN.

We have agents in almost every place and mining camp in SONORA, and SINALOA

Foreign Exchange and Gold and Silver Bullion Bought and Sold A General Banking Business Transacted

Collections Carefully Made and Promptly Accounted For

Deposits Received in American and Mexican Money

reservair to be jointly administered for the protection of all, our system will be changed from a provincial, old-fashioned, wasteful and dangerous one into a national, modern,

ECONOMIC AND SAFE STRUCTURE.

Our system—at present a tottering, top-heavy sky-scraper without a solid foundation, the tenants, instead of uniting in constructing a safe substructure, having solely concentrated their efforts on strengthening and fortifying each his own flat—a towering fire-trap provided with an old-fashioned staircase as the only means of communication for all its disconnected tenants, with one stroke becomes modern and safe. Or as I said on previous occasions, the 20,000 to 30,000 scattered pails of water, representing our disconnected bank reserves, will be united into one large reservoir, with a system of pipes leading to every house, bringing safety to all by co-operation.

While the solution is simple in principle, it had to be complicated in form; for it had to satisfy even the most suspicious mind that control and abuse of power by individuals, singly or combined, political or financial, would be absolutely impossible, and it had to take into consideration that a modern discount system cannot be created by a stroke of the pen, and that, therefore, a new device had to be invented to bring about a safe and effective mobilization of the present form of American commercial paper.

BOTH WILL BE ACHIEVED

under Mr. Aldrich's plan.

It is true that we shall have to create a machinery more cumbersome in operation and not quite as far reaching in effect as the European systems, but a careful consideration of all the details convinces the student that a simpler way would not be a safe one.

The plan if carried out on its present lines will by process of democratic federation bring about a centralization of reserves with a guarantee of decentralization of banking facilities. It will strengthen the independence of the smaller banks, and while restricting the National Reserve Association to the smallest possible field of operations, the power given to this association will be large enough to protect the nation in the future. It will bring about the mobilization of our commercial paper, and in encouraging bank acceptances it will help us to finance our own trade and to establish in doing so the first basis for the development of an American discount market, a step of the vastest importance for the future of our country. The National Reserve Association will be able to accumulate foreign exchange, and thus to act as a protector of the nation in times of need. It is also to be hoped that some way may be found to enable it to meet emergencies by being in a position to sell short treasury bills of the United States.

The National Reserve Association, if enacted into law, will take the monetary system of the United States

OUT OF WALL STREET,

and instead of a rigid system, the little elasticity of which is now based on stocks and bonds, we shall enjoy an elastic system primarily based on commercial paper, bank acceptances and foreign bills.

I have almost concluded my address without dealing with the bank notes, which, as circulating credits—the subject matter allotted to me—ought to have been treated prominently. In beginning to study the subject of monetary reform one is apt to think that the question of note issue is the primary one. After some years of struggling with this problem one learns to understand that the question of effective reserves and liquid credits is the main question, and that note issue is only a secondary phase and of lesser importance.

If any bank rediscounting with the Bank of England, Reichsbank or National Reserve Association may take gold against its credit balance, there is, from the National Reserve Associations point of view, no difference between this balance and a bank note against the presentation of which gold may be demanded. Bank notes are deposits in bearer form. The liability for bank notes and deposits is the same. For each deposit can be turned into bank notes, and each bank note into a deposit, and inversely, and for the same reason, it is immaterial whether a general bank owns a bank note or a credit balance with the Bank of England, the Reichsbank, the Banque de France or the National Reserve Association.

Mr. Aldrich has very wisely, and I believe

FOR THE FIRST TIME

in banking [illegible], made the liability a subj[illegible]ure and taxation—not a[illegible]ne, as in France and [illegible] mind the law wou[illegible] perfect if the clauses taxing the note issue were left out entirely. In France and Germany, where an effective check system does not yet exist, note issue is the barometer of expansion, while with us and in England deposits play the more important part.

Some of our leading financial papers appear not to have fully grasped this point. Because national banks are not allowed to count their own notes as reserves, it is argued that the notes of the National Reserve Association should not be counted as reserves. But the difference is obvious. National bank notes collectively are the liabilities of national banks; therefore, when in the hands of national banks they ought to be used for the reduction of liabilities, they must be charged off and not be counted as assets. The notes of the National Reserve Association are liabilities of an independent institution endowed with a huge capital and organized for the sole purpose of providing for the payment in gold of all its liabilities, including its notes. Such a note is an asset to anyone else, and if the balance with the National Reserve Association is to be counted as cash, as it should be, the note certainly must be counted as cash, too.

When one of our leading financial weeklies advanced the argument that such notes should not be counted as reserves because they are not so counted in Europe it

WENT FAR AFIELD.

For as we have seen, in none of the leading European countries is there any law requiring a bank to keep cash reserves, nor do the banks generally keep more cash than they actually need for their daily business. Neither would it strengthen the general system if they accumulated gold reserves. Quite the contrary, it would interfere with the free flow of gold into the central reserve where, becoming the basis of an elastic system, it can do vastly more for the efficiency and safety of the whole system than if locked away in a single bank. Since we possessed no central organ for the consolidation of our reserves, we had to have laws requiring each bank to accumulate reserves of its own. This archaic and unfortunate method can, however, now be turned to good account. For this direct co-operation in strengthening the reserves of the National Reserve Association—which co-operation in this form and to this degree does not exist in Europe—is all

Digitized by Google

CORN EXCHANGE
NATIONAL BANK, Philadelphia

DISCRIMINATING BANKERS
VALUE ITS CAREFUL SERVICE.

the more necessary since, through the lack of a highly organized discount system and through the restrictions placed upon the scope of its operations, the National Reserve Association would otherwise not command the strength and the confidence enjoyed by European central banks. In other words, the elevator service being less perfect—in the beginning at least—the foundation has to be broader.

The fear that notes counted as reserves would

ATTENUATE THE BASIS

on which our banking system rests would apply with equal force to balances kept with the National Reserve Association which, under the new plan, may be counted as reserves.

It is the function of the National Reserve Association to see to it that all its liabilities—balances and notes alike—are fully protected by an ample supply of gold and by a credit so strong that nothing can shake it. A system without the power to expand, no matter how large its gold holding, remains vulnerable. Elasticity wisely safeguarded—as in this plan—is the basis of confidence and therefore of safety.

Not infrequently one hears the remark: If it be true that the National Reserve Association will democratize our system and to a large extent turn the bank's call money into the bill market, taking it away from Wall street, why should the latter favor the new law?

The answer is plain: This overflow of money, which in times of ease floods New York, and which, when needed, is withdrawn with such vehemence that it causes violent convulsions, is a constant source of danger to that city. While our present system makes New York the undoubted money centre and gives to its banks a position of preeminence and predominance, this power is possessed only at the expense of a responsibility which, with our present system, in times of stress,

BRINGS MORTIFICATION

and humiliation. Wall street, at present, is a ruler on a keg of dynamite. And like many an absolute ruler in recent years, it finds it more conducive to safety and contentment to forego some of its prerogatives thrust upon New York, not by its own will, but as a result of our present laws and conditions, and to turn an oligarchy into a constitutional democratic federation.

But that is not all. We are a nation still in its formative period, full of ideals and ambitious imagination. It is not the hunt for the almighty dollar that prompts men possessed of millions to keep on toiling and struggling with nature and with their fellow creatures; it is the youthful and boundless energy craving for constructive success, the joy of creating and

ARTHUR REYNOLDS.
Treasurer American Bankers' Association.

the conscious and unconscious desire of taking a hand in the triumphal development of this great country. Our ambitions are great and it hurts our pride that, while we have become powerful and leaders in many respects, we are an object of contempt and of ridicule when it comes to the question of our monetary and financial system. We cannot become a centre of international finance on a par with European countries until we organize. If New York has to make some sacrifice in order to achieve this aim, she is willing to do her share, just as every part of the country will have to contribute. Whatever little advantage may be lost in the beginning, the safety and continuity that will be ours will return in many other ways. The United States enjoying a modern financial system will attain that place among the nations which should be hers by destiny, and she will weather in safety and dignity the storms, from within and without, that may be in store for her. A modern financial system will enable the banks fully and safely to finance the future growth of this country, and vice versa, a healthy growth of the country is bound to bring prosperity to the banks. The "sky-scraper" placed on a solid foundation will safely carry many additional stories and the tenants will be at once secure and prosperous.

Digitized by Google

INTEREST RATES, EARNINGS, DIVIDENDS AND TAXATION

By Benj. Strong, Jr. of New York

The powers conferred upon the management of the Reserve Association in the exercise of which it may strengthen its reserves are: The power to borrow gold; authority to fix a uniform discount rate, and authority to purchase and sell foreign bills of exchange and foreign government obligations.

An analysis of the disposition of earnings, the methods of taxation and the probable relation of the association to the domestic and foreign money markets all lead to the belief that the Reserve Association will be a conservative and trustworthy custodian of the country's lawful money reserves.

As to the earnings of the association and their distribution, I suggest the following

ASSUMED STATEMENT

of the possible condition of the Reserve Association at the end of, say, one year, as stated by one of our noted financiers in an address delivered at Nashville last May:

ASSETS.

Lawful money received for capital	$100,000,000
Lawful money received for government deposits	100,000,000
Lawful money received for bank deposits	500,000,000
Government bonds taken over	500,000,000
	$1,200,000,000

LIABILITIES.

Capital	$100,000,000
Government deposits	100,000,000
Bank deposits	500,000,000
Circulating notes	500,000,000
	$1,200,000,000

No amount has been allowed for capital subscribed by state institutions. The capital stock of the state institutions which would then be eligible for membership could not exceed $803,000,000, the present combed capital of such institutions, but would be very much less owing to the fact that of the 12,000 odd state banks and trust companies whose capital is included in these figures, nearly 7,000 have not the requisite capital of $25,000.

Solely for the purpose of illustration, we will assume a condition for the association,

AFTER SOME YEARS

of operation, as follows:

ASSETS.

Lawful money received for capital	$125,000,000
Lawful money received for government deposits	100,000,000
Lawful money received for bank deposits	625,000,000
Government bonds taken over	700,000,000
Investments and discounts	300,000,000
	$1,850,000,000

LIABILITIES.

Capital	$125,000,000
Government deposits	100,000,000
Bank deposits	625,000,000
Circulating notes	700,000,000
Deposits and note liabilities arising from investments and discounts	300,000,000
	$1,850,000,000

In this estimate is included an increase in capital and deposit liabilities, as well as circulation to cover a possible admission of state institutions, and a larger discount and investment account is indicated than may arise for many years. Based upon this assumed condition,

THE EARNINGS

should work out in round figures about as follows:

EARNNGS.

3 per cent on 700,000,000 U. S. 3s.	$21,000,000
4½ per cent on 100,000,000 discounts	4,500,000
3½ per cent on 200,000,000 investments	7,000,000
	$32,500,000

DEDUCTIONS.

1½ per cent on 700,000,000 U. S. 3s.	$10,500,000
Expenses main office and 15 branches	6,000,000
Expenses note issues (about double present cost)	2,000,000
	$18,500,000

A. A. JACKSON.

The result, although allowing for changes in the monetary plan since the estimate heretofore referred to was made, is substantially the same. The stockholders might receive a dividend of $5,000,000, and there would be left for surplus $4,500,000, and for the government $4,500,000, total $14,000,000. It is quite apparent, therefore, that the disposition of the earnings of the Association may become an important question immediately upon its organization.

Credit institutions are influenced in their operations by two considerations—profit and safety. In this plan the ability to make profits is subordinated to the necessity for safety. Very wisely a limit has been placed both upon the amount of dividends to be paid to the subscribers and the amount of profits to be added to surplus. By limiting the amount of dividends and surplus, incentive to large profits is removed, and no

PRESSURE OF OPINION

either from the public or stockholders should induce the management of the institution to allow undue inflation or extend its operations for profit beyond the point of conservative action.

The attention of the country will be focused upon the condition of the Reserve Association, and its earnings will be a subordinate consideration, as is the case in Germany, France and England.

Were the surplus to be increased beyond a moderate maximum fixed amount, subscribers to the stock, in later years, at a greater book value, would realize an increasingly reduced interest return as compared with older stockholders, unless adjustments in the dividends were made, which plan would seem impracticable.

The Bank of England has established by long precedent a fixed rest or reserve of approximately 3,000,000 pounds, in excess of which amount profits are distributed to the shareholders. The dividends paid by the bank since 1844 have been from 7 per cent to 11⅜ per cent, in recent years 9 per cent. Eliminating its own notes held in its banking department, the

Digitized by Google

Bank of England shows roughly a net earning power of 1.3 per cent on all of its assets and 2.2 per cent on the assets which are earning interest, assuming that all of its earnings have been distributed. This compares with the assumed earnings as above suggested of three-quarters of one per cent on all of the assets of the Reserve Association, and 1.4 per cent on the assets which are earning interest.

THE BANK OF ENGLAND

earns roughly $6,500,000 to $7,000,000 on $500,000,000 assets against a forecast of earnings for the Reserve Association of $14,000,000 on $1,850,000,000 of assets.

No more difficult problem could have been presented to the Monetary commission than that of devising a suitable check, by means of taxation, upon expansion of the note and and other liabilities of the association. The banking business of this country has about doubled in the last decade, and an arbitrary tax, based upon a fixed excess of circulation would be almost certain in time to cause distress and embarrassment, if as seems probable, our growing commerce results in a continued growth in our banking requirements. It has, in fact, been calculated that had a tax upon the basis proposed in the first plan submitted by Senator Aldrich been applied to our bank-note circulation about seven years ago, the normal note issues in circulation to-day would be paying a tax of 6 per cent. There are three taxes proposed by the plan: The first is based upon percentage of deficiency in the amount of the association's reserves. For each two and one-half per cent that the reserve falls below 50 per cent of net demand liabilities, a tax at the rate of 1½ per cent per annum is to be paid to the government upon the amount of such deficiency. Further consideration may develop

NECESSITY FOR INCREASING

the amount of such tax, or possibly starting the tax at a smaller rate and increasing it as the amount of deficiency increases. While there is a precedent in Europe for the imposition of a tax based upon the percentage of reserves held, the plan is so simple and appears to be so scientific in its effect that it should meet with approval. It must be borne in mind that emergency measures are generally applied to bank crises after the worst injury has been done. This was true in the three instances when the bank act was suspended in England. The suggested form of taxation should enable this country to meet a crisis without the necessity of an emergency measure, as Germany has done recently through the power vested in the Imperial Bank to expand its circulation. To meet the demand upon it the Imperial Bank has issued 500,000,000 marks in excess notes upon which it has had to pay a tax of 5 per cent, but by doing so in the ordinary course of busines a crises never developed. When the pressure was over the excess issue immediately began to be reduced and the same phenomena should occur under the association plan, provided the amount of the tax is reflected in a higher bank rate.

THE SECOND TAX

provided in the plan is applied direct-

WANTED

U. S. Finishing Co. com. & pfd.
American Investment Sec's com.
U. S. Envelope 5's 1934
Coastwise Transportation
Waterville & Fairfield R. R. Ser. B 5's
Westinghouse Machine Co Notes 6's 1914
Rock Island Southern R. R. 5's 1947
United Missouri River Pwr. 6's 1936
Great Northern Power 5's 1947
Hutchinson Water Lt. & Pwr. 5's 1928
Niagara, Light Ht. & Pwr. 5's 1922
Omaha Water, Cons. 5's 1946
Louisville & Southern Ind. 5's 1923
Bodwell Water Pwr. Receipts
Pere Marquette R. R. com. & pfd.
Library Bureau Pfd. A & B
Atlantic City Gas 5's 1927
Cleveland & Erie Traction 5's 1929
Springfield Gas Light Co.
Pacific Mills
Draper Manufacturing com.
Champion International Co.
Amoskeag Manufacturing Co.
W. L. Douglas Shoe pfd.
Maverick Mills
Great Falls Mfg. Co.
Arlington Mills
Apsley Rubber pfd.
Sioux City Telephone Co. 6's 1924
Whitman & Barnes Mfg. Co.
National Light, Heat & Pwr. pfd.
Twin State Gas & Elec. 4½s 1926.
Tampa Northern 5's 1936
Swift & Co.'s 5's 1914
Chicago-New York Elec. Air Line
Regal Shoe pfd.
Lawrence Manufacturing Co.
Central Main Pwr. Co. com.
Syracuse Rapid Transit com.
Tiffan (O.) Water Co. 1st 6's 1912
Detroit & Suburban Gas 5's 1926
York Haven Water & Pwr. 5's 1951
Southern Indiana R. R. 4's 1951
Michigan, Lake Superior Pwr. Rcts.
J. P. Squire Co. com.
Ludlow Valve Mfg. Co. pfd.
Walter A. Wood Mowing & R. Machine
Middleboro, Wareham & B. Bay 5's 1921
Springfield (Mo.) Water Co. 5's 1936

FOR SALE

Sealshipt Oyster System com. & pfd.
American Manufacturing Co.
Columbus Securities Co.
U. S. Bobbin & Shuttle Co.
U. S. Worsted com. & pfd.
Buffalo & Susquehanna 4's 1951
Indian Refining Co. 6's 1918
Montana, Wyoming & So. 5's 1939
Omaha Water Co. 2d pfd.
Walpole Rubber pfd.
Eastern Pennsylvania Ry. 5's 1936
Hartford Carpet com.
Atlanta, Birm. & Atlantic 5's 1936
Pere Marquette R. R. 2d pfd.
Hudson River Elec. Pwr. 5's 1944
Shaw Stocking Co.
Union Twist Drill pfd.
Connecticut River Pwr. com.
York Manufacturing Co.
American Caramel pfd.
Pope Manufacturing com.
Columbian Nat'l Life Ins.
Eastern States Refrigerating Co.
American Investment Sec's pfd.
Hartford Carpet pfd.
Farr Alpaca
Hood Rubber pfd.
Hill Manufacturing Co.
Waltham Watch com. & Pfd.
Apsley Rubber com.
New Orleans Gt. Northern 5's 1965
Southern Indiana 4's 1951
New England Brick Yard 5's 1925
Superior Water Lt. & Pwr. 5's 1931
Springfield Breweries 6's 1919
Indiana, Columbus & Eastern 5's 1926
Oswoco Mills
Rubber Mfg. & Distributing Co.
American Axe & Tool Co.
Berkshire Cotton Mills
Rock Island Southern Rlwy. 5's 1947
Charleston (Ill.) Gas & Electric 5's 1922
Bigelow Carpet Co.
Wamsutta Mills
Utah Metal Mining Co.
El Tiro Copper Co. 6's 1917
Boston Securities com. & pfd.
Ogdensburg & Lake Champlain 4's 1948
Massachusetts Cotton Mills

HOTCHKIN & CO.

Dealers and Specialists in Inactive Securities

53 STATE ST., BOSTON, MASS.

TELEPHONE, 460, 461, 462, 2321 MAIN

Cable Address "Tockin"

Digitized by Google

CAPITAL	:: ::	$2,000,000
SURPLUS	:: ::	2,000,000
DEPOSITS	:: ::	36,000,000

NATIONAL BANK 3rd OF ST. LOUIS

OFFICERS

C. H. HUTTIG, President
G. W. GALBREATH, Vice-President
R. S. HAWES, Vice-President
THOS. WRIGHT, Vice-President
J. R. COOKE, Cashier
D'A. P. COOKE, Ass't Cashier
H. HAILL, Ass't Cashier
E. C. STUART, Ass't Cashier

ly upon such amount of circulation in excess of $900,000,000 as is now covered by 100 per cent lawful money, until the circulation reaches $1,200,000,000, after which the tax is 5 per cent. This is possibly a wise limitation, necessitated by inability at this time to forecast conditions which may arise in future years. It may, however, prove to be burdensome. There is certainly difference of opinion among bankers in this country as to the wisdom of an absolute limitation upon circulation either by fixing the maximum amount permitted, or by applying a tax upon circulation in excess of a fixed amount. This tax, however, does not interfere with the further extension of note issues, if fully covered by gold, and the association would still be able to receive gold and issue its notes against it to an unlimited amount.

The provisions of law as to the taxation of unusual note issues by the principal banks of Europe are briefly as follows:

The Bank of England has a

FIDUCIARY CIRCULATION

limited to the exact amount of 18,450,000 pounds. Beyond that, notes must be covered in full by gold or silver coin or bullion. Three times since 1844 the bank act has been suspended, although it was only necessary in one instance to issue additional fiduciary notes. The tax imposed by the government has simply been the amount of net profits realized upon such issues. The Bank of France is limited to a maximum note issue of 5,800,000,000 francs. It may not exceed this amount even with 100 per cent cover in gold, and there is no provision for an emergency circulation subject to an emergency tax. The Imperial Bank of Germany may issue its notes to an unlimited amount, free of tax, if fully covered by bullion, coin or lawful money. It may also issue, free of tax, up to an amount of M750,000,000 in excess of the bullion, gold coin and lawful money held by it, or an unlimited further amount subject to a governmental tax of 5 per cent, provided such excess is covered by government securities and short notes and bills, but at no time may the total note issues of the bank exceed three times the amount of lawful money held.

THE FIRST TWO PLANS

of taxation should, as designed, provide an effective check upon expansion by causing a higher rate and its resultant curtailment of loans. Actual contraction of liabilities should soon follow, as the paper carried by the association would not be subject to renewal. As soon, therefore, as the decrease in new loans exceeded the amount of maturing bills, a contraction in liabilities would commence.

The third tax provided by the monetary plan consists of a "franchise" tax of 1½ per cent annually upon an amount equal to the par value of the 2 per cent government bonds transferred to the Reserve Association by the subscribing banks. The government is asked to increase the rate on its 2 per cent bonds to 3 per cent, thus giving the association an investment of a market value about equal to the price at which it takes the bonds. At the present time the government pays 2 per cent interest on its bonds and receives from the banks one-half of one per cent upon the amount of their circulation. Approximately the same result is realized to the government by this plan. Were it not for such an adjustment the bonds taken over by the Reserve Association would have a market value upon an investment basis estimated at 70 per cent of their par value. The shrinkage in the value of this asset would be possibly $200,000,000, or nearly double the assumed paid-in capital of the association. This tax, of course, has no relation to the reserves of the association, and its effect is simply to reduce a large part of the government debt to an annual net interest charge of 1½ per cent.

Of more importance to the country as a whole will be the relations of the Reserve Association to

THE MONEY MARKETS,

and the effect of its operations upon interest rates. The magnitude of the plan will be realized when we consider the possible loan contraction resulting from the payment of $100,000,000 lawful money to the Reserve Association for its paid-in capital. For instance, if every subscribing bank were loaned up to its limit, figured upon the 14 per cent average of lawful money reserves now held throughout the whole country, this would theoretically call for a contraction of about $700,000,000 in loans unless offset by other provisions of the plan, or by the operations of the Reserve Association itself. As partly offsetting the effect of such [illegible]ent, there will doubtless be r[illegible]onsiderable amount of lawful money now held as reserve for savings and time deposits, upon all of which reduced reserves are permitted by the revised plan. Any further net contraction caused by payments for the Reserve Association's capital stock would probably be offset by the discounts of the association soon after its organization, and no disturbance of rates should result.

The plan provides that "The rates of discount which the National Reserve Association shall have authority to fix from time to time shall be published, when fixed, and shall be uniform throughout the United States." It further provides that the association shall have power to "contract for loans of gold, coin or bullion," also that the Reserve Association shall have power to purchase from its subscribers, and to sell, with or without its endorsement, checks or bills of exchange payable in foreign countries. These are powers in the exercise of which the Reserve Association may in time be expected to exert an important influence upon interest rates. A uniformly low rate of interest cannot be expected in this country for a long time to come, but greater stability in interest rates, particularly in our money centres, might result as soon as the Reserve Association becomes active. This would enable those engaged in commerce to anticipate with greater certainty the cost of their credit requirements and should make normal business safer to carry on. French economists, commenting upon the unique record of the Bank of France, contend that the welfare of the commerce of France has been conserved and protected by the maintenance of a low and uniform rate of interest.

To the forces already mentioned, which would tend toward more stable interest rates, must be added the wonderful power of expansion that the Reserve Association would possess.

In the second statement of condition given it is assumed that the Reserve Association before making any discounts or investments might have total deposit liabilities of $1,425,000,000 upon which a 50 per cent reserve after deducting one-half of the government bond holdings, would be $537,500,000. The lawful money held was $850,000,000, or $312,500,000 in excess of 50 per cent of its net liabilities. Were the bank to extend credits, thus expanding its deposit and note liabilities to the maximum amount possible without incurring liability for tax up-

Digitized by Google

BANKERS' TRUST COMPANY BUILDING, NEW YORK CITY.

Digitized by Google

THE

Winthrop National Bank

SEARS BUILDING, BOSTON, MASS.

Capital, $300,000 **Surplus, $500,000**

ROBERT F. HERRICK, President **CHARLES H. RAMSAY, Cashier**

WALTER, M. KINGMAN, Assistant Cashier

on either of the two plans provided, it could at once add $200,000,000 to its circulating note issue, thereby reducing its surplus reserves $100,000,000. The balance, $212,500,000, might still serve as 100 per cent cover for a like amount.

The extent to which this vast credit would be employed would depend entirely upon the developing needs of the country as expressed in the discount rate, for, as already stated, there would be

NO TEMPTATION

to the management to expand its liabilities for profit, and it would consequently be used only as a governor to interest charges.

Under our present system (comprised of 26,000 individual units without cohesion) there is a greater divergence of interest rates in various sections of the country than can be accounted for by the difference in strictly local conditions. Credit operations between the banks are now effected through individual alliances and relationships, instead of through a broad market for commercial paper and bank acceptances. This partly accounts for the high rates that have rule in certain sections of the country remote from financial centres, for our system is so rigid and the provisions of our present banking law so inadequate that it is now repugnant to the country banker to show an account of borrowed money in his statement. The association plan, carrying with it a system of bank acceptances and encouraging the rediscounting of certain classes of paper, will cure such objections to the employment of the credit of country banks for the purpose of making provision for the needs of their customers. The introduction of a system by which bank acceptances and short-time commercial paper may be freely moved from one part of the country to another should, in time, exert an influence upon money rates largely favorable to interior institutions.

The influence of bank officers will probably be exerted toward the creation and accumulation of a

LARGER VOLUME

of short-time mercantile paper, which will be susceptible of discount among banks and rediscount with the Reserve Association. Such paper will pass from the country bank to the reserve bank, and will be considered by the latter its choicest asset by reason of its convertibility through the Reserve Association. This class of paper will then become the secondary reserve of the banks of the country in place of demand stock exchange loans, which largely constitute such reserve to-day. These loans are made with the expectation that in the early fall they will be largely recalled, and the proceeds used for crop movement in the West and South. The same inducements which have made such

ALBERT H. WIGGIN.
President Chase National Bank of New York.

loans desirable, namely, realization of interest and availability, will prevail to as great and probably a greater extent in the case of bank acceptances and short-time commercial paper with the Reserve Association in operation, and it is only natural to suppose that the result will be the gradual accumulation of

BILLS OF SHORT MATURITY

in place of stock exchange loans and the building up of a new form of secondary reserve. It may be found that these changes take place slowly and that while the discount account of the Reserve Association will gradually increase, yet its principal primary transactions will be the accumulation of foreign exchange. Its position with reference to the importation of gold, as its business develops, will necessarily require the accumulation of such exchange, and its hold upon the discount market will be influenced more or less by the strength of its foreign relations. It would seem natural to expect the bank rate of the association to follow to a certain extent the same position relative to open market rates in this country (open market rate would be the discount rate for commercial paper and bank acceptances) that has prevailed in France and England between bank and open-market rates. It has been found in both of these countries that the rate of discount in the open market has generally been lower than the official rate of the bank. However, when it has been necessary for the Bank of England to check withdrawals of gold or to attract gold to the bank,

IT HAS ASSUMED CONTROL

of the open-market rate for such time as conditions required, and it can safely be assumed that the Reserve Association with its vast resources could, upon occasion, wield the same power over our open market and make its rate effective.

The necessity for such control will be particularly felt in New York where the adjustment of our foreign exchanges and the settlement of balances in gold are principally effected.

It is plain to be seen, without further discussion, that the provisions of the association as to taxes, earnings, dividends and the probable effect of the proposed organization upon interest rates in this country are not only of the utmost importance, but they have been given due consideration by those who prepared the plan and that they are aimed to encourage and conserve the business interests of the people of the United States.

Gentlemen, this Reserve Association is a magnificent conception. If Congress permits its organization in its present form, its destiny will be in your hands, for you will own and manage it. When that time comes, the highest prize to be gained by the American business man will be the privilege of participating in the management of the National Reserve Association of the United States.

NORWOOD, ILL.—A savings bank is organizing here with $25,000 capital.

NORTHWOOD, IOWA.—A new savings bank has been organized with $25,000 capital.

SHELDON, IOWA.—A new bank is organizing.

ASHBURN, GA.—The Turner County Trust Company has been organized with a capital of $50,000

Digitized by Google

DIAMOND NATIONAL BANK
PITTSBURGH

"BANK WITH THE DIAMOND"

A strong, safe institution with modern facilities, giving prompt, courteous service.

Assets
$8,000,000.00

WILLIAM PRICE :: :: President
D. C. WILLS :: :: :: Cashier
W. O. PHILLIPS :: :: Assistant Cashier

DISCUSSIONS OF THE PLAN

Senator Aldrich discusses the address of Mr. Frank B. Anderson and then freely answers questions from the floor.

On Wednesday afternoon, when Mr. Anderson's address had been completed, President Watts announced that although Senator Aldrich planned to take a train that evening, he had kindly consented to remain and answer any questions regarding the workings of the National Association plan.

Senator Aldrich said:

Mr. President. May I say a word first in reply to the gentleman who has just delivered the address?

PRESIDENT WATTS: Certainly, sir.

SENATOR ALDRICH: I desire to say that of course I did not intend to discuss in my address yesterday intricate questions such as are involved in our foreign exchange system. Indeed, I had neither the time nor the inclination to do so. Now, a great many of the questions raised by the gentleman from California in his address to which you have just listened are administrative; but there is

ONE QUESTION

that he raised which, in my judgment, is fundamental. He insists that the National Reserve Association shall have a right to protect its discount rate, shall have a right to go into the open market and buy paper, and he contends that that right cannot be made effective without the possession of that power. I would suggest to the gentleman from California that the European banks have stopped absolutely that custom. The members of our commission were told by the directors of the Bank of England that they had absolutely stopped that custom. It was formerly the custom, when they had to provide for the enforcement of their rate, to buy consols in the open market, but we were told by the officers of the Bank of England that they had discontinued that custom and that they did not go into the market. Practically the same information was given to us in Paris and in Berlin.

But there is

ANOTHER OBJECTION

which I think is fundamental. It would be absolutely impossible, in my judgment, to pass a bill through Congress, or to get the consent or approval of the National Monetary Commission, to a plan which should permit the National Reserve Association going into the market and buying private paper. The second bank of the United States was swamped because Andrew Jackson said, I do not know and I suppose none of us can tell how accurate those statements, were—that the funds of that bank were used in discounting the paper of politicians; that they were used in discounting the paper of favored institutions that were friendly to the bank. And President Jackson convinced the people of the United States that that great institution was being used for private purposes. Do you suppose it would be possible in this day to permit the management of this organization to decide

WHETHER IT WOULD BUY

paper in San Francisco or in New York or in New Orleans to protect its rate? I do not think it is necessary to do it, in the first place; and, in the second place, it would be impossible ever to have such a thing done. I decided myself, and my own judgment was confirmed by the judgment of every person with whom I talked, except, I may say, my friend here from California, that this provision would be fatal to the success of the institution. Suppose, for example, that we had a possible management of this association that felt very friendly to our friend from California, and that it should send to his bank and buy paper when it was refusing to buy paper anywhere else. How would you convince the people of this country that that great power was not being used as

PRESIDENT JACKSON SAID

a similar power was used in 1834-5-6-7? We have got to consider more or less generally with reference to this question conditions past and present and conditions for the future. If I believed that we should find it necessary here, where it is not necessary anywhere else, to sustain the rate and give it effectiveness, then I would seriously consider the proposition which has been put forth by our friend from California; but I believe they are beyond our reach on account of their not being necessary, and, more important, because it would justly create criticism which would be fatal to the whole proposition.

Now, sir, I am willing to answer any questions that may be propounded, by any gentlemen.

MYRON CAMPBELL, of South Bend, Ind.: Mr. President. Last evening I had the pleasure of enjoying a very pleasant conversation with the Senator, in which he answered very cordially

SEVERAL QUESTIONS

which I put to him, and it has occurred to me that possibly he might be willing that I should repeat those questions, three in number, so that he may himself give you the assurance that he gave to me.

The first question was. What is to be the authorized capital of this institution? It may be one-twentieth of the capital of the subscribing banks. But nothing has been said in the proposed bill as to what the minimum capital should be. I suggest that it might be well to give an assurance that there would be a minimum subscribed capital before there should be any authorization to begin work.

Another suggestion that I made was this: That it probably would be desirable to make at least a tentative

GEOGRAPHICAL BOUNDARY

for the several districts, to be enforced, at least, until permanent organization was effected, which could only take place when directors were elected.

The other suggestion that I made was that under the suggested plan for directors, it was possible that eight districts might have four directors each, leaving seven districts with only one director. The thought

Digitized by Google

Protection of Business

is just as necessary as protection of the family. More and more recognition is being given this important use of Life Insurance. Union Mutual Policies are well adapted for business protection. Rates are reasonable. Ask for particulars.

UNION MUTUAL LIFE INSURANCE COMPANY

PORTLAND, MAINE

Incorporated 1848 *FRED E. RICHARDS, President*

was that it might be advisable to provide that no district should have less than two directors and in any event no more than three directors. This would insure three directors for nine districts and two directors for the other six districts.

SENATOR ALDRICH: As I said to Mr. Campbell last evening, of course there are

MATTERS OF DETAIL

which the commission will have to take up. I may say that I think Mr. Campbell's suggestion in reference to the location in the territory of the district in the initial organization is probably what would have to be done. It certainly would have to be done through the recommendation of the Commission and Congress acting favorably upon the recommendation. I take it for granted that the fifteen districts in which the country is supposed to be divided could be easily located territorially. If, for instance, one hundred of us here should decide where those districts should be, why, I suppose ninety-nine of them would take the same location so far as they are fixed by existing centres, and there would be no difficulty about that.

As to the other suggestion made by Mr. Campbell, I will say that I think there is

SOME FORCE IN THEM,

but they are matters of detail which, of course, the commission has got to take up and consider very carefully with reference to suggestions that may be made.

PRESIDENT WATTS: Has any other gentleman an inquiry to make of the Senator?

FRANK B. ANDERSON, of San Francisco, Cal.: Senator, my position is a peculiar one. I am a good deal like the Turk who says "I believe everything you say"; but the only trouble in my mind about what you say is that you do

NOT GO FAR ENOUGH.

I did not say anything about buying private paper. I have understood from what has gone before in this convention that Andrew Jackson was buried, that is, the financial system of his time, for the time being, and I also understood in from what has been said by the other gentlemen on the commission that what was proposed was that we were to have something that was scientific.

SENATOR ALDRICH: (interposing). What do you mean there by "scientific"?

MR. ANDERSON: Why, bank acceptances. Now, this plan of yours gives you the power to tighten up the conditions on the banks at will.

SENATOR ALDRICH: What are acceptances except private paper, may I ask?

MR. ANDERSON: So far as the banks abroad are concerned, I want to say that the Bank of England

DOES BUY

in the open market.

SENATOR ALDRICH: I will have to put against your statement, sir, the statements of the governor and directors of the Bank of England.

MR. ANDERSON: The Bank of England does go out and borrow money in the open market, as I could show you by records that I have seen. So far as other banks are concerned, abroad, they have the right and the power to go out and do likewise if they find it necessary to enforce the rate. They can say, Oh no, we never borrow in the open market, but you can go and open an account with them and do the same thing through them.

SENATOR ALDRICH: Could the association in San Francisco come to you and say,

WHY DON'T YOU

offer to discount with us?

MR. ANDERSON: Well, if they had done that last spring, I would say very frankly that I had trouble enough to loan my own money. Now, another answer, Senator, would be this: That for the purpose of finding investment for your National Reserve Association, I would not be willing to exceed my power to borrow from that association, because that is the plan which you say will not be endorsed by the subscribing banks.

SENATOR ALDRICH: You can imagine, gentlemen, the questions that we have had presented to us for our consideration. In response to the last suggestion, I would say that the gentleman should draw a line between good loans and bad loans, and he would have a right to go out into the market and buy the acceptances of a first-class house. But who is going to determine what a first-class house is? There might be a great

DIFFERENCE IN OPINION

in every community as to what is a first-class house. Are we willing to give to the manager himself the right to discriminate between houses in California, or in New York, or in Louisiana? One man in New Orleans might think a house was first-class that another man might not think was first class. There is only one thing that we can do: We have got to follow the line which our friend from Tennessee has laid down; there must be equitable and equal treatment, and we must force equal treatment if you please, to every person and to every corporation in every section of this country. (Applause).

ROBERT D. KENT, of Passaic, N. J.: Mr. President. In view of the fact that under the proposed plan a bank can after loaning out all its available funds further increase its loaning ability by obtaining a considerable line of rediscounts, and in addition to that can accommodate borrowers by loaning them its credit by acceptances; and in view of the additional fact that many of us are disposed to over-work a good opportunity, what provision is there to prevent a serious condition of over

EXPANSION AND INFLATION?

SENATOR ALDRICH: I wish that I had time to answer fully that inquiry; and, Mr. President, if I may have the privilege of doing so, when I come to revise the manuscript of this discussion, I will answer it fully.

PRESIDENT WATTS: We shall be glad to have you do so, sir. In none of the European countries is there any limitation whatever upon this matter. There is no limitation either upon the central bank or the joint stock bank as to the amount of loans and discounts they may make or as to the proportion which those loans and discounts shall bear to the capital or to the surplus or to the reserves. Those matters are all left to the discussion of the managers of the institutions. Now, to-day we have in this country, no laws which prevent expansion, no laws which prevent inflation. The only provision we have is that a certain proportion shall be enforced between the outstanding demand liabilities of an institution and its resources.

IN ORDINARY TIMES,

sir, it would be easy to have any of the banks represented by any of these gentlemen change a part of its resources into lawful money or into a credit with a bank in a reserve city or central reserve city; and that would

Digitized by Google

BOSTON MUTUAL LIFE INSURANCE COMPANY

77 KILBY ST., BOSTON, MASS.

H. O. EDGERTON, President.
WILLIAM P. WOOD, Vice-President. FRANK H. VIELE, Secretary and Treas.
ROBERT KING, Supt. of Agencies.

A purely mutual company incorporated under the stringent Laws of Massachusetts

¶ This Company issues all the desirable forms of Life and Endowment policies. The cash, loan, paid up, and extended insurance values, to which the insured is entitled by the Massachusetts laws, are guaranteed in each policy.

become at once the basis, if you please, of four times that amount in loans and discounts. So there exists to-day no limitation upon expansion or inflation. A national bank is restricted, of course, in its note issues by the amount of the government bonds it can take; but so far as discounts are concerned, there is no limitation, and for the first time in legislation of this kind we have proposed a series of limitations not only upon the extension of credits, but upon the inflation of note issues to prevent over-expansion of credit and also to prevent undue inflation of note issues. For the first time in the history of this or any other country, this has been done, and it has been done through an

OVER-ABUNDANCE OF CAUTION

because I think, speaking to bankers, I need hardly say that this question of credits and note issues, and every other great function of a bank, depends in the last analysis upon the character and the ability of the bank managers. (Applause). They ought not, perhaps, to be matters of strict limitation. We propose in this matter to have a local association and a district association and a National Reserve Association. The managers of those different associations are to be

SELECTED BY THE BANKS;

they are to be selected by local bankers in the local association, in the district association, and in the general association. Now, the function of the local association is to guarantee the paper of individual banks. Do you suppose that in any community in the United States the directors of a local association would willingly permit expansion by over-guaranteeing the paper of individual banks? Do you think it is possible that a district association that is going to have charge of the matters of discount and re-discount of individual banks guaranteed by the local association, or guaranteed perhaps by a deposit in the third case that has been presented, do you believe it is possible that the collective representation of these banks is going to permit over-expansion of credits? I think not. Expansion or inflation cannot take place without the combined assent of all the representatives of all the banks practically. Then beyond that, we have provided a system of

REPORTS AND EXAMINATION,

which are to be forwarded to the managers of the different associations, and finally to the governor and executive committee of the general association; and those gentlemen are to sit in judgment and decide whether or not a local association is over-expanding its credit.

I wish that I had time to go into the matter of note issues a little further. We have a lot of limitations. An individual bank cannot have its paper rediscounted beyond its capital, and it cannot accept paper exceeding half of its capital. A guarantee of the local association can never be greater in the aggregate than the combined surplus of the banks comprising the association. We have

SOL. WEXLER.
New Orleans.

MORE LIMITATIONS

in reference to note issues than exists in the legislation of any country in the world. We have, first, the provision that no note shall be issued at all unless it is covered by one-third gold, and I include in the word gold both gold and lawful money, with the remainder either in United States bonds or commercial paper. We have, second, a provision which is new and unique in financial legislation, namely, that all liabilities of the Reserve Association shall be covered to the extent of fifty per cent in gold or lawful money. These limitations apply not only to notes but to all demand liabilities. If that reserve falls below fifty per cent, then we have a system of graded taxation, an increasing tax, based upon the extent of the reduction below fifty per cent. This, of course, must act

AS A LIMITATION.

Then we have a right, which I think will work, to increase the rate of discount in case there is a tendency to over-inflation or over-expansion. If one rate does not answer the purpose, we have a right to put the rate up. That perhaps may be the most effective of all. We have another limitation of the note issue which, if the others fail, will certainly work. I assumed in the preparation of this particular feature of the plan, that seven hundred millions of notes, outside of all the other forms of circulation, that we now have, might be considered perhaps the normal amount, and I have said that there ought to be possibly

A CHANCE TO EXPAND

that in crop moving period two hundred millions, making nine hundred millions in all, and when the note issues rise above nine hundred millions and the excess is not covered by actual gold a tax is levied, first of one and a half per cent up to twelve hundred million, and, if the amount of the note issue is more than twelve hundred million and the excess is not covered by actual gold, to the extent of 100 per cent, a tax of five per cent is levied. This certainly would prevent any undue inflation of notes and would immediately bring about a contraction.

This note issue system, you will observe, is a combination of the rules of regulating note issues in France and in Germany, and then it has this new feature in reference to the reserve of fifty per cent as against all liabilities.

I have no question whatever in my own mind, first, that the management of this institution in all of its forms in the various associations is

BOUND TO BE CONSERVATIVE,

as it represents the combined judgment and wisdom of all the banks of the United States, and that it would prevent undue inflation or expansion; but in order that there could be no undue expansion or inflation, we have fixed these restrictions and limitations which of themselves, if there was a tendency in either direction, would prevent it. (Applause).

E. R. GURNEY, of Fremont, Neb.:

Digitized by Google

I would like to ask the Senator if in his opinion

THE OTHER EXTREME

would ever arise, when there would come a time when there would be no volume of investment for the National Reserve Association, and when it could not pay dividends?

SENATOR ALDRICH: I do not know whether the gentleman heard Mr. Forgan's address to-day. Mr. Forgan covered that point in his address. He showed that there never had been any such condition. My own feeling is that the time will never come when in some locality of the United States there will not be a demand for rediscount. It will not all come at the same time, perhaps there never will be a time, especially in this community here and in other communities where there is not a surplus of capital, when there will not be a certain amount of paper presented for rediscount. Therefore, I do not think the gentleman's question is really a practical one.

THOMAS BRANCH McADAMS, of Richmond, Va.: Under the reading of section 38 of the proposed act, I would inquire whether the

AMOUNT OF ACCOMMODATION

to be extended to any bank would be based at all upon the size of that deposit?

SENATOR ALDRICH: I should say not. Certainly I had no purpose in mind to put in any limitation of that kind.

PRESIDENT WATTS: Are there

ANY MORE QUESTIONS

to be asked of the senator? Senator, we are very much obliged to you.

SENATOR ALDRICH: I feel, gentlemen, that I ought to apologize for taking up so much of your time.

(Cries of "No, no, we would like to have you talk longer".)

PRESIDENT WATTS: It is very pleasing to all of us, I am sure, that after the programme which we have prepared upon this particular subject your minds are so well satisfied with its presentation that there are so few questions arising in your mind for the senator to answer.

The association will now adjourn until Friday morning.

ADDRESSES BEFORE SECTIONS

Trust Company Section

Response to Address of Welcome and Annual Address of the President.

[By Oliver C. Fuller.]

The section of the American Bankers' Association represented by those present here to-day has made great progress since its former meeting in this city. Our records show that the membership of the Trust Company Section, at that time 422, has steadily increased, until it is now 1,137, and the banking resources of its members, now more than four billions of dollars, have more than doubled in the mean time.

Not since this section was organized fifteen years ago has any year been so full of events of moment to its members as the twelve months following our last annual meeting. Among these, perhaps, the one that caused the most apprehension to some of our members was the putting into operation of the

POSTAL SAVINGS BANK,

but now that nearly a year has passed since the first of this new class of banks was opened for business, those who were most alarmed over the imaginary harm from that source, now regard with complaisance this latest innovation of our paternal government.

Some apprehension was caused also by the report of the Secretary of the Treasury to Congress, containing a recommendation that national banks be given trust company powers, and when shortly afterwards Senator Aldrich submitted to the Monetary Commission the first draft of his proposed plan for a National Reserve Association, in which he provided for two new forms of national banks, one of which was to be in effect a national trust company, your Executive Committee concluded that it was time this section has a Legislative Committee of its own to look after national legislation affecting the interests of its members. At the spring meeting in Nashville, such a committee was appointed, and its report will be read to you later on in these proceedings.

An occasion of very great interest, and, indeed, I might say of considerable importance to your section, was

THE BANQUET

given under the auspices of the Trust Company Section at the Waldorf-Astoria Hotel in New York on May 5, of this year. The attendance of representative trust company officers and bankers from all parts of the United States and the addresses, particularly that of the chairman of the National Monetary Commission on the "Relation of Trust Companies to Monetary Reform", being the first public statement of his views on that subject, made the occasion a notable one, and the affair an unqualified success—so great a success, indeed, that it was suggested by many in attendance that such a banquet should be held annually thereafter.

I recommend that your Executive Committee give this suggestion due consideration at its next meeting, and I also recommend that at the same time there be taken up for consideration the question of a suitable time for holding the annual meeting of this section of the American Bankers' Association.

Since the organization of the Trust Company Section in 1896, four other sections have been organized, and I believe still another is in process of forming. Under the present arrangement, a member interested in the work of more than one section, who desires to attend, for instance, both the Savings Bank Section and the Trust Company Section meetings, cannot do so because they are held at the same time. Consequently, neither of them is as well attended as it should be, and as each of them undoubtedly would be if held at different times.

The Relation of the Trust Company to the Lawyer.

[By Marquis Eaton, of the Chicago Bar.]

The banker and the lawyer have always challenged each other to the freest discussion of their many problems of mutual concern. The interrelation does not consist, as some writers have conceived of it, in a sportsmanlike division of common spoils among two eager and competing groups. Neither does it consist in any type of armed neutrality—the favorite modern way of temporizing with a new problem until such time as the stronger can successfully invoke the doctrine, "the survival of the fittest". In its financial or banking department, the trust company does not compete with the lawyer to a greater or different degree than does the national bank.

The safety deposit department is one which is of special convenience to the lawyer. Until it came into popular use, his office was the usual depository of wills, title papers, life insurance policies, contracts, stock certificates, promissory notes and bonds. He was always a

BAILEE WITHOUT HIRE;

held to a limited financial, but a strict moral responsibility. Frequently, in an emergency, he was able, after hours of patient search, to find the document which the client claimed to have left with him for safe keeping.

Often the lawyer did not find the paper for the reason that he never had it. This did not avail him. His role of universal depository made him the logical suspect in connection with every missing document. The custom carried with it no compensation to the lawyer, and cost him heavily in time, office space, nerve force and friends. He is to-day the best drummer for the safe-deposit department.

REAL ESTATE DEPARTMENT.

A real estate department is an indispensable adjunct to the business

Digitized by Google

UNION TRUST COMPANY

OF NEW YORK

CHARTERED 1864

Main Office: 80 Broadway

MAIN OFFICE, 80 BROADWAY

Uptown Branch: 425 Fifth Avenue

CAPITAL $1,000,000.00 SURPLUS $7,960,608.67

TOTAL RESOURCES $71,485,770.11

OFFICERS

EDWIN G. MERRILL, President

AUGUSTUS W. KELLEY, Vice-President
EDWARD R. MERRITT, Vice-President
HENRY M. POPHAM, Asst. Secretary
JOHN V. B. THAYER, Vice-President and Secretary
CARROLL C. RAWLINGS, Trust Officer
T. W. HARTSHORNE, Asst. Secretary

HENRY M. MYRICK, Asst. Secretary

TRUSTEES

H. VAN RENSSELAER KENNEDY
W. EMLEN ROOSEVELT
AUGUSTUS W. KELLEY
N. PARKER SHORTRIDGE
CHARLES H. TWEED
JAMES SPEYER
ROBERT WALTON GOELET
WILLIAM WOODWARD
JOHN V. B. THAYER
AMORY S. CARHART
WALTER P. BLISS
FREDERIC deP. FOSTER
AMOS F. ENO
ADRIAN ISELIN, JR.
JAMES GORE KING
EDWIN G. MERRILL
M. ORME WILSON
V. EVERIT MACY
W. H. NICHOLS, JR.
FRANK TRUMBULL

Digitized by Google

of every trust company. Such a department in a law office argues a lack of law business. Lawyers as lawyers do not compete with real estate agents, individual or corporate, any more than with contractors, merchants or physicians.

Lawyers who complain of title insurance as competitive have, with their initial premise, lost the argument. The assumption of a risk for a consideration is not law business at all—it is a species of insurance. Under the guarantee policy the liability is absolute and is based on commercial considerations. Under the lawyer's opinion of title the liability is much more restricted and rests on established professional grounds. The customer, in other words, has, through the evolution of the title insurance company, acquired an assurance much more tangible and readily enforceable than that given him under the old system of lawyers' opinions of title. There has been in this evolution no infringement of any professional prerogatives—merely a change of method along progressive and constructive lines.

The business of the

TRUST DEPARTMENT

may be roughly classified, with reference to the source of the authority exercised, into three main divisions.

In the first division is comprehended the variety of transactions growing out of the development of the modern corporation and the demand for a better safeguarding of corporate business. The service of the trust company as agent of underwriting and stockholder' syndicates, as depository upon the increase or reduction of capital stock, or under plans of reorganization, or upon the sale or exchange of securities, as fiscal agent for the payment of coupons and bonds, as trustee in corporate mortgages and as registrar and transfer agent of the shares of stock of other corporations, is so manifestly to be preferred to the service of an individual, or, in fact, of any other known agency, that it is now almost universally availed of by the experienced and careful lawyers.

THE SECOND

of the three branches of trust department business embraces those cases where the confidence is imposed by an individual or individuals to whom the trustee is directly accountable. In this division falls most of the trusts growing out of the private relations of life, designed to be discharged during the lifetime of the creator of the trust. For example, all of those cases of trust company control of property during the temporary absence or indisposition of the owner, the management of the separate estate of married women, the discharge of escrow appointments, and, in general, the carrying out of private stipulations and agreements.

Most assuredly, the lawyer has no right to object when an individual, seeking either to divest himself of an irksome responsibility or to find some disinterested party to carry out conventional business directions, is attracted by the organization, the responsibility and the permanence of the trust company and its trust department. Neither may the lawyer object if the commission deliberately imposed by the individual is complicated rather than conventional, and legal rather than commercial, but in such case he can and ought to insist that the draft of the legal document creating and evidencing the trust be regarded as law business of the

MOST TECHNICAL CHARACTER,

and that its preparation be accordingly surrounded with every protection as to disinterestedness which the ethics of the legal profession in such cases impose.

At this point, while we are considering the right of the client to the service of disinterested counsel, it seems proper to protest against the

GATES W. McGARRAH.
President Mechanics & Metals National Bank of New York City.

practice which has found support in a few trust companies of commanding power, of requiring all legal business in connection with their trusts to be carried on by their private counsel to the exclusion of counsel chosen by those who under the terms of the trust have the direct interest therein.

Nothing but the clearest expression in the instrument creating the trust could warrant such an interpretation of the trustee's privilege or the trustee's duty. Due protection in the execution of its trust should mark the boundary of the trustee's right to insist upon the service of its private counsel. The extension of its right to reasonable protection in discharge of its duties to the point of forcing into the office of its counsel all business connected with the trust conduces to

EXTRAVAGANT AND INDIFFERENT

service. It has been suspected that the practice has in some instances resulted in the favored counsel rendering service to his real client, the trust company, for merely nominal fees in consideration of the business of involuntary clients thus acquired.

Fortunately, the practice here condemned is countenanced in but few localities. It cannot be supposed that it will ever win general recognition. It runs counter to all the traditions of the legal profession, and it will continue to meet, as it deserves, the vigorous protest of the members of the bar.

The third and final branch of trust department business to be considered is that wherein the accountability of the trust company is to or under the

DIRECTION OF THE COURT.

This includes service as executor, administrator, conservator and guardian, as testamentary trustee and as assignee, receiver or trustee of a business either insolvent or involved in litigation. It is in connection with those branches of business which have to do with the courts that the ambitions of certain trust companies have outrun not only their own capacities, but the elementary properties. Throughout this paper I have endeavored to apply the simple test, "Is it law business?" and have as to the vast majority of trust company transactions answered the question in the negative. In my opinion, the same result is reached when we apply the test to the office of executor, administrator, guardian, receiver, conservator and testamentary trustee. The trust company is ordinarily well equipped to accept employment of this character, whereas, lawyers are more and more inclined to deem themselves ineligible. What the public has a right to insist upon is that no trust company or other corporation, directly or indirectly, put itself in the position of rendering legal services to any client, whether the client in question be an individual or a corporate appointee of the court.

TO ILLUSTRATE:

To serve as executor is not law business; but to draw a will involving a complicated distribution of a testator's estate is law business, and nothing else. For a lawyer to advertise for the privilege of drawing an important legal document in the hope of securing additional business through the opportunity thus afforded him might properly result in his disbarment. For a layman or a corporation to advertise for the like privilege, in the hope of the like reward, is not less objectionable, because such advertisements on their face frequently disclose that no charge will be made for the self-serving act. Every client when he executes a will makes an assignment or declares a trust has right to have—indeed, it is imperative that he should have—capable, disinterested and responsible counsel.

In its consideration I beg you not to be misled into the assumption that the presence of a lawyer or of many lawyers in the trust company organization renders

THE COMPANY ELIGIBLE

for the conduct of law business for clients. The trust company lawyer is simply the trust company's lawyer. As such he can give to his client, the trust company, the best that is in him in aiding it to a wise, safe and profitable conduct of its business. A multitude of legal questions having to do with the interest and responsibility of the trust company itself are presented in each of the five departments herein discussed. To have and serve acceptably such a client does great hon-

Digitized by Google

J. & W. Seligman & Co.

BANKERS

No. 1 WILLIAM STREET, NEW YORK

Issue Letters of Credit to travelers payable in any part of the world. Draw Bills of exchange and make telegraphic transfers of money on Europe and California. Buy and Sell Investment Securities

T. W. STEPHENS & CO.

BANKERS

2 WALL STREET - - - - NEW YORK

BONDS FOR INVESTMENT

Special facilities for reports on investment securities.

Interest allowed on accounts of corporations, firms and individuals, subject to check at sight.

HODENPYL, HARDY & CO.

BANKERS

7 WALL STREET, NEW YORK

SPECIALISTS IN

Commonwealth Power Railway & Light Company
PREFERRED AND COMMON STOCKS

Union Railway Gas & Electric Company
PREFERRED AND COMMON STOCKS

Michigan Light Company
PREFERRED STOCK

Consumers Power Company
PREFERRED STOCK

MEMBERS
New York Stock Exchange
Chicago Stock Exchange
Boston Stock Exchange
Chicago Board of Trade
New York Cotton Exchange
New York Coffee Exchange
New York Produce Exchange
New Orleans Cotton Exchange

ASSOCIATE MEMBER
Liverpool Cotton Association

BENJ. B. BRYAN
JOHN G. LONSDALE
New York

R. W. McKINNON
T. J. BROSNAHAN
STUART LOGAN
Chicago

MEMBERS AMERICAN BANKERS ASSOCIATION

LOGAN & BRYAN

New York, 111 Broadway Chicago, 2 Board of Trade

PRIVATE WIRES ATLANTIC TO PACIFIC

Digitized by Google

BOND & GOODWIN

BANKERS

COMMERCIAL PAPER INVESTMENT SECURITIES

Trinity Building, 111 Broadway, New York

Boston **Chicago** **San Francisco**

MEMBERS NEW YORK STOCK EXCHANGE MEMBERS BOSTON STOCK EXCHANGE

or to any lawyer, but no lawyer should risk depreciation of his professional ideals by consenting to render decoy service for the luring of business to even his most important client. The principles governing the practice of the law are clearly stated in a recent decision of the Court of Appeals in New York state rendered in the case of the Co-operative Law Company. It was there held that a general statute authorizing stock corporations to be formed for any lawful business did not permit an incorporation to practice law; the practice of the law not being a "business", but a franchise and a public service, inseparable from the individual's personal worth. The court says:

(In re Co-oeprative Law Co., 198 N. Y. 479.)

"The practice of law is

NOT A BUSINESS

open to all, but a personal right, limited to a few persons of good moral character, with special qualifications ascertained and certified after a long course of study, both general and professional, and a thorough examination by a state board appointed for the purpose. The right to practice law is in the nature of a franchise from the state conferred only for merit. It cannot be assigned or inherited, but must be earned by hard study and good conduct. It is attested by a certificate of the Supreme Court and is protected by registration. No one can practise law unless he has taken an oath of office and has become an officer of the court, subject to its discipline, liable to punishment for contempt in violating his duties as such, and to suspension or removal. It is not a lawful business, except for members of the bar who have complied with all the conditions required by statute and the rules of the courts. As these conditions cannot be performed by a corporation it follows that the practice of law is not a lawful business for a corporation to engage in. As it cannot practice law directly, it cannot indirectly by employing competent lawyers to practice for it, as that would be an evasion which the law

WILL NOT TOLERATE."

On one hand, the lawyers must not confuse the issue by complaining of alleged competition in that which is not law business at all, but should limit their protest to the assumption by trust companies of such business as is clearly and exclusively law business. On the other hand, the trust companies should observe in letter and in spirit the reasoning of the decision I have quoted and decline to perform or to hold themselves out as competent to perform any business which is clearly and technically law business. Under such conditions, nothing can prevent a perpetual alliance between the trust companies and the lawyers in the benefits of which the community will inevitably and abundantly share.

Registration of Commercial Paper.

[By Fred I. Kent, Vice-President Bankers' Trust Co., New York.]

The issuance of commercial paper is the direct outgrowth of the larger firm or corporation, which, having for its market the whole country, requires on the other hand a greater credit than can be furnished locally. Such paper could not be sold if it were not for the facilities furnished by the great public mind, and as a compensation to the people for the use of the market made by them, sufficient additional safeguards should surround the business to protect to a reasonable extent all concerned.

One reason why such a duty falls upon those making use of the public market is that due to its great breadth, fraud, if committed, can assume

ENORMOUS PROPORTIONS

and result in loss to great numbers of people who have not directly had any voice in extending the credit. For instance, if a large industrial concern places its paper in several hundred banks situated in different parts of the country, and the money is wrongfully used or otherwise lost by those in control of the industrial company, it may mean disaster to many interests, viz., the stockholders of the company issuing the paper, the various companies from whom the materials are bought, and their stockholders and others interested, the stockholders of banks which purchased the paper, the depositors of such banks as may be forced into liquidation through the loss, the stockholders of such companies as are depositors in the failed banks, all who sell to those whose buying power is curtailed, and those from whom such sellers buy. While the amounts obtained through the issuance of commercial paper wrongfully have already been tremendous, in some individual cases being over $1,000,000, yet they have not assumed the proportions possible under our present system by any manner of means.

Some brokers, in their anxiety for commissions, induced hitherto conservative men to expand their credit far beyond the point of safety. Failures and losses inevitably resulted, until it was found necessary to put a check upon such operations. A system of auditing was then introduced, in order that those purchasing paper might be able to use their own judgment in deciding upon the advisability of taking it. It was not long, however, before it was seen that, while the auditing system protected the buyer of the paper to a reasonable extent, when all of those in authority who were connected with the issuing companies were men of integrity, yet that it was no protection whatever from such officers authorized to obligate the company, as might be dishonorable.

It was found that commercial paper was being issued by some companies

THROUGH SEVERAL SOURCES;

that certain officers were appropriating the funds which were received from paper put out through special channels; that neither the funds nor the purpose for which they were used appeared upon the books of the company, and that separate bank accounts were maintained to carry deposits made from the proceeds of such paper issued, records or statements of which never reached the company's books or those connected with the company, other than the particular officers who were misusing the money. Any system of audit which might be applied in such cases would not uncover the fraud, for the company's books, if otherwise in order, would balance properly, and the auditor would not have his suspicion aroused.

The American Bankers' Association has considered the problem from many points of view, and some

FORM OF REGISTRATION

seemed to be the only practicable solution. It was found, however, that the different systems of co-operative registration suggested could not be made effective, as they all required independent uncontrollable action of many individual bankers. The plan was then tried of having paper registered by a trust company along the same lines that have so successfully protected the issuance of other forms of security, such as bonds and stocks. This system, having proven most ef-

Digitized by Google

GEORGE H. BURR & CO.

Bankers

COMMERCIAL PAPER

WALL STREET EXCHANGE BUILDING | 37 WALL STREET, N. Y.

CHICAGO | BOSTON | SAN FRANCISCO

ST. LOUIS | KANSAS CITY | PHILADELPHIA

fective, has since been adopted by a number of industrial concerns issuing commercial paper, and it is at present under consideration by the boards of directors of many others. It is doubtful if any security in the form of stock could be listed upon any stock exchange in this country without registration. This protection, which is afforded to buyers of shares of stock, is such a contrast to the methods under which commercial paper is issued that its application to the latter security has been most favorably received by bankers.

First and foremost, the registration of commercial paper by trust companies makes a

PERFECT AUDIT POSSIBLE,

and without regard to any other protection afforded, this in itself would make such registration of the utmost value. In addition to furnishing the means to a satisfactory audit, registration affords those who examine the statement of a company, whose paper is being offered to them, an opportunity to see what obligations have been incurred by the issuing company since the date of the statement. Such information is not public property, but can be obtained by any banker interested. When so obtained, it is a trade secret, and it is safe to assume will be kept inviolate, as other similar matters are which have to be known to bankers.

The detail of the system is quite simple. First and most important, the board of directors of a company which intends to have its commercial paper registered, must pass a resolution in regular order, which requires that all promissory notes issued or executed in the name of the corportaion, and all promissory notes endorsed in the name of the corporation, other than its own promissory notes, and all drafts and bills of exchange accepted in the name of the corporation, must be registered by a trust company, and further, that no paper of such character shall be complete or valid until it has been so registered, and such registration shall have been noted upon the paper itself over the signature of an officer of the trust company. The trust company, as registrar,

SHOULD BE AUTHORIZED

upon the written request of some officer of the company, either treasurer or assistant treasurer, to register upon presentation all obligations of the character already outlined, delivering them back to the company. Signatures of the proper officers should be filed with the trust company for comparison, and no other signature should be accepted by it unless properly authorized. The trust company should be authorized and directed to keep a record of all registrations, including maturity dates, amounts and such other detail as is necessary to identify the paper. The registrar should be obliged to report to the auditor of the corporation in writing on each business day, giving a transcript of the registrations made on the previous business day. The treasurer from time to time, at least twice each month, should present to the trust company all registered paper which shall have been paid and cancelled, and such cancellations should be noted on the records. The treasurer should also, from time to time, file a statement of bills receivable paid, which the trust company shall cancel from its records. The trust company should also be authorized to furnish any bank, banker or trust company, upon request, with a statement of the amount of the unmatured registered paper.

LYNN H. DINKINS.
President Inter-State Trust & Building Company, New Orleans, La.

Where

INTERIOR FIRMS

wish to have trust companies in reserve cities register their obligations, they should forward such paper to their brokers for presentation to the trust company for registration and certification and delivery upon payment of the amount of the paper registered. This would not inconvenience either the firm having the paper registered nor the broker, as the latter would not need to present the paper for registration until the money was obtainable. This method would also be a great convenience in many cases, as the paper not being valid until properly registered, firms or corporations could, when desirable, file with their brokers' obligations, which were in order, with the exception of the signature of an officer of the trust company, showing that the paper had been properly registered. Such paper could then be held until its proceeds were required by the maker, who could obtain the funds by telegraph, and without loss of time. Unquestionably large amounts in commercial paper are filed with brokers, to-day, to be held until needed, and too many firms in the past have lost money through brokers negotiating such paper for their own use, and without the knowledge of the makers. Under the system of registration, all reputable brokers would be benefited, as their responsibility for paper filed with them would be practically eliminated. It is

ONLY A MISCONCEPTION

of the object of registration which would prompt a broker to object to the necessity of having to have paper sent him for sale registered with a trust company, and delivered against payment.

With registration carried on under such a resolution, the corporation, while unquestionably responsible for paper which it might issue without such registration, provided it actually received the funds, would not be responsible for any unregistered paper issued by an officer authorized to execute paper in his companys' name, wherever there was notice of the company's requirement of registration. If the funds were received and used by the company, the audit would show it; consequently, as the company would not be responsible for such other paper as might have been issued, the statement of the auditor should be a correct exposition of the company's business at the time it was taken off.

The opportunity to raise money by

Digitized by Google

N. A. BROWN & CO., Inc.

BROKERS

64 WALL STREET - - - NEW YORK

A New York State corporation doing a general brokerage business in bonds and stocks of industrial enterprises.

We have good markets in unlisted and inactive securities and respectfully invite inquiries.

means of commercial paper, by arranging to

WITHHOLD THE FUNDS

received from paper placed through special channels, is ever present, regardless of any audit which may be made. When the by-laws of a company require that every obligation intended to raise money shall be registered with a trust company, in order to be valid, both the temptation to put out commercial paper fraudulently and the possibility are eliminated. The protection afforded covers every danger existent with the issuance of commercial paper as such, and the methods under which it is sold.

It has been contended that some bankers, having special arrangements with houses putting out commercial paper, may make direct loans to the institutions without having them registered. No honorable or capable banker is going to deliberately loan money to any concern against paper which he

KNOWS WILL NOT BIND

the company unless he can prove that the funds were actually used by the company, and were not diverted to the personal use of any officer or other party.

Another objection made to the plan of registration is that while bankers by applying to the registrar trust company, could obtain a statement showing the total amount of paper outstanding, yet, as they would have no knowledge of the assets represented by the issue, they would be in no better position to judge of the condition of the company than if they did not know the liabilities. To the intelligent banker, who knows the seasonal requirements of the various lines of business in which his investments are made, a statement of liabilities in connection with a basic statement of a firm's condition would be exactly as useful as a complete supplementary but unaudited statement.

Another objection raised lies in the fear that competitors might be

ABLE TO OBTAIN INFORMATION

which could be used to the disadvantage of a registering company. It might be true in the case of certain lines of business that some such danger would exist, provided that the competitor could find some dishonest banker who would be willing to obtain the information for him. Such chances, however, are just as great at present, and anyone who could, under a system of registration, find a dishonest banker who would obtain information for him wrongfully could do so to-day. A management which was bent upon obtaining information concerning some competitive business by fair means or foul, could do so better by employing a dishonest clerk or stool pigeon deliberately placed than through a banker whose ability to obtain information vital to his success depends upon his honesty in using it. It might be, however, that in certain lines of business the

RISKS WERE ABNORMAL,

and that it might be wise for those registering the paper not to authorize the trust company to advise bankers concerning the outstanding liability, but instead, to authorize them to give such information, when called for, to the regular public auditors of the company. Such auditors then having access to the assets created from the proceeds of paper issues could add to the original statement furnished the commercial paper broker a further statement to the effect that they had obtained from the registrar the amount of oustanding liability shown by its books, and that its assets had been properly increased by the amount. This method in itself would be sufficient to give the protection desired in connection with honorable and capable auditors.

Judging from the number of companies which have already completed arrangements to register their paper with a trust company, and those whose boards of directors are considering it at present, it would seem to be safe to predict that this system of protection will soon

BE GENERALLY RECOGNIZED

as being necessary to those who desire to issue commercial paper. The cost of registration is so small, compared with the amount of paper which it would cover each year, that it only adds an inconsequential, fractional amount to the average interest rate paid. The cost is, of course, based on the amount of work involved, and increases in proportion to the output of paper. As soon as registration of commercial paper becomes general, the market of those who do not have their paper registered will be confined to the bankers who have means of satisfying themselves that the company is in proper condition. In such cases, the market will be exactly as abroad, as it should be, and no injury will be done to any interest.

The Protector of Property.

[By A. A. Jackson, Vice-president Girard Trust Company, Philadelphia, Pa.]

One of the most hackneyed phrases in our language, to which there is imputed a meaning never meant by its author, is that a corporation has "no soul". I submit that our corporations, our trust companies that are not trusts, not only are possessed of souls, and show them day by day, but that their bodies, impervious to the limitation of mortal life, and if rightly governed, to the decay that works in mortal tissues, stand firm and healthy, housing sane minds, whose energy is devoted to the good of their clients; whose judgment protects the property of those persons whose material welfare is entrusted to them, and whose record, lengthening year by year, disproves the

PERVERTED SAYING

of Lord Coke.

If by some mischance reverses in its other lines of business, or the devastating sweep of a panic—hereafter, we hope, to be rendered improbable by the passage of some beneficent law as the outcome of the bill and plans that are engaging the attention of this whole convention—if, I say, some such catastrophe involves one of our companies, no danger attaches to the funds of the estates held by it in trust. They are separate and apart from its own assets, as free from attachment of its creditors as in well-ordered companies these trust properties are physically separated in their place of lodgment from the belongings of the corporation itself, or from those attaching to its other lines of business.

If, then, the perpetual corporation, with its safeguarding capital and surplus, efficient management and its machinery for discharging the duties devolving upon it, protects the property that it holds in trust for others, its continued appointment and employment for these purposes should obtain in steadily increasing instances.

But if the trust company has taken, is taking, and will take, the place once occupied by individuals under Wills and Deeds of Trust, and in other fiduciary capacities, it does not exclude from its scheme of management those individuals who would have been appointed to the positions in question. Sincere in its desire to ad-

Digitized by Google

BONDS AND PREFERRED STOCKS OF PROVEN VALUE

BODELL & CO
PROVIDENCE

Boston Office:
35 CONGRESS ST.

minister for the best benefit of the family of a testator the property that he has committed to its charge by his will, the trust company turns gladly to those persons, who, by reason of their former close association with the dead, have knowledge of details that are of benefit to his executor; and

THE LAWYER

who formerly often was appointed by his client naturally is retained by the company as its counsel in the administration of the estate left by that client whom he has lost.

At the risk of asking your attention to certain conditions now existing that no doubt have had already your careful consideration, I venture to speak of the propriety of their cure for the greater protection of our properties in trust: No one disputes the necessity of, and when equitably disposed, the justification for taxation, by customs and excise duties, by corporate and mercantile license, by real estate and personal property taxes, and by the general tax on citizenship. Under a proper disposition of these, persons real and artificial contribute to the common weal out of their share of this world's goods proportionately as they are blessed with them.

In the past year, much has been written and said on the subject of the

INIQUITY OF TAXATION

of estates—not the charge that brings to the Commonwealth the contribution justly due by a decedent as his last act in support of the government and his fellow citizens; that of itself is necessary, is sanctioned by laws in many instances proper and needed for the up-keep of the people and their institutions. It is not that charge of which complaint is made, but those taxes, the result of legislation often hasty and ill-considered, occasioned by the cupidity of a state which has seen with envy a sister commonwealth harvesting large sums by heavy impositions on property laid open to tax by the passing of the owner, or more often occasioned by the desire to work retaliation because that sister commonwealth has used for the mulcting of a fee property tangibly or intangibly found within her borders before she will let it go from her grasp to the domicile of the decedent.

As we know, the rates of direct and collateral inheritance taxes vary in the different states, and I do not intend to burden you with the reading of tabulated statements setting forth the statutes that exist in various localities. These have been published, and no doubt, have been read by many of you. It is upon the general situation, and the need of its betterment that I venture to plead for the enlistment of your good offices, instancing only

THE INHERITANCE TAX

of one jurisdiction that would seem satisfactory to many critics and sufficient for the purposes of the power that has decreed it.

WALTER F. ALBERTON.
Vice-President Mechanics & Metals National Bank of New York.

The state of Pennsylvania enjoys the benefit of a statute that with few amendments has been upon her books since 1826. Under it the persons, who, by reason of their relationship to a decedent, most need his fortune after they are deprived of his support, receive their inheritances free of the imposition of taxation by the state. The Commonwealth recognizes the injustice of charging any distributive share that goes—let us say—to a member of the immediate family of the decedent who, in theory at least, will be a citizen of that Commonwealth and under the law will continue to pay to it the yearly contribution that has theretofore been made by the person who has possessed the fortune and is dead.

The position of beneficiaries who are collateral in their relation to the decedent, or strangers to his blood, is quite different. The state appreciates that upon their bequests a levy may be made with justice. Their expectations were—we may say—unwarranted; their inheritances a gift from the donor. As to their temporary or continued residence within the Commonwealth, there is no theory, nor as to the future contribution to the state by annual taxation. It is but right that at the going out of these portions of the estate of a citizen, the Commonwealth

SHALL HAVE A PERCENTAGE

for its up-keep. But in the state of which I speak, this percentage is fixed at the reasonable tax of 5 per cent, and no matter to what figures the distributive share ascends, nor to what remote degree of relationship or alienation does the beneficiary withdraw, there is no increase in that rate

Furthermore, having given for so many years the benefits of this law to estates administered in its jurisdiction, Pennsylvania does not meddle with the securities of a non-resident that at the time of his death may be lodged within its borders. If a citizen of another state dies possessed of securities physically in Pennsylvania, that state does not impose a tax before his executor can remove them to the place of his domicile, nor, should the decedent have possessed securities of Pennsylvania corporation, the certificates on which are outside the state, does it charge a tax upon them before the transfer is allowed.

To our cost, or rather to the cost of our estates, we know that this satisfactory situation does not exist in certain other commonwealths, and that under the laws of some of them the

FORTUNES OF A DECEDENT

unfortunate enough to own securities of corporations transacting business in several jurisdictions, or lodged outside that of his domicile, may be subjected to double, triple or even quadruple taxation, while at least one state a few years ago enacted legislation, the possible effect of which, under certain conditions might be to confiscate and more than confiscate a legacy

The evils of laws inducing double taxation, or imposing it at abnormal

Digitized by Google

ESTABLISHED 1859

Essex County National Bank
NEWARK, NEW JERSEY

Capital	$1,000,000	CHARLES L. FARRELL	President
Surplus and Undivided Profits	1,500,000	FRANK B. ADAMS	Vice-President
Deposits	8,000,000	GEO. F. REEVE	Vice-President
		BENJAMIN ATHA	Vice-President
		A. F. R. MARTIN	Cashier

Solicits accounts of Firms, Corporations, Individuals, Banks and Bankers. Courteous attention given to their requirements.

rates, have been felt keenly by New York in the flight of securities from her borders after the passage of the law of 1910, and she has promptly applied the cure by the amendment of the current year.

In the meantime, cannot we, the Trust Company Section, aid in the work by a

CAMPAIGN OF EDUCATION

among the legislators? And if such action be taken, it occurs to me to suggest two other matters that might be brought forward in localities where enactment on the subjects would be of benefit.

One of them is the fixing of what investments shall be legal for funds held in trust. Laws expressed or implied as to this exist, I think, in the majority of the older states, but are lacking in others. It is as much for the protection of the trustee as of the estate that certain classes of investments should be designated as approved by the courts for the use of funds under their control. Necessarily these classes may vary in different localities, but as they should embody property that is the least likely to be affected by depressed conditions, an estate should be safe in their purchase, and the trustee which buys them after due examination should be protected by the courts if by some mischance they suffer a depreciation in its hands.

And if these two matters of which I have spoken should be taken up with the legislatures, may I suggest the urging of

STATE SUPERVISION

of trust companies in such commonwealths, rapidly lessening in number, where there is no department of banking, so that soon throughout the country there will be no one of our institutions that is not subject to examination under the law.

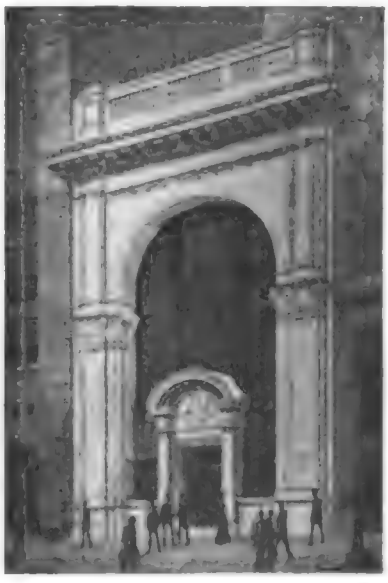
I do not ask for any resolution upon these suggestions. The meeting may not be with me as to all or any of them. They are but my ideas for the betterment of system where it may be needed by us as protectors of the property of our clients and of our companies, and for the further advancement of our good names.

PAULA, CAL.—The Farmers & Merchants Bank of this city has increased capital to $75,000, ad has opened a branch at Saticoy. E. C. Corey is to be cashier of the new branch.

ESSEX COUNTY NATIONAL BANK.

Prosperous Newark Institution to Have New Home.

The Essex County National Bank, of Newark, N. J., is one of the solid long-established institutions in its part of the state. Organized as a state bank in 1859, and chartered as a national bank in 1865, it has paid in dividends



ESSEX COUNTY NATIONAL BANK.
Newark, N. J.

to stockholders since organization as a national bank the huge sum of $3,068,000.

Naturally, a bank which had resources on September 1, 1911, of $11,035,545, must need ample quarters for its business, and on the site of its old home, a new building to be used exclusively by the bank is being constructed. It will be completed by April 1, 1912. Beauty and convenience, with ample room for future development, have been the primary purposes which have actuated the architects of the new structure. The first story, nearly 35 feet in height, is a single large monumental room with a high wainscot of marble, with side walls of caen stone, and a [illegible] Italian ceiling is set off attractively with skylights. The public space is in the centre, with the marble counter and cages about it. At the left of the entrance to the room, a marble rail separates the officers' section from customers, while above this officers' section is a mezzanine floor containing the directors' room.

Safe deposit vaults in the basement of the latest type of vault construction are reached by a broad stairway at the right of the entrance.

The exterior of the building of white Vermont marble and bronze consists of one large arch with flanking pilasters, supporting the main entablature. The marble doorway in the middle of the arch is of dignified proportions.

That the bank in its new quarters will be even more one of the institutions of which Newark is proud, goes without saying.

The capital of the Essex County National Bank is $1,000,000; surplus, $1,000,000, and deposits, $8,000,000. The officers are as follows: Charles L. Farrell, president; Frank B. Adams, vice-president; Geo. F. Reeve, vice-president; Benjamin Atha, vice-president, and A. F. R. Martin, cashier.

BANK ITEMS.

PETERSBURG, PA.—The First National Bank of Petersburg, capitalized at $25,000, has been organized by A. S. Little, J. M. Blair, J. G. Porter, J. R. Leffard, H. M. Stryker and others.

HARRIMAN, TENN.—The corporate existance of the Manufacturers National Bank has been extended until November 20, 1931.

CYNTHIANA, KY.—The corporate existance of the National Bank of Cynthiana has been re-extended until November 20, 1931.

NEW FRANKEN, WIS.—The State Bank of New Franken has been organized with $12,000 capital.

REX, GA.—The Bank of Rex has been organized with $25,000 capital. J. O. Norris is president, Dr. W. C. Estes, first vice-president, and R. E. Kyle, second vice-president.

PORT ARTHUR, TEXAS.—The capital stock of the Merchants State Bank has been increased to $50,000.

NEW YORK, N. Y.—The Mutual Alliance Trust Company has increased its capital from $700,000 to $1,000,000.

Digitized by Google

LINCOLN TRUST COMPANY

208 FIFTH AVENUE, NEW YORK

BROADWAY and LISPENARD STREET — BROADWAY and 72D STREET

CAPITAL AND SURPLUS, - $1,500,000

OFFICERS

ALEXANDER S. WEBB, President
ABRAM M. HYATT, Vice-President — OWEN WARD, Vice-President
HORACE E. POOR, Treasurer — BRECKENRIDGE CARROLL, Assistant Treasurer

DIRECTORS

W. D. Baldwin, George C. Boldt, George C. Clark, William C. Conklin, Robert E. Dowling, Stuart Duncan, William Fellsinger, Erskine Hewett, Samuel V. Hoffman, Abram M. Hyatt, Arthur Iselin, Bradish Johnson, Clarence H. Kelsey, W. De Lancey Kountze, George Leask, William G. McAdoo, John T. Munn, M. D., Irving E. Raymond, William Salomon, B. Aymar Sands, Isaac N. Seligman, Louis Stern, Owen Ward, Alexander S. Webb, William H. Wheelock, C. Morton Whitman

Savings Bank Section

The Ethics of the Savings Bank.

[By William E. Knox, Comptroller Bowery Savings Bank.]

It is true that the stock savings banks are doing their duty well, and proving to be a real help in the conservation of the savings of their communities. Conscientiously managed, they are and will continue to be of great benefit to their constituents.

But if in the East, where we are sometimes charged with selfishness and a desire to turn everything to profit, we can find men willing to act as savings bank trustees without pecuniary reward, we are not imagining a vain thing when we cherish the hope that South and West equally unselfish men will be glad to take up the same work.

A year ago, in the city of Edinburgh in Scotland,

THE CENTENARY

of the establishment of savings banks was celebrated. Not only from the United Kingdom, but from all the British possessions, from many of the great nations of the old world, and from Canada and the United States, delegates representing the savings banks assembled to do honor to the occasion. Here in the United States we, too, are rapidly approaching the completion of a century of beneficent effort in the same work.

At the risk of repeating an oft-told tale, let us see what spirit actuated the men who started the first savings banks. One of the earliest of them proposed "an institution for the benefit of the wage-worker who might deposit his savings and withdraw them again, in part or in whole, as he might require, with interest according to the time they had been on deposit"; and this institution was designed to take the place of almsgiving.

Another was started with the avowed purpose of being "for the special benefit of the more dependent of the industrial classes, for the collection and increase of

THEIR SMALL SAVINGS."

And another, "that persons of small means should have the opportunity, which had before been wanting, to place the small savings which they were able to lay by where they may draw interest without danger of loss."

The founders of the oldest savings bank in New York, the bank for savings, stated it as being their object "to assist the laboring poor to preserve a portion of their earnings for old age, and to give them provident habits, and by promoting among them a spirit of independence, economy and industry."

We see then that all these plans were meant for the encouragement of thrift, and were calculated to help the poor to help themselves. In every case, the need was recognized of a secure depository for the savings of those who were willing to save. The way to encourage thrift was to hold out the certainty that the results of thrift and self-denial would be safely held against the time of need. And this security was to be offered to those least able to take care of their own savings.

We learn as a fundamental principle, if we follow the tradition of the savings banks, that we are bound to foster the

SMALL DEPOSITOR.

It was for him that the savings bank was created, and it is to his service that it should be devoted. The man whose earning power is but little above the requirements for bare necessities is he to whom every encouragement should be given.

We see to-day Great Britain and Germany driven to the experiment of old-age pensions. It is to be hoped that the remedy may not be worse than the disease, for it certainly would seem that the result must be the encouragement of shiftlessness and an added burden on the thrifty. If every worker could be induced to save what he now wastes or dissipates there would be small need for old-age pensions.

It is interesting, especially in our eastern cities, to watch the depositors that flock to our savings banks. In addition to the American workingman and woman, every quarter of the globe sends some addition to the

COSMOPOLITAN CROWD

that goes to make up the depositors in any of our savings banks.

They come from Canada on the north, and from the Central and South American republics. Not only the great nations of Europe, but every petty principality as well, is represented. Asia and Africa send their quota. American missionaries serving in Syria and China send their little savings home to be cared for. How they do it out of the salaries they sometimes get is a mystery. It is not the get-rich-quick spirit that impels them to their work, of that I am certain.

If all our depositors should talk at once, each man in his own tongue, the confusion of speech at the Tower of Babel would be faithfully portrayed. But however, they may differ in their origin and speech, from whatever race they spring, they have one common motive in this land of ours, and that is the pursuit and capture of the

ELUSIVE AMERICAN DOLLAR.

And in the aggregate they manage to overhaul and lay hands upon a good many of them.

While the small depositor should in every way be encouraged, there is a class of would-be depositors who should not be welcome. These are they who would make of the savings banks a temporary convenience for the deposit of large sums, attracted by the high rate of interest, and who usually withdraw their deposits in times of financial uneasiness for the purpose of buying securities that are selling cheap. The savings bank was not created for the convenience of these, who properly belong to the investor class. While the savings banks are willing to serve those who need their help, it is not fair to them to burden them with the task of making investments for those who are quite capable of making their own investments.

To insure at all times, and under all circumstances, the absolute safety of the savings bank, the accumulation of an

ADEQUATE SURPLUS

is a matter of vital importance. Opinions may differ as to just what percentage of a savings bank's deposits an adequate surplus is.

During the past decade, we have seen a tremendous growth in savings banks deposits, accompanied at the same time by a steady decline in the market value of even the best securities, so that to-day the percentage of surplus to deposits is much smaller

Digitized by Google

A STRONG BANK

CAPITAL AND SURPLUS
$143,000.00

SIGNS OF SUCCESS

YOUR ACCOUNT WITH THE

Bank of Rockville Centre

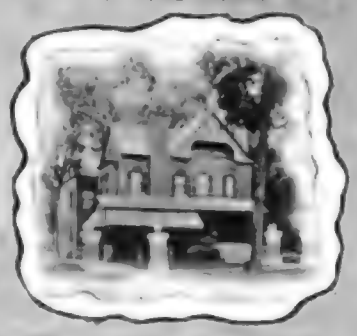
LONG ISLAND

WILL HELP YOU ATTAIN

WEALTH AND HAPPINESS

SPECIAL ATTENTION GIVEN TO
LONG ISLAND COLLECTIONS

A FINE HOME



RESOURCES
$1,378,000.00

than it has been. If we could be sure that the securities we hold would soon advance in value, we might not pay much attention to the matter. But we are neither prophets, nor the sons of prophets, and cannot see into the future.

There is but one way in which to strengthen our surplus, in the face of growing deposits and diminishing values, and that is to live well within our income. This is a doctrine that has been preached lately from the house-tops, and it may be well that we take heed.

One of the reasons for the decrease in the strength of the surplus is undoubtedly the

COMPETITION FOR DEPOSITS

which unfortunately has arisen among many of the banks. It is quite natural in any business conducted for profit that one should keep a keen eye on his rival. It is not only natural but laudable that one should have the ambition to do as well as his neighbor, that there should be a desire to build up a business that by its bigness may command respect.

But among savings banks there should be no such competition. It is foreign to the spirit of the savings banks that there should be any spirit of rivalry among them. A spirit of emulation in every effective service we can render to our communities we may honorably cherish; but the savings banks should not, for mere sake of bigness, swerve one hair's breadth from the most conservative line of action. We are all engaged in a good work, which ought to be done in a spirit of philanthropy, and it should be a matter for rejoicing and congratulation when a sister institution does its work well and is enabled to extend its beneficent services to a larger number of depositors. It is impossible to touch upon the subject of the savings bank surplus without being led to a consideration of dividends.

It is not always the bank that pays the

LARGEST DIVIDENDS

that is the best bank. The deposits in such a bank would grow, but its growth in deposits would be out of all proportion to the growth of its surplus. In such a case as this it almost inevitably follows that the desire to increase the income of the bank leads to laxity in the making of investments. In the time of stress, when the pinch comes, there is little or no surplus to fall back upon, the investments that looked so attractive, viewed from the standpoint of income alone, are found wanting, and the last condition of that bank is sure to be worse than the first.

The savings bank does and should offer safety with small interest return as distinguished from less security and a larger return. It is not organized as a business enterprise, nor should it engage in any form of speculation or money-making in a business sense. And yet, it is not, as some have miscalled it, an eleemosynary institution. It is a philanthropic, or benevolent, not a charitable institution. Each depositor bears his share of the necessary expenses of the bank, and the trustees no more consider their work charitable than is the work of citizens who, for example, serve on school boards.

Departmental Banking Laws—Regulation and Segregation.

[By J. F. Sartori, Los Angeles, Cal.]

The theory is entertained and the ideal may be, that each institution should be organized to do either a commercial, a trust or a savings business; that it should hew closely to a distinctive line, confine itself strictly to its chosen field, and that a bank of one class should not encroach upon the legitimate function of a bank of another class.

The numerous tables of statistics compiled for the National Monetary Commission, published in 1910, when carefuly analyzed, prove the following statements:

1st. That the three classes of capital stock banks are yearly and

CONSTANTLY ENCROACHING

more and more on the distinctive functions of each other.

2d. Total individual deposits increase according to the general or dual character of business done—the class of banks encroaching most increasing most rapidly, and the class encroaching least increasing least rapidly.

3d. The percentage of growth is in favor of trust companies, followed by state commercial banks, national banks and savings banks, in the order named.

4th. Capital st[illegible] banks, now carrying $1[illegible] ac-

counts, have increased from 1896 to 1909 as against the mutual savings banks in the proportion of 2 to 1.

5th. There are now in excess of—$113,000,000 demand deposits in capital stock savings banks; $864,000,000 savings and time deposits in state commercial banks; $876,000,000 savings and time deposits in trust companies; $743,000,000 savings and time deposits in national banks; $1,917,000,000 demand deposits in trust companies.

6th. This encroachment and departmental growth is

NOT CONFINED

to any section of the country. It is the practice in the New England and eastern, as well as in the southern, Western and Pacific coast states, consistently and rapidly growing from year to year.

7th. In 1896 the individual deposits subject to check or demand exceeded all the savings and time deposits 28½ per cent and in 1909, exactly 28½ per cent, thus showing that, notwithstanding the growing encroachment upon one anothers' functions, the growth of these different classes of deposits continue in the same proportion.

Thus it is found necessary for national banks to enter the field of the trust company and savings bank in one way or another. That laws should be enacted, both national and state, to authorize directly, properly regulate and supervise, without destroying or revolutionizing all these forms of departmental banking, is self-evident.

Of all the state laws it will be found that only in one state—California—has legislation been enacted covering the subject in all its most essential features.

IN CALIFORNIA

a complete new banking act was passed by the 1909 Legislature and went into effect July 1, 1909. Preliminary to the drafting of this act the Legislative Committee, assisted by a committee of bankers, made an exhaustive investigation of the national and of the state banking laws. There proved to be much chaos, confusion and lack of uniformity. It was found that quite generally throughout the country a dual or departmental business was being done, mainly without adequate legal provisions for regulation or segregation, except partially in a few states. That in California

Digitized by Google

CAPITAL AND SURPLUS : $3,500,000

The Baltimore Trust Co.

BALTIMORE, MD.

Solicits Accounts of Banks, Bankers, Corporations and Individuals. Interest Allowed on Deposits Subject to Check. Special Rates Made on Time Deposits.

OFFICERS

THOMAS H. BOWLES, President
DOUGLAS H. GORDON, First V.-Prest.
G. C. MORRISON, Second V.-Prest.
SAMUEL C. ROWLAND, Third V.-Prest.
C. D. FENHAGEN, Secretary-Treasurer

about three-fourths of the banks were doing such duel or general business, intermingling assets without regulation or compulsory segregation.

To legislate separately for each class of banking, compelling each bank to select and adhere to its distinctive line, was considered revolutionary, impractical and contrary to banking-practice.

It was, therefore, decided to follow along the lines of least resistance, recognize conditions and provide for departmental banking regulated, with

ASSETS SEGREGATED.

The distinctive features of this California bank act, are as follows:

1st. The classification of banks according to the character of business done, as savings, commercial and trust, legislating for each class separately, so that a distinctive business can be done if desired.

2d. Articles of incorporation must provide, or be amended to provide, the kind of business to be done, one, or any two, or all three.

3d. Capital and surplus must be apportioned to each department, and there must be a minimum capital depending upon the population and the character of business organized to be done.

4th. Capital and surplus must be increased in a reasonable proportion as deposit liabilities increase; each department should in every respect be practically a complete bank within itself.

5th. The assets of each department, including the invested capital and surplus, must be held solely for the repayment of creditors of each department, and the surplus, if any, must be applied to the other liabilities of the bank in case of liquidation.

6th. No department shall receive deposits of another, but may sell to another, for actual value, securities legal for the purchasing department.

This latter provision is highly important to prohibit the pyramiding of cash and deposits, as the practice prevails in departmental banking, when it is done through the ownership and control of other institutions.

7th. The business must be done in one building, or at least in adjoining buildings.

Without the foregoing essentials, departmental banking and segregation

R. S. HAWES.
Third National Bank, St. Louis, Mo

laws are not complete and will not be fully effective in practice.

Such banking should be

SUPERVISED BY ONE AUTHORITY,

either state or national, so that reports and examinations of the entire business can be made at one time.

Furthermore, if savings deposits are given a first lien on the savings assets, it is quite clear and reasonable that the creditors of other departments should be given a first lien on the assets of said other departments, in order to avoid confusion in case of liquidation.

The much-discussed

SUBJECT OF SEGREGATION

has been for several years so fully and ably considered by this Savings Section and by the Association of Supervisors of State Banks, particularly with reference to savings assets, that nothing of further value could be suggested here.

Of its equity there can be no question, and that the practice of intermingling savings, trust and commercial funds is ethically and practically unsound must be conceded.

Although a banking reform full of merit, this movement for segregation has been opposed by the Trust Section, and has not to date been favorably considered or recommended by the executive council of the American Bankers' Association.

Realizing the limitations of the National Bank Act, which gives them no power or authority to assume savings or trust functions, and finding it necessary and profitable to transact such business, admitting, in fact, departmental evolution, the officers and principal stockholders of many national banks at first acquired individual stockholdings in allied institutions, but finding such alliance or partial control inadequate for the free interchange and diversion of business, they are now organizing trust and savings institutions under trustee or

HOLDING METHODS.

By these devices conflicting laws can be taken advantage of, and a character of business done indirectly which is directly prohibited.

The policy and legality of organizing and conducting these trust or holding companies is already questioned by the government, and their ultimate divorce from the parent corporation is almost a foregone conclusion, when the trend of the decisions and public sentiment against trust development is considered.

But why resort to these subterfuges and endeavors to circumvent the law? Why wait until trustee schemes and holding companies are declared illegal? Why not recommend and urge

NATIONAL DEPARTMENTAL LAWS

with trust and savings powers, with proper regulations, so that national

BAYNE, RING & COMPANY

BANKERS

Dealers in

Commercial Paper

National City Bank Building, NEW YORK

CHICAGO	PHILADELPHIA	BOSTON
Harris Trust Building	Drexel Building	Boston Safe Deposit Building

banks can directly, without evasion, meet conditions and demands of the business?

If demands and conditions are such that more than 2,500 national banks find it profitable and desirable to conduct savings departments, many others to control trust and savings banks, and practically all of them, except those who have protected and fortified themselves with side institutions, to pay interest on time deposits; if, also, thousands of national banks in the smaller communities find it is necessary to make time loans on real estate, and direct power is not now given them to transact this trust and savings business, why not amend the national banking act to meet these demands and conditions squarely?

The suggested plan for monetary legislation submitted to the National Monetary Commission recommends, "That there shall be established another class of national banks. Such banks may have savings departments with power to transact a savings business. Another class of national banks shall be authorized which shall, in effect, be national trust companies to exercise all the functions and have all the privileges which are given to trust companies by the laws of the various states."

This phase of the suggested plan for monetary legislation

SHOULD NOT BE OVERLOOKED

by the savings section. It should not be sidetracked, but should be urged along with currency reform to bring about a complete banking and financial system. Here is an opportunity, in a direct and practical way, to attain at least greater uniformity of savings laws and savings segregaton.

The act could provide that the investments of the assets of the savings departments must be made according to well-defined state banking laws, providing such laws comply with general regulations, to which the state banking acts must conform, and subject to the approval of the Comptroller of the Currency, if the national banks of such states desire to transact a savings business.

Such national legislation would also exercise

A POTENT INFLUENCE

toward uniformity of laws for every class of banking. If, therefore, this savings section, having so earnestly considered the subject of uniformity, and having so long advocated segregation of savings assets, with such small encouragement on the part of other banking interests, would accelerate and bring about these reforms, it would seem advisable, when supporting plans for monetary legislation, also to advocate and urge the speedy amendment of national as well as state banking acts to provide for departmental banking, regulated with assets segregated.

Efficiency of Supervision of Banks.

[By Hon. Arthur B. Chapin, Bank Commissioner for Massachusetts.]

In most of the states the legistures have put out a sign, "Banks Supervised," which tends to create a feeling of confidence among depositors that their money is being carefully looked after by the state, and that, so long as a law relating to supervision remains on the statute books, it is safe from loss. Thanks to the fact that honesty is the rule among bank officials and bank employes, and that as a rule, surplus accounts have taken care of losses resulting from lack of zeal or experience, comparatively few depositors have suffered losses; and in general, they have been lulled into a feeling of security by the words, "State Supervision." They do not know that too often what they consider a safeguard is ineffective, is merely a friend of the "dummy director," is really supervision in name only; and then when losses occur, the man who holds the position of supervisor is flayed by the press and the public.

In my opinion legislatures are

PRIMARILY TO BLAME

for attempting to create confidence in the minds of the public by inadequate legislation and then failing to make supervision effective by appropriating the necessary money or furnishing a sufficient force of men to do the work properly.

From a purely theoretical standpoint the supervision of banks, or, in fact, the governmental supervision of any form of industry, is unnecessary. In England the idea still exists that public opinion is the best censor of banking practice and is sufficiently strong to hold every bank of standing to sound principles. However well this may apply to their joint stock banks, where directors have a selfish interest, it has not been found sufficient for trustee savings banks, whose scundness must depend upon the watchfulness of trustees.

The experience of the Commonwealth of Massachusetts illustrates what is necessary from a practical standpoint.

The savings banks system of Massachusetts dates from 1816, when the Provident Institution for Savings in the Town of Boston was incorporated. This is the oldest chartered savings bank in the United States and the largest one in Massachusetts, having over fifty millions of dollars in assets belonging to over one hundred thousand depositors.

After the first savings bank was chartered others were soon organized, and the legislature considered that some publicity should be required; so the

FIRST STEP IN SUPERVISION

was taken in 1834, and each bank was required to file annually with the secretary of the Commonwealth, a statement of its condition. No effort was made to verify the correctness of these statements until 1838. A board of three savings banks commissioners was established, with the functions merely of visitors, who should annually call at each bank and make a superficial inspection of its affairs This board made its first report in 1838, and said in part: "The attention of the commissioners in the examination of savings institutions has been directed especially to investments and the system of accountability as provided for in the by-laws and as carried out in practice. An examination of the individual accounts would be a work of great labor and of little advantage." Experience has since shown that such a trial balance of the depositors' ledgers, while a work of some labor, is an absolute necessity under any plan of effective superivision; for such supervision should include determination of a bank's solvency or ability to pay its debts, and to be content to examine its assets without enquiring as to the liabilities as shown by its accounts with its own depositors seems hardly less than absurd.

The system of

BOOK-KEEPING

in the early days was unsatisfactory. In their report of 1865, the savings bank commissioners said: "The system of book-keeping and that regulating cash receipts and payments in our savings banks will bear no compari-

Digitized by Google

MUNICIPAL
RAILROAD
CORPORATION
BONDS
YIELDING
4% to 6½%
Suitable for Savings Banks, Trust Funds and Conservative Investors
JOHN A. PRESCOTT & CO.
FIRST NAT'L BANK BLDG. :: :: KANSAS CITY, MO.
LIQUIDATIONS *REORGANIZATIONS*

son for safeguards against fraud with those of some of the institutions of the same kind in Great Britain. Indeed, in one of our large banks, no verification of the general deposits account by the amount due individual depositors, as shown by the ledgers in which the separate accounts are kept, has been made since the bank was organized many years ago. In one of the largest banks of England, having 42,000 depositors, the depositors' passbooks go through the hands of five different clerks on receipt of each deposit, and of four on account of each payment, and a monthly audit of every cash transaction is made by a professional accountant." But it was not until 24 years later, in 1889, that the law of Massachusetts required a savings bank to take an annual trial balance of the depositors' ledgers.

In early years the commissioners in their reports called attention to the fact that too often the entire responsibility was thrown on the treasurers of the banks, the trustees making only the most formal examinations.

But in accordance with human nature, trustees continued to be indifferent and

COULD NOT BE AROUSED

to the proper performance of their duties, especially in having proper audits made of the books. So it was that last year (1910) the legislature concluded that the experience of Massachusetts had proved that the system of dividing the responsibility for the supervision between the trustees of the savings banks and the state, having been carefully tried, had been found wanting; and the result has been legislature which centralizes all the supervision in the hands of the state banking department.

While but seven savings banks in Massachusetts have been forced to suspend on account of defalcations, in the 95 years of their existence, suspension in every one of these seven cases could have been prevented if the trustees had provided for proper audits of the accounts.

While there is no question that the efficiency of supervision is greatly increased by these requirements, the expense is greatly increased to the state and to the banks, for they,

THE BANKS, MUST PAY

for the audits by the certified public accountants approved by the commissioner; and the question is at once raised as to how far the state should go in increasing its own and the bank's expenses solely for the purpose of ascertaining whether officials are honest and observing the laws, especially as the percentage of dishonesty and failure to observe the laws is relatively very small.

The recent failure of the Carnegie Trust Company, of New York, raised the question of the efficiency of the

EDW. P. METCALF.
President Atlantic National Bank, Providence, R. I.

New York state banking department. The facts, as stated by the superintendent of banks, show that the department followed the affairs of that company over a year, trying to save it from failure; and that during that period four million dollars of doubtful assets had been turned into cash, and the claims of depositors had been reduced from fourteen to seven million dollars. The wisdom of its course is shown by the fact that, when the end came, the loss to the depositors, both actual and proportionate, was far less than it would have been at any time prior thereto.

More recently still, the Union Bank, of Brooklyn, has brought up the question of efficiency of supervision over the acts of directors. In general, some of the largest losses have been incurred by banking institutions through

NEGLECT OF TRUSTEES

or directors to see that its officers took no improper risk or otherwise abused their trust. This can be remedied, in my opinion, only by the state taking the final step in efficient supervision which will permit the immediate suspension and removal of trustees and directors who evidently fail to appreciate their responsibilities. The removal must be done quietly, without the publicity of the courts, which would alarm the public, and under proper safeguards, which would prevent the power being abused on account of personal animosity. The state of Kansas has given its commissioner this power by prescribing that if he finds any officer of a bank dishonest, reckless or incompetent, he may order the directors to remove the officer; failure to comply with his order cancels the bank's authority to transact business until it is complied with.

A most important step in this direction was taken last year by the state of Massachusetts, when it enacted legislation providing that, "The commissioner shall have power to recommend the removal of a trustee, officer or employe, who, in his opinion, has abused his trust or has been negligent in the performance of his duties, and upon such recommendation the trustees may remove or discharge such trustee, officer or employe.

THE TRUSTEES SHALL ACT

upon such recommendation within 30 days after receiving the same."

The experience in the savings banks of Great Britain has been similar to ours, and the need of supervision has been demonstrated there and acknowledged, although it has not yet reached the point of efficiency that it has with us.

The first step toward efficient supervision in this country must be the enactment of proper legislation. This can be best accomplished by the cooperation of the bankers with the state banking department for the passage of proper laws. It is much better for this association to favor specific legislation in accordance with the best experience than to leave initiative to the different states until bank failures and heavy losses compel them to consider the safeguarding of deposits by state regulation and supervision.

In considering how the requisite safety may be assured the depositor's

Digitized by Google

NEW YORK-CHICAGO DALLAS-PORTLAND, ORE.

DUTHIE-STRACHAN & COMPANY-INC.
PUBLIC ACCOUNTANTS
CONSULTING ENGINEERS
CERTIFIED AND CHARTERED
APPRAISERS & ADJUSTERS
BOSTON MASS.

TELEPHONE
OXFORD-3663

59 TEMPLE PL.
BOSTON, MASS.

ST. LOUIS-MINNEAPOLIS SAN FRANCISCO

money, I am of the opinion that the best results will be obtained by the passage of legislation providing for

THE CENTRALIZATION

of supervision in the hands of a single state commissioner or a single state board, which should be given great power, not only that its powers of remedying evil practices may be effective, but that it may be able to act quickly and to prevent impending losses before it is too late. The need of such power was demonstrated recently in Massachusetts, where the department had taken action to prevent impending losses, but the court refused to sustain the action of the department and rules that "It would be going too far to say that, because a banking institution might become insolvent at some future time or suffer an impairment of capital, it was therefore hazardous to the public who might at that time have funds in its custody and so should not be allowed to continue its business"; and yet within a year the department was enabled to obtain legislation which closed the bank in question. It is doubtful if the depositors will receive any dividend, but fortunately the bank is not a large one.

IN MASSACHUSETTS

at the present time public confidence in the savings banks is strengthened by supervision in three different forms:

1. An annual report from each bank of its transactions and of its condition in a form prescribed by the bank commissioner.

2. An examination at least once a year by state examiners from the commissioner's office, "to ascertain whether it has complied with the provisions of law."

3. An audit at least once a year at the bank's expense, in manner and form prescribed by the bank commissioner, by public accountants selected by the trustees subject to the commissioner's approval.

The commissioner has been given the right to "prescribe the manner and form of keeping the books and accounts of such banks, the extent to which they shall be audited and the manner of safeguarding the money and securities"; thus the commissioner is in position to prescribe such form of constant internal audit as he may think desirable, in addition to the periodical external audits by public accountants. The best method of verifying liabilities is by having the passbooks constantly compared with the books of the bank, when presented in the ordinary course of business. All that is necessary is that the entry in a passbook made by one employe shall form the basis on which

A SECOND EMPLOYE

makes an entry on the books of the bank; and that the second employe shall thereupon return the passbook to the depositor without its going back to the one who made the entry in it. This plan can be carried out in practice in small banks as well as in large ones, since there are few banks so small that the treasurer does not have at least one clerk. Even one man, however, can handle the matter safely, provided his assistant is a machine of the sort now actually in use in the Union Dime Savings Bank in New York, for the purpose.

THE BANK OF NORTH AMERICA
305, 307, 309 CHESTNUT STREET.
PHILADELPHIA

The auditing of the savings banks at their own expense by public accountants has imposed a considerable burden, which I believe could be materially reduced without detracting from the thoroughness or efficiency of the audit, if conducted by accountants in the employ of the state banking department, who would devote their entire time to such duties. I believe that any supervision undertaken by the state should be recognized as for the

BENEFIT OF ALL

its citizens, and should be a part of the expense of state administration, especially in view of the fact that the savings banks pay taxes into the state treasury of nearly two million dollars annually. Experience tends to show, in New York state, for example, that assessment of the expenses of the department upon the banks is unsatis-

Digitized by Google

BANKS AND FINANCIAL INSTITUTIONS

who appreciate the value of exclusive office stationery, can now have a private watermark in their letter heads—a facsimile of their seal or reproduction of their building at a nominal additional cost over the price of the paper.

Ask your printer or lithographer for particulars or write us for specimens.

SOUTHWORTH CO. :: Mittineague, Mass.

Manufacturers of the famous BANKERS LINEN

PLEASE MENTION U. S. INVESTOR

factory, both to the banks and to the department, introducing, as it does, a source of friction and tending to produce in the banks a desire to hurry the examiners so as to reduce their expenses.

It is not the purpose of this paper to give the impression that the state banking department should

ATTEMPT TO DICTATE

the business policies of the banks, or endeavor to supersede the management in any respect. The trustees of our savings banks are men of ability, who have the confidence of the community and who give their time and judgment without compensation; though, in my opinion, they too frequently confine their attention and interest to playing the part of quiet listeners to the record of transactions at the required meetings, and delegating all their powers to the officials in charge.

Before Clearing House Section

The Business of a Commercial Bank and How to Safeguard the Investment of Its Funds.

[By Jos. B. Martindale, of New York.]

As all my business life has been spent with a purely commercial bank, I, naturally, look upon banking from that standpoint, but it would be very foolish and unjust for me to say that our manner of conducting business is the only way, and is applicable to every other bank. Banks whose clients are engaged in large corporate operations, whether railroad or industrial, are just as necessary to a community as banks whose operations are confined to financing purely mercantile enterprises.

The affairs of a bank should not be permitted to rest in the hands of one or two men. In our institution, the more knowledge the other officers and senior clerks have of the bank's affairs, the better it pleases our management, and the better the results attained thereby for the bank. In my opinion, this is a matter of the most vital importance in the organization of any institution, and experience has taught me that the results attained through a broad policy of

EDUCATING OUR BEST MEN

and developing them to gradually accept greater responsibilities are much greater in every way for the present time, and insure for your institution a better equipment for the future.

Too much stress cannot be given to the importance of this feature of the development of any bank, viz., through the education of its promising, ambitious and hard-working clerks, for we all know of instances where banks by adopting the opposite course have not attained the results they might under a broader policy.

It is also of the greatest importance in commercial banks especially, that their equipment in what to them is a most vital department, viz., the credit deparment, should be very efficient, indeed. Men should be selected when they are young fellows for appointment in the credit department, should be schooled and drilled thoroughly along advanced lines and ideas, and as they develop, they are capable of relieving the officers of the institution of a great deal of detail. The officer, final "yes" or "no" means a profit or a loss for the bank, should not be tied down to different analyses, which can be handled by younger men, when they have had a sufficient amount of instruction and training. Some men have a natural aptitude for studying and analyzing such matters, both from a theoretical and practical standpoint, and this natural aptitude applies with as much force to credits as it does to any of the sciences and professions. In other words, every young man is not adapted by Nature to make a success in the work of a

CREDIT DEPARTMENT.

Young men who have this aptitude or leaning should be placed in a position where they can, through study and training, develop so that they will be able to relieve the officers of the institution, and through their study and analysis of each proposition, will become valuable aids to an official in arriving at a decision.

After some years of experience, I am free to say that the personal equation has a great influence upon an office of an institution in making his decision, and determining whether to say "yes" or "no" to a proposition. There is something about every man's personality that affects the man with whom he comes in contact, and no one, in my opinion, no matter how strong his own personality may be, is free from this influence to a greater or less extent. Sometimes, we are wofully deceived in personalities, and it is well always, in my opinion (and we have practiced it for a long time past), to have the credit department analyze carefully from a purely impersonal and cold-blooded standpoint the statements filed, eliminating entirely the personal element.

Some of the best talkers and some of the most attractive personalities are the poorest business men; therefore, we must never let the personality or persuasive powers of

A GOOD TALKER

influence us to make a loan or investment until we have looked carefully into other matters of importance which are vital to our interests.

To be practical, rather than to generalize or theorize, I have always claimed that in every line of business a certain amount of money invested in capital, together with a certain amount of borrowed money, (which is working capital for the time being) should produce a certain volume of business under ordinary and normal conditions. Granting for the sake of argument, that normal business conditions prevail, this turnover, if you please, should produce a certain amount of gross profit at the end of the year; against this gross profit are the usual charges, such as the necessary expenses of conducting the business, etc., leaving, after all, a net profit of a certain amount, against which the withdrawals of the partners, or dividends declared, are charged, leaving a balance to be applied to the credit or debit side of the profit and loss account.

We might state it in another way, viz., a stated amount of capital (borrowed, as well as invested,) should allow a concern in every line of business to carry a certain amount of merchandise. This merchandise later is converted into bills and accounts receivable; later on into cash; and upon these transactions, subject to the charges of conducting the business, there should be realized a certain amount of net profit. All of these items in a well-organized and well-conducted business should be in relative proportion one to the other. And if the best

Digitized by Google

HARVEY S. CHASE & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

84 STATE STREET - - - BOSTON

INVESTIGATIONS - - CONSTRUCTIVE ACCOUNTING - - PERIODIC AUDITS

Banks, Commercial and Manufacturing Corporations, Public Service Companies, Municipalities, etc.

Special examinations and reports upon financial conditions for Bankers and Committees of stockholders and creditors.

results are to be attained, the management of any concern will see to it that each dollar of its capital

CARRIES ITS PROPORTION

of merchandise, and will also see to it that the merchandise is moved rapidly and converted into a bill or account receivable; and that its outstandings are promptly collected, and that its cash is used to reduce materially or entirely liquidate its indebtedness, thereby saving interest and expense. We have, in a number of instances, followed this natural sequence in business, and have found any number of instances where each dollar of capital (invested or borrowed) was not performing its full duty, and following the matter still further, we found it due to either extraordinary expenses or losses, or due to indolence and a lack of an aggressive policy in handling the affairs of the concern. There are "ear-marks" which will denote a condition of this kind, and we believe that it is our duty to examine these conditions thoroughly.

As an example, we have the accounts of a number of houses in the same interior city in identically the same line of business, and while the amount of their capital varies (and consequently, their volume of business), we can each year, by working out the percentage, see which concern is obtaining the best results upon its volume of business and the amount of its capital. I have always believed that this can be

SCIENTIFICALLY WORKED OUT

upon the percentage basis of capital, borrowed money, amount of sales, amount of expenses, amount of profit, gross and net; and I believe that in justice to all institutions which are lenders of money, the information upon which these percentages can be calculated should be freely given by the borrower.

It was the practice of banks years ago to loan money without receiving statements, whereas, the custom of filing statements now is almost universal. The mere figures of the various items composing the assets and liabilities of a firm or corporation are an improvement over the old order of things, but there are various details, such as the amount of sales, gross profit, expense of conducting business, net profit, losses, withdrawals, dividends paid, etc., which are as necessary, in the opinion of the writer, as the amount of cash, bills and accounts receivable, merchandise and the other items on the asset side of a firm's or corporation's statement, and the amount of bills and accounts payable and other items on the liability side of the same statement. Some people may think this is inquisitorial, but I believe you will all agree with me that, where a bank is loaning money upon the unsecured obligation of any concern, it is perfectly within the right of the bank officers to request (not out of curiosity or in an arbitrary spirit) the fullest details covering all the transactions of a concern's affairs. This information, of course, is absolutely confidential, and no bank officer, who realizes the confidential relations that exist between a depositor and the bank, will ever divulge to the concern's competitor, or anybody else, the details furnished him in the strictest confidence.

AN INDEPENDENT AUDIT

conveys to the lender of money the knowledge that the affairs of the firm or corporation whose paper he is considering have been examined by a disinterested party of experience and standing, and that, as a result, the figures submitted are unbiased. This custom is becoming, one might say, universal, and where a few years ago we received only a very limited percentage of the statements prepared by accountants, we now have any number prepared by accountants each year, and we know of many instances where the monthly trial balances are prepared by accountants who spend from a day to three days each month in going over the previous month's business, and at the end of the firm's or corporation's fiscal year, they have an inventory prepared under their own supervision, value the stock of merchandise themselves, audit the books thoroughly for the full year, and prepare an unprejudiced statement of the concern's affairs. This is a very important matter, and one that is equally beneficial to the firm or corporation as it is to the loaning institution. This system of independent accounting is almost universal in England and Canada. It can in no way reflect upon the good faith, truthfulness or integrity of any concern to suggest that it have its affairs periodically audited by a firm of certified public accountants.

I think it is advisable for every large bank to have one or more of the members of its credit department a thoroughly equipped auditor, for there have been a number of instances where we have been called upon to go over the books of some of our concerns, and have sent one of our own employes to do so, and satisfactory results have been attained.

We have always taken the stand that, where a concern is selling its paper through brokers or borrowing of its banks, it should settle its merchandise obligations in the

SHORTEST POSSIBLE TIME,

and obtain the very best discounts for so doing. It certainly is not good business procedure for a firm to borrow money and then allow its bills to run to maturity, and in some instances, past maturity. It has been our practice for many years to make trade investigations, and revise our reports every six months or every year, at least; and if we learn as a result of these inquiries, that our borrowers are not taking advantage of the best trade discounts, we bring it to their attention immediately. There are times, of course, when business conditions are abnormal, and naturally, under such conditions, you cannot be too exact in enforcing this rule, but as a general proposition, we believe it is prompted by good banking and business logic.

It is most desirable, in order to safeguard one's investments that banks not only in the same city, but in neighboring cities, should exchange information to the fullest extent. It has been our experience that where this plan is adopted it works to the decided advantage of all concerned, and there have been very few instances where we have had any occasion to regret that we have been perfectly frank and open in answering the inquiries we receive daily and almost hourly from our friends in our city and in other cities.

I think we will all agree with the statement that credit is

TOO EASILY OBTAINED

in this country, for while I appreciate that the development and expansion of the country depends upon the free extension of credit, my observation has taught me to believe that one of the cheapest instruments of commerce in the United States to-day is credit. It is not my purpose in this article to criticise, but merely to emphasize the fact that we are all apt to grant credit too liberally. This applies to the

Digitized by Google

ISIDORE NEWMAN & SON
BANKERS AND BROKERS
ESTABLISHED 1868
SOUTHERN SECURITIES A SPECIALTY
BONDS OF ESTABLISHED STREET RAILWAY AND ELECTRIC LIGHTING CORPORATIONS
CIRCULARS ON APPLICATION
212 CARONDELET ST. NEW ORLEANS, LA.

banks as well as to our friends, the note brokers, but I am constrained to call attention to the fact that many small houses are borrowing money in the open market to-day through brokers, who, by reason of the limited amount of their capital and volume of business, are not warranted in so doing. The danger to the man with a moderate capital is that he regards this money which he has borrowed as permanent working capital, which encourages him to inflate his business beyond prudent and safe lines, and suddenly, when disturbances in the business world occur or panic arises, he finds himself far from shore with his obligations for borrowed money maturing and with no facilities to meet them. It always occurs at such times that his collections are slow, and naturally he finds himself in a quandary. We have seen so many instances of this nature in our own experience that we cannot too strongly urge the necessity for care and conservatism. To discourage the small fellow (or the big fellow, too, as a matter of fact) from expanding his business too largely upon borrowed money represented by his obligations sold in the open market, maturing in four to six months, is in nine cases out of ten of direct benefit to the man himself.

I would further suggest that, in my opnion, it is unwise of the borrower to use

TOO MANY BROKERS.

There are many instances of borrowers using one brokerage house in the South, one in the West, another in New York, and another in the East. Most of the commercial paper houses now have offices in many of the important cities, and it seems to me that it would be desirable for a concern to confine its borrowing in the open market to one or, at the most, two brokerage houses of the highest standing and reputation.

It occurs to me at this time to mention a matter which was brought before the American Bankers' Association some two or three years ago, viz., the registration of notes sold in the open market, so that upon application at the office of the registra the prospective purchaser of the notes might obtain the amount of notes outstanding at a certain period. This, however, was seen to be very difficult to accomplish, and one cause, I think, was the fact that many borrowers were using three or four brokerage houses to handle their paper at the same time. If this matter is to be taken up again in the future, it would be advisable as a first step in that direction to urge borrowers using brokerage houses to confine their operations to two houses at the most.

In investing the funds of a bank, one's first thought is safety, but equally as important is that one should invest his institution's funds in

FLEXIBLE ASSETS,

and, in my opinion, there is no class of investments superior to a merchants's note of undoubted standing and responsibility. The panic of 1907 and its aftermath, with the small percentage of commercial failures and the gradual but steady liquidation which has taken place from that time up to the present time, prove conclusively that this class of investments, if examined thoroughly and selected carefully, is an ideal one.

I do not mean by this that it is possible to invest your funds for all time in commercial paper without sometime facing a loss, but the experience of the last three years and the information derived from a study of the statements received during that period, show how gradually, but steadily, our manufacturers and merchants have been able to reduce their liabilities through corresponding reductions either in the amount of their merchandise or in the amount of their bills and accounts receivable, without serious result to themselves or to their creditors. Looking at the matter from the standpoint of a commercial banker, I think you will all agree with me that a short-time obligation

IS PREFERABLE

to a long-time obligation, no matter how good intrinsically the latter may be.

Bearing upon this matter of flexibility, I am constrained to mention the fact that, from the standpoint of good banking, it is not in the province of any bank to furnish permanent working capital for any one of its depositors. A bank whose liabilities are all payable on demand should observe closely the well-established rule which has been demonstrated by years of experience to be absolutely fundamental and correct, viz., that its borrowers should at some time during each 12 months liquidate their indebtedness to the bank for a reasonable period of time. In my opinion this is neither unjust nor arbitrary, and is dictated by well-demonstrated and sound banking and business logic.

In conclusion, I would briefly summarize some of

THE SAFEGUARDS

to be employed in investing our funds:

1. Know your man thoroughly and be frank with him.
2. Examine his statements carefully.
3. Examine closely his trade record.
4. Examine his transactions with his banks and brokers.
5. Be frank and truthful with the other fellows when they make inquiries of you.
6. Above all, realize that you are trustees for other people, and that it is not your own funds you are handling. The thought, I believe, is the best safeguard of all.

The Work of the Clearing House Examiner.

[By John W. Wilson, of Los Angeles.]

When the Chicago Clearing House decided to employ a special examiner, the banking world looked on with interest and awaited results. The fall of 1907 brought all bankers face to face with grave problems which they solved successfully, but with more or less wear and tear on their gray matter. The consensus of opinion was that our Chicago friends knew their ground and had the situation better in hand than any other locality, with possibly one exception. They knew the condition of their banks when every other city was guessing. Other cities began to take on Clearing House Examiners, and the recent unqualified endorsement of the comptroller of the currency has brought to the cities having such a system

NUMEROUS INQUIRIES

as to its workings and its success. Many of these letters state that some of the banks in their city are opposed to the plan. The larger fear that their business will become known to their rivals. The smaller regard it as a pretext to find out what kind of a business they are doing, and if they have anything desirable take it from them. Some object because of the expense.

The work was begun in Los Angeles May 1, 1906. The executive committee of the Clearing House said: "You will examine all banks, but report to us only those not in a satisfactory

Digitized by Google

Continue Your Work—or Take Your Ease

Between NEW YORK and CHICAGO or ST. LOUIS

20th Century Limited				Southwestern Limited		N. Y. Central Limited	
Lv. New York	4.00 p. m.	Lv. Chicago	2.30 p. m.	Lv. New York	4.00 p. m.	Lv. St. Louis	8.00 p. m.
Ar. Chicago	8.55 a. m.	Ar. New York	9.25 a. m.	Ar. St. Louis	3.00 p. m.	Ar. New York	6.00 p. m.

via

New York Central Lines

Railroad and Pullman tickets will be delivered upon request by Special Messenger without extra charge.

'Phone, New York, 6310 Madison
'Phone, Chicago 5300 Randolph
'Phone, St. Louis 4290 Main / 2161 Central

NEW YORK CENTRAL LINES

PRINCIPAL CITY TICKET OFFICES

New York - - - 1216 Broadway
Chicago - - - 100 So. Clark Street
St. Louis - - - 715 Olive Street

condition." There were in the city at that time forty-six banks, ten Clearing Houses, of which nine were national and thirty-six state banks. Through consolidations and otherwise, these have been reduced to thirty in the city proper, nine Clearing Houses, twenty affiliated, that is, permitted to clear through some member, and one outside the Clearing House, because its capital is so small clearing privileges are denied to it.

In many of the smaller banks on our first visit, we were

NOT RECEIVED VERY CORDIALLY.

During the examination, we explained the object of the work and what we hoped to accomplish. We assured all the doubting ones that the matter was entirely on the square, that so long as their banks were clean and conducted on right lines the Clearing House asked no questions. On the second visit, our reception was warmer. The doubting ones had been disarmed and now began to express their admiration at the results obtained.

We were certainly gaining ground. Did you ever own an orange grove? We will suppose that you do. Proud of your holding, you stroll over your property and admire the long rows of shapely trees, the golden fruit, the deep green leaves, denoting strength and vigor. But here and there are exceptions. This tree has scale, another gum disease, others are showing too much dead wood or have been gophered. While you still admire those, in perfect condition, you pass them by and give your attention to the sick ones. It is your desire to bring them out and have them show the health and vigor of the others.

That is what we tried to do with the banks.

After our first visit, many of the stronger ones did not see us for

NEARLY TWO YEARS.

Meanwhile, some were examined four and five times. Like the orange trees, we were trying to build them up, to improve their condition.

From the beginning, we compiled the names and values of unlisted stocks found as collateral. Those of known value we put into a loose-leaf book of convenient size, with the name of the bank from whom we obtained the information. Those whose value were not known were placed on a file until something could be learned regarding them. The name of the bank lending on the stock was noted. A study of the book and the file revealed this, nine-tenths of the knowledge obtained regarding stocks of known value came from the larger banks; nine-tenths of the

STOCKS OF UNKNOWN VALUE

were found in the smaller banks. We informed the smaller banks that whatever knowledge our office possessed of values or credits was free to them. Whenever collateral of unknown value is now found in a bank some officers frequently takes minutes of our time trying to square himself.

The methods of the Clearing House are certainly raising the standard of banking.

After each examination, we listed on a card system the names of all borrowers of $1,000 and over and the collateral, if any, with its value, if not listed stock. After all the banks had been once examined, these cards began to show something and mean something. Borrowing at one bank may look innocent, but when a man's total borrowings stare you in the face the matter is different. Some names might show heavy indebtedness at many banks. The card is before you bearing the name of the individual or firm, the name of the lending bank, the collateral, if any, if not, the line is left blank, and the amount of the loan. If an individual, an approximation of the man's worth is put on the card, if a merchant or firm, the business and commercial rating, also condensed, the last financial statement. We will say

THE CARD SHOWS

six loans. Each separate loan is considered those satisfactorily collateralled are passed over quickly, and the only thing left is to decide on the unsecured. Let us suppose we find Brown with numerous borrowings. The card says he is worth $200,000 and has borrowed $100,000 without security from five different banks. Every leading bank would not consult regarding Brown, his business, if any, his integrity, his mode of life. If one were not at hand, Brown would be requested to submit a statement of his worth. The interested banks would be notified of the total of Brown's borrowings, and asked if, in their opinion, such an unsecured credit were justified. Having the information before them, each bank would use its own judgment. The loan would be called, security demanded or the loan let in its present shape. Our cards also contain such words as liar, no good, moral risk bad, slow pay, etc. An analysis of these cards

Digitized by Google

Did you ever consider

— the possibilities of an investment in Lead?

Almost without exception every industry is a consumer of Lead. Because of this the domestic consumption is sure to increase with the growth of the country.

Even now foreign lead is being used to eke out the domestic supply. With one exception the principal lead districts of the United States have passed their zenith. In the future the increasing bulk of lead must come from this exception.

We have a booklet telling of this exception and of the hundreds of thousands of dollars of dividends that are being paid out of it each year. In this district we have an enterprise which closest inquiry and analysis will reveal as a big, conservative, manufacturing project. The enterprise promises a return,—based upon the actual results of the district,—that is virtually an annuity for life. It is no experiment.

Upon request we will send you a copy of the booklet. Send for it now—you have a unique opportunity before you.

UNITED STATES & MEXICAN TRUST COMPANY

A. E. STILWELL, President

Singer Building . . .	Represented by Metropolis Finance Co. . .	NEW YORK
United States & Mexican Trust Building		KANSAS CITY
United States & Mexican Trust Building		CITY OF MEXICO
Pinner's Hall, 8 & 9 Austin Friars		LONDON
Sophialein No. 2		AMSTERDAM

Digitized by Google

STRANAHAN & CO.

NEW ENGLAND DISTRIBUTORS OF

BONDS and PREFERRED STOCKS

Public Service Companies and New England Industrials a Specialty

Banigan Bldg. :: Providence

brings to the surface the weak ones. The cards are studied very, very carefully. We pass over the satisfactory and set aside the others for further investigation. As we go over them, we

WATCH THE BLANK LINE

which means no collateral. If the secured are accepted, we satisfy ourselves on the unsecured and by elimination reach the doubtfuls. A bank is notified that in the opinion of the examiner, a certain loan is not satisfactory. They are requested to have the note secured by acceptable collateral or call the loan. They are not obliged to do this, it is merely a friendly hint. The banks now know of the information our office possesses and we receive many calls regarding the standing of firms and individuals or the value of collateral. The great number comes from the smaller banks, yet even the larger ones frequently make inquiry.

THE GREATEST VALUE

of our office is in keeping the smaller banks out of trouble. What we have is free for the asking with the result that banks learn of poor risks and poor collateral before making the loan.

In the letters received from various cities, the question most frequently asked is, whether the examiner's report of a bank is given to the Clearing House Committee. In our city, if the bank is all right, the committee knows no more than they did before the bank was examined. Of necessity if the condition of the banks is not satisfactory, they must know in order to arrive at an intelligent conclusion.

Let us return to the objections. "Fear that their business would become known to their rivals". If an examiner would tell to one bank the business of another, how long would he last? "The smaller bank fears the larger one is after its business." How did the big bank get their name and prestige? Not by petit larceny. Now, as to

THE EXPENSE.

The Clearing House banks are assessed for all expenses, the largest banks carrying the burden. In Los Angeles, a charge is made for each examination of an affiliated bank. The amount is based on the time taken. It may cost the smallest bank $100 a year for this sum the smallest bank is privileged to receive all knowledge of credits and values possessed by the largest. The smaller banks in time of stress can enjoy the protection afforded by the strong arm of the Clearing House. It can be honestly said that the larger banks pay money to improve the condition of the smaller ones. Competition may be keen, but the desire to have all the banks in sound condition is keener. The only benefit

TO THE LARGER BANK

is the feeling of security that in a crisis they know in a general way how all the banks stand.

The work of the Clearing House examiner is not merely to make an examination of one bank and pass on to the next. He takes time to study conditions in each separate bank; he absorbs the strong points of one and utilizes them to build up the weak spots in another. The weak particularly command his attention, for before he completes his work he must be able to put his finger on the trouble. In the banks not in a satisfactory condition, the examiner brings to light the weak spots. The executive committee suggests the remedy and the examiner proceeds to carry out their recommendations. It frequently

TAKES MONTHS

to bring about necessary and desired results, but they finally come or something happens.

While the examiner must have courage, the committee back of him must have greater courage. The executive committee is a champion for the rights and safety of the depositors. Working as it does without law, it is more powerful than any law, because it is bound by nothing but the exigencies of the situation. Above everything else, it must be absolutely fair. Acting too quickly, or too slowly, it will be condemned.

While present methods may prevent bad failures, we will always have some, although the

CHANCES ARE MINIMIZED.

The practice of Clearing House banks advancing money to pay depositors of weak banks does not mean that it will always be done.

Each is a case in itself to be determined only after careful deliberation. The burden is still upon the depositor to look carefully into the character and standing of those with whom he entrusts his money.

The future will bring still greater results from the work of the Clearing House examiner. Not only will he be found in every large city, but groups of nearby cities will join together and secure his services. In the future, the element of safety will be the first consideration, reasonable cost will be secondary.

The Advantages of Handling Country Check Through Clearing Houses in Natural Collecting Centres.

[By C. R. McKay, of Chicago.]

In the old days of banking before the development of the transit department, checks drawn on country banks were treated as collections and credited to the depositor's account or remitted for when collected, less exchange and collection charges.

With the increased use of checks came the necessity for improved methods of handling them. Instead of being treated as collections, they were credited on receipt as cash to depositors' accounts and charged to transit account until collected. By permitting the country check to be deposited as cash, the banker immediately gave it a position of importance as a credit currency which it never could have attained when treated as a collection and thus brought upon himself the many troubles and problems connected with the country check as it is handled to-day.

THE FIRST TROUBLE

he had to contend with was the fact that he had to watch his depositors' accounts to see that checks were not paid against uncollected funds. He also found that he was paying interest on funds in process of collection which were therefore unavailable for loaning purposes. Owing to the increasing competition between banks to secure deposits, he was forced to absorb the exchange charges and his exchange account went to the wrong side of the ledger, and became an item of expense instead of a source of profit. His competitors were offering to pay exchange to banks that had always remitted at par and his par list began to evaporate.

But this was not all. It became necessary to organize an analysis department to ascertain if depositors' accounts were a source of revenue or a loss to the bank. The analysis department showed that he was losing large sums of money annually on some of his largest and most valued customers' accounts. He was afraid to demand that these unprofitable ac-

Digitized by Google

BLANCHARD & CO., Inc.

INVESTMENTS

15 Congress Street = = BOSTON, MASS.

counts be put on a paying basis, as his customers threatened to transfer their balances to his competitors who had no analysis department.

The year after the

NEW YORK RULES

went into effect, the Boston Clearing House adopted rules similar to those of New York, but with this very important exception. Country bank checks on any point in the New England states could be taken at par provided the bank they were drawn on would remit for them without cost to the Boston Clearing House.

The New York rules were intended to discourage the use of the country check on the grounds that it had no right to circulate outside of its own town, while the Boston rules encouraged its use if drawn on a point in Boston territory, by providing a place for its redemption at par.

The Boston banks recognized the fact that there were

TWO DISTINCT CLASSES

of country checks; those that can be collected at their face value and those that can only be collected at a discount owing to the exchange charge placed upon them by the bank upon which they are drawn. Here we have the two opposite theories regarding the circulation of the country check. The New York plan encouraged the country banker to increase his exchange rates as he was not content to let the New York banks have all the profit out of the exchange charges. It also caused circuitous routing of items to avoid the exchange charges.

The New York rules did not put the country check out of circulation or decrease its volume, but simply shifted the burden of collecting from New York to other eastern collecting centres, which have been doing the work profitably in spite of the fact that they are not as favorably situated as New York to collect the East, particularly New York state and New Jersey. The Boston plan had just

THE OPPOSITE EFFECT.

Exchange charges on New England checks have been nearly eliminated, a natural channel has been opened for their direct presentation and the cost of handling them reduced to seven cents per thousand dollars.

The city banker is just as much responsible for the exchange charge as the country banker. He solicits country accounts by offering to pay exchange to the country banker and in addition agrees to take all items within a large territory, sometimes the entire United States, at par.

Par facilities

SHOULD NOT BE GIVEN

to a bank which is not willing to reciprocate by remitting at par for checks on really being cleared without cost. The expense comes out of interest account where it is not noticed.

The adoption of a universal exchange charge in all the collecting centres has been suggested as a solution of the problem. This plan would only add to the cost of collecting by increasing the rates charged by the banks upon which the checks are drawn. The banks at par points would begin to charge and the banks at charge points would increase their rates. Furthermore, the plan is not practical as it would be impossible to obtain concerted action by the banks in all the principal collection centres which would be necessary to make it a success.

The method of collecting through the

COUNTRY CLEARING HOUSE,

which the Boston banks proved to be a successful solution of the problem of handling country checks, has been adopted with excellent results in Kansas City, Atlanta and other important collecting centres. The Kansas City banks tried it at first for items that cost one-tenth or more to collect and within a short time reduced the exchange cost from $2.50 to $1 per thousand and are now collecting through the Clearing House everything in their territory that meets with an exchange charge and expect eventually to clear at par nearly all of the points in their territory. The Atlanta banks have materially reduced the exchange cost on Georgia items and also show a large saving in postage, stationery and labor.

THE BANKERS OF CONNECTICUT

are so well satisfied with the Boston plan that they are urging the New York Clearing House to revise its rules so that Connecticut items may be taken at par by the New York banks, the Connecticut banks being willing to remit to New York at par so that their checks may be as acceptable in New York as they now are in Boston.

Under this system, the country banker would save on postage, stationery and labor, as he would have only one remittance to forward to the city where he keeps his reserve account, instead of writing as many as a dozen drafts daily and using an equal number of advices, envelopes and postage stamps. His reserve account would not be charged when transit letters are sent out with items he could not anticipate, a practice which often creates overdrafts and sometimes causes checks to be refused. He would have the advantage of clearing at par all checks on clearing house par points.

In order to make the Country Clearing House plan of collecting thoroughly effective, the following suggestions are also offered:

Let the banks in the collecting centres agree to handle at par all bank checks on points in their own territory which can be collected without cost through the Country Clearing House, charging a fixed rate of exchange sufficient to cover cost on all charge points in their territory, taking no items at par from any bank that will not remit at par for checks on itself.

THIS RULE

is not intended to force any bank to remit at par. Its purpose is to prevent a bank from receiving par facilities unless it will reciprocate. The question of whether a bank will go on a charge basis or not is a matter for each bank to decide for itself according to local conditions. If a bank has more items to collect on out-of-town par points than it receives from them, it would not be profitable for it to charge exchange as it would then have to pay more exchange than it would receive. If the conditions were just the opposite, the bank requiring little or no par facilities, it would be justified in charging exchange.

The collecting centre banks to agree to collect all items on Clearing House par points through the Country Clearing House and not to pay exchange to a bank located at a par point. Then the exchange charge would be either eliminated or placed where it belongs, and all banking towns would be known definitely as either par points or common charge points.

The banks who charge exchange would be

OBLIGED TO PAY

and those who are willing to par

Digitized by Google

ALBERT P. MILLER, Jr.

Industrial Trust Company Building
PROVIDENCE, R. I.

Local Securities
Gas, Electric Lighting and Railway
Bonds and Stocks

checks on their own town would have the advantage of clearing without charge all checks which can be collected at par, through the Country Clearing House.

Interest deductions should be made for the average time taken to receive available funds by a schedule showing the number of days to be deducted for items in each state.

Transfers of funds between reserve cities should be made at

THE MARKET RATE

for New York or other reserve city funds instead of at a fixed rate of exchange which is the rule at present in many of the reserve cities. If the National Reserve Association with its fifteen branches becomes established, exchange rates between reserve cities will be on a natural basis and will be governed by supply and demand and the cost of shipping currency.

REPORTS OF COMMITTEES AND OFFICERS

Annual Report of the General Secretary.

[By Fred E. Farnsworth.]

Mr. Farnsworth said in part: It would be impracticable in a report of this nature to do full justice to the extensive mechanism by which is conducted the progressive effort day by day of this association. I can only refer briefly to the salient points in our work, leaving the vast details which would cover the labors of sections and committees to the individual reports which will be made by those units.

There are forty-six

STATE BANKERS' ASSOCIATIONS.

Delaware, New Hampshire and Rhode Island have not a state association. Forty-five of the forty-six associations are members of the State Secretaries Section. At the last convention of our association a provision was made for admitting the Organization of Secretaries as a section. This was a wise move and, I know, was highly appreciated by the various state secretaries and members of the state associations. I have, in accordance with my practice, familiarized myself with the reports of the state associations during this year, and have attended conventions in the following states: Georgia, Maryland, New York, Ohio, Wisconsin and Nebraska.

Scarcely a state association has held a meeting this year which has not reported the best convention that has ever been held in the history thereof, and the various state associations to the extent of almost the entire number have endorsed the plan of the National Reserve Association and the Numerical Transit System.

ASSOCIATION OFFICES.

The list of those who visit the general offices of this association shows a marked increase, and the register indicates that for the fiscal year ended August 31, 535 guests had been received. We desire to impress on our members the fact that they are always welcome at headquarters, where a library and reading-room are maintained for their use; stenographic services are available if required. Most of the committees of the association have held meetings during the year, and in some cases, frequently is the general offices. At the present time, we are occupying fourteen rooms, and there are employed altogether twenty-eight persons.

ROUTINE WORK.

During the fiscal year just ended there have been sent out from the general offices about 328,500 circular letters, documents, codes etc. This does not include the thousands of letters comprising our regular correspondence and the various sections and committees.

MEMBERSHIP.

There has been a notable increase in membership, as will be shown by the tabulated statements which follow, those statements being compiled to the end of the fiscal year, August 31, 1911. The membership has increased materially since then, and at this date is composed of 12,275 banks. During the preceding fiscal year, the following states have increased their membership so as to give them an additional member on the executive council: Oklahoma, Kansas and California. The largest increase in any state was in Kansas; the gain was 119.

Report of the Treasurer.

[By Arthur Reynolds, of Des Moines.]

Your treasurer's report is of necessity a somewhat lengthy detailed statement, and in view of the fact that the same is printed in full in the pamphlet distributed among delegates by your general secretary, I shall not occupy your time by reading the itemized statement.

The cash balance on hand September 1, 1910, was $1,278.90. The total receipts for the current year were $196,145.03. The total expenditures for the year were $195,990.50, leaving a credit balance, September 1, 1911, of $1,433.43. These figures may be somewhat startling to some, particularly as to the amount of the expenditures, but it must be remembered that the American Bankers' Association is a great organization and is growing in importance not only in its increased membership, but also in the extended scope of the work that is being accomplished.

On September 1, 1911, the general secretary forwarded to me as treasurer 11,641 drafts on account of the current

MEMBERSHIP DUES,

amounting to $188,565. These drafts have been forwarded for collection, and up to this writing $173,325 has been collected, and I have no doubt that a large part of the remaining unpaid dues will be paid by November 15.

The association has for some time kept its surplus funds invested in high-grade bonds, which are deposited with

Digitized by Google

HATHAWAY, SMITH, FOLDS & CO.

COMMERCIAL PAPER

NEW YORK BOSTON CHICAGO
ST. LOUIS PHILADELPHIA PITTSBURGH

the Bankers' Trust Company, of New York, under the control of the executive committee. The interest on these securities has been regularly collected by the trust company and forwarded to me and by me credited to the association account. The securities held are as follows: $10,000 Government 4 per cent bonds, 1925; $30,000 Atchison, Topeka & Santa Fe 4 per cent bonds, 1995; $50,000 Chicago Burlington & Quincy Illinois Division 4 per cent bonds of 1949, and $30,000 New York City Registered Corporation Stock, 3½ per cent, due 1940.

Report of General Counsel.

[By Thomas B. Paton.]

A short table giving the number merely of measures recommended by this association enacted this year, in previous years and the total, will show at a glance the gratifying progress made during the last few years in this most important movement and what can be accomplished by organized and persistent effort:

TABLE OF STATE ENACTMENTS

	This Year	Previously	Total to Date
Negotiable instruments law	2	38	40
Uniform Warehouse receipts act	3	20	23
Uniform bills of lading act	7	2	9
False statements for credit	2	7	9
Derogatory statements	3	7	10
Checks without funds	3	11	14
Burglary with explosives	3	16	19
Forged or raised checks	5	13	18
Deposits in two names	5	16	21
Deposits in trust	2	18	20
Competency of notaries	2	4	6
	37	153	189

BURGLARY INSURANCE.

In conjunction with the committee on Fidelity Bonds and Burglary Insurance and after conference of the committee with representatives of different surety companies, your counsel prepared and had copyrighted in the name of the association a standard form of bank burglary and robbery policy which, in the opinion of experts, is an improvement on any of the existing policies and is intended to take the place of the numerous policies now being written for members of the association. A copy of this policy was set out in full in the JournalBulletin for September, 1911. The companies all agreed to the provisions of this policy in the main, but desired its admendment in a few particulars, not affecting its validity from the bankers' standpoint. These amendments were agreed upon at a meeting of the committee on fidelity bonds and burglary insurance held in Chicago November 6-8, which was attended by a representative of the companies and by your general counsel; and the policy will be again copyrighted and ready for issue before the first of January.

UNIFORM CODE OF COLLECTIONS.

Next in importance to settlement of the currency question would seem the straightening out of the knots and tangles in the law governing the collection of commercial paper, which is now in a most confused state and is not adequately regulated by the negotiable instruments law. The judicial decisions upon nearly all phases of the law of bank collections are in hopeless conflict—they do not square with modern banking customs—and it would seem of the utmost importance to all banks handling collection items that there be prepared for statutory enactment a uniform code of rules simplyfying and making uniform the law governing collections, and covering (1) liability of initial bank for default of correspondent, (2) methods of presentment, direct and circuitous, (3) definite meaning and construction of collection endorsements and guarantees, (4) responsibility for lost items, (5) questions of title and right to proceeds in event of insolvency, and (6) such other topics as are germane to the subject. This is a problem to which general counsel proposes to address himself at the earliest practicable moment.

Annual Report of the Executive Council.

[By Charles H. Huttig, Chairman.]

Gentlemen: The last convention of this association was held at Los Angeles, Cal., October 3-7, 1910. The executive council since that period has held two meetings, one immediately following the adjournment of the convention in Los Angeles and the meeting at Nashville, Tenn., on May 1, 2 and 3, 1911. The business transacted at these council meetings was set forth fully in our Journal-Bulletin for the months of November, 1910, and May, 1911.

At the Los Angeles Convention there were present 49 members and at the meeting in Nashville 64, the total membership of the council being 80. It is a notable fact that not only was there a large attendance on both occasions, but the meetings were well attended, there being no absentees during the sessions, excepting those who were not in either city. One could not ask for better evidence of the keen interest in the affairs of the association than the large attendance of the council members at these meetings.

At the meeting in Nashville in May last important action by the council occurred in the

UNANIMOUS ADOPTION

of the report of the Currency Commission relating to the "Aldrich plan", with such amendments as had been submitted by the Currency Commission. The adoption of the report of the Clearing House Section authorized a uniform numerical system for transit department of banks, and approved of a contract with Messrs. Rand, McNally & Company for the publication of a "Key" thereto, and also provided for the appointment of a special committee to be known as the Committee on Numerical System; provided for the semi-annual appropriations asked for by the committees and approved by the finance committee; the selection unanimously of New Orleans for the national convention of 1911; the passage of a resolution to supersede the present resolution under which the finance committee was acting; instructing the law committee to investigate the subject of special investments for savings deposits.

The change in the present constitution which brought about the election of members of the executive council by members of the association attending state conventions, and providing for representation on the council based on the membership of state associations, brings together a much larger body than heretofore. The executive council is now a representative body and includes members from all parts of the United States on a fair basis of representation in accordance with the selections made by the constituents of the council membership. It was predicted that the body as now composed would be too large and unwieldly, and that it could not dispose of the necessary business with proper despatch and without friction. Those who are familiar with the council as it now exists are unanimous in the opinion that it is a business body and that it transacts its business on business principles with calm deliberation, foresight and expedition.

Digitized by Google

I wish to express to the American Bankers' Association my high

APPRECIATION OF THE HONOR

conferred upon me by your executive council in electing me chairman of that body. My association experience during the past year has been most congenial and pleasant, and it is with keen regret that a severe illness, from which I am slowly recovering, prevents me from being with you on this occasion. My heart and best thought go out to you, one and all, with the sincere wish that the coming year, like its predecessor, may for the American Bankers' Association be full of advancement, strength and prosperity; that the association may uphold its reputation as being the greatest and strongest organization of its kind in the world, with added usefulness, working for the good of the banks and bankers of the country and the great commercial pursuits of the nation.

Report of the Executive Committee

[By F. H. Fries, Chairman.]

At the meeting of the executive committee held in Nashville, Tenn., May 2, 1911, the following resolutions were passed, creating the "Trust Company Committees on Legislation":

"Whereas, Important legislation is pending before the people of this country affecting more or less vitally the interests of trust companies, which may from time to time require prompt attention,

"Now, therefore, Be it Resolved, That the president of the section be authorized and directed to appoint a committee of five (5), to consist of the president and first vice-president and the chairman of the executive committee and two (2) other members of the section, in whom shall reside the authority to hear and consider recommendations for pending legislation touching upon or likely to affect the interest of trust companies, and with further authority to make recommendations thereon whenever important legislation is pending before the people of the country affecting more or less vitally the

INTERESTS OF TRUST COMPANIES,

which may from time to time require prompt attention.

"Now, therefore, Be it Resolved, That any actions or expressions of opinion on trust company matters as mentioned in the preceding resolution by trust company officers or others interested in such institutions, shall have weight and influence in regard to the members of this section only in so far as they may coincide with and have the express approval of this committee.

"Further Resolved, That the name of this committee shall be the Trust Company Committee on Legislation, and that vacancies shall be filled as they occur by the then presiding president for the section, and this committee shall continue until dissolved by the act of the executive committee."

This legislative committee, composed of Oliver C. Fuller, president of the Wisconsin Trust Company, Milwaukee, Wis.; L. L. Gillespie, vice-president Equitable Trust Company, New York City; F. H. Fries, president Wachovia Bank and Trust Company, Winston-Salem, N. C.; F. H. Goff, president Cleveland Trust Company, Cleveland, O.; Ralph W. Cutler, president Hartford Trust Company, Hartford, Conn., has found so much important work to do for the section that it is recommended that it shall become a standing committee of the section and that proper steps be taken to this end. The necessity for this legislative committee of the Trust Company Section was made quite evident when the proposed Aldrich Bill was taken up by your executive committee and seriously discussed from the trust company standpoint.

Early in the year it was ascertained that a bill had been introduced in Congress allowing payment of internal revenue and import duties with certified checks on national and state banks, that trust companies had been also named in the bill, but

SUBSEQUENTLY STRICKEN OUT.

By prompt and diligent work on the part of your officers and committees this injustice was corrected, and it finally passed the Senate with trust companies included. This was especially gratifying because it was a matter in which quite a number of our members were directly interested.

It is proper to say here that the officers of the Trust Company Section, as early as June last, succeeded in preparing a very interesting and elaborate programme for this meeting in which more than one-half the time was to have been given to the very important and interesting subject of the Aldrich Bill. Subsequently, the officers of the general association suggested that it be made the subject of discussion on the floor of the general convention, and that F. H. Goff, of Cleveland, O., who was to have spoken on this subject for this section,

BE TRANSFERRED

to the general programme to present there, "The Relation of State Banks, Savings Banks and Trust Companies to the National Reserve Association". This suggestion was agreed to.

Should the members show the same interest in the welfare of the sections as on former occasions, they will doubtless prefer to forego the pleasure of the trip prepared by our hosts and take advantage of the occasion to consider together a matter that concerns them so greatly, especially as they will have had the opportunity of hearing the fifteen well-prepared papers that will have been presented on the floor of the general association on the two preceding days, and for that reason, may be the better prepared to discuss the trust company phase of the subject. Perhaps nothing will be of greater interest, and if so nothing can prevent the meeting from being a success.

Trust Company Committees on Protective Laws.

We find that the provisions of the Postal Savings Bank law, which restrict deposits in state institutions to localities in which there is state supervision of banks, will have a tendency to assist the committee in securing supervisory legislation in certain of the states which have hitherto opposed such enactments.

Another interesting result of postal savings legislation is that the banking department of some states, acting under instructions from their several legal advisers, have notified the institutions under their direction that it would be contrary to existing laws for them to pledge security in order to obtain postal savings deposits. One state, California, amended its banking laws so as to allow savings banks to supply such security.

In Maine, it was provided that trust companies receiving savings deposits shall segregate assets at least equal to the aggregate amount thereof, such assets to be held for the security and payment of such deposits.

Nebraska and Nevada both passed laws authorizing the organization of trust companies, defining their powers, duties, privileges, etc.

South Dakota passed a new and improved trust company act.

In Wisconsin an act was passed, providing that all records of original entry should be kept in permanently bound books, thus eliminating the use of the so-called card systems.

Respectfully submitted,
RALPH W. CUTLER,
F. H. GOFF,
P. C. KAUFFMAN,
E. J. PARKER,
LYNN H. DINKINS,
Committee on Protective Laws.

Report of the Trust Company Committee on Legislation.

Gentlemen: Your committee, appointed at the meeting of your executive committee held at Nashville, Tenn., on May 2, 1911, began its duties immediately by submitting to the currency commission of the American Bankers Association a copy of a resolution adopted by your executive committee on the same day, which resolution was as follows:

"Resolved, That the executive committee of the Trust Company Section of the American Bankers' Association heartily approves the plan proposed for the organization of a National Reserve Association and of the modifications thereto suggested by the special committee appointed by the Currency Commission of the American Bankers' Association, at its meeting held in Washington, March 28, 1911, especially that portion of the report of the special committee defining the terms upon which trust companies may subscribe to capital stock of the National Reserve Association. This approval, however, being subject to the following exceptions:

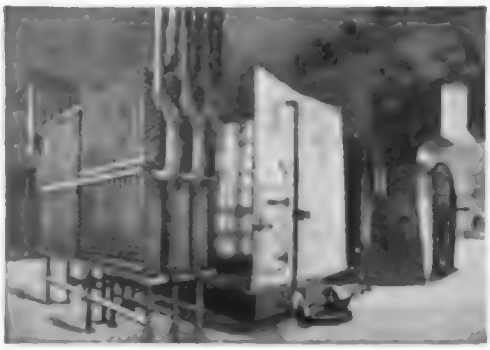
"First. As to reserves required to be maintained by trust companies in central reserve cities, and reserves required to be maintained against trust funds not subject to immediate withdrawal.

"Second. As to amount of paid-in capital to be required of trust companies proposed in the report of the special committee.

"Third. As to limitations upon character of notes that may be discounted by the National Reserve Association."

Your committee also submitted a copy of the same resolution on the following day to the executive council of the American Bankers' Association, then assembled for the purpose of considering the adoption of a resolution approving the Aldrich Plan of

Digitized by Google



The "Acme" Air Purifying and Cooling System

Is installed in the following up-to-date banks

Continental & Commercial National Bank, Chicago, Ill.
Corn Exchange National Bank, Chicago, Ill.
First National Bank, Chicago, Ill.
Importer's & Traders' National Bank, New York City
Bank of Commerce, Kansas City, Mo.
First National Bank, Kansas City, Mo.
Farmers' & Merchants' Bank, Minneapolis, Minn.
Northwestern Bank Building, Minneapolis, Minn.
First National Bank, Cleveland, Ohio
Western German Bank, Cincinnati, Ohio
Guardian Trust Building, Cleveland, Ohio
First National Bank, Boston, Mass.
Old Colony Trust Building, Boston, Mass.
Suffolk Bank, Boston, Mass.
First National Bank, St. Paul, Minn.
Laclede National Bank, St. Louis, Mo.
Land and Title Building, Philadelphia, Pa.
National German-American Bank, Wausau, Wis.
Nova Scotia Bank, Toronto, Ont.
Wood County National Bank, Grand Rapids, Wis.
First National Bank, Mason City, Iowa
German Savings Bank, Davenport, Iowa
First National Bank, Sioux City, Iowa
Southern Illinois Nat'l Bank, East St. Louis, Ill.
Graham Bank, Chicago, Ill.

WASHED AIR Eliminates Redecorating, Cleaning and Dusting. Increases the Efficiency of Your Employes. Sweetens the Disposition of Your Clients

Write for particulars and new 80 page booklet

THOMAS & SMITH, Inc. 138 Carpenter St., CHICAGO

ALSO MFGRS.

"Sterling" Air Coolers and Purifiers

Digitized by Google

UNITED STATES MORTGAGE & TRUST COMPANY
NEW YORK

Member N. Y. Clearing House Association

OFFICERS

JOHN W. PLATTEN, President

CALVERT BREWER, Vice President
CARL G. RASMUS, Vice President
FRANK J. PARSONS, Vice President
JOSEPH ADAMS, Treasurer
ALEXANDER PHILLIPS, Secretary
HENRY L. SERVOSS, Asst. Treasurer
T. W. B. MIDDLETON, Asst. Secretary
VICTOR EHRLICHER, Asst. Secretary
HARRY W. HADLEY, Asst. Treasurer

BROADWAY & 73rd ST. | 55 CEDAR STREET | 125th ST. & 8th AVENUE

Capital, $2,000,000
Surplus, $4,000,000

monetary legislation, as modified by the Currency Commission of the American Bankers' Association, and the report of the Special Committee of the Currency Commission for extending the benefits of the plan to state banks and trust companies.

YOUR REPRESENTATIVES

in the council took the position that they could not vote in favor of such a resolution without an understanding that the report of the special committee, about to be adopted, would thereafter be so modified as to meet the objections raised on behalf of the Trust Company Section by your executive committee. Having reached an understanding to that effect, the council members of your committee voted for the following resolution, which was unanimously adopted:

"Resolved, That the executive council of the American Bankers' Association heartily approves the Plan for Monetary Legislation suggested by Hon. Nelson W. Aldrich, as modified by the Currency Commission of the American Bankers' Association; and the principle set out in the report of the Special Committee of the Currency Commission for extending the benefits of the plan to state banks and trust companies. We firmly believe that it is thoroughly practical, fundamentally sound and comprehensive, and that if enacted into law it will correct all the principal defects of our present banking and currency system."

Following the meeting of the council, conferences between members of your committee and members of the currency commission and of its special committee were held

ALMOST CONTINUOUSLY,

while in Nashville and on the special train en route to New York, in an endeavor to adjust, if possible, all differences in views between the committees. A committee of two, consisting of John Perrin and the chairman of your committee, was appointed with authority to revise the report in accordance with the understanding reached. That report, so revised, is dated New York, May 6, 1911, and is addressed to James B. Forgan, vice-chairman of the Currency Commission of the American Bankers' Association. Printed copies may be had on application to your secretary, therefore, your committee deems it unnecessary to insert herein the report in full.

In the suggested Plan for Monetary Legislation recently revised and submitted to the National Monetary Commission by its chairman, Mr. Aldrich, it will be observed that the conditions upon which trust companies may subscribe to the capital stock of the National Reserve Association are substantially the same as those recommended in the Special Committee report of the Currency Commission of the American Bankers' Association.

After having given the best consideration possible to the matter, your committee has reached the conclusion that the plan as a whole ought to be acceptable to trust companies doing a discount business. To the extent that the feature of their business and the laws of the several states creating them will permit, every advantage, privilege and facility afforded national banks under this plan may be enjoyed by trust companies.

Respectfully submitted,
OLIVER C. FULLER, Chairman,
L. L. GILLESPIE,
F. H. Fries,
F. H. GOFF,
RALPH W. CUTLER.

Report of the Committee on Methods and Systems, Savings Bank Section, American Bankers' Association.

Gentlemen: Following the custom of past years, your committee on savings bank methods and systems (heretofore designated the auditing committee) has addressed a series of questions relative to the methods and practices of savings institutions and banks operating savings departments, with the idea in mind of ascertaining the prevailing practices and to make such recommendations and suggestions as seem pertinent to this occasion.

The inquiry this year was composed of 12 questions and was addressed to 1,900 member banks and all non-member banks in the eastern and New England states, making about 3,000 banks in all. Over 800 replies have been received, and we beg to present herewith a review of the answers, with such comment as we are agreed will tend to promote the efficiency of savings bank management.

Respectfully submitted,

CHARLES E. SPRAGUE,
President Union Dime Savings Bank, New York.
VICTOR A. LERSNER,
Assistant Cashier Williamsburgh Savings Bank, Brooklyn.
W. R. MEACHEM,
Secretary Paterson Savings Institution, Paterson, N. J.
W. H. KNIFFIN, Jr., Secretary.

No. 1. In using the balance passbook, what efforts, if any, are made to ascertain that the extensions are correctly made before the passbook is returned to the depositor?

About 25 per cent of the banks still depend upon the teller to be careful in his extensions, the only check being a second mental calculation.

Where the extension is not verified after being made, a most excellent system, and one which the committee can heartily recommend, is as follows: Provide a space on both the deposit ticket and the withdrawal slip for the insertion of the balance as it is after the teller has made his entry, which amount is checked by the book-keepers in posting; therefore, if error has occurred the book can immediately be called in and rectified. This, of course, will permit the book to get out for a short time (not over three days) with an erroneous balance, but the idea has so much of merit in it that it is worthy of wide adoption. If this system is used some attention should be given the addresses of the depositors, which in the case of withdrawals, can be written with the signature. Where there is no adequate check on the extension of the balance, and none can reasonably be made other than the teller's accuracy, the committee recommend that somewhere on the book in plain sight be printed a notice to this effect: "The balance shown in the balance column is memorandum only for the convenience of the depositor and is not guaranteed to be correct until passbook is presented for verification at the book-keeper's window."

No. 2. In paying withdrawals on the old-style debit and credit book, how do you ascertain that the balance on the book is sufficient to pay the amount called for without keeping the depositor waiting an undue length of time?

In making payment on this class of books 70 per cent of the banks report that they compare with the ledgers before making payment. Many banks refer to the ledger only in the case of withdrawals, while a few depend upon the teller to strike a mental balance. Where the notice of withdrawal is enforced, the correct balance is, of course, ascertained during the interim between the notice and the withdrawal.

No. 3. Where small amounts are called for, apparently closing the ac-

Digitized by Google

Transacts a General Banking and Trust Business. Interest paid on deposits. Liberal terms offered for the collection of out-of-town checks. Deposits are available as New York Exchange.

CORRESPONDENCE SOLICITED

COMMERCIAL TRUST COMPANY
of NEW JERSEY
JERSEY CITY, N. J.

CAPITAL, SURPLUS and PROFITS over $3,200,000.00

OFFICERS

JOHN W. HARDENBERGH, President
ROB'T S. ROSS, Vice-President — WM. J. FIELD, Secretary and Treasurer
JAY S. PERKINS, Asst. Treasurer — J. RICHARD TENNANT, Asst. Secretary

count, do you make any effort to ascertain if the amount is correct and will not leave a small balance of interest?

Over 70 per cent of the banks report that they make an effort to prevent small balances accumulating, which efforts consist of: First, comparing all books that go through the bank; second, by comparing all withdrawals; third, by posting all checks before payment is made; fourth, by requiring notice.

No. 4. How do you prevent the accumulation of small balances, less than the amount required to draw interest?

To prevent small acumulations below the one-dollar limit only one method is absolutely sure, and that is to compare each account before paying. Some banks carry the petty accumulations into profit and loss or expense account—in a measure confiscating them.

No. 5. Do you make any effort to prevent duplication of accounts, including the abuse of the trust and joint account through which more than the legal limit is deposited, apparently in other names, but in reality the money of one person? If so, how?

The reason for the duplication of savings bank accounts is well stated by the court in the case of Beaver v. Beaver, 117 New York, 421: "We cannot close our eyes to the well-known practice of persons depositing in savings banks money to the credit of real or fictitious persons with no intention of divesting themselves of ownership. It is attributable to various reasons—reasons connected with taxation; rules of the banks limiting the amount which any one individual may keep on deposit; the desire to obtain high rates of interest where there is no discrimination based upon the amount of deposit, and the desire on the part of many persons to veil or conceal from others knowledge of their pecuniary condition."

The abuse of the trust account is well illustrated in the case of Washington v. the Bank for Savings, 171 New York, 466, in which an old woman had $30,000 in savings banks largely in fictitious trust accounts. Fully 50 per cent of the banks report that this is not a troublesome element, inasmuch as they are not restricted by law and welcome large deposits as a matter of growth, and therefore, make no effort to limit the amount received. As a rule, in such states as New York and Massachusetts, where there is a legal limit, and therefore a temptation to circumvent the law, banks endeavor to prevent duplication of accounts by asking if the depositor has another account at the time of opening a new account, and also by reference to their indices. Some banks in indexing names make note of duplications and when found require the depositor to close out the surplus accounts; but where the accounts are voluminous and the names liable to duplication, such accounts cannot be avoided by any process except ascertaining the identity of each depositor—an obvious impossibility. Each bank must decide this question for itself, and no broad rule other than care and inquiry can be recommended.

No. 6. Do you make any systematic effort to verify all passbooks, and if so, when and how?

Massachusetts requires verification every three years, New Hampshire every four years, and Vermont every five years, otherwise savings banks do not, as a rule, endeavor to verify all passbooks within a given time, although in the course of two or three years, a large number of books are usually verified. It should be a fixed rule in every bank handling savings accounts not to allow a book to come in without ascertaining if the last dividend has been added, at which time the balance can be checked. The most complete automatic verification of all passbooks is the Schenectady plan, now in use in several parts of the country, which briefly stated is: Once every three years the passbook numbers and balances of all accounts are published in the daily press and widely distributed, making it possible for each depositor to be his own auditor and check the balance as he finds it advertised. All depositors failing to present their books during a period of three years, should be communicated with, and if not presented in five years, a systematic effort should be made to locate the book, and in order to do this some check must be made on the ledger account to indicate when the last entry of interest was made.

No. 7. In making up your balance sheet or report, how do you arrive at the market value of your bonds and stocks?

In some states, notably in New England, the values of certain securities, such as bank stocks and railroad bonds, are designated by the banking department, and all banks are required to appraise their securities by these quotations, thus making uniformity the rule and leaving it to the banks to place their own values on other securities.

Three methods are found which typify the usual procedure in bond valuations: First, to ascertain by published quotations the current values of such securities as are matters of public record. The reliable quotation sheets of daily or monthly periodicals will give this information, and as to securities not listed, the offerings of bond houses may be taken as a fair indication of current quotations. The second method is to periodically submit a list of the holdings to two or more reliable dealers, asking them for the current prices of the same and selecting the one which seems to be the fairest. Third, to depend upon the bank officers' judgment or estimate, which, at best, is a mere conjecture. The committee recommends that, where the bond holdings are of any considerable magnitude, a list be submitted to their brokers at report time, who will gladly place quotations on the same without charge.

No. 8. How do you dispose of accounts which become "dormant" through lapse of time?

The disposal of dormant accounts is regulated by law in some states, and where the law has stepped in and taken care of this matter, it necessarily follows that the law is obeyed. Thus in New York, all dormant accounts of 22 years' standing are reported to the banking department and nothing further is done in the matter. In Massachusetts, according to the new law which has just been declared constitutional, accounts of 30 years' standing are taken over by the state and held subject to the action of the depositor. Most banks regulate this matter by by-law, stipulating that after a certain period undisturbed accounts shall cease to draw interest, or will be "closed"; and if by the term "closed" is meant carried into profit and loss or some other account the practice would be illegal, for it would be "confiscation of property without due process of law," and the committee recommend

Digitized by Google

that such by-laws be amended to read simply "shall cease to draw interest."

No. 9. Do your officers verify the bond and mortgage loans by physical examination of the papers and endeavor to ascertain in other ways that the amounts called for are correct? If so, how?

The law in many states and the rules of the banks in many cases require that the obligation in the mortgage loan, whether bond or mortgage note, shall be passed upon by the examining committee or by whatever name this body may be called, and 50 per cent of the banks reply that such an audit is periodically made. The trouble with such auditing, is that, as a rule, it is hastily done and by those not in position to do it full justice. No exhaustive effort is made to determine that the papers are complete and the unpaid obligations in the same amount as called for on the books of the bank. The committee recommends that the audit by the trustees be accompanied by an examination as to the endorsements of partial payments, and that in sending out interest notices, provision be made for the borrower to verify the amount of his own obligation. This can easily be done by stating in the interest notice that interest on a specified amount at a certain rate will be due on a certain date, and the borrower can be depended upon to act in the matter. The banking department of the state of Massachusetts is now verifying every mortgage loan within its jurisdiction by communication with the borrower—a very commendable piece of savings bank supervision.

No. 10. Have you ever had to sell bonds or call in mortgages in whole or part to satisfy the demands of your depositors?

The answers to this question are a revelation and refute the arguments often advanced in support of the proposition that a savings bank must sooner or later cash in its bonds for the purpose of meeting the demands of its people. Six hundred and fifteen banks out of eight hundred and eleven reply that they have never had to sell a bond or call in a mortgage for such purposes, and those which have been obliged thus to do have done so under conditions such as obtained in 1893 and 1907. Many banks admit that in the reduction of dividends or some other change of policy, they have sold bonds to meet withdrawals, but this has been anticipated when the step was taken and cannot be classed as selling securities under pressure. A very few —probably less than twenty-five—report that they have called in mortgages in whole or in part to meet withdrawals, and we may safely conclude that savings banks, as a whole, operating with a fair margin of cash reserve, need not be over-apprehensive on the question of selling securities to meet withdrawals.

No. 11. What has been the general effect of the notice of withdrawal upon deposits and depositors when enforced?

Fifty per cent of the banks report that they have never been obliged to enforce the notice of withdrawal. One bank in Massachusetts, in operation 93 years, states that they have never had occasion to fall back on this safeguard, while another in New York, in business 60 years, has had a like experience. The panics of 1893 and 1907, are perhaps the only occasions where this has been widely used, and where used with proper explanations the effect has been good. There are banks, notably in Pennsylvania, which require notice on all withdrawals, and therefore never experience any undue comment on this feature of the business.

No. 12. How rapidly can you handle people at the counter, and what is the secret of your success in this respect?

One feature which is becoming prominent is to require or encourage depositors to make out their own tickets. Not only does this save the tellers' time, but furnishes valuable evidence in case of dispute.

The use of special machines for making entry in passbooks is mentioned. The speed can be doubled by an amanuensis working the machine after the teller has checked off the ticket; also the division of the accounts into groups, either alphabetically or numerically, each group to have its own ledger, its own signatures, etc., all closely accessible. This appears to be unusual in America, though known in Germany and Holland.

A careful reading of the replies to this question demonstrates that the consensus of opinion is that the handling of crowds is merely a matter of window space and clerical force. The banks which are the most successful in handling their people do so by a system of units, each window being a unit, and as the crowd increases, increasing the number of windows with proper attendants so that there will not be congestion at any one window; and this seems to be the solution of the whole question.

Report of the Bills of Lading Committee.

[By Clay H. Hollister, Chairman.]

Your main committee has had in charge distinctly the work of urging the passage of the Stevens Bill by Congress and the Uniform Bills of Lading Act by the various state legislatures which have been in session.

Your sub-committee have worked studiously for the perfection of the validation plan adopted by the railroads, and also have been frequently consulted with regard to the formation of a Central Bureau under the auspices of the Liverpool Cotton Conference. All their work has been of an

ADVISORY CHARACTER,

but it has, nevertheless, been extremely valuable in reconciling the attitude of the foreign purchaser of cotton bills to that of the home carrier and seller of exchange. The real point at issue, which was the protection of the true bill of lading against fraud, carelessness and indifference, has been sometimes very much obscured in a fog of suspicion prompted by business rivalry, but, fortunately, that condition is fast passing away as the integrity and the absolutely fair working of the Central Bureau plan becomes understood.

Following our success in securing the passage of

THE STEVENS BILL

by the House of Representatives at the long session of the sixty-first Congress in June, 1910, which, however, did not progress in the Senate because of the short time which elapsed before the close of the session, our committee spared no effort to secure a hearing and passage of the measure in the short session of the sixty-first Congress, which opened in December, 1910. Our prospects seemed favorable, especially in view of the fact that, owing to the educational campaign that had been carried on by our committee and the wide publicity given to the southern cotton bill of lading frauds, the President had in his message to Congress last December, urgently recommended legislation to regulate forged and fraudulent bills of lading.

Every effort was made to impress upon the Senate Committee on Interstate Commerce the importance of the subject and the necessity of an early hearing. But, owing to the brevity of the session and the conditions in the Senate, caused by the death of a number of Senators and the consequent breaking up of committees, a hearing by the committee on Interstate Commerce was denied and the legislation accordingly failed in the sixty-first Congress.

Last December, your committee caused to be prepared a

CIRCULAR OF VALUABLE ADVICE

to bankers, which contained instructions to banks handling bills of lading and a red card listing the dangers which banks undergo in financing order bills. This circular was distributed to every member of the American Bankers' Association and has proved of twofold benefit in more thoroughly acquainting banks with the risks incurred in handling bills of lading and in spurring on the bankers and merchants of the country to greater activity in behalf of remedial legislation.

On April 13, 1911, during the first extra session of the sixty-second Congress, the Stevens Bill was re-introduced in the house by Mr. Stevens, of Minnesota (H. R. 4,726) and was again referred to the House Committee on Interstate and Foreign Commerce. On the same day, it was also re-introduced by Senator Clapp, of Minnesota (S. 957), and referred to the Senate Committee on Interstate Commerce.

The chairman of your committee, accompanied by its counsel, Mr. Paton, visited Washington shortly thereafter and spent two days in conference with the various members of the House Committee and with Senator Clapp, in the hope of obtaining an early hearing on the bill. Many of the committee members were

FOUND IN SYMPATHY

with the proposed legislation, but, as subsequent developments showed, no hearing could be obtained during the extra session. On July 22, 1911, Congressman Adamson, of Georgia, the new chairman of the House Committee on Interstate and Foreign Commerce, introduced a measure of his own on the subject, entitled "A Bill

Digitized by Google

The American Audit Co.

Home Office

100 BROADWAY, :: NEW YORK

F. W. LAFRENTZ, C. P. A., President

THEO. COCHEU, Jr., C. P. A., Vice-President and Secretary **A. F. LAFRENTZ, Treasurer**

BANK EXAMINATION DEPARTMENT

CHAS. W. GOECTHIUS, Manager

¶Audits and Independent Examinations made of Banks of Deposit, Savings Banks and Trust Companies. ¶ Assistance rendered Directors in their Periodical Examinations. ¶ Modern Accounting Methods Introduced. ¶ Certificates for Publication Issued. ¶ Certified Statements prepared showing the Financial Condition of Customers desiring Credit.

BRANCHES

NEW YORK, (Waldorf-Astoria) 33rd St. and 5th Ave.
CHICAGO, Marquette Building
WASHINGTON, Colorado Building
PHILADELPIA, Bellevue-Stratford
SAN FRANCISCO, Western Metropolis Bank Bldg.
MILWAUKEE, Plankinton Bank Building
BOSTON, Exchange Building
ATLANTA, Fourth National Bank Bldg.
RICHMOND, American Nat'l Bank Bldg.
BALTIMORE, Keyser Building
NEW ORLEANS, Maison Blanche
LONDON, E. C., 50 Gresham Street, Bank

to prevent the issuing or accepting in interstate commerce of forged and fraudulent bills of lading" (H. R. 12,-806), which was also referred to that committee. It will be recalled that Mr. Adamson and Representative Bartlett, also of Georgia, were the two members of the House Committee who filed a dissenting report at the first session of the sixty-first Congress, when the majority of the committee made a favorable report of the Stevens Bill.

THE ADAMSON BILL

is impracticable in many of its features and especially objectionable to the banking interests. For example, one provision of that bill makes it unlawful for any bank or office or agent thereof to accept a bill of lading as security "without first ascertaining by actual inquiry and investigation that the shipment described in the bill of lading was really delivered to the carrier", with fine and imprisonment for non-compliance and an added liability of the bank to subsequent holders for all losses sustained by reason of any such false bill. How many bills of lading would banks handle with such a provision in the law as that?

When Congress reconvenes in December, the Stevens Bill will be urged and the Adamson Bill opposed by your committee. While remedial legislation in Congress has not as yet been accomplished, your committee have been actively engaged in aiding in the promotion of the Uniform Bill of Lading Act in the different states and are gratified to report that the following states: Connecticut, Illinois, Iowa, Michigan, New York, Ohio and Pennsylvania. The Uniform Bill of Lading Act became a law in the states of Maryland and Massachusetts in 1910, so that the law, at present, is in force in nine states.

THE SUB-COMMITTEE,

as has been previously stated, has, in an advisory capacity, been working toward perfecting the validation plan which is now in successful operation. The Central Bureau plan has also been considered most carefully, and also in an advisory capacity, and the best thought of the sub-committee has been devoted to assisting this most important forward movement. The chairman of the sub-committee, Fred I. Kent, has prepared a statement concerning this plan and we herewith submit his report, which has the approval of your main committee.

Report of the Sub-Committee.

[By Fred I. Kent, Chairman.]

The Liverpool Cotton Conference presented a plan for safe-guarding cotton bills of lading to the sub-committee of the Bill of Lading Committee, of which, at the time, Walter E. Frew was chairman, in December, 1910.

Mr. Charles S. Haight, the American representative of the Liverpool Cotton Conference, advised the sub-committee in the spring of 1911 that it was ready to proceed with the establishment of the proposed system, and requested that a meeting be called of the representatives of the cotton-carrying railroads in New York City. A meeting was then called at the Chamber of Commerce in New York City, which was attended by representatives of the principal cotton-carrying railroads of the United States. Mr. Haight presented the plan of the Liverpool Cotton Conference. After considerable discussion the plan was agreed to, and a committee was appointed, consisting of seven railroad men, the representative of the Liverpool Cotton Conference and two members of the sub-committee. A form of agreement was drawn up by this committee, also a statement recommending to the railroads that they take part in the plan and sign the agreement. The

FORM OF AGREEMENT,

together with the detail of the plan, was presented to and accepted by the regular Bill of Lading Committee at the meeting held in Nashville. Mr. Haight thereupon went to Europe to have the matter confirmed by the foreign committees interested. His report to them was unanimously accepted by both the Bankers' Committee and the Liveroool Cotton Conference, representing the buyers of cotton. The foreign bankers' committee authorized the Liverpool Cotton Conference to carry on the negotiations and put the system in operation.

In the meantime, a conference was held in New York, which was attended by representatives of southern bankers and cotton shippers, and buyers of foreign exchange outside of New York, at which a detailed explanation of the Central Bureau plan was made.

Opposition having developed at this meeting, Mr. Haight was requested immediately upon his return to the United States to meet with the southern interests in New Orleans, and advise them of the attitude of the Liverpool Conference toward the portions of the plan to which objections had been made.

A meeting was called of the sub-committee to hear

MR. HAIGHT'S REPORT.

He stated that the Central Bureau had been established by the Liverpool Cotton Conference. They felt justified in doing this, as it did not mean any additional cost to American interests and made it possible for the agreement of the railroads to be effective September 1, as originally called for. The Liverpool interests also felt confident that every objection that might be raised by American interests could be successfully answered, and that with the Central Bureau in working order, it would be much easier to make such changes in the plan as might seem necessary.

The sub-committee in due order notified the railroads that the executive council of the American Bankers' Association and the Liverpool committee had passed upon the agreement and approved it. The chairman of the Liverpool Cotton Conference then forwarded letters to American exchange buyers, explaining the system and asking their co-operation. One of the forms suggested did not meet with the approval of American exchange buyers, as it was feared that it might carry with it some additional responsibility. The Liverpool Cotton Conference agreed to change this form in any manner desired to remove this objection, and Mr. Paton, the attorney for the American Bankers' Association, was requested to draw up a new form. A meeting was then called of the regular Bill of Lading Committee which the members of the sub-committee were invited to attend. The objections which had been made to the plan were considered, and the

NEW FORM OF ADVICE

which exchange buyers were to forward to the Central Bureau, and which was aimed to meet all valid objections to the form originally drawn was approved. Mr. Haight then called a meeting of exchange buyers in New York City, showed them copies of the new form, explained the matter to them, and stated that if this form did not meet with their approval the Liverpool Cotton Conference would willingly accept any other form which would be satisfactory. He stated specifically that it was not the desire nor intention of the Liverpool Cotton Conference to have American buyers of foreign exchange assume any additional liability or responsibility. No objections whatever were raised to this form by those present at the meeting.

Since the meeting of the regular Bill of Lading Committee already referred to, the sub-committee has not been called together. The Liverpool Cotton Conference has been carrying on the negotiations alone. It was understood that the Liverpool Conference, representing as it does the cotton buyers, would explain the system to the American cotton shippers, and they issued a letter of explanation

New England Audit Company

F. J. HILLMAN, C. P. A., PRESIDENT

Fellow Incorporated Public Accountants of Mass. Fellow Certified Public Accountants of Mass., Inc. Member American Association of Public Accountants.

C. O. WALKER, C. P. A., MGR. AUDIT DEPT.

Certified Public Accountants, Production Engineers

HOME OFFICE : SPRINGFIELD

BRANCH OFFICES:

State Mutual Building, Worcester, P. Lennox Bray, Mgr. Barristers' Hall, Boston, F. B. Messinger, Mgr.

to American shippers of cotton, giving the whole detail of the plan.

THE CENTRAL BUREAU

has been receiving bills of lading daily since September 1 from all parts of the South. They have also been receiving notices from exchange buyers of cotton purchased by them. These notices have been attached to and filed with their respective bills of lading. Sufficient documents have been received by the Central Bureau to enable them to determine beyond any question of doubt as to the effectiveness of the system, if used by all shippers and exchange buyers. One of the objections raised to the system, namely, that errors would occur in the issuance of bills of lading, and that unnecessary friction would be caused shippers and bankers on this account, has been proved to be untrue. While a number of errors have actually occurred, yet the Central Bureau has in every case been able to trace them satisfactorily and make proper corrections without either the shipper or the banker buying the exchange being any the wiser. The actual working of the Central Bureau has proved conclusively that it is possible to check up bills of lading with certainty. This includes the signatures of agents signing bills of lading, the signatures of agents signing the validation certificates, the form of validation certificate and the fact that actual bills of lading have been issued covering the cotton represented by documents attached to bills of exchange purchased by American bankers.

NO OTHER PLAN

which has ever been suggested would have made it possible to have satisfactorily accomplished any of these things. The working of the plan has proved its simplicity. While it has seemed complex to those who have read an explanation of it, this has been due to the fact that the operations have covered the action of a number of different interests. Each of these interests, however, has a very simple act to perform, the railroads having to forward copies of the bills of lading to the Central Bureau, the shippers having to fill out a paper describing the bills of lading, the exchange buyers having to compare and mail such notices and the Central Bureau having to receive, file and compare all documents. The detail of the Central Bureau is very great, but that is a matter which need not concern any of the American interests, as the Central Bureau is the creation of the Liverpool Cotton Conference.

Report of the Secretary.

At the meeting held in Los Angeles on October 6, 1910, the following officers were elected: Chairman, Ralph Van Vechten, of Chicago; secretary, Fred E. Farnsworth, of New York. The best available records that we have show that there are now 162 clearing houses in the United States, of which 121 are members of this section, a gain of two during the year. Those clearing houses which have joined during the year are as follows: Lancaster, Pa., and Philadelphia, Pa.

There are in the United States about 428 cities and towns having three or more banks where no clearing houses now exist. Your executive committee has frequently discussed the great possibility and scope of the work of the Clearing House Section. It has seemed wise, nevertheless, during the present year to devote the energies of the officers to the inauguration of

THE NUMERICAL SYSTEM

for the transit department of banks and to educational work relating to the establishing of clearing house examiners for cities.

It is gratifying to state that from the system of symbols for transit departments which was introduced by this section in 1908, and made applicable to the banks of twenty-five cities, has been evolved a comprehensive plan which is now being brought into use by a very large number of banks of this country. This section is much indebted to your officers and executive committee for the large amount of time and attention which has been given to this proposition; and we are especially indebted to the transit managers of banks who met in Chicago in December, 1910, and to the Special Committee appointed at that time, which has evolved to a nicety the system now being established.

Not many days ago there was sent out from the general offices circular matter addressed to about 28,000 banks of the United States, and calling attention to this system. It was explained, too, that rubber endorsement stamps could be secured through the section office for those who might desire them. It is a remarkable fact that the orders received in response to this circular amount to 2,200 aggregating in cost $1,960, with other letters stating that the system had been adopted, totaling 3,500 letters. Many letters have been received commending the plan and promising most hearty support. The plan has

Digitized by Google

John A. Lowell Bank Note Company
ENGRAVERS AND PRINTERS
of Bonds, Certificates of Stock, Diplomas, Checks, and all kinds of Securities
147 Franklin Street, - Boston, Massachusetts

been endorsed by almost the entire list of State Bankers' Associations, as well as by many cities.

CLEARING HOUSE EXAMINERS.

It is gratifying, indeed, to report that since the last convention a number of important cities have selected competent clearing house examiners. It is a system that is meeting with favor, a large number of cities now having the matter under consideration; and I have yet failed to hear of a single instance from any bank, in any city, that does not believe the plan a most excellent one and in the interests of good banking.

The General Council of the American Bankers' Association has prepared a form to be used for the organization of Clearing House Associations. Several smaller cities that have not had a clearing house are now considering the advisability of organizing one for their mutual benefit.

BUSINESS SESSIONS OF THE ASSOCIATION

The Thirty-Seventh Annual Convention of the American Bankers' Association was called to order by President F. O. Watts, who invited the members of the Executive Council and the state Vice-President to occupy seats on the stage. The proceedings were appropriately commenced with prayer by the Archbishop of the Catholic Archdiocese of New Orleans, Most Rev. James H. Blenk. An address of welcome by Governer J. Y. Sanders followed.

Address of Welcome.

[By J. Y. Sanders.]

Mr. President, and gentlemen of the American Bankers' Association: It is seldom that I have had a duty that has carried with it more pleasure than that of accepting the kindly invitation of your Arrangements Committee to welcome you here to-day to what we deem

THE REAL GATEWAY

of the Panama Canal, the entreport through which will flow the tremendous commerce of the years to come, after the opening of that work of the ages from Colon to Panama. We believe that you are, to-day, upon the spot about which will centre the greatest trade and financial development of the next two decades.

The banks of any nation, in connection with the national treasury, make up the heart, the veins, and the arteries of the economic structure of the nation. They supply the life blood to enable the parts to do their work, to repair the wasted tissues, to heal the wounds, to keep the whole in perfect, competent and efficient condition.

No man has kept even remotely in touch with the splendid work of the American Bankers' Association, but knows that it has been vastly effective in bringing this circulation system of the American people to its present high point of effectiveness, and in striving to remedy those faults and flaws in the system which every thinking man knows exists.

We here in Louisiana want you to see the opportunities we believe and know exist on every hand. We want you to see that this region is a member of the economic body, which requires only

MORE LIVE-GIVING BLOOD

—capital—in order to render it one of the most beneficial and effective to be found in the whole list of Commonwealths.

Louisiana has never been swept away by any appeals to prejudice against men or means, largely because our men of means and our banks have nearly always been good citizens working for the good of the community, as a whole, and not seeking to take unfair advantage of those less fortunately established.

Louisiana has made splendid progress in her state banks alone, in which, at the close of business in December, 1908, there were $68,270,258.78 on deposit. There were in December, 1909, deposits aggregating $80,308,000 and in December, 1910, deposits aggregating $90,380,000. At the close of business in this year, despite the tremendous loss of the value of the cotton crop, the deposits will show, I am informed, a proportionate increase for the past twelve months.

In our national banks, there

WAS ON DEPOSIT

at the beginning of the current year alone, $54,000,000, and I am informed that, at the end of the current fiscal year, this total will show a handsome increase.

Thus, it will be seen that we are adding to our own capital, proving our faith in our own resources by doing our utmost to turn them to use, proving the value of the resources by the increase in our own capital, which has resulted from their exploitation.

Yet, it is our wish that you gentlemen who represent the accumulated cash reserve of the greatest financial centres, nay, of the whole people of the United States, would see and understand the boundless openings for safe investment ready on every hand here in Louisiana. Hardly a day passes but that some school district does not vote school bonds. Hardly a month goes by but that some parish or municipality asks to capitalize some portion of its assured property in order to better equip itself to hasten that prosperity's arrival.

OUR SCHOOL BONDS,

our drainage district bonds, our levee bonds, our municipal and parochial bonds have found ready marketing, and I believe I am safe in saying that in no community has the confidence thus called upon been more completely justified than in ours.

The Commonwealth itself is now upon the eve of refunding its entire state debt of $11,108,300, which falls due on January 1, 1914, and our people, by constitutional amendment, have provided for the liquidation of this indebtedness, and our State Board of Liquidation is now prepared to carry into effect the provisions of the enabling act passed by the Legislature to carry into effect the mandate of the people at the polls.

As our commercial and industrial horizon widens before us, and the opportunities for capital defined, safe and profitable investments are becoming more and more apparent. We hope that in the years to come, New Orleans, by virtue of its strategic position of the great trade route of the Western Hemisphere, will be not only one of the great seaports of the world, but one of the great banking centres of the world, as well. We believe that the time will come when along the hundred-mile front of our unsurpassed fresh water harbor will be lined

THE GREATEST SHIPPING

that sails the seas flying the American flag, representing the rejuvenated American merchant marine, standing for the investment of American capital and carrying the gospel of American commercial supremacy to every foreign land.

We believe that here in New Orleans will fittingly be established trading houses, and through which the product of the American manufacturers, American mills, American forests and mines will be distributed to the markets of South America and the Orient.

Digitized by Google

British trade and the British merchant marine have enabled the banker, from his home in London, to sway the destinies of nations and to keep his native land pre-eminent in the parliament of the world through many generations.

Down the great Mississippi, and over the rails that line its banks on either side, should come the vastest tide of traffic that has ever moved from out the heart of the American continent, and

THROUGH NEW ORLEANS

it should pass to every port upon the seven seas.

Surely, this is no idle dream when one remembers the tremendous changes wrought by the cutting of the Suez Canal. Surely, it is fairly indicated by the building of the business empire which has sprung up around the Great Lakes by the cutting of the Sault St. Marie.

We are not asking you to help us; we are asking you to join with us in realizing upon the most splendidly alluring future which has opened before the eyes of any community.

Gentlemen of the American Bankers' Association, I, as governor of all the people of this state, welcome you to Lousiana; Louisiana, the great state that was added to the American Union some hundred years ago, out of which purchase has sprung some of the greatest commonwealths to-day upon the American continent.

I WELCOME YOU

to this state, the state of sunshine and of flowers; the state of mocking birds; a state on every hand where you see evidences of a civilization as old as any upon the American continent; a state where you see evidences of progress as great as can be found in any community in the land.

Gentlemen of the American Bankers' Association, you are welcome to our state, welcome to our hearts and our homes. The latch hangs on the outside; we are glad that you are with us; glad that you came down to enjoy our hospitality; glad to know that so many of the leading bankers of America are making their home, if but for a day or two, in this, the Capitol of the Southland. You are welcome, thrice welcome to the state of Louisiana. (Loud applause).

Mayor Behrman and President R. M. Walmsley followed Governor Sanders and Hon. Myron T. Herrick, of Cleveland, Ohio, who responded appropriately. The annual address of President Watts was next in order, and when he had concluded, he introduced the guest of honor, Senator Nelson W. Aldrich, whose exhaustive address on the "Proposed Monetary Plan" can be found in another column of this issue. In the absence of C. H. Huttig, the Chairman of the Executive Council, the annual report of that body was presented by Mr. Robinson, of Baltimore, and on motion of Ex-President Lewis E. Pierson, a telegram of regret that his continued illness had prevented his attendance, was sent to Mr. Huttig.

At the afternoon session, the reports of the General Secretary, the General Counsel, the Treasurer and the standing Protective Committee were received. Certain

PROPOSED AMENDMENTS

to the constitution, with recommendation relative to the same from the Executive Council, were presented by Mr. Pierson in the absence of Mr. Huttig. An amendment by E. W. Clark, of Detroit, which the Executive Council believed would eliminate savings banks and trust companies as well as some private bankers from the association, was disapproved by the association accordingly.

A second amendment made eligible to the Executive Council a representative from the American Institute of Banking, even though he were not an officer of any bank and made eligible also the Secretary of the State Secretaries' Association. This amendment was adopted, after having been amplified to include a representative of the Clearing House Section. Another amendment gave representation on the Council to the District of Columbia.

A BONE OF CONTENTION

came when an amendment offered by President Watts, providing for the selection of six members of the Executive Council from the membership at large, was considered. Mr. Pierson moved its adoption. The motion was seconded. Mr. William George, of Aurora, Ill., moved, as a substitute for Mr. Pierson's motion, that the amendment be not adopted, and Mr. Goldwater, of Prescott, Ariz., seconded the substitute motion. At this point, President Watts took the floor, having called the vice-president to the chair.

Mr. Watts said: It seems to me that this is a wise provision, that the membership in the Council should have some fixed and definite number constituting the right to a representative. The convention at Atlantic City fixed the number at 100. There are many states that have not more than 100 banks. From my point of view, if there are only 101 banks in a state, I see no reason why there should not be 100 of them members of this association, and if there are 100 banks in any state, and they do not care to exercise that right, it seems to me

THEY ARE ESTOPPED

from claiming that they are not represented.

As to this amendment, I would say that I had a conspicuous part in the adoption of the present amendment providing for representative government in the affairs of the association I believe it has increased the interest of members in the association. I was a member of the Council when it was composed of 35 members, and then later, when it was composed of 70 odd members, and I think the larger body did quite as effective work as the smaller body. It seemed that the nominating committee selected one from every state, meeting at the annual convention, its duty was merely perfunctory. Its nominations were handed up to it by the State Conventions, and by a well-founded custom in the association, of promoting the Chairman of the Council to the first vice-presidency and from there to the presidency. So that in the meetings of the nominating committees, there was nothing of much importance for them to do, and oftentimes, there was not a quorum present. That was one reason that prompted me to suggest this amendment.

ANOTHER REASON

was that if there were one or two men of prominence in the profession whom as a Convention, we desired to compliment by appointing them to council, we could do so.

I cannot see how any objection can be made to these proposals, except on the theory that it will increase the size of the council, and increase to some extent the expenses.

R. E. JAMES, of Easton, Pa.: I cannot concur with the President in this matter. Twelve thousand bankers are represented by 59 gentlemen on the Executive Council. In addition to those men, there are 16 others who represent no constituency whatever; some of them represent one of the Sections of the association; some another, and so on, and now it is proposed to add six more who

WILL REPRESENT NOBODY

but themselves. I think it is very ill advised, and I am opposed to it.

PRESIDENT WATTS: Is there any further discussion? If not, the question will be put. All in favor of the adoption of the amendment will say aye; opposed, no.

(The result being in doubt, a division was ordered, whereupon the motion to adopt the amendment was lost, it requiring a two-third vote of the members present to amend the constitution of the association).

PRESIDENT WATTS: Unless there is objection, we will postpone further consideration of the amendment until to-morrow, and proceed with the addresses on the programme. The chair hearing no objection, it is so ordered.

The address by Mr. Paul M. Warburg and F. H. Goff, and Hon. A. Piatt Andrew, completed the programme for the day.

WEDNESDAY SESSION.

An invocation by Bishop Davis Sessums, of Louisiana, began the second day's session, and further consideration of the amendments having been deferred until eleven o'clock, the addresses of Mr. John Perrin, Mr. Benjamin Strong, Jr., Mr. James B. Forgan, President J. G. Schurman, of Cornell, and Mr. George M. Reynolds occupied all of the forenoon session.

Illness prevented Mr. C. Stuart Patterson from being present to read his paper at the afternoon meeting, and it was read for him by Mr. A. A. Jackson, of Philadelphia. The address of Joseph G. Brown came next and it was followed by brief addresses by

TWO MEMBERS

of the National Monetary Commission, Hon. Arsene P. Pujo and Hon. L. P Padgett. The address of Mr. Frank B. Anderson followed, and then Senator Aldrich was introduced to answer questions relative to the plan, and to combat some of the contentions of Mr. Anderson. The discussion between the Senator and Mr. Anderson, as well as Senator Aldrich's answers to questions will be found verbatim in an earlier part of this paper under the title, "Discussions of the Plan".

Digitized by Google

CONNOR & CO.

BANKERS AND BROKERS

31 Nassau Street :: New York City

MEMBERS OF NEW YORK STOCK EXCHANGE

Choice

Investment Securities

CORRESPONDENCE INVITED

QUOTATIONS AND INFORMATION FURNISHED

ON

PITTSBURGH SECURITIES

BALLARD & McCONNEL

Members Pittsburgh Stock Exchange

Commonwealth Bldg. PITTSBURGH, PA.

Digitized by Google

FRIDAY SESSION.

An invocation by Rev. I. L. Louch', Rabbi of the Touro Synagogue, began the session on Friday, November 24. In the regular course of business, invitations for the next convention were in order. Secretary Farnsworth read invitations for the 1912 Convention from the Jacksonville (Fla.) Board of Trade; Jacksonville Clearing House; Atlantic City Publicity Bureau; Chicago Association of Commerce; Detroit Clearing House; Governor of the State of Michigan; Mayor of Detroit; and Detroit Board of Commerce, each asking the meeting for its city. The Jacksonville correspondents put in a word for

THE 1913 MEETING

if they were to be unsuccessful for 1912, and the Boston Clearing House, by formal vote, and Col. William A Gaston, its president, by letter, asked that Boston be selected for 1913. Wheu reading of the invitations had been completed, Mr. William Livingstone, of Detroit, took the floor to urge the selection of

DETROIT FOR 1912,

and on motion of Mr. J. H. Ingwersen, of Clinton, Iowa, Detroit was unanimously selected.

No reports having been presented from the Trust Company Section or the Savings Bank Section, the report of the Clearing House Section was briefly presented by the new President of the Section, Mr. C. A. Ruggles, of Boston, who stated that very likely within the next year an active campaign will be begun by the Section, in addition to its other activities, to spread the system of collection of checks through Country Departments of Clearing Houses, under what is known as the Zone system. The American Institute of Banking had no detailed report to make, and no one was present to respond for the State Secretaries Section.

Return to discussion of amendments to the Constitution provoked controversy at once. Mr. C. H. McNider, of Mason City, Iowa, had offered for consideration by the Executive Council, an amendment denying to the Chairman of the Executive Council, the Vice-President or the President of the association, the right to succeed himself or to be promoted to the higher officers until two years shall have expired after his having held office. The amendment sought, of course, to break up what is known as

THE ROTATION SYSTEM

of the association under which the Chairman of the Council is now always promoted to the Vice-Presidency, and the Vice-President to the Presidency. Mr. Pierson moved disapproval of the amendment, and Mr. Hyde, of Jamestown, N. Y., seconded his motion.

Mr. McNider asked permission to alter the amendment, so that it should be effective in 1914, instead of 1913, and so that only one year, intsead of two, need elapse before a present officer should be eligible for promotion. He then said: "I am perfectly well aware that at the present time there is no law under which our present procedure is followed. That is, there is no law saying that a man shall succeed himself in office, but it occurs to me in an association composed of 12,000 members, that they should be given some voice in the management of the association, and it is for that reason that I have offered this amendment. There has been a great deal of criticism passed upon this association, because of this rotation in office of

A FAVORED FEW,

and I think the best way to dispel that criticism is to adopt this amendment.

WILLIAM GEORGE, of Aurora, Ill.: I second the motion to that amendment.

HIRAM R. SMITH, of Rockville Centre, N. Y.: I have just come from a meeting of the Nominating Committee. I was elected its chairman, and I want to say to you in respect to this gentleman who has just spoken that the committee went into the session absolutely untrammeled, and the ticket that will be presented to you this afternoon, if you don't like it, why then you have the right to make any nominations you like from the floor. We do not have to nominate the Chairman of the Executive Council or the Vice-President, for President. You can nominate whom you choose; you are

NOT TIED DOWN

tc the nominations presented by your Committee.

MYRON CAMPBELL, of South Bend, Ind.: I think we would be establishing a dangerous precedent if we took from this body the right to choose at any time any man who is qualified for any office that it has to fill. The constitution of this organization as it now stands, covers every emergency, I think. There is no reason why the Nominating Committee should select the chairman of the Executive Council as vice-president, unless the committee considers him qualified for the position. Now, is there any reason why they should select the vice-president for president, unless they think he is so qualified for the position?

MR. CHAPMAN: I have been on the committee to revise the constitution of this association. I have been on the Executive Committee; I have been on the Nominating Committee, and if these gentlemen do not know, they ought to be informed that the common law was handed down to us

FROM CUSTOM.

Custom makes the law—

MR. DISMUKES: I rise to a point of order that the question before the house is the amendment, and not the merits of the main question.

MR. CHAPMAN: Well, I have finished with what I had to say, anyway.

H. S. FLETCHER, of Watsonville, Cal.: I want to say that the amendment to our constitution put me in mind of the epithet which I recently read, which ran thus: "I was well; I wanted to be better; I went to a doctor; I am dead." (Laughter). The American Bankers' Association is the most powerful body of the United States, in many respects; and it has attained that position through

THE PRESENT PROCEDURE

which it follows in the election of its officers, and I hope the present method will continue.

ROBERT E. JAMES, of Easton, Pa.: I do not rise to discuss the merits of this question, but merely to call the attention of the Chair to the fact that the question before us is not a motion tc adopt, and it is not a motion not to adopt; it is a motion not to concur, which will be ineffective, and will produce no result, and after we get all through talking, we will have to begin over again in order to reach a result.

MR. GURNEY: I rise to say a few words

IN OPPOSITION

to this amendment, and I am loath to do so, because it has been offered and presented by friends and neighbors of mine.

I am impelled to oppose it, because I do not believe it is to the best interests of the association, nor even in the interests of the gentleman who offered it. It says that no official may be re-elected to his office. Well, that is not so bad. Then it adds: Nor may he be elected to any other office until after a period of a year shall have elapsed. In other words, the men who champion this resolution, would accomplish a reform by prohibiting promotion. Therein, I differ with them. I believe we should promote promotion. (Applause). When we find a good man in our business, we promote him. We do not go outside and take in a new man

WHO IS UNLEARNED

in the business and put him in the highest office.

T. J. DAVIS, of Cincinnati, O.: Like the last gentleman, I am rather disinclined to take sides against this amendment, because I have friends who are in favor of it. However, a little difference of opinion is a good thing, sometimes, for an organization. I am opposed to this amendment, because I think it is wrong in principle. I do not think that we ought to disqualify any member of this association from holding office, and that is just what this amendment would do

MR. BAILEY: If I am in order, I would like to

MOVE AN AMENDMENT

to the amendment, namely; strike out from the amendment "no officer of this association, except the general secretary, etc., etc., shall succeed himself", and then insert, "The vice-president shall not succeed himself in the office or be elected to any office in this association for the period of one year following the expiration of his term of office".

(Cries of "no", "no".)

Is there any objection to my offering that, Mr. President? Is it in order?

PRESIDENT WATTS: The Chair would rule that it is in order, if the gentleman cares to press it.

BY MR. BAILEY: All right, sir.

PRESIDENT WATTS: Is there a second to the amendment?

MR. BAILEY: Yes, I have got a second over here; I attended to that.

A DELEGATE: I second the amendment.

PRESIDENT WATTS: The question is on the adoption of the amendment pressed by Governor Bailey.

A. J. FRANE, of Waukesha, Wis.: I am as patriotic as any man in this audience, and am proud of this association, but I must say, that I think

Digitized by Google

Investment Securities

WE offer our clients a selected list of Public Utility Stocks and Bonds carrying attractive investment value and sound underlying security, particularly

American Light & Traction, Com.
American Light & Traction, Pfd.
American Gas & Electric, Com.
American Gas & Electric, Pfd.
American Power & Light, Com.
American Power & Light, Pfd.
Cities Service, Com.
Cities Service, Pfd.
Denver Gas & Electric Gen. 5's.
Empire District Electric 5's.
Federal Light & Traction, Com.
Federal Light & Traction, Pfd.
Federal Utilities Co., Com.
Federal Utilities Co., Pfd.
Lincoln Gas & Electric.
Pacific Gas & Electric, Com.
Pacific Gas & Electric, Pfd.
Republic Ry. & Light Co., Com.
Republic Ry. & Light Co., Pfd.
Standard Gas & Electric, Com.
Standard Gas & Electric, Pfd.
Tri City Ry. & Light Co., Com.
Tri City Ry. & Light Co., Pfd.
Western Power, Com.
Western Power, Pfd.

AND STRONGLY RECOMMEND

the securities on properties owned, controlled or operated by the house of

HENRY L. DOHERTY & CO.
60 Wall Street, New York

CORRESPONDENCE INVITED

Williams, McConnell & Coleman

BONDS **STOCKS**

60 Wall Street **Phone 495 John** **New York**

Digitized by Google

there are those in office in the association who

WANT TO STAY

in office, and, of course, I recognize the fact that there are those on the outside who want to get inside. Now, I have been on the Nominating Committee, and I know how things are run there. One man will get up and say: "I move that we nominate so and so": another man says, "I second the motion". And then the Chairman says, "All in favor of the motion say 'aye' ", and they all vote aye, and then they adjourn. Why, it is simply a farce from beginning to end.

A DELEGATE: I call the gentleman to order. He is not discussing the question before the House.

R. GRIFFITH, of Vicksburg, Miss.: All change is not reform. Now, if we are doing well in this association, why the necessity for making any change? I beg the members of this association to leave our constitution as it is without further amendment.

(Cries of "Question". "Question" "Question".)

SOL WEXLER, of New Orleans, La.: Mr. President and gentlemen, Growing out of the usurpation of authority, on the part of the party that has been in power for so many years in our legislative affairs, there has grown up what is

KNOWN AS "INSURGENTS".

Now insurgents are of two kinds. One kind is ready to oppose anything and everything; good, bad, and indifferent; the other kind rebels against a minority controlling the majority. Now, to the latter class I belong.

Six years ago, when this Convention met in St. Louis, it was controlled by a small group of men bounded on one side by the Atlantic Ocean, on the north by the Great Lakes, on the west by Iowa, and on the south by the city of Pittsburgh, and the rest of the members of the association had absolutely nothing to say. At that time, I arose in opposition to the existing method, and my views prevailed, and a different method came into vogue. Now, at the present time, a very similar condition exists, only the boundaries have been slightly moved and extended—although not very far. At the present time, the control

CENTRES AROUND CHICAGO,

and extends as far south as a moderately sized town in Tennessee—(Laughter)—and still includes one very prominent gentleman from New York.

Gentlemen, I claim that there is just as much ability scattered throughout the various states of the West and the South and the Middle West, as there is in any particular section. What we ought to do is to have men elected to office who are qualified to fill the office. Do not elect a man simply because he happens to represent some big bank. Why, what was done by the Bills of Lading Committee? They appointed

A SUB-COMMITTEE

on foreign bills of lading, and they put a man on it from Grand Rapids, Mich., who probably wouldn't know the difference between a set of foreign documents, and the Saturday Evening Post. (Prolonged laughter and applause.)

J. K. ELLIOTT, of Los Angeles, Cal.: I call the gentleman to order. He is not discussing the question.

SOL. WEXLER, of New Orleans, La.: Gentlemen, I am about through. But before I take my seat, I want to say this; if you do not do something of this kind, and cut out the politics there has been existing in this association in latter years, you are going to dismember it. Why, the Trust Company Section to-day is

TALKING ABOUT WITHDRAWING

from this body; and I say to you that you will have a western association, perhaps, or a southern association, or somebody will be withdrawing and forming a new association. (Cries of "Question!" "Question!" Question!")

PRESIDENT WATTS: The question stands in this form, gentlemen. A constitutional amendment has been proposed by Mr. McNider. That was offered in the constitutional way, and having had the notice duly given. That amendment was referred to a special committee appointed by the Executive Council. That committee reported back to the Executive Council, which in return, has recommended to this body that the proposed amendment be not adopted. In accordance with that report, the chairman of the committee has moved that the amendment pressed by Mr. McNider

BE NOT ADOPTED:

that it be rejected.

The motion before the house is, therefore, in this form, that if you vote "No", the effect of it will be to adopt the amendment.

All in favor of the question as the chair has stated it, will say, "aye"; opposed, "No".

The result being in debt, a division was called for, and the chair appointed as tellers. Mr. Gurney, of Nebraska; Mr. Davis, of Ohio; Mr. Fletcher, of California; Mr. McNider, of Iowa; Mr Wexler, of Lousiana, and Mr. George, of Illinois.

PRESIDENT WATTS: Gentlemen, the tellers have made the count of the vote, and the secretary will announce the result.

SECRETARY FARNSWORTH: The tellers report as follows: Total number of votes cast, 392. Those voting

IN FAVOR

of the amendment, 227; those voting against the amendment, 165.

PERSIDENT WATTS: A two-thirds vote is required under the by-laws to carry an amendment to the constitution. As two-thirds would be about 261, the chair declares the amendment proposed by Mr. McNider lost.

The amendment providing for an

INVESTMENT BANKERS'

Section was deferred until the next annual convention, the understanding being that in the meantime, the subject will be cosidered by the Executive Council. Then followed the report of the Currency Commission read by Mr. John Perrin, of Indianapolis, in the absence of James B. Forgan, the Vice-Chairman. The Commission reported:

Report of Currency Commission.

Your Currency Commission, along with the officers of your association, were called into conference with the National Monetary Commission, at Washington, on Tuesday, March 28, 1911, to consider Senator Aldrich's suggestions for Monetary legislation.

At a meeting of the Commission, held immediately before the conference, it was unanimously agreed that the plan suggested by Senator Aldrich, is founded on correct principles, that it is ingeniously adapted to present conditions; that it will correct existing defects in our national banking system, and that with further developments in some of its details, it can be made thoroughly practicable. We then went carefully over the plan,

PARAGRAPH BY PARAGRAPH,

recording such suggestions as occurred to us, and the conclusions we arrived at. Subsequently, we discussed with the National Monetary Commission every feature of the plan, giving our reasons for the suggestions made and the conclusions arrived at. Our suggestions were well received by Senator Aldrich, and the other members of the National Monetary Commission later, our report was published in pamphlet form, and circulated among the members of this association.

FIDELITY TRUST COMPANY NEW YORK

Corner Chambers Street and West Broadway

CAPITAL AND SURPLUS
$2,000,000.00

TOTAL RESOURCES OVER
$10,000,000.00

Legal depositary for funds of the State of New York and and the City of New York.

Legal depositary for State Banking Institutions, including Savings Banks.

Member of the New York Clearing House Association (No. 108).

Interest allowed on checking accounts.

Interest-bearing certificates of deposit issued.

Correspondence from banks, bankers and trust companies invited.

SAFE DEPOSIT VAULTS

President - SAMUEL S. CONOVER
V. President - WM. H. BARNARD
V. President - - - JOHN W. NIX
Secretary - ANDREW H. MARS
Asst. Secretary - STEPHEN L. VIELE
Trust Officer - ARTHUR W. MELLEN

YOU ARE INVITED TO MAKE THIS YOUR NEW YORK BANK

Digitized by Google

HUDSON TRUST COMPANY

CAPITAL AND SURPLUS OVER $1,200,000

BROADWAY AND THIRTY NINTH STREET

(METROPOLITAN OPERA HOUSE)

ELVERTON R. CHAPMAN, President.
LOUIS H. HOLLOWAY, Vice Prest.
HENRY C. STRAHMANN, Vice Prest.
JOHN GERKEN, Vice Prest.
HENRY G. LEWIS, Treasurer.
RICHARD A. PURDY, Secretary.
COUNSEL
HOLM, WHITLOCK & SCARFF.

Accounts solicited on the most liberal terms consistent with conservative Banking

SAFE DEPOSIT VAULTS

Depositary for New York State and City Funds

OUR RECOMMENDATIONS

have since been very generally adopted in the revision of the plan recently published by Senator Aldrich.

On May 2, 1911, we reported to the Executive Council in their meeting in Nashville, and submitted to them Senator Aldrich's plan, as revised by us. After receiving the report, the Executive Council, by resolution, unanimously approved the plan thus revised. As a result of the work, we thus initiated, followed up by the individual efforts of the members of the commission, and of Mr. Farnsworth, your general secretary, out of 46 state Bankers' Associations,

TWENTY-NINE

have passed resolutions at their annual conventions, endorsing Senator Aldrich's plan, as revised by us, while of the remaining 17 state associations, two had held their conventions before the plan was brought out; two have not yet held their convention, and at the conventions of the other 13, the subject was not considered.

We have, therefore, as will be seen, been keeping in close touch with this proposed monetary legislation, and we believe it will be in the interest of the American Bankers' Association that its officers, together with the Currency Commission, should

CONTINUE TO REPRESENT

it in future conferences with the National Monetary Commission, with committees of Congress and otherwise, to the end that a sound banking system may be established and unsound monetary legislation avoided.

JAMES B. FORGAN,
Vice-Chairman

This report having been adopted, the following resolution, unanimously recommended by the Executive Council, was read by the secretary.

"RESOLVED, That the American Bankers' Association hereby gives its

UNQUALIFIED APPROVAL

to the revised plan proposed by Hon. Nelson W. Aldrich, Chairman of the National Monetary Commission, for the establishment of a co-operative agency of all the banks to be known as the National Reserve Association of the United States.

We are confident that the high purposes actuating the National Monetary Commission assure the working out of the details in accordance with the sound principles stated in the plan, in such a manner as to gain the confidence and support of all classes.

A sound banking system will benefit the entire community, and is, therefore, non-partisan. We urge Congress to so regard it and to deal with it as an economic question outside the domain of party politics.

RESOLVED, Further, That the officers of the association, together with the Currency Commission of the American Bankers' Association, are

HEREBY INSTRUCTED

to submit the association's approval of the principles of the plan to the National Monetary Commission, and to the committees of Congress to whom monetary legislation is referred."

PRESIDENT WATTS: What is the pleasure of the convention with respect to this resolution?

Mr. PRESTON: I move that it be adopted.

The motion was seconded.

MYRON CAMPBELL, of South Bend, Ind.: It seems to me there are some things in that resolution. If we adopt that bodily, that this association might care to take into consideraion. At least, I feel that it is giving its unqualified approval to all that Senator Aldrich has recommended; that one thing Senator Aldrich proposes to do under this bill is to permit the national banks to do a savings bank business, and I think several states have come to an understanding with them, and a good many of them

MIGHT HESITATE

to adopt that. If this is adopted, I would ask permission to introduce after that, two resolutions, one of which is—I am not offering these now, but I would like to have an opportunity to do so later—"RESOLVED, That it is the sense of this association that all legislation intended for the betterment of national banks should be for the equal protection of all deposits and depositors, and that we do not recommend the enforced segregation of savings deposits in such banks."

And the other is, "RESOLVED, That it is the sense of this association that legislation should be speedily enacted that will permit national banks to loan a part of their funds on notes, bonds, and other evidences of debt secured by mortgage on real estate."

If this resolution is passed, I would

LIKE PERMISSION

to offer both of these resolutions.

PRESIDENT WATTS: Gentlemen, all in favor of the resolutions submitted to the convention by the Executive Committee will say, aye; opposed, no. (Carried). The resolution is adopted.

JOHN L. HAMILTON, of Illinois: I suggest that Mr. Campbell prepare his resolutions and get them in proper shape, and then hand them in to the Committee, where I am sure they will receive proper consideration.

PRESIDENT WATTS: Yes, the Chair thinks so too, and would suggest to Mr. Campbell that he do that.

At the

AFTERNOON SESSION,

the Chair appointed as a Committee on Agriculture: Joseph Chapman, Jr., of Minnesota; B. F. Harris, of Illinois; Myron T. Herrick, of Ohio; Joseph G. Brown, of North Carolina; Edwin Chamberlain, of Texas; E. W. Gurney, of Nebraska, and W. D. Vincent, of Washington.

Next came a report of the Federal Legislative Committee, by Mr. Arthur Reynolds:

This was followed by reports of the Committee on Express Companies and Money Orders, and of the Committee on Fidelity and Burglary Insurance.

The report of the Nominating Committee for officers for the ensuing year was adopted, and made the action of the body. The report follows:

For President: Wm. Livingstone, President Dime Savings Bank, Detroit, Mich.

For Vice-President: Charles K. Huttig, President Third National Bank, St. Louis, Mo.

California: For one year, Jas. K. Lynch, San Francisco. For three years, W. H. High, San Francisco.

Florida: John T. Dismukes, San Augustine.

Illinois: Nelson G. Greene, Meline.

Iowa: Arthur Reynolds, Des Moines.

Kansas: P. W. Gobel, Kansas City. J. W. Berryman, Ashland.

Kentucky: J. R. Downing, Georgetown.

Louisiana: Sol. Wexler, New Orleans.

Mississippi: F. W. Foote, Hattiesburg.

Missouri: C. G. Hutcheson, Kansas City.

New York: Walter E. Frew, New York. Fred W. Hyde, Jamestown.

North Carolina: J. Elwood Cox, High Point.

North Dakota: H. P. Beckwith, Fargo.

Ohio: R. B. Crane, Toledo.
Oklahoma: L. A. Wilson, El Reno.
Oregon: J. L. Hartman, Portland.
Pennsylvania: Robt. E. James, Easton. Jos. Wayne, Jr., Philadelphia.
South Dakota: N. E. Franklin, Deadwood.
Virginia: Oliver J. Sands, Richmond.
Washington: Samuel M. Jackson, Tacoma.
West Virginia: W. B. Irvine, Wheeling.
Vermont: Henry L. Ward, Burlington, Vt.
Representing the Trust Company Section: F. H. Goff, chairman, Cleveland, O.
Representing the Savings Bank Section: J. F. Sartori, chairman, Los Angeles, Cal.
Representing the Clearing House Section: John K. Ottely, chairman, Atlanta, Ga.
Representing the American Institute of Banking Sections: Carroll Pierce, chairman, Alexandria, Va.
Representing the State Secretaries Section: J. W. Hoopes, Manor, Texas.
Representing the District of Columbia: Wm. J. Flather, Washington, D. C.

PRESIDENT WATTS: Next in order is the installation of the President. I take great pleasure in presenting to him this insignia of his office. (Pinning the badge of President on the coat of the President-elect.) Applause.

PRESIDENT-ELECT LIVINGSTONE: I thank you all from the bottom of my heart for the honor conferred upon my state and upon myself. When I look back upon the history of this association and reflect what great progress it has made, especially in the last four years, during which period it has increased in membership by 3,000, I am impressed with the

GREAT RESPONSIBILITY

which rests upon me. I ask each and every one of you to co-operate with me, and I promise to employ my best efforts to the end that the association may go on to still greater progress in the future.

MYRON T. HERRICK, of Cleveland, O.: Before our retiring President takes his seat, I am commissioned to pin upon his manly breast this souvenir as a reminder to him in the years to come of his incumbency of this office.

(Governor Herrick than pinned upon the coat of Mr. Watts a diamond badge.)

MR. WATTS: Governor Herrick, and members of the association, I thank you.

JOSEPH C. BROWN, of Raleigh, N. C.: Mr. Watts, it is my pleasure to present to you this beautiful

SILVER SET.

It represents not only the feeling entertained towards you by the numbers of the official family who have served with you in the administration of this association, but, as well, the appreciation of the members generally for the unselfish services you have rendered to the association during the year.

(At this point, there was displayed upon the platform a solid silver table set.)

MR. WATTS: Mr. Brown, and my friends, the members of the American Bankers' Association: I accept this gift with all the more pleasure, because it comes to me at the hands of my friend, Joseph G. Brown, and also, because I know it is given in pursuance of the established custom of this association to bestow a gift upon its officers who have tried to discharge properly the duties imposed upon them, and I believe that a majority of the members of this organization hold the opinion that I have guided solely by

A SENSE OF DUTY

and a desire to do what I thought was best for the organization. (Applause.)

I thank you all, once again, and wish you long life and prosperity. (Applause.)

PRESIDENT LIVINGSTONE: Before bringing this Convention to a close, I desire to voice the regret that I know you all feel that your vice-president is not able to be with us on this occasion. However, you will all be glad to know that a message has been received from him, stating that he is on the high road to

COMPLETE RECOVERY,

and hopes to resume his business with us by the first of January. (Applause.)

Cotton Bills Discussion

Immediately following the report of the committee on bills of lading, the president asked the vice-president to take the chair, and Vice-President Livingstone took the chair.

CHAIRMAN LIVINGSTONE: What is the pleasure of the convention with respect to this report?

SOL WEXLER, of New Orleans, La.: The fact that a committee located in Liverpool, has the right to organize a bureau in the United States cannot be in any sense doubted, but that they have the right to enlist the assistance of the American Bankers' Association, through a sub-committee of the association, which did not entirely represent the entire American Bankers' Association, is, to my mind, not correct. It is

LENDING THE ASSISTANCE

of the association to a matter which does not concern it and should not have been acted upon without representation on the part of all those members of this association who might be affected by the action of the committee.

I have no quarrel with the association, with the Liverpool Cotton Conference Committee, or with the railroads, but I maintain that in a matter that immediately concerns a large section of this country, the matter should be left over until it could be submitted to all sections of this country and especially to all the members located in the southern and cotton growing states.

That was not done until after the matter had reached the stage where it was about to be put into operation, and at that time, after protest had been made on the part of the Louisiana members of the executive council at the Nashville meeting, then some southern bankers were invited to meet the gentlemen in New York City, who had the matter in hand, and at that time we had the

FIRST OPPORTUNITY

of voicing our protest to the proposed scheme. Subsequently to that, Mr. Haight came to New Orleans, at his own request, to state to us that the matter had reached a definite conclusion and that there was nothing for us to do but to accept it. He was very courteous in his explanation of the plan, and endeavored to remove the objection raised on the part of the southern cotton interests.

About the first of September, a letter came from the Cotton Bill of Lading Committee of the Liverpool Cotton Conference, showing that the American Bankers' Association had in a measure committed itself to this plan. The letter, accompanying this, addressed to cotton shippers, also made reference to the approval of this association of the plan. The matter had reached such a stage as to be

DEEMED VERY SERIOUS

on the part of cotton producers, cotton shippers and bankers. So that a meeting was called in the city of New Orleans, to protest against the establishment of a certain bureau along the lines proposed, and at this meeting there were represented the largest exporters of cotton and the largest southern cotton houses. Among those represented was the Houston cotton exchange, and the Board of Trade passed a resolution against it. The Savannah cotton exchange also opposed it. The Vicksburg cotton exchange and the Memphis cotton exchange opposed it.

Now, you will naturally ask

WHY IT IS NECESSARY

that we establish a bureau in the city of New York, for the validation of cotton bills. Up to the time of the failure of Knight-Yancy and Steele-Miller there was no effort made to have established any bureau of this kind, or any complaint of losses sustained from forgeries. In fact, during the 20 years preceding these two failures, there were exported from the United States six thousand million dollars worth of cotton without one dollar having been lost through a forged document. I defy any gentleman to point to any branch of the cotton business, or any other line of business, in which such a small loss has been sustained on such an enormous volume of business It is true that these

TWO FIRMS INFLICTED

upon the cotton trade and bankers in Europe and America losses amounting to about $6,300,000, but what was the history of these two firms. One of them, Steele-Miller & Company, located in Mississippi, according to the testimony of a member of that firm here, stated that they started in business in 1907, with a capital of $10,000, which was embezzled from a former employer. Upon that sum of $10,000, in 1908, they did a business of nearly 200,000

Digitized by Google

Confidence is Inspired by Long Tried Success

WHEN a man goes to board a railroad train, he does not begin to examine the coach he expects to ride in, and see if the wheels and axles are sound and safe, and if the car itself is strong and without flaw; he does not go forward and investigate the locomotive and test the boiler, and satisfy himself that it will not burst while making the trip. Trains are running so constantly and with such successful accomplishment, and multitudes of people are riding in them with such experience of safety, that thousands upon thousands enter them in confidence and stop not to question the safety.

It would be altogether different if any large number of people were invited to go a journey in an aeroplane. The suggestion would inspire the exclamation, "I am from Missouri". As for the safety of the trip, they would say, "Show me".

So it is in the investment world, when ownership of select income property in New York City is compared with many speculative things which come along. There are Get-Rich-Quick schemes as tempting as a thrilling trip in an airship but as risky in undertaking.

Thousands upon thousands invest in New York City real estate because of their confidence in the security and their knowledge of the profitableness in such real estate business. If New York City real estate were not a good investment, there would not be thousands of millions of dollars in it, and there would not be a continued and constant pour into it of many millions a month. People put their money into New York real estate as they get aboard a train. They embark because their confidence is inspired by long tried success.

New York City leads the world in growth and population, in increase in business, and in the accumulation of wealth. Because of this great expansion, the greatest opportunity of the most extensive character in the real estate line in all the world, is to be found in this metropolitan centre.

Property has become so exceedingly valuable and costly that much money is required to buy and sell, own and control to advantage.

The **MONATON REALTY INVESTING CORPORATION** has made it possible for people of moderate means to enter into this safe and profitable business upon conditions of easy payments.

People can secure 6 per cent compound interest on their savings by placing them with the MONATON Corporation, and a share in profits besides.

The MONATON Corporation deals only in income producing real estate.

It is careful to buy right and with a view to a paying income and to a growing increment. Great opportunities still continue in New York City for increase in the valuation of its real estate. The proposition is inspiring of confidence which realizes a paying return as time progresses, and also an opportunity for profit in increase of valuation.

Estates in New York City which have grown enormously rich because of increment and income, are household words. The safety and profitableness, therefore, of real estate holdings in New York City are generally known.

The Monaton Realty Investing Corporation has experienced gratifying success. It has added thirty more properties to its holdings in about eleven months. The condition of its business, as shown by the books of the company, has been certified to by public accountants widely known and having the confidence of the business world. Reputable and well known appraisers have certified to the conservative valuation of the holdings of the company.

For further particulars inquirer will please address,

Monaton Realty and Investing Corporation,

CLASS I **ROOM 1006**

Times Building, Broadway and 42nd Street :: New York City

Digitized by Google

bales of cotton, or $160,000,000 worth, and they had no difficulty in selling their bills of lading, or in selling their cotton abroad.

Why did they sell that much cotton abroad? Because they sold it from an eighth to three-eighths of a cent a pound

LESS THAN ANY OTHER

legitimate dealer could afford to sell it for, and during the same period, they were buying cotton at higher rates than any other legitimate dealer could afford to pay for it. The foreign buyers were informed of these facts, but they said they were satisfied with it and they were going to continue to buy. They never considered that buying gold dollars at 105 and selling at 95 must ultimately inflict a loss upon somebody.

The history of Knight-Yancy & Company was this. They would sell a thousand bales of cotton for delivery 30, 60 and 90 days ahead of a stipulated grade. They would draw their draft within 30 days for the amount of the invoice, which they made up and attached to a forged bill of lading, and would negotiate this usually through a New York exchange broker, who, in turn sold it to a New York bank. When the cotton failed to arrive and the foreigner wrote to know why it didn't, they would give some excuse and ask for a little further delay. In the meantime they would

NEGOTIATE ANOTHER SET

of fraudulent documents, and with the proceeds of those they would proceed to buy the actual cotton of about the grade they had sold, or a little better grade even, and ship it and suppress the genuine document and allow it to be delivered on the forged document.

Eventually it had to come to an end. It could easily have been ascertained if these documents were forged, because the cotton did not come forward under the original stipulation upon the forged documents, but upon the weight that the actual cotton happened to be. It also came from different points than it was supposed and stated to be shipped from. But the greed for a little additional profit in the handling of this business induced these gentlemen to continue in it. After these frauds were discovered, instead of coming here and immediately denouncing the thieves, they allowed them to go, perhaps in the hope that they might be able to negotiate some more documents and then be enabled to ship them their own cotton.

The principle underlying this whole thing is this: Is it right

TO STIGMATIZE

every man engaged in the exporting of cotton, in the handling of cotton bills of lading, because two firms, who were never entitled to credit, did wrong? Is it necessary to establish a bureau where every man who ships cotton from the southern states is compelled to come forward and be examined for the purpose of ascertaining whether or not he is a crook? I claim that a business in which the volume transacted during a period of 20 years has been as important as this, in which no more losses have been sustained, certainly does not make it necessary for any drastic proceeding of the kind here contemplated.

THE NEXT QUESTION

to consider in connection with this business is this: What would be the effect of this central bureau? A cotton shipper presents to his bank a draft with bills of lading attached, the first question naturally asked is: Upon whom is this draft drawn? Assume that it is drawn upon a first-class banker in Liverpool, or in London, then the next question is: Has this man given authority to draw upon All that the foreign bankers must do him? Has the credit been established? is to satisfy himself that the man he is dealing with here is an honest man.

Now, gentlemen, if you want to go into the business of general validation of grain, as well as of cotton, we are willing to go into it as far as the rest of you. As it now stands, the

VALIDATION PLAN

is a stigma upon a particular line of business and we are opposing it on this principle.

I make the uncontradicted statement that many of the bankers in New York have been coerced in falling into line with this Haight bureau scheme, and I know that there are many New York City bankers who are really opposed to the plan. But the iron fist has come down on them. (Applause.)

If the New York bankers are afraid to buy cotton bills, why, let them buy demand checks of southern banks. Why should you buy bills of exchange? You are paid for taking that risk, but if you do not want to take that risk you can demand checks at 1-32 of 1 per cent.

The Liverpool Cotton Conference

MUST NOT BE ALLOWED

to spread its tentacles in this country, and this is really the beginning of that attempt. The minute you let the Liverpool Cotton Conference interfere in this matter, you open the doors for interference in our grain trade and in other lines of trade.

WESTERN NATIONAL BANK OF PHILADELPHIA.

Now, Mr President and Gentlemen, I desire to offer a resolution, which is a resolution that has been passed by all the southern cotton exchanges, protesting against the putting into effect of the Central Bureau plan.

(Mr. Wexler here proceeded to read the resolution.)

(President Watts here took the chair.)

PRESIDENT WATTS: The chair must rule, Mr. Wexler, that your resolution is

OUT OF ORDER.

GEORGE M. REYNOLDS, of Chicago, Ill.: Inasmuch as I regard this as one of the most important subjects before us, I ask unanimous consent that the matter be considered now.

PRESIDENT WATTS: Is there objection. If not, unanimous consent will be given. Mr. Kent has the floor.

MR. KENT: Mr. President and gentlemen of the convention, having partaken of the wonderful hospitality of the gentlemen from New Orleans, it would be my wish that I might say to our friends, Mr. Wexler, "Thy will be done," and drop the matter there Unfortunately that is

BEYOND OUR POWER

at the moment without further consideration. There is a third party, an innocent third party, who must be considered.

After the Knight-Yancy failure and the Steele-Miller failure, what happened? You were so disturbed that there was a question whether they would accept our cotton bills.

If we buy bills at 60 days sight on Liverpool, we agree with a foreign discount company to discount those bills on arrival. If those bills are not accepted on arrival, we must furnish that discount company with other bills, in order to keep our agreement with them. Again, in order to buy fur-

Digitized by Google

Personal,
Prompt,
Friendly and EFFICIENT SERVICE

CAPITAL AND SURPLUS
$5,000,000

Under progressive management and conservative methods,
is afforded the correspondents and customers of

The Mercantile National Bank
OF THE CITY OF NEW YORK

OFFICERS

WILLIS G. NASH, President
CHARLES H. IMHOFF, Vice-Pres.
WILLIAM SKINNER, Vice-Pres.
WILLIAM H. TAYLOR, Vice-Pres.
EMIL KLEIN, Cashier
SAMUEL REDFERN, Ass't Cashier

ther bills, we must be able to sell the demand here by proceeds of the discount.

If we sell demand made by proceeds of the discount then when the bills for discount reach the other side we are

UNABLE TO DISCOUNT

them and we must cover those demand bills. In other words, there are tremendous costs involved in addition to carrying the cotton. But New York said: While we could not buy those bills, we will co-operate with the South and help you to carry your cotton; we will put money aside and draw and help you until this thing blows over.

Then the foreign bankers said: That the American bankers must guarantee the integrity of every bill of lading. That was impossible. We had found out that one thing was possible. There was a temptation to every man shipping cotton, if he was subject to temptation, and this does not hit the honest man—to raise money by means of forged bills of lading. Why?

BECAUSE HE KNEW

positively and absolutely that there was not an exchange buying bank that had any means of checking up those documents.

I admit that the foreign buyer should be more careful. This Central Bureau will make him more careful. There are two ways that a dishonest cotton shipper can obtain money fraudulently. First, by means of false bills of lading, and secondly, by shipping short weight or by shipping rags in place of cotton. When the opportunity to forge bills of lading is taken away, there is one thing left. Who would get stuck under that? The foreign buyer.

The American buyer of foreign exchange, on the other hand, must be exactly as careful as he always has been. It will not make it any safer for him to buy than it has been in the past, because no bureau will check up the standing of that man and say to the buyer of foreign exchange that he must make a bona fide shipment. The dishonest shipper might draw on a foreign banker when he had no authority to. Every buyer knows that he is always subjected to that danger. He knows that if he buys a bill drawn upon a foreign bank that it will be refused. Consequently, he is always going to be subjected to that danger. So that it will not cause an American exchange buyer to be any more careless than he has been in the past.

IT IS EASY TO SAY

that every one knew that Knight-Yancy and Steele-Miller were not honest firms to trade with. Yet people lost six million dollars through them. Who were they? They were foreign buyers of cotton, American buyers of cotton, and American buyers of foreign exchange—cotton shippers down in the South sitting side by side with those people, who had made contracts, and, in order to carry them out, they had bought cotton of Knight-Yancy and Steele-Miller and lost their money.

I wrote at one time to a banker concerning the standing of Knight-Yancy, and the reply came back in effect that it was

AN HONORABLE CONCERN

of long standing, whose bills had always gone through properly. Now, while Knight-Yancy and Steele-Miller caused losses amounting to over $6,000,000, yet during the five years that they carried on these forged documents, it is estimated that they floated about $30,000,000 on forged bills.

We did not try to apply this plan to the corn crop or to other commodities. Cotton is shipped during the course of a short time to the amount of $500,000,000. It is due to the great congestion that that proposition is such a dangerous one. In trying to protect ourselves from that danger we are not passing any stigma upon any honest cotton shipper. It is

NOT FOR US

to determine here what action the shipper shall take. The Liverpool Cotton Conference, in taking up this matter to consider what their duty in the premises was, thought it best to take this matter up with the cotton shipper and prove to him that the system was of value to the cotton shipper. If the Liverpool conference cannot prove that it is so, why, the cotton shipper will not avail himself of the system.

Now, our position before the foreign bankers and the foreign cotton buyers is this: They presented to one of your committees in December, 1910, a plan which they thought and hoped would be of value to all concerned, a plan which was aimed not at any honorable men in the North or in the South or in any other place, but was aimed

AT THE DISHONEST

man. That plan was presented to this committee, and that committee was asked whether it would approve of it or not. After examining the plan, the committee stated that it seemed to be a good one, although in some details it was not satisfactory. Liverpool was willing to correct those details. It came to us in February, to try and see what could be done to place the plan in operation.

AN AGREEMENT

was made with the railroads, and two-thirds of the cotton carrying roads agreed to this, but they did not fall over themselves to do it, as it might seem from what we have heard.

This whole matter was presented in the Liverpool Cotton Conference by a sub-committee to the regular bill of lading committee, which was supposed to be representative. The regular bill of lading committee

EXAMINED THE SYSTEM

and approved of it. They reported to the executive council, and the executive council approved it. It was not until then that the Liverpool Cotton Conference acted. But the Liverpool Cotton Conference was asked to eliminate a number of features in the original plan to meet the ideas of American interests. Liverpool, when this plan was presented as it had come from the executive council, approved the plan; they allowed every request that we made, and they said, if, when you start in with this, there are any objections that you want to make, why, we are willing to meet those objections. On that account we established this central bureau plan

THE FIRST CIRCULAR

sent out undertook to have an acknowledgment sent from the central bureau to the bank applying to the bureau for information. The New York banks demanded that that acknowledgment be eliminated, and that any banker who wished to do so be permitted to go to the central bureau and check up the document. The New York bankers asked that because they saw that the banks of the South must be protected.

Every southern banker ships foreign exchange to New York, and expects to get currency from New York from the proceeds, and must know that his bills are going to be paid. If those bills of the southern bankers went to New York and the New York bankers had to hold them until they were checked up, it would be impossible for

Digitized by Google

The Exploration Company of New York

F. G. CORNING
President

C. V. R. COGSWELL
Sec'y and Treasurer

BONDS WELL SECURED

On Going Properties of Established Value

Paying 7% and 8%

MILLS BUILDING

15 and 17 Broad Street - - - New York

the southern banker to work intelligently, and he might even be

FORCED INTO BANKRUPTCY

because of having such an accumulation on his hands. The New York bankers recognized the fact that the southern bankers must have their bills paid in New York, on the day of presentations. Consequently, the New York bankers said: We are willing to take the chances of loss on this bill and that bill that we buy, knowing that it is going to be checked up, and that if it is a forgery, the forger will be caught

IN A FEW DAYS,

rather than force the southern banker to have any question as to whether his bills will be paid.

As it is now it takes two or three years, or five or six years sometimes, to catch them. One other reason why the New York banker would not allow the central bureau to advise him whether a bill was good or not was to protect the southern shipper. We put that up to the Liverpool conference and they agreed to it.

The southern shipper might have his credit injured if acknowledgments were sent out from the central bureau, because in case of an error on the part of some railroad agent, a bill might have wrong marks or numbers upon it, and the central bureau would have to take two or three days to

CHECK THAT ERROR UP.

That would be an impossible system. Under this system that cannot happen, because the central bureau is not authorized to give out any information to any bank except when absolute fraud or forgery has been found. The central bureau has to trace the cotton and correct every error in the bill of lading before it can report, and then it could not report unless there was fraud. The address of the central bureau is New York City only, because the company that was willing to handle it

WITHOUT COST

has an office in New York. But you can see that the central bureau is of no more value to New York than to any other city, because New York must take up the notices and mail them every night to the central bureau the same as every other cotton buying centre, and if there is an error, New Orleans, St. Louis or Chicago, would be advised immediately by telegram. I mean, in case there was fraud.

The American Bankers' Association has, through its executive council, agreed to certain things with the Liverpool Cotton Conference. Now, after the association has acted, and after Liverpool has acted, we do not wish to put ourselves in the position of

MEN WITHOUT HONOR.

If we take the position we will lose our integrity before the world.

That cotton conference was authorized by every foreign body. If it cannot convince the shippers that it is a good thing for them, then, the central bureau will never develop any farther than it has already. If it does convince the shipper that the plan is of value, then it will go on.

I met a gentleman from Texas, recently, one of the brightest bankers in the state, and I explained to him the whole detail of this plan, and he told me that he had had no conception of it before. That is the trouble. We have been so taken up with manufacturing sentiment on this question that we have not considered the plant itself.

I AM WILLING

to go before any committee of southern men and explain this system to them in detail. If they can show me that it is not all right for them, or if they wish this or that done, I am positive that the Liverpool Cotton Conference will endeavor to meet their wishes. We are not trying to ram anything down any one's throat. (Applause.)

MYRON CAMPBELL, of Indiana: I think Mr. Wexler's resolution and the report of the committee should be referred to the executive council for their further consideration. I do not feel like making a motion to that effect, because I have no particular interest in the subject, but that is what I think ought to be done.

A. BRETON, of New Orleans, La.: Mr. President and Gentlemen, I desire to say a few words on this matter. I do not rise to criticise the committee, but I believe that many mistakes have been made with regard to this bill of lading matter. In the first place, it was an oversight to have a sub-committee appointed composed

ONLY OF NEW YORK BANKERS.

In the second place, a mistake was made in having that sub-committee report to the executive council without giving the southern interests a chance to be heard. The Louisiana bankers knew nothing of the contemplated establishment of a central bureau until they read of it in the newspapers while they were holding their state convention, and then a protest was wired to the executive council in session at Nashville, by the Louisiana Bankers' Association, of which I was president, but no attention was paid to this protest.

So far as the modification made in the plan as originally proposed, pointed out by Mr. Kent, they were only made after southern interests

HAD INSISTED

that they should be made.

J. H. FULTON, of New Orleans, La.: I would like to second Mr. Wexler's resolution. It seems to me that this association is being dragged into a matter and asked to pick the chestnuts out of the fire. I do not see wherein it protects American Bankers. It is like locking the stable door after the horse is stolen, so far as the southern bankers are concerned.

(On motion of Mr. Lewis E. Pierson, the report of the committee was received, the committee continued, and Mr. Wexler and another representing the South, to be selected by the president of the association, were added to it.)

The Bank of Rockville Centre, New York, has a unique advertisement in this issue, worked up by Harold W. Smith, of Freeport, N. Y., who recently won first prize in a contest by a well-known national advertiser to secure ideas of bright young men. Mr. Smith is of the firm of Smith-Greenleaf Company, 3 East 14th street, New York City, and devotes all his time to bank advertising and specialty advertisements. His partner, R. C. Greenleaf, is an expert on booklets, design, and type display.

The bank clearings for October for California are greater by nearly $30,000,000 than for September and more than $33,000,000 increase over October of 1910. Following is the detailed report:

	1911.	1910.
San Francisco	$325,309,875.61	$309,362,340.88
Los Angeles	79,539,568.41	69,041,823.54
Oakland	14,987,177.00	14,038,455.78
Sacramento	7,185,268.16	6,758,979.82
San Diego	7,850,605.00	5,641,271.49
Fresno	4,083,830.00	3,845,171.35
Pasadena	3,057,127.15	2,308,752.41
Stockton	4,575,767.00	3,015,492.72
San Jose	4,629,040.59	2,863,737.84
	$451,166,256.92	$317,322,019.49

Digitized by Google

PROCEEDINGS OF SECTIONS

Trust Company Section.

At the meeting of the Trust Company Section, President Oliver C. Fuller presided. Prayer by Rev. Dr. William Alexander Barr, of New Orleans, was followed by an extended address of welcome by Hon. Chas. P. Fenner, of New Orleans, and an address of welcome on behalf of the Louisiana trust companies, by Lynn H. Dinkins, which told of recent city improvements in New Orleans, and prospective drainage of the wet lands of Louisiana. Mr. Fuller's annual address, which followed, will be found on another page. He then introduced President Watts, of the American Bankers' Association.

In the course of his remarks,

MR. WATTS SAID

that something he had had to say in his annual address to the American Bankers' Association had been misunderstood by the officers of some of the sections. The matter of duplication of work by the association and the sections was what he had in mind. He did not for a moment maintain that all apparent duplication is such but the matter is one which must be considered for the future. He defended the expenditures which the American Bankers' Association makes against the criticism of them which had appeared in one of the morning newspapers. He pointed out that mere magnitude of these expenditures was not a subject for criticism. The important question was whether the association and its sections are getting value for what they expend. He believed that all of these expenditures had been wisely made.

Isaac H. Orr, representing the committee on legislation, offered the following resolutions:

Whereas, important matters of legislation are coming before the people of this country affecting more or less vitally the interests of the trust companies, which, may, from time to time, necessitate prompt consideration or action.

Therefore, be it resolved, that the president, the first vice-president and the chairman of the executive committee of the section, together with two members of the section to be appointed annually by the president, shall

CONSTITUTE A COMMITTEE,

in whom shall be vested authority to hear and consider recommendations in regard to legislation likely to affect the interests of the trust companies, and with further authority to make recommendations thereon, and to take suitable action in reference thereto whenever, in their opinion, such legislation may require prompt attention.

And be it further resolved, that this committee be the official channel of the trust company section for giving public expressions to its policy affecting legislation.

Also, be it further resolved that the name of this committee shall be the Trust Company Committee on Legislation, and that vacancies in said committee shall be filled as they occur by the then president, and that this committee shall continue as a standing committee of the Trust Company Section.

This led to the following discussion:

R. E. JAMES, of Easton, Pa.: I would like to inquire as to the power that is to be reposed in that committee. I did not quite understand that. It seems to me, from what I did understand of the resolution, that it is putting into the hands of a committee an exceedingly broad authority. I suggest that the resolution ought to be recalled by the mover and carefully considered, if it aims to confer upon a committee such wide authority.

MR. ORR: I think, perhaps, Mr. James looks a little

BEYOND THE LANGUAGE

of the resolution. The committee is not to originate legislation, but it is simply to consider any legislation that may be tendered. Of course, the power of the committee cannot be broader than that of the section which creates it. A matter came up in Congress, as to whether or not the government officials should accept checks drawn on trust companies, and an act was about to be passed providing that they could not accept checks drawn on trust companies. Now, whenever another situation of that kind arises there ought to be some committee, with power to represent the trust companies of the United States, who would oppose such a measure.

E. K. BOISOT, of Chicago, Ill.: I would inquire whether that refers to constructive legislation.

PRESIDENT FULLER: I would state that as the chair understands the matter, that Mr. Orr referred to, that was where prompt action was necessary. We had no committee at that time to deal with the matter, and it was necessary, through telegram and quick communication, to get some of our members to Washington, and prevent obnoxious legislation.

T. H. BOWLES, of Baltimore, Md.: I think the resolution, of course, is an important one. I am

HEARTILY IN FAVOR

of it and hope it will prevail.

MR. BOISOT: The resolution may be aimed at an important point, but I think it ought to be amended in one respect, and I would suggest as an amendment, that the committee shall have no authority to initiate legislation without first bringing the matter to the attention of this body.

MR. GOFF: I think this is a good amendment, and I will second it.

W. F. McCALEB, of San Antonio, Texas: I would suggest that either we pass the amendment or else that the verbiage of the resolution be changed. I do not think the word "initiate" is a proper one to use there.

J. H JONES, of Houston, Texas: It is with some hesitation that I would offer any

SUGGESTION IN OPPOSITION

to any plan suggested by the executive officers of this section, but it does seem to me that this resolution would be placing in the hands of the committee a power that it quite absolute. It commits the committee to bind this section conclusively. Now, with over 1,100 members, and possibly a few over 100 members represented here, if we appoint a committee and give them this wide power, why, they would be authorized to make a recommendation that would be binding upon the section. I am a member of my state organization of bankers and I am on its legislative committee, but I do not recall that we ever had the power given to us to bind the association by our action.

A. A. JACKSON, of Philadelphia,

141 BROADWAY NEW YORK.

President

Digitized by Google

Pa.: I would like to hear read the resolution that was

PASSED AT NASHVILLE.

I was not present at that meeting.

PRESIDENT FULLER: In the report of the committee, which is to be made a little later, that will appear, Mr. Jackson. However, I will ask the secretary to read it.

MR. FRIES: I naturally feel some interest in this matter, not because I was the originator of it at Nashville, but because as chairman of the executive committee, we have acted under it. The necessity for it was very evident to all who were at Nashville, and the resolution follows almost exactly the language of the original mover It is open, perhaps, to the objection that has been made by Mr. Jones. But I would say that it was not intended to give the committee any broader powers. The executive committee, thought, however, that it was time to appoint a committee that should have the authority to express what they believed to be the sentiment of this section. Perhaps, Mr. Jones can

MAKE AN AMENDMENT

to the resolution that will cure the defect that he pointed out.

MR. JACKSON: I will withdraw the request I made for the reading of the Nashville resolution.

PRESIDENT FULLER: How would it do to postpone acting upon this resolution until after the reading of the report of the committee, which has been acting during the interval. That would give time for gentlemen here to consider the proper wording of the resolution.

R. S. TAYLOR, of Philadelphia, Pa.: I make a motion to that effect.

MR. FRIES: I will second the motion.

PRESIDENT FULLER: It is moved and seconded that this resolution

BE WITHDRAWN

for the present, and that the members of the section endeavor to frame a resolution that will meet the objections that have been raised to this one, and present it later in the session. All in favor of that motion will say "aye," and all opposed, "no." (Carried.)

MR. JONES: I move that the resolution which has been the subject of discussion be referred to the executive committee for them to prepare and present another resolution which may meet with the approval of the members here present.

MR. TAYLOR: I will second that motion.

PRESIDENT FULLER: All in favor of the motion will say "aye," all opposed, "no" (Carried.)

The report of the secretary, showing receipts for the year of $7,616.12 and expenditures of $7,460.32 and a present membership of 1,137, was presented. It further stated that the book on "Forms For Trust Companies," which the section had published, had shown a net profit to the section thus far of $873.28. The address of Marquis Eaton was followed by those of Fred I. Kent and A. A. Jackson, which are printed in another part of this edition.

The report of the

COMMITTEE ON LEGISLATION,

the functions of which had been debated earlier in the meeting, having been read, Mr. Orr obtained permission to withdraw the resoultions he had presented at that time and offered instead a very brief resolution authorizing the executive committee to appoint as a committee on legislation of the Trust Company Section, a committee of five to consist of the president, the first vice-president, the chairman of the executive committee and two others, which resolution was adopted. It was also voted that hereafter the state vice-presidents of the section be elected by state trust company association where such exist, otherwise by those trust company members of state bankers' associations whose companies are members of the Trust Company section of the American Bankers' Association

The roll call of states was omitted and the following officers were elected for the ensuing year: President, F. H. Fries, of North Carolina; vice-president, Wm. C. Poillon, of New York.

The tenth annual meeting of the Savings Bank Section was necessarily brief, because so much time had been given by the sections to the parent body in order that the Aldrich plan might be thoroughly discussed. After prayer by Rev. Robert S. Coupland and an address of welcome by G. Ad. Plaffer, vice-president of the Commercial Germania Trust & Savings Bank, of New Orleans, Mr. Robinson made his annual address as president of the section, responding at the same time to the address of welcome.

Address of the President.

[By Edward L. Robinson.]

Gentlemen of the Savings Bank Section: The issue which to-day overshadows everything else affecting our interests is currency reform. We have been asked to make the sacrifice of yielding up the sole use of an entire convention day and to share this Thursday of convention week with the other sections in order that the parent body might devote an additional day to the study of this important subject.

I took the responsibility of committing our section to a loyal acquiescence in the request made of us by the executive officers.

The personal of our standing committees has been largely altered. It is hoped that this policy will tend to widen the area of our usefulness by interesting a large number of our members. To the experience of those who have long been in our work we have tried to join the fresh and enthusiastic interest of the younger element of our membership, and we confidently look for good results from the labors of our several committees.

The title of the auditing committee has been changed to "Committee on Savings Bank Methods and Systems," a more correct designation of its functions.

It is gratifying to report that by recent action of the executive council a close and useful

BOND OF FELLOWSHIP

between our section and the present body has been affected, whereby the chairman of our law committee becomes ex-officio a member of the standing law committee of the American Bankers' Association. Our views of the segregation of savings deposits are now apt to be studied more carefully and as our attitude upon this important subject becomes better understood, it will be seen that we are not seeking to destroy, but to build.

Our membership committee has a task which justly should be borne by many rather than by a few. If our section enjoyed the support of the larger mutual savings banks of New York and New England, our prestige and influence for good would be immeasurably increased; these banks would in turn acquire, from touching elbows with their brethren in remoter sections, warmer hearts, wider horizons and broader viewpoints.

Let me also refer briefly to three other matters which received the favorable attention of your executive committee in Nashville. The first, is the subject of

SCHOOL SAVINGS BANKS.

This work was begun many years ago by J. H. Thiry. He had labored long, earnestly and successfully. A committee representing this section was appointed to confer with Mr. Thiry relative to the perpetuation of his unselfish work. Unfortunately, before the committee could arrange a conference, Mr. Thiry died. He had, however, often expressed the desire that the savings bank section should succeed to his labors, and many of our members feel that we should organize and maintain an agency to propagate this educational force. I am happy to report that our office is already equipped with literature and other helps for the information of these little savings auxiliaries, and I trust that we will to-day commit ourselves to an energetic support of the system as a whole. To that end, I recommend that the subject of school savings bank be placed under the care of a special committee or entrusted to one of our present standing committees.

The second matter is the celebration of the savings bank centennial in 1916. While this is a long way off, I do not believe it is too early to give the subject earnest thought at this time, as it is of unusual historical importance.

The third and last matter has already been adverted to; I refer to the so called Aldrich plan of currency and banking reform; our section is as deeply interested in the discussion of this matter as any other branch of our association.

The reports of the executive committee and of the secretary were not read as they would later be presented in the printed report of the proceedings. The report of the law committee was presented, stating that the attention of that committee had been devoted largely to further study of

SEGREGATION OF DEPOSITS.

The committee had held meetings in Detroit and Cleveland in connection with this subject.

Gov. Herrick, asked to respond for the membership committee, reported that he did not appreciate that he was a member of the committee, but proceeded to discuss helpfully the rela-

Digitized by Google

CAPITAL, SURPLUS AND PROFITS
$3,300,000

THE NATIONAL BANK
of the
REPUBLIC
OF CHICAGO

offers to conservative bankers its facilities developed and perfected by twenty years of close personal relations with correspondents in all parts of the country.

JOHN A. LYNCH, President,
W. T. FENTON, Vice-President,
R. M. McKINNEY, Cashier,
O. H. SWAN, Assistant Cashier,
JAMES M. HURST, Assistant Cashier,
WM. E. LAVINIA, Assistant Cashier,
W. H. HURLEY, Assistant Cashier.

Vermont National Bank
Brattleboro, Vt.

Incorporated 1821. Reorganized 1865
GEO. C. AVERILL, President.
CHAS. W. RICHARDSON, Cashier.

Capital	$200,000
Surplus	200,000
Undivided Profits	388,000

VERMONT COLLECTIONS A SPECIALTY.

INDUSTRIAL TRUST COMPANY,
WOONSOCKET BRANCH,
WOONSOCKET, R. I.

PROMPT ATTENTION GIVEN TO COLLECTIONS

E. C. FRANCIS, Manager.

NATIONAL EXCHANGE BANK
NEWPORT, R. I.

CAPITAL	$100,000.00
SURPLUS AND PROFITS.	92,900.00

EDWARD A. BROWN, President.
GEO. H. PROUD, Cashier.

Prompt attention given to collections.

The
First National Bank of Northampton
NORTHAMPTON, MASS.

United States, State of Massachusetts and County of Hampshire Depositary.

Capital	$300,000
Deposits	1,200,000
Profits	235,000

A. L. WILLISTON, Prest.
F. N. KNEELAND, Cash.

Collections promptly attended to. Foreign Exchange.
Safe Deposit Boxes.

THE
SEABOARD
National Bank
of the City of New York

Capital	$1,000,000
Surplus and Profits (Earned)	$2,075,000

Accounts Solicited

S. G. BAYNE.....President
S. G. NELSON.....Vice-President
C. C. THOMPSON.....Cashier
W. K. CLEVERLEY.....Assistant Cashier
L. N. DEVAUSNEY.....Assistant Cashier
J. C. EMORY.....Assistant Cashier
O. M. JEFFERDS.....Assistant Cashier

The
Holyoke National Bank
OF HOLYOKE, MASS.

Capital	$200,000
Surplus and Undivided Profits (all earned) Over	290,000

Prompt attention to collections.

GEORGE C. GILL, President.
DWIGHT H. IVES, Vice-Prest.
JAMES D. BARDWELL, Cashier.

BANCO MINERO
CHIHUAHUA, MEXICO

Capital	$5,000,000.00
Surplus Fund	$1,960,000.00

JUAN A. CREEL, General Manager
JESUS J. FALOMIR, Cashier

Transacts a General Line of Banking Business

THE
Bristol County National Bank
OF TAUNTON, MASS.

Capital	$500,000
Surplus and Profits	80,000

S. L. CUSHMAN, Prest.
A. H. TETLOW, Cashier.

PROMPT ATTENTION GIVEN TO COLLECTIONS.

SAFE DEPOSIT BOXES FOR RENTAL.

THE
Peoples National Bank
MARLBOROUGH, MASS.

Capital	$150,000.00
Net Surplus and Profits	89,519.00
Assets	nearly $1,500,000.00

Depository of the United States, Commonwealth of Massachusetts and City of Marlborough.

BUSINESS INVITED.

WALTER P. FRYE.....President
WALDO B. FAY.....Vice-President
STILLMAN R. STEVENS.....Cashier

CAPITAL $1,800,000.00 SURPLUS $2,000,000.00

Second National Bank
OF
PITTSBURGH, PENN'A.

HENRY C. BUGHMAN, President
WILLIAM McCONWAY, Vice President
THOMAS W. WELSH, JR., Vice President
JAMES M. YOUNG, Cashier
BROWN A. PATTERSON, Ass't. Cashier

Western National Bank
PHILADELPHIA

Capital	$600,000.00
Surplus and undivided profits	257,592.67

GEORGE E. SHAW, President
EDWARD J. DURBAN, Vice-President
SIDNEY LABE, Vice-President
E. E. LINDEMUTH, Vice-President
CHARLES F. WIGNALL, Cashier
JOHN BAUMGARTNER, Asst. Cashier

A conservatively managed bank invites your correspondence.

INDUSTRIAL TRUST COMPANY
WESTERLY, R. I.
BRANCH

South Rhode Island Collections promptly made.

J. M. PENDLETON,
Manager.

MERCHANTS NATIONAL BANK
OF SALEM, MASS.

Established in the year 1811—this bank has continuously paid dividends during its entire existence.

Capital $200,000 Surplus $275,000

HENRY M. BATCHELDER, President
J. H. GIFFORD, Cash. F. A. BROOKS, Asst. Cash.

Its new fire-proof distinctive banking building is "one of the feature buildings of New England."

THE PROVIDENT LIFE AND TRUST COMPANY

Of Philadelphia

Office Fourth and Chestnut Sts.

Insures Lives, grants Annuities, receives money on deposit, acts as Executor, Administrator, Trustee, Guardian, Assignee, Committee, Receiver, Agent.

ASA S. WING, Pres.

Digitized by Google

tions of savings banks to the Aldrich plan. He said in part:

Report by Gov. Herrick.

I happened to be a member of the currency commission, and at my suggestion after a good deal of discussion of the subject, the mutual banks were admitted. You saw the plan before this last revision. Evidently the Monetary Commission, after considering the question, left out the mutual banks. I am rather inclined to think that it would be very difficult for the mutual banks ever to avail themselves of the privilege of this committee, and it didn't occur to me in having them admitted they would probably have to be—I thought possibly it might strengthen the sentiment toward the bill if there was a mention made of the place in case they should desire to avail themselves of it.

I HAVE THIS FEELING

about that: You can build a railroad from Chicago to New York—supposing there were none there and you thought it advisable to build the railroad—to connect those two cities; and certain people directly interested would join together to build that railroad, and we, as other persons, did not live there, we might not care to undertake the burden of building that railroad—the earlier ones not having been successful—but we would know that we would be interested quite as much as those who were carrying the burden and doing the work, should the work be accomplished; and I feel very strongly that this reserve association plan should be adopted, that all we would want to be a member for it would be accomplished, because it is a success. And if it should be a success and is of value, of course, these recurring periods of panic that have obtained in the last years, would be done; we would have no more of them. If it did not accomplish that and was not successful, then

WE WOULD NOT CARE

about it. However, I am of the opinion it would have been better to have left it as it was, but I really think it does not make any difference. It is in the nature of our business to be interested in the matter of transfer of credits and circulation. We get currency enough. That seems to be the trouble with these currency famines. There is no dimculty whatever, it appears to me, it is like it was in 1907 and 1893, when there were great demands on us. We couldn't get the currency, that was the difficulty; but through some foolish rumor some one started a run upon the bank in which I am interested and we found several thousand people around the place, but it did not disturb us at all, because some of the banks were ready to give us all

THE HELP WE WANTED.

It seems that our savings banks would bear that same position to the whole situation. Knowing that there cannot be a currency famine in the country, that trouble being averted why, there is really no need for us to be connected with that association That would be my individual opinion after studying the question for some particular time, of mutual banks, to the Reserve Association.

Pardon me for taking the time to say this, but I think that is the situation; and so far as the membership of the committee is concerned, I hope the other members will be able to make an intelligent report. I have none.

The report of the committee on methods and systems being in pamphlet form and distributed to all the members was placed on file without reading. Resolutions having been adopted on the death of the last secretary, Wm. Hamhart, by rising vote, it voted that the title of the auditing committee be changed to commietee on methods and systems. To this committee was also referred the matter of an appropriate celebration of the Savings Bank Centennial

IN 1916.

The papers of Wm. E. Knox, J. F. Sartori, E. St. Elmo Lewis having been presented, F. O. Watts, the president of the American Bankers' Association, was introduced and spoke entertainingly, urging that every effort be made by sections and by the association to avoid duplication of endeavor. He was followed by Hon. Arthur B. Chapin, whose address on efficiency of supervision was much praised. Mr. Chapin was to have conducted a symposium on the internal audit of a savings bank, but this was omitted, because of lack of time.

OFFICERS

for the ensuing year were elected as follows: President, Alfred L. Aiken, of Worcester, Mass.; first vice-president, R. C. Stephenson, of South Bend, Ind.; members of the executive committee for three years, G. Ad. Blaffer, of New Orleans; Wm. E. Knox, of New York; N. W. Hawley, of Minneapolis.

The Clearing House Section.

The sessions of the Clearing House Section were somewhat hurried because of the river trip in which all desired to participate. President Fancher, after prayer by Rabbi Heller and after an address of welcome by Chas. Godchaux, president of the Whitney Central National Bank of New Orleans and vice-president of the local clearing house, called upon Col. Robert J. Lowry, of Atlanta, to respond to the address of welcome which he did most eloquently.

He referred in the course of his reply to the success the banks of his state are having in collecting their country items not only in Georgia, but in Alabama, and other adjoining states through their clearing house association. He commended this system to bankers of larger cities. The report of the executive committee was presented by Ralph Van Vechten, and the recommendation that a committee be appointed to bring about some system of registration of a commercial paper was adopted on motion of John H. Puelicher, of Milwaukee. It was also voted to continue the committee on the Numerical Transit System. The papers of H. M. Zimmerman, Joseph B. Martindale, John W. Wilson and C. R. McKay, were the next presented, that of Mr. Martindale in his absence being read by Mr. Twitchell, the vice-president of his bank. A discussion from the floor followed, and the question was raised as to the satisfaction which cities are having with

CLEARING HOUSE EXAMINERS

where the system has been recently adopted.

President Fancher said: "In Cleveland, we have recently employed an examiner who took office on the first of May. We had that matter under consideration in our association for the better part of a year, as to just what form our examination should take; whether to employ a firm of certified public accountants or an individual examiner. We investigated very carefully the situation in cities that had already employed examiners. Some had their own examiners while others employed public accountants, and after quite an exhaustive examination, we came to the conclusion that better results could be obtained in our city by the employment of

INDIVIDUAL EXAMINERS.

We at present have an examiner with three assistants, doing our work in Cleveland, and about one-half of our banks have been examined up to the present time. We are all of us very enthusiastic over the results. It may be Mr. Wilson may have something in his mind that might touch that.

MR. WILSON: It is rather a pointed question to ask what we think of our system. There never was any opposition from our larger banks; it only came from the smaller ones, but to-day, the smaller banks in the city of Los Angeles consider it a splendid system, as they paid formerly three times as much for that service as they now do. They are getting results and information that they never had before or that they ever would get. And these smaller banks are improving their condition. I will mention simply

ONE CASE.

I had occasion to examine a bank which was in what I call an unsatisfactory condition. I immediately put in a scorching report to the directors of the bank, I am not afraid to make these reports and I wondered how it would turn out. To show you how it did result, I want to say that I was walking up one of our streets when a gentleman came up and said: "I want to thank you for what you have done for our bank." I did not know what he meant; did not know but what he was going to kick me. He said, "You called attention to the fact that our bank was getting the rejections of other banks in the way of loans, and we did not know it. We thought we were doing a good legitimate business, but when we found this out. We

CHANGED THE CONDITION

of affairs, appointed a committee for the purpose of examining into such matters and the result was that there has not been since then a single loan passed without the approval of that committee. The next time I examined that bank three years afterwards, I had the pleasure of saying to the committee of the Clearing House that its condition was satisfactory. If it had not been for the special examiner, that bank would have gone on until there would have been nothing left of it. They did not know any better. They were taking this because it was business, and they were doing the poorest business in Los Angeles.

MR. BURLANEK: We have had

Digitized by Google

American Real Estate Company

Established in 1888; the original and oldest real estate corporation in New York.

Original capitalization $100,000; present assets $23,026,889.67, with capital and surplus of $2,011,241.80.

Present real estate holdings total in area 4495 city lots and include 58 buildings.

Owners and developers of the extensive Areco district, in the Borough of the Bronx, New York City.

Owners and developers of New York's most attractive suburb, Park Hill-on-the-Hudson.

Owners of high grade loft and office buildings in the midtown section and apartment houses on the Upper West Side.

In the last decade, 1901-1911, the assessed valuation of real estate in Greater New York advanced from $3,033,613,602 to $7,377,822,064, an increase of nearly 150%. In that period the assets of the American Real Estate Company increased from $3,052,823.82 to $23,026,889.67 or more than 600%.

In the further development of its real estate business (to which it is restricted by charter) the Company offers its 6% Bonds in these two convenient forms:

6% Coupon Bonds

For the direct investment of $100 or multiples thereof, and paying interest semi-annually by coupons attached.

6% Accumulative Bonds

For investing $25 or more a year for 10, 15 or 20 years to mature $1000 and upward. Interest compounded annually.

Further information may be had by inquiry at the general offices of the

AMERICAN REAL ESTATE COMPANY

527 FIFTH AVENUE :: :: :: :: :: :: :: NEW YORK

this matter up for two years in Cedar Rapids, and the greatest objection seems to be that it would take too much time. They claim they would be doing nothing else but examining, with the state examination four times a year and the national examination once a year. If we employed a Clearing House examiner, they claim that is all they would be doing. The statement you made was that the larger banks favored it in Los Angeles and that the smaller banks opposed it. To a certain extent, that is just the reverse in Cedar Rapids. There the smaller banks are in favor of it, and three out of five of the

LARGER ONES OPPOSE IT.

The smaller banks did not seem to object to the expense. It is the larger banks that do, claiming the expense would be too much. We have ten banks there. Does it interfere with the regular routine of work?

MR. WILSON: Why should it? If I go into a bank, they do not know I am there. I go traveling around doing anything I see fit. I used to be a banker and happen to know something about the internal workings of a bank, and when I go in, they do not pay any attention to me, do not even respect my gray hairs. And, at the same time, I report upon everything that I find that needs to be reported. I never was afraid of any bank, and I am a poor man.

MR. VAN VECHTEN: I would like to ask you what you think of the practicability of co-operation in this work with the Clearing House Association after the system has become somewhat more extended.

MR. WILSON: There is no question as to the value. You have it right now. We get

REQUESTS FROM THE EAST.

Some of the banks in Los Angeles and San Francisco are trying to float some of their paper in the East. Later on, when that paper comes in, I presume the bank examiners will get after us and ask us what we know about the paper of these banks. I can readily see how the banks in Chicago, Pittsburgh, New York, Boston, St. Louis and other large cities, should have a desire for co-operation between all the Clearing House examiners.

THE PRESIDENT: Is the committee on nominations ready with their report?

THE NOMINATING COMMITTEE through its chairman, reported as follows: Charles A. Ruggles, for president; Ralph Van Vechten, for vice-president, and Messrs. Wilson and Ayres, members of the executive committee.

On motion of Mr. Puelicher, the report of the nominating committee was adopted, and on his further motion, the rules were suspended and the four gentlemen elected by acclamation.

DAVENPORT, WASH.—Work has been started on remodeling the Turner building for the Davenport National Bank. Tiled floors will be laid and the interior finished in hard wood.

RICHMOND, VA.—The Bank of Savings & Trusts has been organized with H. R. Pollard, president, and W. J. Whitehurst and S. T. Beveridge, vice-presidents.

BANK ITEMS.

BADGER, IOWA.—The Badger Savings Bank has increased its capital to $25,000.

CHARLOTTE, N. C.—The Savings Bank & Trust Company, of Charlotte, capital $25,000, is reported organized at this place. Offices will be in the Wittskowsy Building, corner Fifth and North Tryon streets.

SUMTER, S. C.—The stockholders of the Bank of Sumter have authorized the increase of the capital to $200,000. The increase will take effect in January.

TUSHKA, OKLA.—Planters State Bank, capital $10,000, is reported incorporated by C. D. Allison, J. W. Jones and B. F. Rogers, all of Atoka.

CINCINNATI, OHIO.—The stockholders of the Winton Savings Bank approved an increase in capital of the bank from $25,000 to $60,000.

ATLANTA, GA.—The City Savings Bank is the title of a new bank organizing at this place with a capital of $50,000 by R. H. McDougal, F. M. Loveless, Clarence May, Ed. M. Pearce and R. E. Lester.

OTTAWA, KAN.—The Franklin County State Bank received a charter authorizing an increase in capital stock to $25,000.

SLATER, MO.—A new bank is to be established with a capital of $25,000 by R. D. Quinsenberry and R. L. Hains. The bank will commence business Jan. 1, 1912.

JONESTOWN, MISS.—The Merchants & Planters Bank has been organized with a $10,000 capital. J. W. McKee, of Birmingham, is interested.

Digitized by Google

United States Investor

Published Every Saturday Morning by

FRANK P. BENNETT & CO., Inc.

SUBSCRIPTION RATES

$5.00 per annum in United States and Mexico; $6.50 per annum in Canada.

$7.00 per annum in England, the Continent, Australia and Countries in the Postal Union.

$10.00 per annum for Investor and Inactive Securities Supplement, including privilege of inserting quotations in the Supplement.

ADVERTISING RATES

Twenty-five cents per agate line. There are fourteen agate lines to the inch.

PUBLICATION OFFICE,

530 Atlantic Avenue, Boston.

NEW YORK OFFICE,

8 Rector Street, New York.

JOSEPH L. BARKER, Manager.

Washington Office, 208 Corcoran Building; Philadelphia Office, 308 Chestnut Street.

Entered at the Post Office at Boston, Mass., as second class matter.

Developments during the past ten days show clearly a decided tendency toward the improvement of business conditions practically all over the country. The improvement has been noticeable in stock exchange quotations, but has by no means been confined to the exchanges. These have operated merely as the indicators of a real improvement and growth in business soundness. There is much reason to think that the coming winter will see a much more complete employment of labor and better development of demand than has been characteristic during the past few months. Conditions in the steel industry and other basic businesses show decided improvement, and railroad rates have not been so low as to prevent the declaring of very satisfactory dividends particularly on some of the southern and southwestern roads. The most unpromising feature of the prospect is the possibility that Congress may do harm by attempting unwise legislation.

It has now been determined to make public the report of the Federal stock and bonds commission on December 8. Various forecasts of its contents have already appeared, but none are authoritative. It is probable that large attention will be given to this report Events during the past two weeks in connection with the Senate inquiry into trusts show that much stress is placed upon the subject of capitalization not only by members of the committee, but also by witnesses who have appeared before it and whose opinions are entitled to respect. The capitalization of public service corporations is undoubtedly much easier to deal with by law than that of industrial concerns and may be regarded as affording a guide. The report on this question may therefore exert a much wider influence than that which it would have were nothing in prospect except the adoption of legislation relating to railroads.

The Senate trust hearings have, however, shown the great lack of harmony which exists in regard to the question of general corporation legislation. Hardly any two of the witnesses have expressed the same view and members of the committee are quite plainly at loggerheads with one another in respect to the most fundamental problems of corporation control. This is far from holding out a hopeful prospect with reference to harmonious action. The unsatisfactory outlook in the committee is heightened by the failure to develop any greater degree of harmony on the floor of the Senate. As the day for the assembling of Congress approaches the necessity of doing something on the trust question is more evident but the difficulty of getting a feasible plan seems to increase. The danger now threatening is that the whole subject will be allowed to become a party matter, notwithstanding it had been hoped that the Interstate Commerce Committee would find a non-partisan way out of the tangle.

THE OPENING OF CONGRESS.

On Monday, next, the first regular session of the 62nd Congress will be called to order at Washington. Not for many years probably has there been a session before which will come so many large issues affecting business and commerce as will be presented at this session. The trust question, the problem of banking, the tariff, are leading issues, but there is a multitude of minor although very important subjects which cannot be avoided. Action on the question of railroad capitalization, on cotton exchange legislation, on immigration, on conservation, and on many other topics no less important will be called for. It is impossible that Congress should act upon all of the vital issues that will come up, and improbable that it can act upon many of them. But there will be action upon a number of subjects and what is done will be likely to be of the first order of significance.

The time has come when federal politicians must think a good deal more seriously than heretofore about the effect of their acts upon fundamental economic conditions throughout the country. For months past, there has been doubt and hesitation when there should have been progress and forward movement. The country is dissatisfied with the disturbed conditions that now exist, uncertain as to the attitude of federal authorities regarding large questions of business, perturbed over political prospects and dissatisfied with tariff, banking and corporate legislation as now on the statute books. The condition is not one which calls for drastic action on any of these subjects but quite the reverse, but inactivity will be equally distasteful. It is not abstinence from action, but wise measures for the modification of exising conditions that are demanded. Nobody desires that there shall be undue concession to the owners of capital, but there is evident a very general reaction from the so-called "muckraking" regime of the past few years. Conditions that will make for business soundness and will give full scope to enterprise are wanted. As already noted, however, this must not be confused with a restoration of special privilege, but must be accompanied by the further eradication of the factors which give rise to such privileges.

There is some reason to fear that Democrats will not see the real truth of the situation as clearly as they should, but will allow themselves to be led into extreme vagaries and populistic rant. The party in Congress although it has shown an unexpected power of cohesion and unity at least in the House, is not firmly organized, and there is danger that it may fly to pieces and throw off the control of the conservative leaders who are temporarily in the saddle. If it does do so, its success at the coming presidential election will be placed in serious jeopardy if not rendered absolutely impossible. In the same way, the so-called progressive Republican element shows signs of having gone about the length of its rope. If it now commits itself to further excesses merely for the sake of making political capital, the reflex effect will be likely to destroy the element of insurgency in the Republican ranks. The administration has a different danger to guard against, but one which is quite as serious. This is the failure to recognize the necessity of meeting the just demands of the public for the rectification of existing abuses. But Congress and the administration will be on trial the coming winter before a public now in a distinctly conservative frame of mind, but indisposed to see reaction or loss of the ground already gained.

LONDON, ARK.—The Merchants Bank has been chartered with $10,000 capital. W. H. Gerner, B. W. Porter and J. M Martin are interested.

Digitized by Google

The Banks of Pittsburgh

Pittsburgh Historically

Anyone who has read that Life of Washington which constitutes almost the best claim to fame as an author, which his namesake, Washington Irving, has, will confess, we think, that no portion of the volumes is more thrilling and certainly none is more attractively written than that which describes Washington's exploits as a youthful pioneer. Washington seems never to have had much real boyhood. At a surprisingly early age he showed both a taste for the society and activities of full grown men and an ability to play the part which a man must fill in a newly settled world. Nothing was more natural, therefore, than that the lure of the half-explored Ohio valley should make the same strong appeal to him that it was making to every man at that time who was fond of adventure and was free to gratify his desires.

There were grants from the king to be surveyed and Washington was a skilful surveyor. There were fertile valleys and densely wooded hills to be explored, and the fact that they were peopled by numerous bodies of Indians had no particular terrors for him. There were huge rivers to be charted, some of them tortuous with whirlpools, full of rapids, and altogether treacherous of current, but these dangers merely gave additional zest to the enterprise. For, to the mind of every Virginian who was at all well informed, and Washington even in his youth was no less farsighted than the other public men of his colony, it was very clear that that nation which should first obtain a real foothold in this half-explored section would possess the key to the heart of the continent.

Pittsburgh Geographically

The confluence of the Allegheny and Monongahela Rivers was an objective point toward which both the French and the English colonists were struggling. The strategic value of that point of land which lay between these two rivers was recognized as clearly by the initiated then as it becomes instantly apparent to anyone who sees it to-day depicted upon a relief map. Intrenched at this point, either French or English would be comparatively secure from attack. With this piece of land for a base, either party could send forth forces that would make it the unquestioned sovereign of the Ohio River. With the Ohio in its control, that party might well look forward with confidence to ultimate control of the Mississippi, and, therefore, to ownership of the heart of the continent. The prize, therefore, which Washington bent at times an almost superhuman energy to acquire for Virginia was worth striving for. That his efforts were crowned with entire success is rightly regarded now as a cause for national rejoicing. If the French had succeeded in obtaining peranent foothold at this point where Pittsburgh now stands, the whole history of the continent must have been altered.

On the Early Highway

The truth is that nature seems always to have destined Pittsburgh for a place of large importance. In these earliest days, that importance sprang from military necessity. At the first, the commercial value of the location was not so much in evidence. Although among the earlier generations of English colonists, some of the same disposition to cross the mountains which parallel the Atlantic shore, and an eager curiosity to discover what lay beyond these ridges is noted as that which later filled the interior so quickly, the great mass of people were content at that time to develop the lands which lay between these mountains and the coast. They had been accustomed to the intensive farming of England, and there was ample land for them and for the population of several subsequent generations of farmers in this coasted territory. The time came, by and by, however, what with immigration and natural increase of population, when the commercial advantage which Fort Pitt or Pittsburgh must enjoy from its location stood out in plain relief. The interior was filling with people, was busy with trade. A trading centre and point of shipment for the country all about it, Pittsburgh must certainly be. The only highway for commerce at that time which led into the interior, the Ohio River, began its course right at Pittsburgh's door. Down its length could travel the river boats which Pittsburgh merchants would fit out and load. No other city off the Atlantic coast occupied a more promising site. Until some other form of transportation should be developed, which should rob the Ohio River of its superiority over all other highways into the interior, the certainty that Pittsburgh would be a great trading post was well nigh absolute.

The Railroad Comes

The coming of the railroad was what changed the whole course of the history of Pittsburgh. Into the hands of those who should control this artificial highway was given power to create great communities where nature would have decreed otherwise, and to rob cities of their supremacy for which nature had had great things in store. The advent of the railroad gave to Chicago and some other interior points opportunities which heretofore had belonged to Pittsburgh and Ohio River points alone. For their future prominence among the cities of the country these Ohio River points must look to other possessions than their expansive river fronts. With Pittsburgh the search for other means for growth and larger prosperity was not an exacting one. Nature was once more friendly. No place where coal and iron ore were so close at hand could fail to become of steadily increasing commercial importance. At few other places were both of these requisites of iron, and later of steel making, to be found in such close proximity to each other. Robbed by the coming of the railroad of the commercial future which its location at the head of the Ohio River had seemed bound to give it, Pittsburgh turned its hand and mind to the iron industry, and in it obtained that eminence which has caused it to be regarded everywhere as the unquestioned capital of the Empire of Steel. From its foundries, mills and shops go the structural steel, the rails, the sheets, rods and bars for the workshops of the world. From its freight yards goes the traffic for which the captains of the railroad industry of the country have fought to the death, and as one result of these processes, fortunes have been spent and acquired and Pittsburgh has been made one of the biggest cities on the American continent. Loyal citizens of the city like to claim for its prominent residents the credit for the city's undisputed greatness in banking, in manufacturing and in population, but it is no disparagement of them to keep ever ir mind the fact that in partnership with them at every stage in the city's career has been a kindly nature, which gave in the earlier days an advantage of location, and in later days an advantage in the possession of a wealth of raw material.

So much by way of preparation for the real burden of this article. An

Digitized by Google

CHARLES McKNIGHT.

commercial tributaries of Pittsburgh.

As a reserve centre, its ambition is to extend its influence far out in all directions. If other reserve centres can be depositories for banks beyond the confines of their respective states, Pittsburgh bankers see no reason for being satisfied with any less achievement for their own city. They are able now to publish to the world, in their bank statements, convincing evidence that as a reserve centre Pittsburgh is patronized by banks in all parts of the land. But back of this success, contributing to it in large degree has been the powerful influence of Pittsburgh's great manufacturing supremacy, and without that influence, Pittsburgh's dreams of banking greatness must have proven idle visions.

With the close of 1910, the first decade of the twentieth century was 1910, which calls for apologies or even for explanations. On the contrary, these figures justify the most enthusiastic claims for the future of this city.

To the figures for clearings he may turn and find reason for unlimited pride in his municipality. During the decade, Pittsburgh's banks outstripped, in growth of clearings, the banks of practically every one of those other cities which ten years before had shown the right to rank as rivals of Pittsburgh. There was San Francisco, for instance, which for 1900 had had clearings of but little less aggregate. Now for 1910, it was several hundred million behind Pittsburgh. There was Baltimore which for 1900 had been able to report aggregate clearings scarcely less than those of Pittsburgh. Now in 1910, its aggregate clearings were more than a billion dollars less than those of Pittsburgh

INTERIOR NEW BUILDING SECOND NATIONAL BANK OF PITTSBURGH.

Pittsburgh's Banks

appreciation of Pittsburgh, the financial centre, is not possible without some understanding of Pittsburgh, the great workshop and commercial centre. Underneath the banking structure of any city, like the deep laid and substantial foundation of a huge steel building must lie the commercial and manufacturing interests, upholding the structure above them and giving to it that strength and that ampleness of proportion which gain for it public patronage and retain for it public confidence. Pittsburgh is a great banking centre. It has ambition to be an even greater one. It is not willing that its activities shall be confined to its own limits, to its own part of Pennsylvania, or even to those portions of other states which are completed. The end of so substantial a fraction of a century always invites those of retrospective mind to make some comparison of present greatness with earlier accomplishments. There was some reason why a loyal Pittsburgh resident might not turn with pleasant expectations to a comparison of conditions at the close of 1910, with those at the close of 1900 with enthusiasm. During the decade, Andrew Carnegie had retired from the steel industry, and those who had succeeded him had carried away to their own city of New York a considerable fraction of the banking business which had once been Pittsburgh's. The most jealous partisan of Pittsburgh, however, will find nothing in the figures which the banks of his city made for

A Decade of Achievement

ALEXANDER DUNBAR.

Digitized by Google

CAPITAL $1,800,000 SURPLUS $2,000,000

SECOND NATIONAL BANK

PITTSBURGH, PA.

ORGANIZED 1863

Depositary of the United States, the State of Pennsylvania and City of Pittsburgh.

HENRY C. BUGHMAN, President
WM. McCONWAY, Vice-President
THOMAS W. WELSH, Jr., Vice-President
JAMES M. YOUNG, Cashier
BROWN A. PATTERSON, Asst. Cashier

DIRECTORS

HENRY C. BUGHMAN	ROBERT D. ELWOOD	WILLIAM M. KENNEDY
WILLIAM McCONWAY	FRANK C. OSBURN	EDWARD B. TAYLOR
JAMES S. KUHN	FRANK S. WILLOCK	THOMAS D. CHANTLER
WILLIAM L. CURRY	L. L. McCLELLAND	THOMAS W. WELSH, Jr.
	JAMES M. YOUNG	

Accounts of Banks and Bankers Solicited
Every facility for handling the business of those desiring connections in Western Pennsylvania

Digitized by Google

One of these cities is regarded as a proper applicant for designation by the Comptroller of the Currency as a central reserve city. the other is to be the Gateway to the South. To surpass them in growth of clearings Pittsburgh must certainly have been making great strides as a reserve centre. Obviously, he who pictures Pittsburgh as the workshop of the world and nothing more paints on too narrow a canvas. He should depict it, too, as one of the great money marts of the world. The following table shows what gains Pittsburgh made in clearings in the ten years in question:

CLEARINGS.

	Year end'g September 30, 1900.	Year end'g September 30, 1910.	Increase.
Pittsburgh	$1,189,580,102	$2,604,059,500	$1,414,479,398
San Fran...	1,017,115,942	2,268,678,600	1,251,562,658
Baltimore ..	1,072,172,396	1,586,091,900	513,919,504

Huge Surplus Aggregates

For the good name of Pittsburgh's bankers be it now confessed that size of clearings has not been their one aim. Far out into the world they have reached for deposits, and success has crowned their efforts. To the desire to get accounts, however, they have added the desire to deserve 'them. They have meant that those who have honored Pittsburgh banks with patronage shall not have occasion to regret such action. The Pittsburgh bankers have not operated their institutions with the sole desire to discover how big they can be made and how huge the profits may be acquired. They have not drawn out of the business for dividends the last dollar of profit, or even next to the last dollar. They have been contented with modest returns upon the capital of their banks, and, to the end that the permanent strength of the banks may be assured, they have donated liberally from the earnings of each year to surplus and to undivided profits.

There is nothing unfair in a comparison of the surplus aggregates of the national banks of the same three cities which are compared in the table above. Such a comparison does show the national banks of Pittsburgh in a most attractive light. Few if any cities in this country can record so huge an aggregate of surplus and undivided profits for its banks. Pittsburgh national banks quite outstrip, both in aggregate surplus and in ratio of surplus to capital the national banks of San Francisco and Baltimore. The table follows:

RATIO OF SURPLUS TO CAPITAL.
September 1, 1910.

Nat'nal banks of -	Capital.	Surplus.	Ratio surplus to capital
Pittsburgh	$26,700,000	$32,346,648	121
San Francisco....	25,250,000	21,451,672	85.
Baltimore	13,700,710	8,295,361	60.

Comparisons of Pittsburgh's banking achievements with those of Philadelphia and New York are not to be dreaded by any friend of Pittsburgh There are some considerations which invite one with considerable force to make such a comparison. In some portions of the East, there is an inclination, and the people of New York City are not without a share of responsibility for it, to regard Pittsburgh's pretensions to a place in the front rank, when it comes to banking, with patronizing disapproval. Philadelphia is near at hand and its claims to banking superiority the people of New York, and of the East, generally, cannot successfully combat. The success Philadelphia banks have had in getting accounts in parts which New York and Boston used to look upon as their own vassal territories, has opened the eyes and gained the involuntary respect of New York and Boston bankers. The Pittsburgh banks are further away. Only within very recent years have their aggressive tactics been exerted in parts tributary to New York and Boston and other eastern centres. There is still a good deal of ignorance in eastern parts relative to the banks of Pittsburgh There still are bankers in New England, who do not give a proposition from a Pittsburgh reserve agent really decent consideration. To these provincial gentlemen in need of enlightenment and to the country at large, we present a third table, which is most impressive.

East Should be Impressed

Even if I am the most unintelligent of depositors, there are some characteristics that I am going to demand of my banker. For one thing, I want him to be of good reputation. I am not going to surrender it to his custody the safekeeping of all the ready cash I have in the world without feeling that he stands in the eyes of the world as an honorable and a shrewd business man. I prefer, too, that his bank shall have size. I gather a sense of security from the fact that numerous other people, most of whom it is safe to assume are quite as intelligent as I, have seen fit to patronize him, too. I want his bank to accord me good facilities. If he is to have the use of my money, he should give me in return the power to check against it, and should make my checks good for me to whomever I may choose to send them. But I know no other assurance so comforting and no other evidence of his trustworthiness so convincing as the fact that for every dollar I place with him and therefore risk in his business, he has a dollar, too, or a substantial fraction thereof at risk with mine. If he stands to lose in large degree for any unfortunate venture in which he involves my money, I know that he is going to move with a large degree of caution and only in response to his own very best judgment. I know, too, that if he shall come to grief and his business shall be liquidated, there stands between me and loss a huge aggregate of his own money, every dollar of which must be swept away before I can suffer the loss of a single penny. Therefore, in my desire that my bank shall have a substantial capital and surplus, I am asking nothing for which I have not ample warrant.

Tests of Strength

Do you realize, those of you who know Pittsburgh's banks but little, that according to the exacting standard of the above paragraph, they stand forth in the front rank in a comparison with the banks of New York or Philadelphia? In the following table is presented, first, the aggregate capital, surplus and profits of the national banks of the respective cities; second, the aggregate deposits on the same date; third, the number of dollars which the stockholders of the national banks of Pittsburgh and Philadelphia and New York, have placed in their banks at risk with each hundred dollars of deposit:

SEPTEMBER 1, 1910.

Nat. b'nks of—	Deposits.	Capital & surplus.	Bank stockholders investment.*
Pittsburgh	$139,378,000	$59,004,648	$30.99
New York.....	1,316,927,000	285,761,230	21.67
Philadelphia ..	220,653,000	63,492,972	19.29

* For each $100 of deposits.

The picture of the Fourth Street National Bank, of Philadelphia, which appears on another page of this issue, is reproduced by permission, from Staley's "Views of Philadelphia". Appreciation of the courtesy of Mr. Staley is hereby expressed.

"CONTROL OF THE MARKET."

The above is the title of a book which has just been published by Moffat, Yard & Company, Union Square, New York, containing a legal solution of the trust problem by Bruce Wyman, A. M., LL. B Professor of Law in Harvard University and lecturer in the department of economics, also author of "Railroad Rate Regulation," "Public Service Corporations," "Administration Law," "Restraint of Trade," etc. The book is well worth reading.

DESHLER, OHIO.—The Corn State Bank has been organized with $30,000 capital.

WILD ROSE, N. D.—The Security Bank has been organized with a $10,000 capital. C. A. Higbum is president; A. N. Sarbo, vice-president, and H. C. Skarie, cashier.

MACON, GA.—The Central Trust Company is organizing with J. J. Cobb as president.

NEW LONDON, OHIO.- The Third National Bank of New London has been chartered with a capital of $50,000. E. E. Townsend is president, M. R. Coleman, vice-president, and H. W. Townsend, cashier.

Digitized by Google

The value of a bank to its correspondents depends upon its *ability* and *willingness* to render prompt and thorough service.

In addition to *liberal interest* and to *valuable par points*

The Columbia National Bank of Pittsburgh

gives this service—it makes a specialty of *service.*

Invites the correspondence of bankers and corporations.

Assets, more than ten million dollars.

J. G. JENNINGS, President
JOHN A. BELL, Vice President
R. J. DAVIDSON, Vice President
W. C. LOWRIE, Cashier
C. C. HAMMOND, Assistant Cashier
J. N. THOMPSON, Assistant Cashier

REPRESENTATIVE BANKS AND BANKERS

THE ALDRICH PLAN.

Congressman Weeks Discusses Some Features of it With the Cotton Manufacturers of the Country.

At the recent fall meeting of the National Association of Cotton Manufacturers Hon. John W. Weeks, a member of the National Monetary Commission and a successful private banker in Boston, was invited to address the manufacturers on the Aldrich plan. What he said is worthy of permanent record, and a part of his remarks follow:

In order that we may be sure that there will be no discontinuance of normal business situations on account of banking methods and currency laws, that we may provide more stable conditions and especially more stable interest rates, with probably lower average rates than now prevail, and that we may be in position to finance and develop our constantly increasing foreign trade, it is necessary that we modernize both our currency and our banking methods.

Our last panic, that of 1907, once more emphasized this necessity, and when Congress came together in December of that year, just as the crisis of the panic had been passed, the thoughts of all men, in and out of Congress, were what measures should be taken to bring about

THE REQUIRED CHANGE.

The Banking and Currency Committee of the House and the Finance Committee of the Senate commenced work at once, the result of this action being the Aldrich-Vreeland Bill. This legislation has been pretty generally criticised, by experts especially, for the reason that it is not scientific in character and would not bring permanent relief. I am in accord with this opinion, as were the other members of both Senate and House who framed that bill.

As it was impossible to get harmonious action of a permanent character at that time, we added a section to the bill providing for a Monetary Commission to consist of nine members of the Senate and nine members of the House of Representatives, with full power to investigate and report its action to Congress. The appointment of

NONE BUT SENATORS

and representatives on this commission has been criticised on the theory that they might not be the best fitted men for the study of this technical question, but the reply to that criticism was that the commission had power to employ experts for advice and for investigation purposes, and that it was desirable that the members of the commission should be members of Congress, in order to obtain action when a final report was made. Nine senators and nine members of the House, from both political parties, who have thoroughly studied, digested and agreed to any plan of legislation, especially that of a character with which the average member has not generally much familiarity, give a tremendously strong impetus to final affirmative action.

Early in the year, Senator Aldrich, as the result of a vote of the commission, prepared the framework of a plan to be considered and used as a basis for the final report to be made by the commission. The result of this action is what is known as the Aldrich plan, which not only embraces the views entertained by Mr. Aldrich, but the well-known ideas of many members of the commission. This plan has been, since it was made public, investigated in some form by most of the bankers of the country, and systematically and thoroughly by official committees of the American Bankers' Association, by the banking associations of many states, and by a large number of financial students and economists. With trifling exceptions, the plan has been received favorably

Digitized by Google

—in fact, almost without exception, with unqualified words of

COMMENDATION AND APPROVAL.

The Central Reserve Association of the Aldrich plan differs from most central banks, and especially the First and Second United States Banks, in that it shall not be, in any way, in competition with other banking organizations. In its operation, as outlined, instead of having a centralizing effect it will have a decentralizing result, beneficial to all sections and especially to those removed from the great centres. It is limited in its functions to business with the government of the United States and those banks holding stock in it, these being the only depositors in the Reserve Association.

The functions of national banks are increased by permitting them to

ACCEPT COMMERCIAL PAPER

drawn upon them, not having more than ninety days to run, properly secured and arising out of commercial transactions. The amount of this paper, however, shall not exceed one-half the capital and surplus of the accepting bank. While this provision has nothing to do with the fundamental changes for which the Aldrich plan provides, it will, in my judgment, have a material effect in developing our foreign trade and in making more stable interest rates, and will enable the business man to obtain all the credit to which he is entitled, under all circumstances.

Our people in their foreign trade, especially with South America and the Orient, have been militated against, because there has been no means of buying New York or other United States exchange in those countries. For example, if an European tanner should make a purchase of hides in the Argentine, the following would be the method of financing it: The European purchaser would arrange with his bank to accept sight bills drawn on him by the Argentine seller for a long enough time to cover the transaction. The latter draws his bills attaches the documents applying to the transaction, turns them over to his local bank, which, in turn, sends them to its European correspondent, which, in turn, delivers them to the bank with which the acceptance has been arranged, which latter bank

COMPLETES THE TRANSACTION

by making the acceptance, taking the documents and turning the acceptance back to the correspondent of the South American bank. It then, being a draft accepted by a well-known banking institution, is salable, not only in the country where the bank which has accepted the bill is located, but would probably be salable in any European centre.

The American purchaser of hides in the Argentine, on the other hand, being unable to arrange with his bank to accept time bills, must resort to one of two methods in paying for his goods—either by remitting the funds direct to the shipper, which necessitates his carrying an unnecessary amount of cash at times, or he must have a credit high enough to warrant a loan on his promissory note; or, as a last resort, if he can do neither, he must place on the foreign shipper the burden of carrying the goods, in which case the latter draws on his American customer and puts the draft in his bank for collection. Under these conditions the purchaser does not get as good terms as he would if he could arrange for a prompt payment in accordance with European practice. From South America and the Orient, in such cases,

OUR IMPORTER

arranges a credit with a London bank through his own local bank, the result being that the London banks take a shave off practically all the business which we do with those two sections of the world. While there is no data to show just how much this amounts to, there is sufficient information to prove that we pay millions of dollars annually to European banks for service which should be performed by our own institutions, and, in addition to the monetary loss, there is a distinct loss in prestige in being obliged to conduct our financial operations through others.

Furthermore, it is expensive to the importer, who must necessarily pay a commission to his own bank, to the European bank, and, indirectly, to the South American bank in which the draft is originally placed. By a reverse process our exporters are placed at a disadvantage because they are obliged, in shipping to other than European countries, to accept payment in a foreign currency, so that they must necessarily speculate on the rate of exchange in making prices for their goods. If they insure themselves against loss in placing a low rate for the ultimate exchange which they must pay, their prices may become so unfavorable that they will lose the trade. If, on the other hand, they do not place a low enough rate on the probable exchange, thereby getting the business, they may not be able to make any profit in the transaction.

This question of bank acceptances will have

A MATERIAL EFFECT

on country as well as city banks. The country bank is now dependent on the local demand for money, after which, if it has a surplus, it ordinarily purchases notes, either through a note broker or as the result of the approval of its reserve agent, but, in any case, this paper is seldom of a character to be available in case the bank needs funds, and in this country it is an evidence of weakness which banks try to avoid, if they offer paper which they own either for sale or rediscount. If they had a bank accepted bill which was current at market rates anywhere, or which could be turned over to the Reserve Association for rediscounting, receiving notes in place of it, this difficulty would be obviated. I believe the introduction of this method of conducting our banking business will have a vital effect in the development of foreign trade; will insure a broader and more liberal credit, and, on the whole, a lower rate of interest.

HON. JOHN W. WEEKS.

ONE OTHER FEATURE

in connection with the issuing of bank accepted bills which should be referred to, and which is of great importance to us, is the one which I have briefly referred to in another form earlier in this discussion. The New

Digitized by Google

ESTABLISHED 1864

THE MERCHANTS' BANK

OF CANADA

Head Office: - - MONTREAL

Capital Paid Up, $6,000,000 Reserve Fund and Undivided Profits, $4,999,297

Sir H. MONTAGU ALLAN, President JONATHAN HODGSON, Vice-President E. F. HEBDEN, General Manager

167 Branches in Canada, extending from the Atlantic to the Pacific

A GENERAL BANKING BUSINESS TRANSACTED

Commercial and Travellers' Letters of Credit issued, available in all parts of the world. Travellers' Cheques issued in convenient denominations, payable at par in all parts of the world. Savings Department at all Branches. Interest paid on deposits at best current rates.

CANADIAN COLLECTIONS

Having 167 branches in Canada, and very satisfactory arrangements at other points, this Bank's facilities for making collections throughout the Dominion are unsurpassed.

Canadian Cash Items negotiated at minimum rates at the New York Agency.

BANKERS IN GREAT BRITAIN.—The London Joint Stock Bank, Limited. The Royal Bank of Scotland.
BANKERS IN FRANCE.—Credit Lyonnais.
BANKERS IN GERMANY.—Deutsche Bank.
BANKERS IN UNITED STATES.—New York—American Exchange National Bank. Boston—Merchants' National Bank. Chicago—Northern Trust Co. St. Paul, Minn.—First National Bank. Detroit—First National Bank. Buffalo—Bank of Buffalo. San Francisco—Anglo and London Paris National Bank.

New York Agency, - - - 63-65 WALL STREET

W. M. RAMSAY, C. J. CROOKALL, Agents

York banks, having deposited with them large amounts of reserve and surplus money which temporarily cannot be used at home, on which they are paying interest at the rate of 2 per cent per annum, necessarily loan it in the only available form in which it can be placed to insure prompt payment, that is, call loans with stock exchange collateral as security. A large amount of this business is done and much of it is legitimate, yet the desire to get the money out and have it earning something inclines banks, especially at such times as these, to make very low rates for it. The result is encouragement to speculate. Frequently, abnormal stock markets are created which upset business by withdrawing money which should be used for commercial transactions and using it in the stock market, where possible profits may be much larger and more quickly obtained. Only such an amount of this kind of loaning as is absolutely legitimate would be necessary if we had available bank accepted bills, and, therefore, from this standpoint, such a change is especially desirable.

GARFIELD NATIONAL BANK.

A Strictly Commercial Bank With Thoroughly Modern Equipment Located in the Centre of New York City.

The Garfield National Bank is steadily growing in strength and importance among the financial institutions of New York City. This can hardly be otherwise in view of the fact that it is a strictly commercial bank, and is located in the very heart of the city toward which a large percentage of downtown business is drifting. This shifting of trade is particularly true of the dry goods jobbing and commission business, and the wholesale cloak and suit business, which in past years has been located, for the most part, below Fourteenth street. The bank is also adding to its business along many other commercial lines, because of its adequate banking facilities, and its splendid record extending over a period of 30 years.

RUEL W. POOR.
President Garfield National Bank, New York.

The Garfield National Bank shows an

INCREASE IN DEPOSITS

of about $2,000,000 in the last 12 months or within a year of its moving from Twenty-Third street and Sixth avenue to its present location in the splendid new Fifth avenue building, corner of Fifth avenue and Twenty-Third street, which is pronounced one of the finest banking corners in the city. It has no affiliations with Wall street, is strictly conservative in its operations, has a thoroughly modern equipment, handsome banking rooms, and affords the best of facilities for the handling of the accounts of banks, bankers, corporations, firms and individuals. The Garfield safe deposit vaults are among the finest in the city, containing 7,000 boxes, which are rented at a very reasonable cost.

During the financial panics which New York suffered several years ago, the Garfield National Bank did not require a dollar of clearing house certificates, nor did it ask for any outside assistance of any kind. This in itself is a splendid record, and explains in part the confidence which the bank enjoys in financial circles.

Digitized by Google

HENRY L. DOHERTY & CO.

BANKERS

Purchase and Lease Gas and Electric Properties, Execute Reorganizations

Correspondence Invited

SIXTY WALL STREET, NEW YORK

Its board of directors, composed of

ABLE AND EFFICIENT

business men, all of whom maintain the highest confidence in business and financial circles is as follows: Ruel W. Poor, president; James McCutcheon, president of James McCutcheon & Company, linens, Fifth avenue and Thirty-Fourth street; Charles T. Wills, president of Charles T. Wills, Inc., builders, 286 Fifth avenue; Samuel Adams, dry goods and real estate, Bronx, N. Y.; Morgan J. O'Brien, formerly judge of the Appellate Division of the Supreme Court, 2 Rector street; Willam H. Gelshenen, of H. J. Baker & Bro., 100 William street; Thomas D. Adams, attorney, 165 Broadway; Daniel S. McElroy, tax commissioner, Hall of Records, Chambers and Centre streets; Robert J. Horner, furniture, 61 West 23rd street. Every member of the board is interested in the welfare of the bank, and its officers have their earnest co-operation in all things making for the good of the institution.

GARFIELD NATIONAL BANK, NEW YORK.

THE PRESIDENT

of the Garfield National Bank is Ruel W. Poor, well and favorably known as a banker of wide experience. Mr. Poor is an excellent judge of commercial paper, aggressive, and at the same time, conservative. Mr. Poor is ably assisted by Mr. McCutcheon, head of the great linen house of James McCutcheon & Company, and by W. L. Douglass, vice-president; Arthur W. Snow, cashier, and Ralph T. Thorn, assistant cashier. Both Mr. Poor and Mr. Douglass have been identified with the Garfield National Bank for 25 years.

THE CAPITAL

of the Garfield National Bank is $1,000,000; surplus and undivided profits, $1,234,924.77. Its total deposits now exceed $10,000,000, and its total resources are $12,578,526.35.

The Garfield National Bank is one of New York's most popular institutions in acting as reserve agent for the accounts of out-of-town banks, and its officers, being men of long standing as bankers, with a wide acquaintance in several sections of the country, are especially familiar with the requirements of the banks of those localities. The result is that each day witnesses the addition of new accounts not from any one particular section, but from all parts of the country.

A SOUND BALTIMORE BANK.

There may be trust companies in this country which occupy a larger fraction of the public eye than does The Baltimore Trust Company of Baltimore, Md., because of their size, but there is no trust company which can show a more wholesome financial condition, one in which depositors are better protected or stockholders more amply secured.

The Baltimore Trust Company is the product of a consolidation of two strong and conservative institutions, the International Trust Company of Maryland, which had been in existence since 1896 and the Baltimore Trust & Guarantee Company, which had been organized in 1882. Like both of its predecessors, the present company takes pride in the fact that its capital is re-enforced by a surplus of huge volume. As a matter of fact, on March 31, 1911, the surplus and undivided profits of The Baltimore Trust Company, amounted to over

TWO AND A HALF TIMES

its capital stock. That the company

Digitized by Google

C. H. VENNER & COMPANY
BANKERS
33 WALL STREET - - - - NEW YORK
RAILROAD MUNICIPAL BONDS
MINORITY STOCKS

Entrance to The Baltimore Trust Company, Baltimore, Md.

should be in a position to pay quarterly dividends of 5 per cent on its capital stock is therefore not surprising. Neither is it to be wondered at, that the fortunate possessor of any stock in this company cannot be induced to sell it, except at a good round price, and then under only the most extraordinary conditions can one of them be persuaded to part with a single share.

In April, last, the company caused a thorough examination of its books and accounts to be made by a firm of certified public accountants of high standing. There was no method of investigation which such accountants are accustomed to apply which was not used. They proved the value of all loans and investments, and collaterals and reported that they considered the investments to be carried on the books actually below their value and the loans to be well secured. They thoroughly tested all sources of income to see that all income had been properly accounted for, and found the huge surplus of the company to be actually what it is represented to be. The pass books of all checking accounts were called for and balanced. Statements were mailed to all depositors who did not respond, an excellent way of proving such accounts. The company emerged from the examination with

DEMONSTRATED SOUNDNESS.

At the close of business on March 31, 1911, the company reported resources of $9,491,239.90, of which deposits amounted to $5,735,805.30. It is a literal fact that on that date the stockholders had $1 in the business for every $1.55 of depositors money. In these days when depositors are asked at most banks to be satisfied with a single dollar of stockholders investment for every four or five dollars which the depositors provide, the Baltimore Trust Company is seen to be safe for depositors to a really unique degree.

The company occupies its own building, right in the financial district of Baltimore, and affords its customers all of the facilities that a trust company can give with a good banking department, a well conducted savings, department, a thoroughly tested trust department and an ample safe deposit department.

ROYAL BANK OF CANADA.

To Open Branches in San Domingo.

The Royal Bank of Canada, which has about 200 branches in Canadian territory, and has been rapidly extending its business in recent years throughout the West Indies, is about to open two branches in Santo Domingo, the eastern and larger half of the Island of Haiti.

Canadian banks have virtually a monopoly of the West Indian field, and the Royal Bank has fifteen branches in Cuba alone. It also has three branches in Porto Rico, two in Trinidad, and one each at Nassau, Barbados and Jamaica.

The branches of the Royal Bank of Canada will be in Santo Domingo City and in San Pedro de Macoris. The bank's interests in the adjacent islands will open direct banking relations between Santo Domingo and Cuba, Porto Rico, Jamaica, Trinidad, Barbados, and the Bahamas, besides giving Canada an advantage in competing for the trade which now goes to the United States, France, and Germany.

The Royal Bank of Canada, at the time of its September 30 report, had assets of over $106,000,000. It has a paid-up capital of $6,200,000 and a reserve fund of $7,000,000.

Digitized by Google

F. R. McMullin & Co

INVESTMENT SECURITIES

HARRIS TRUST BUILDING, CHICAGO

BANKERS' TRUST COMPANY BUILDING, NEW YORK CITY.

Facts of Interest Regarding One of the Most Modern Banking and Office Buildings in the World.

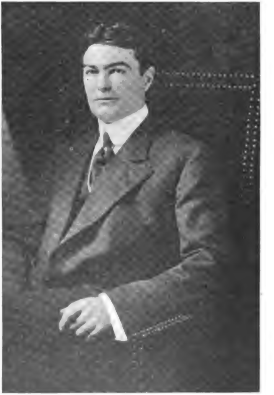
The time is near at hand when the magnificent and imposing building of the Bankers' Trust Company, located at the northwest corner of Wall and Nassau srteets, New York, will be completed. It is the highest banking building in the world, contains 41 stories, is 540 feet in height and the lot on which it stands is 100 feet square. Consulting specialists have co-operated with the general architects to make every detail of equipment "the last word" in their respective departments.

The Bankers' Trust Company building is one of the few buildings in New York of which the entire front is of granite, over 150,000 cubic feet having been used for the building, requiring the output of four different quarries. The structural steel consists of something over 8,000 tons. The building is equipped with a complete high pressure steam plant, a most complete lighting system, ticker telegraph, telephone, burglar alarm, fire alarm and watchmen clock system, a sprinkler system, and every new and tested device for insuring the most complete service which can be rendered to its tenants.

DESCRIPTION OF VAULT.

The vault of the Bankers' Trust Company weighs 1,550 tons, and is equipped with one main and one emergency entrance. The entrances are fitted with doors three inches in thickness. The main entrance is locked with 20-5 inch diameter bolts and checked by two of the largest and finest of combination locks. The entrance door weighs 39 tons, and the frame weighs 34 tons. The emergency entrance is a circular door with a clear opening 30 inches in diameter, equipped with a day gate, locked with a combination lock and the electric light circuit to the officers' desks. This door and frame weigh 41½ tons. In this vault 102 safes have been installed, but the vault will accommodate 160 safes when entirely filled. This vault is pronounced by experts to be the strongest in the world.

The Bankers' Trust Company building will be ready for occupancy May 1, and already a very large percentage of the floor space has been leased for a term of years to high-class tenants. The main banking floor, which will be occupied by the Bankers' Trust Company, will be one of the most magnificent and attractive in this or any other country, and the architectural design is as near perfect as can be obtained. Elsewhere in this issue will be found an excellent cut showing how the building will look when entirely completed.



HARRY L. BURRAGE.
President Eliot National Bank, of Boston.

Digitized by Google

CARTER, SHIMMIN & DOUGLASS

860-861 The Rookery, CHICAGO, ILL.

Stocks **Bonds** **Grain**

INVESTMENT ORDERS SOLICITED

BANK STOCKS & UNLISTED SECURITIES

Handled on Reasonable Commissions.

FORD R. CARTER
ROBERT P. SHIMMIN
JOHN W. DOUGLASS

Members
Chicago Stock Exchange
Chicago Board of Trade

TELEPHONE—WABASH 2989

NAT'L CITY BANK, CHICAGO, ILL.

A Chicago Institution Which Has Broken Records For Growth.

When one thinks of the National City Bank of Chicago, one thinks instinctively of David R. Forgan. The man and the bank are almost parts of each other. Mr. Forgan has been both founder and creator of the bank, and the bank has in turn given Mr Forgan a high place in the banking world. The stimulus he has constantly given its policies and its activities has caused it to grow in a most astonishing fashion. What he accomplished with this bank in less than five years, few bankers ever have been able to accomplish before.

The bank opened its doors on Feb ruary 5, 1907. At the outset it had deposits of $2,198,337.25, but everyone who knew Mr. Forgan realized that he had not left the vice-presidency of the First National Bank of Chicago to become the chief executive of an institution of that size. They knew that he must have plans to build his new bank to a size many times that with which it began. They did not have long to wait for proof that they were right in this forecast. He had doubled this amount long before the close of 1907. Within a year and a half he had more than four times this volume. To-day, the bank is larger by nearly 1,200 per cent than when it began. The accompanying table shows its resources in successive Septembers:

September, 1907	$5,412,440
September, 1908	9,508,908
September, 1909	14,374,603
September, 1910	22,311,220
September, 1911	26,082,192

Mr. Forgan has been fortunate in his associates, both on the board of directors and on his executive staff. His three vice-presidents, Alfred L. Baker, H. E. Otte, and F. A. Crandall, constitute a force for getting and handling business that is the envy of other institutions. The cashier, L. H. Grimme, is also an efficient lieutenant, and he has the following associates, many of whom are well known among the banks of the country: W. T. Perkins, W. D. Dickey, Henry Meyer, A. W. Morton, W. N. Jarnagin and Walter G. Mc Laury, assistant cashiers; R. U. Lanzing, manager bond department; M. K Baker, assistant manager bond department.

On Septembre 17, 1910, the bank moved to its present quarters which constitute the entire main floor of the building at the southeast corner of Dearborn and Monroe streets. The main banking room measures 84 times 128 feet, and in addition to this space, a balcony, 44 by 88 feet, is occupied by a large clerical force.

IRVING NATIONAL EXCHANGE BANK

A Conservative, Yet Progressive, Institution.

Banking, like any other business, grows by attracting customers and endeavoring to render them the fullest possible service. An institution that to-day stands as one of the best illustrations of the possibilities of conservative and yet progressive methods is the Irving National Exchange Bank of New York.

The progress of this bank has been along

STRICTLY COMMERCIAL LINES,

its directorate being composed of some of the leading business men of New York City, men favorably known in commercial circles; a fact that further emphasizes the commercial character of its business.

For many years, the bank has been widely known as specializing in the handling of drafts with bills of lading attached. This, however, is only one of the many features of its modern equipment, all departments being operated with the thought of creating a high standard of efficiency, and it is doubtful if any bank in the country is more favorably known to interior institutions as being watchful of the interests of its customers.

Just how well this specializing on

PERSONAL SERVICE

has succeeded can be gathered from their growth during the past few years. Capital having been increased from $300,000 to $2,000,000, surplus and profits from $53,000 to $1,900,000, resources from $2,600,000 to $35,000,000, their growth having necessitated the securing of larger quarters, arrangements have been completed whereby the Irving will occupy in the fall of 1912 quarters in the new Woolworth Building, now in the course of erection at Broadway and Park place, opposite the postoffice.

The Woolworth building will be the highest office building in the world, and its central location will keep the Irving in close touch with its local and out-of-town customers and prove a great convenience in the handling of their steadily increasing business.

The officers of the Irving are Lewis E. Pierson, president; James E. Nichols, Rollin P. Grant, Benjamin F. Werner, vice-presidents; Harry E Ward, cashier; D. H. G. Penny, Richard J. Faust, Jr., and J. Franklyn Bouker, assistant cashiers.

A BANK WELL OFFICERED.

The Mercantile Bank, of Kansas City, Mo., commenced business February, 1909. It is located in the heart of the wholesale and commission district, convenient to the entire north, east and west ends of Kansas City.

Its roster of officers and directors includes men of large influence in the community. Mr. Geo. H. Edwards, the president, has been for about 30 years the head of the Edwards & Sloane Wholesale Jewelry Company, and as a member of the upper house of the City Council, rendered

CONSPICUOUS SERVICE

to the people through his strenuous opposition to graft and political preferment in the awarding of civic contracts and in handling public utility corporation matters in which the city was interested.

H. C. Honan, vice-president, was for many years cashier and managing officer of the Gilman Bank, at Gilman City, Mo. He is financially interested in a number of North Missouri banking institutions and his record shows that he has been conspicuously successful. He has a large and influential as well as wealthy clientele and family connections. Mr. Honan is an active officer, giving his entire time to the interests of the Mercantile Bank.

Geo. H. Ruddy, cashier, is a banker of wide experience. For many years he handled the discounts for the largest national bank west of Chicago, and is better

ACQUAINTED WITH THE CREDIT

of individuals, firms and manufacturers in and around Kansas City than, perhaps, any young man in this section. Later, as head of this bank in Oklahoma, he made the same signal success that characterizes his management of the Mercantile Bank.

The directors of the bank are "di-

Digitized by Google

rectors who direct" and are all actively interested in the growth and strength of the institution.

Ever since its organization, the Mercantile Bank has enjoyed a healthy growth, and is now one of the substantial financial institutions of Kansas City. It is in a position to handle the business of outside correspondents with efficiency and promptness. Its facilities, especially among wholesalers, are unsurpassed. The Kansas City, western and southwestern business of other banks and merchants is solicited.

THE HARRIMAN NATIONAL BANK.

The marked success achieved by the Harriman National Bank, of New York, may be in largest measure attributed to the demand that existed uptown for a national bank that should respond to the needs of the local community. The demand was not so pressing for additional banking facilities, as it was for a national banking organization whose policy should conform closely to the essential requirements of soundness and conservatism on the one hand, and breadth and progressiveness on the other. This demand was met by the Harriman National Bank, which early realized that the prosperity of a bank, like that of a merchant, depended upon the good will of the local community and a reputation for fair and business-like dealing.

With recognition of these facts, the bank's growth is suggestive, and affords ample indication of the favor with which it is regarded. Deposits at the opening of the current year were $4,000,000; to-day, they are in excess of $7,000,000, each month in the interim showing a substantial increase. The bank has sought its business along purely legitimate lines. It caters chiefly to the mercantile element, and this feature has been recognized by interior banks seeking collections, a large number of which already name the Harriman National Bank as their correspondent.

The location of the bank at Fifth Avenue and Forty-Fourth street is in itself an important feature. It is within what may be called

THE TERMINAL ZONE

—that is to say, easily accessible from the new Grand Central Terminal, adjacent, or from the Pennsylvania Railroad Terminal—and this has become the centre of a rapidly developing business district, attracting mercantile houses of the most substantial character. The extended hours of banking from 8 a. m., to 8 p. m., are of particular advantage to this neighborhood. The directorate of the bank is a notable one in many respects, and represents varied financial and mercantile interests, thus enabling the board to come to very close and intimate relations with the bank's customers. At this time, the directors include: Robert M. Gallaway, president Merchants National Bank; Elbert A. Brinckerhoff, vice-president Merchants National Bank; Joseph W. Harriman, Harriman & Company, bankers; Donald Mackay, retired; Edward Holbrook, president, Gorham Manufacturing Company; William A. Taylor, Taylor, Clapp & Company, Dry Goods Commission; Charles A. Boody, president Peoples Trust Company, Brooklyn; Thomas B. Clarke, merchant; Martin Vogel, Vogel & Vogel, lawyers; Robert S. Lovett, chairman Southern & Union Pacific Railroads; Charles C. Tegethoff, Estate of E. H. Harriman; Henry F. Shoemaker, banker; Frank L. Polk, Alexander, Watriss & Polk, lawyers; William I. Spiegelberg, L. Spiegelberg & Sons, Cotton Commission; Harrison K. Bird, banker; Samuel S. Campbell, vice-president Fourth National Bank; Bryan L. Kennelly, real estate; Ancell H. Ball, Best & Company, dry goods.

The officers are Joseph W. Harriman, president; Bryan L. Kennelly, Frederick Phillips, Thomas B. Clarke, Jr., vice-presidents, and John A. Noble, cashier.

HARRIMAN NATIONAL BANK, NEW YORK.

A PROGRESSIVE LONG ISLAND BANK

Twenty years ago, the Bank of Rockville Centre opened its doors to the general public, and those of the community, as a banking institution, with deposits amounting to $75,000, but today, its resources have grown to the million-dollar mark.

With a capital of $25,000, this progressive Long Island bank now has a surplus of $115,000, with deposits amounting to $1,343,000. It has

THE LARGEST LINE

of deposits for its capital of any bank on Long Island, and in this respect ranks among the leading banks in the country.

This institution conducts a general banking business, and carries drawing or savings accounts of both individual and business firms. Special attention is given to out-of-town collections, and the courtesies of the officers of the Bank of Rockville Centre in handling out-of-town collections are evinced by the number of these new accounts which are continually increasing.

One of the chief reasons for the growth of this bank is the fact that it has been under the same efficient and conservative management since it first obtained its charter. Its officers and directors are practical bankers and business men of character and prominence in the community. The president of the Bank of Rockville Centre, Hiram R. Smith, has been active not only in financial problems of the vicinity, but has also taken a vital interest in all civic affairs of the surrounding communities. Early in his business career, he proved himself

A LEADER

and is now one of the most prominent bankers in the state of New York. He is a member of several social and civic clubs, both in New York City and on Long Island; also a member of the Executive Council of the American Bankers' Association, to whose interest he has given a great deal of time, thought and energy; being ever alert to advance the interests of the organization.

Working hand in hand with Mr. Smith in building up the financial strength of the Bank of Rockville Centre, are: Thomas G. Knight, first vice-president; John T. Davison, second vice-president, and Bergen T. Raynor, cashier. Its directors include the most prominent and strongest business men in the community.

TACOMA, N. Y.—The First National Bank is organizing with a capital of $25,000.

KINSALE, VA.—The Northern Neck National Bank is organizing with a capital of $25,000.

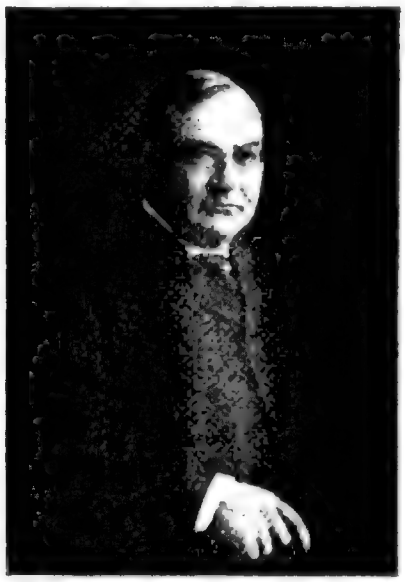
COAL CITY, ILL.—The First National Bank is organizing with a capital of $25,000.

Digitized by Google

UTICA TRUST AND DEPOSIT CO.

A Notable Record of Growth.

A growth which is not only phenomenal, but the marvel of banking interests of the state is that enjoyed by the Utica Trust and Deposit Company, Utica, N. Y. This institution, the first



HON. JAMES S. SHERMAN.
President Utica Trust and Deposit Company, New York.

of its kind in central New York, opened its doors for business in small leased quarters, October 9, 1899, with $200,000 capital, and $200,000 surplus. To-day, it occupies its own building, has a capital and surplus of $934,000, has $6,800,000 in deposits, and total re-

J. FRANCIS DAY.
Vice-President and Secretary Utica Trust and Deposit Company, New York.

sources of $7,734,000. All of this has been accomplished in a dozen years, without the invasion of the province of the national banks, but by simply cultivating and encouraging business of a

TRUST CHARACTER.

In fact, the president of every national bank in the city is a member of the Utica Trust and Deposit Company's board of directors.

Much of the success of this company is due to its enterprise, and its splendid organization. Honorable James S. Sherman, the vice-president of the United States, is president, and J. Francis Day is vice-president and secretary. Both these gentlemen have held their offices since the inauguration of the company, and their devotion to its interests has, in no small measure, assisted in the remarkable upbuilding of the institution.

JACKSON, O.—The corporate existence of the First National Bank has been extended until November 18, 1931.

ARLINGTON, MASS.—The corporate existence of the First National Bank has been extended until November 19, 1931.

THIRD AVENUE RAILROAD CO.

Facts as to Capitalization and Valuation of Property.

In view of erroneous statements which have been published in connection with the recent decision of the Court of Appeals, the following facts are stated for the information of the securities holders.

The existing capitalization of the old company to be readjusted on the reorganization and the actual investment in the enterprise are as follows:

1. Capital stock issued at par for cash	$15,995,800
2. Consolidated Four Per Cent. Mortgage Bonds issued for fully 99 per cent. of face value in 1900-1903 in connection with electrification of road and subsidiary lines, &c	37,560,000
3. Receiver's certificates issued at par	2,500,000
Making a total of present outstanding securities of	$56,055,800

There is an underlying issue of $5,000,000 First Mortgage five per cent Bonds outstanding which is not affected by the reorganization.

In addition to the above, most of the net earnings since the appointment of the receiver in January, 1908, have been expended on the property, and its condition and operating efficiency to-day are better than they ever have been.

To the above actual investment of	$56,055,800
should be added:	
1. Accrued interest on Consolidated Bonds to January 1, 1910, as adjudged by U. S. Court	4,324,680
2. New cash to be contributed by stockholders (after deducting receiver's certificates)	4,700,000
Total	$65,080,480

As against outstanding securities amounting to $56,055,800, and an actual investment with accrued interest of $65,080,480, as above, the plan of reorganization provides for the issue of the following securities:

1. New Refunding Four Per Cent. Bonds	$15,790,000
2. New Adjustment Income Bonds	22,536,000
3. New Stock	16,590,000
Total	$54,916,000

The dividends on the stock since 1904 have averaged only 5.2 per cent and during the past twenty years have averaged less than 2 per cent. Most of the capital ($8,995,800) has been contributed in cash since 1896, and the dividends thereon from 1895 to 1907 averaged 3.18 per cent, and have been nothing since 1907. The Consolidated Bondholders have received no interest since the July 1, 1907, coupon.

The capital expenditures made by the Third Avenue Railroad Company, as shown by its unimpeached books of account and sworn reports, including expenditures by the receiver and current assets and cash in his hands February 28, 1910, were proved to have been $65,954,583, or more than $9,000,000 in excess of the proposed new capitalization and said outstanding First Mortgage Bonds. To the figures of February 28, 1910, should be added accumulated net earnings for nearly two years.

The cost of reproducing or duplicating the properties of the Third Avenue Railroad System was shown by competent evidence to be over $58,000,000, without any allowance whatever for the value of the franchises (which could not be now duplicated on as favorable terms) or for the value of the property as a completed system and going concern.

The uncontradicted proof in the proceedings before the Commission showed that the actual depreciation did not exceed $2,500,000, (the greater part of which has already been made up by the receiver,) but the Commission allowed for theoretical depreciation the sum of $11,807,691.

The net earnings of the Third Avenue System since July 1, 1908, after deducting interest on underlying securities and taxes have been as follows, as shown by the receiver's reports filed with the Commission:

For the year ending June 30, 1909	$1,353,928
For the year ending June 30, 1910	1,871,385
For the year ending June 30, 1911	2,123,670

The receiver further states that the net earnings since July 1, 1911, show an increase over the corresponding period of last year of $170,000, or an average increase of $35,000 per month. He estimates that the increase during the present fiscal year, if continuing at the present rate, will be equal to about $400,000, as against the estimate in his testimony of $290,000.

New York, November 27, 1911.

JAMES N. WALLACE,
Chairman Bondholders' Committee.

Digitized by Google

KANSAS CITY'S LARGEST BANK.

Kansas City, as a banking centre, deserves more frequent publicity in the press than it receives. In many lines the industries of the city lead the world, and the city banks have in consequence ample resources and a management capable of doing business in a large fashion. That in this city there should be an institution with deposits exceeding $20,000,000 will surprise the people of more distant parts of the country, among whom a bank of that size is an extraordinary institution. They have had no idea that Kansas City could support so great a bank.

J. W. PERRY.
President, National Bank of Commerce, Kansas City, Mo.

The National Bank of Commerce of Kansas City, however, has that large volume of deposits, and a capital and surplus in keeping with this amount of deposits. On September 1, 1911, the date of the last call of the comptroller, it had capital and surplus of $2,647,729.52, and aggregate resources of nearly $25,000,000. These are figures which

IMPRESS THE READER.

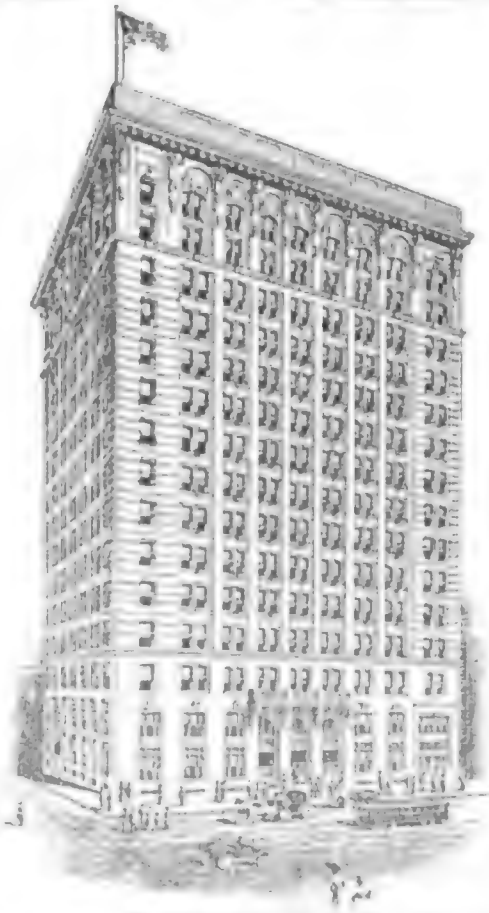
To the one who analyzes the bank's statement further, there are figures which are even more impressive. For instance, on this same date this bank had cash and sight exchange of over $8,000,000. Thus, the actual reserve against deposits on this date was approximately 40 per cent. When a bank can show a reserve of that size it is entitled to rank, as this bank does, among the strong and reliable reserve depositories for other banks of the country.

In addition to this reserve, the bank carried other liquid assets of substantial aggregate. There were bonds and securities of $1,304,023.32, and in addition to this, the United States bonds which this bank owns had a market value amounting to over $300,000 in excess of the amount of circulation issued against them. These two items, amounting to over $1,600,000, comprise

EXCEEDINGLY LIQUID ASSETS,

and if they be reckoned with the other reserve it will be seen that the bank had on this date immediate quick assets of well toward 50 per cent of the deposits. This is an admirable condition for a bank to have.

The splendid new building which this bank occupies was constructed for it and thrown open to the public only three or four years ago, and continues to be one of the most imposing structures in its part of the country.



OF COMMERCE, KANSAS CITY, MO.

A GREAT CANADIAN BANK.

Prominent among the great banking institutions of Canada is the Merchants' Bank, which was founded in 1864 by the late Sir Hugh Allan, who was its first president, with Jackson Rae as cashier. The initial capital was $100,000, and its business then lay chiefly in Montreal City.

Within four years of its foundation the increasing business of the bank led to an extension of its original charter. The capital was increased, the business of the Commercial Bank was taken over, and the company's connection was extended to Ontario and Quebec. Since then, the history of the Merchants' Bank of Canada (the original title being thus altered to express the change in its constitution), has been one of steadily increasing business, and its network of branches, which now covers the whole Dominion from the Atlantic to the Pacific establishes its right to be ranked among the most influential and powerful banking corporations of the country. As the development of the country has proceeded, so the Merchants' Bank has extended its influence, and, indeed, has been a notable factor in that development and the opening up of the far West. In all, the bank has now 165 branches and agencies in Canada, 74 being in the western provinces.

The management is in the hands

Digitized by Google

of E. F. Hebden, whose service in the Merchants' Bank dates back to 1871, so that he brings to his responsible duties the financial experience of 40 years, including 20 years in the management of various branches and 10 years as superintendent and chief inspector. The Board of Directors includes some of the leading capitalists and business men in the Dominion, Sir H. Montagu Allan being President, and Jonathan Hodgson, the vice-president.

The growth of the business of the bank, especially during recent years, has been most marked, but safeguard-

HEAD OFFICE, MONTREAL.

ed in accordance with the dictates of sound finance by a steady building up of the reserve fund and accumulation of the undivided profits, which now amount to $4,999,297. The capital of the bank is $6,000,000. In ten years the total deposits of the Merchants' Bank have increased nearly four-fold, rising from $17,008,304 in 1900, to $54,779,044 in 1910. But the clearest understanding of the growth of the business of the bank will be best gathered from the following table:

May 31.	Paid-up capital.	Rest fund and undivided profits.	Total deposits.	Total assets.
1900	$4,000,000	$2,650,686	$17,008,304	$29,583,821
1902	4,000,000	2,725,305	20,852,405	34,168,284
1904	4,000,000	3,218,969	25,959,153	39,682,672
1906	4,000,000	3,674,596	35,508,969	49,641,955
Nov. 30.				
1908	6,000,000	4,400,997	41,327,872	56,598,625
1910	6,000,000	4,999,297	54,779,044	71,000,048

KNICKERBOCKER TRUST CO.

New Building in Centre of New York Financial District.

The new building erected by the Knickerbocker Trust Company of New York at the corner of Broadway and Exchange place, is one of the most prepossessing of all the skyscrapers situated on the lower end of Manhattan Island.

It was originally planned by the architects, McKim, Mead & White, as a twenty-two story bank and office building, but when erected in 1908, the demand for office room in the down town district was not lively and it was topped off after eight stories had been constructed.

In 1910, the George A. Fuller Company was given a contract to add fourteen additional stories, and this work was completed early this year without any interruption to business or inconvenience to the tenants of the original eight stories.

WANTED

Old Point Comfort Impt. Incomes
Chicago Telephone Co. Stock
Everett Water Co. 5s
Denver Union Water 5s
Springfield (Mo.) Water Co. 5s
Peoria Water Works Co. 4s

H. C. SPILLER & CO.
Specialists in Inactive Bonds
27 STATE STREET BOSTON

Cotton Values Increased

Many ginners report combing ginned cotton brings ½c to 3c a lb. more than saw ginned—less waste—no cut fibres

Exhaustive tests by many practical Ginners during the past two years have proven that the Southern Combing Gin is the long sought practical improvement on the old Saw Gin invented by Eli Whitney in 1792.

One of the greatest sources of loss in the cotton industry has been the wasteful cutting of the fibre by the saw teeth of the old fashioned Saw Gin. This loss has been felt not alone by the Planter in that his cotton after passing through the Saw Gin was injured, but by the Manufacturers of Cotton Textiles.

The entire Cotton industry has for years been on the lookout for some way of separating the fibre from the seed without injury to the fibre, and although many attempts have been made, and many machines have been offered, the only one that has ever proven practical after long continued tests is the

COMBING COTTON GIN.

Manufacturers and Ginners throughout the South, who have witnessed exhaustive tests of the Combing Gin on long and short staple cottons attest that the machine is really practical and of incalculable value to the Cotton Industry.

During the past two years Ginners who have equipped with Combing Gins in place of the old Saw Gin have produced cotton which brings from ½c. to 3c. more than cotton grown on the same land by the same planter *ginned on the Saw Gin.*

The Planter got more actual cotton fibre per lb. of seed passed through the Gin because of the thoroughness with which the Combing Gin cleans the fibre from the seed.

Combing Cotton Gin

The Gin Without Saws:

The Gin without Saws will, undoubtedly, in the course of the next few years replace entirely the Saw Gin that is now in use.

Hundreds of letters that we have on file, which we will be glad to show to you, from Ginners throughout the country amply attest to this fact.

The basic patents owned by the Southern Combing Gin Company, a big going plant—and orders in excess of our capacity, in addition to the recognition of the Combing Gin as the modern method of preparing cotton for manufacture, are the assets which assure this Company's healthy, rapid growth, and profit to its stockholders.

We offer to the public the opportunity to participate in unusually attractive profits that are guaranteed by actual orders now in hand.

Cotton Brokers, Manufacturers, and Investors at large will find it profitable to investigate us, our product, our officers, and our future thoroughly.

This Company is incorporated for $250,000—$150,000 capital being fully paid—$100,000 is open to public subscription in blocks of one to one hundred shares.

Not more than one hundred shares will be delivered to any one party. Arrangements have been made so that small investors can obtain fractional shares of $10 each on a monthly payment basis.

There is no preferred stock, nor have we issued any bonds.

We are increasing the capital of our profitable going plant in order to instal additional machinery so that we can manufacture all parts of Combing Gin Outfits and increase our output.

Our earnings will be trebled by the proposed increase in our capacity.

There has never been a company organized with a more attractive future before it, nor a bigger field.

Full particulars and our book, the "Primer of the Cotton Combing Gin," will be sent free, prepaid, on request to

J. W. Lindau, Suite 1041
Exchange Building. **145 West 45th St., New York**
or
Southern Combing Gin Co.,
Chattanooga, Tenn., Rossville, Ga.

References: Any bank in Chattanooga, Dun or Bradstreet.

All subscriptions should be sent and all checks be made payable to the

CITIZENS' NATIONAL BANK,
Fiduciary Agents, Chattanooga, Tenn. Every facility for thorough investigation is open to those who would profit by this unusual opportunity.

Digitized by Google

Mellon National Bank, Pittsburgh, Pa.

"The Bank of perfect service" invites your Pittsburgh business.

CAPITAL $6,000,000 RESOURCES OVER $49,000,000

HENRY HORNBLOWER.

Mr. Henry Hornblower, who was recently elected president of the Boston stock exchange, has been prominent in the Boston banking world for more than twenty years. A member of the stock exchange of recognized ability, he was elected to its governing committee several years ago, and for the past few years has been the vice-president of the exchange.

In 1888, with Congressman Weeks for his partner, he founded the firm of Hornblower & Weeks, and under their hands the business has expanded from a small four-by-four State street office to an organization which maintains its home office in Boston in its own building and has branch offices in New York, Chicago, Detroit, Hartford, New Haven, Newport and Providence.

Mr. Hornblower is a director of the Atlantic Gulf & West Indies Steamship Lines, a trustee of the Boston Suburban Electric Companies, director of the Cape Cod Cranberry Company, Converse Rubber Shoe Company, Cross Paper Feeder Company, Dorchester Mutual Fire Insurance Company, First National Bank of Arlington, International Trust Company of Boston, Harmony Mills, Hoosac Cotton Mills, Sealshipt Oyster Company, and Knickerbocker Portland Cement Company. He is also vice-president of the Boston Art Club.

HENRY HORNBLOWER.

BANKING BY AEROPLANE.

The first bank deposit by aeroplane in this country has been made by Earl L. Ovington, in a Curtis biplane from the Aero Club, of New York, to the Nassau County Trust Company, of Mineola, L. I. Flying along in the clouds for a spurt over Garden City, Mr. Ovington lowered his biplane sufficiently close to the Nassau Trust Company to drop an envelope containing his deposit in silver.

A Good Income from Postal Savings Deposits

An investment in the State of New York Canal Improvement 4s, when used as security for postal savings deposits by national banks or state banks in states which require no reserve against such deposits, will produce an income of from 5.13% to 6.86%. We will be glad to furnish price and full particulars on application.

Ask for Circular P—740

Guaranty Trust Company
of New York
28 Nassau Street

Capital and Surplus, - $23,000,000
Deposits - - - - 161,000,000

Franklin National Bank
PHILADELPHIA

Capital $1,000,000.00
Surplus and Undivided Profits. 2,730,181.17
INCORPORATED 1900.

OFFICERS:
J. R. McALLISTER, President.
J. A. HARRIS, JR., Vice-President.
E. P. PASSMORE, Cashier. L. H. SHRIGLEY, Assistant Cashier.
J. W. HARDT, Assistant Cashier.
Foreign Exchange Department.
WILLIAM WRIGHT, Manager.

Chartered 1836

GIRARD TRUST CO.
PHILADELPHIA

Capital and Surplus, $10,000,000

OFFICERS
E. B. MORRIS :: :: :: President
W. N. ELY :: :: :: Vice-President
A. A. JACKSON :: :: Vice-President
C. J. RHOADS :: :: Vice-Pres. & Treas.
E. S. PAGE :: :: :: Secretary
G. H. STUART, 3d. :: :: Asst. Treas.
S. W. MORRIS :: :: Asst. Secretary

The National Park Bank
OF NEW YORK
Organized 1856.

Capital ....$ 5,000,000.00
Surplus and profits 12,947,463.12
Deposits, Sept. 1, 1911...... 105,550,902.48

Digitized by Google

UNION EXCHANGE NATIONAL BANK, NEW YORK
CLEARING HOUSE No. 100
CAPITAL AND SURPLUS $2,000,000 Organized 1903 DEPOSITS $10,000,000
SITUATED IN THE NEW COMMERCIAL AND MANUFACTURING DISTRICT, 5th AVE. AND 21st STREET
Banks that can handle to advantage the items payable in their locality are invited to correspond with us

HENRY S. HERRMAN.

President of the Union Exchange National Bank of New York City.

Mr. Henry S. Herrman, whose ability as a financier has made him a figure of steadily increasing importance in New York banking circles, is noted for his shrewd and thorough knowledge of business conditions. This, in view of the fact that in his earlier years he was a manufacturer and jobber, and subsequently a successful real estate operator, is not surprising; and his commercial training undoubtedly prepared him for the wider field of finance. Mr. Herrman is now president

HENRY S. HERRMAN,
President Union Exchange National Bank, New York City.

of the Union Exchange National Bank, an institution organized by himself about seven years ago. Under his direction, it has developed from comparatively small beginnings into one of the soundest and most prosperous of metropolitan banks. As one who has been able to achieve large results in a remarkably short space of time, the subject of the present sketch must be given full credit.

In 1903, he organized the Union Exchange Bank, was elected its first president, and has held that office to date. In 1909, the bank was on so sound a basis that it was made a national bank, and its name was changed to the Union Exchange National Bank. In October, 1910, it was admitted to the clearing house, and took its place among the leading financial institutions of the city. The banking house is at Fifth avenue and Twenty-first street, and with Mr. Herrman at the head of its affairs, it is assured of a long and prosperous existence.

The increased new business of the bank is the direct result of the influence of its patrons upon their friends, which evidences their satisfaction with the treatment they receive and the confidence they have in their bank.

The directory of this bank is one of the strongest in the city, comprising well-known able financiers, and eminent and prosperous business men. Its officers and clerical force are old and tried bank men. The bank generally is well equipped, and commercially known as the most up-to-date mercantile bank and materially helped to build up the well-known new textile district in which it is centrally located.

HANOVER NATIONAL BANK.

The Hanover National Bank, of New York City, which has a large number of southern correspondents, in fact, has probably more cotton accounts than any of the large clearing house banks, had, at the banker's convention at New Orleans, its own headquarters at the St. Charles Hotel. Its rooms were visited by a large number of the delegates and visitors at the convention, and it served as a meeting place for their very numerous southern correspondents. The bank was represented at New Orleans, by James M. Donald, chairman of the board of Directors; Henry R. Carse, vice-president, and Alexander D. Campbell, assistant cashier.

Portland National Bank
PORTLAND, MAINE
Union Mutual Life Insurance Co. Bldg.

Accounts received on the most liberal terms consistent with sound banking
Collections receive prompt attention.
WM. W. MASON .....President
EDWARD W. COX .....Vice-President
CHAS. G. ALLEN .....Cashier
EDWARD L. PIPER .....Asst. Cashier

Directors:
Fred E. Richards, Charles G. Allen,
Henry B. Cleaves, George F. West,
William W. Mason, George Westcott Beyer,
Lyman M. Cousens, Roswell C. Bradford,
Edward W. Cox.

THE Chatham and Phenix National Bank NEW YORK

Capital and Surplus $3,000,000

All business under direct supervision of the officers.

LOUIS G. KAUFMAN, President.

GEO. M. HARD, Chairman of the Board.
F. J. HEANEY, Vice-President.
W. H. STRAWN, Vice-President.
A. M. BULL, Vice-President.
BERT L. HASKINS, Cashier.
H. L. CADMUS, Assistant Cashier.
N. P. GATLING, Assistant Cashier.
W. B. BOICE, Assistant Cashier.
H. C. HOOLEY, Assistant Cashier.

Your Account Solicited.

ORGANIZED 1836 NATIONALIZED 1856
THE AMERICAN EXCHANGE NATIONAL BANK
NEW YORK
Capital, Surplus and Profits, $9,496,000

LEWIS L. CLARKE, President
EDWARD BURNS, Vice-President — WALTER H. BENNETT, Vice-Pres. and Cashier
A. K. de GUISCARD, Asst. Cashier — ARTHUR P. LEE, Asst. Cashier
ELBERT A. BENNETT Asst. Cashier — GEORGE C. HAIGH, Asst. Cashier

ACCOUNTS OF MERCANTILE FIRMS, CORPORATIONS, BANKS AND BANKERS INVITED
We Offer Every Facility Consistent With Sound Banking
Depositary of the United States, State of New York and City of New York

Planters National Bank RICHMOND VA.
ORGANIZED 1865.
Capital $300,000 Surplus and Profits (earned) $1,160,000
Deposits $5,500,000
SUPERIOR FACILITIES FOR COLLECTING VIRGINIA ITEMS.

Digitized by Google

AN INVESTMENT SECURE FROM POLITICAL ATTACKS.

[By S. W. Straus, of Chicago.]

In times like these, when the government of the United States is attacking the nation's leading industries, when confidence is assailed and blows struck at the foundations of the credit system of the country, when every fresh governmental buffet and judicial flagellation of business is followed by a corresponding drop in the stock market, investors are turning more and more to non-fluctuating securities.

Business for some time past has been in a state of uncertainty. Men controlling large commercial organizations, operating an extensive interstate business, have been unable to tell whether or not their acts have been within the law. They do not know whether they are to be classed as law abiding citizens or law breakers. They do not know what is legal and what is illegal, and they do not know whether their acts are lawful or unlawful. The business man may consult his attorney, and perhaps be assured that, in the lawyer's opinion, he has transgressed no law. Another attorney of different training and habits of thought, may give a directly opposite opinion. But neither of them can say with any certainty, or predict surely what a court would decide if called to sit on the question.

With conditions as they are, it is a comfort to the conservative investor to reflect that there is one class of investments that is beyond the reach alike of political attacks and financial stringencies, that does not fluctuate or depreciate in value any more than a dollar bill, that is always worth one hundred cents on the dollar, no more and no less, no matter what financial, commercial and political conditions obtain.

These investments are first mortgages and first mortgage bonds based on improved, income-producing, centrally located real estate in a large city, such as Chicago or New York, where real estate conditions have become stable, fixed, and definitely known.

The criticism is sometimes

MADE OF REAL ESTATE

securities that they are not readily and generally convertible, and that the only market for them is the restricted one made by the investment banking house which sells them. The fact that there is no stock exchange for real estate first mortgages and first mortgage bonds, however, is an advantage rather than a disadvantage. Though they may be less generally convertible, they are stable. They cannot be sold on twenty minutes' notice in the office of any broker, in any city, but when the stormy winds of finance do blow, and the stock market barometer falls fast, real estate securities remain fixed and secure at par.

The fact that other securities have fallen does not affect the selling price of first mortgage real estate bonds. They sell at par and accrued interest, and their value, unaffected by any market conditions, remains firm at 100 cents on the dollar, no more and no less.

The true investment, as distinguished from the investment tinged more or less with speculation, should not fluctuate in value any more than a dollar bill. In the highest sense, it must be said that any securities which are the subject of market quotations and which fluctuate in value are speculative, in proportion to their fluctuations.

It is a fact, with which not every investor is acquainted, that first mortgage real estate bonds with a margin of safety of 100 per cent, are the only bonds in the "savings bank class" that pay as high as 5½ and 6 per cent interest. These bonds, when issued only up to fifty per cent of the value of the property securing them, conform to the strict requirements of the laws of the New England states, restricting the investment of the funds of savings banks to the soundest of securities. What they lack of the general market possessed by municipal, railroad, and other bonds of the "Savings bank class", they fully make up by their increased income yield.

DEFECTIVE VAULT CONSTRUCTION.

The Art of Vault Building Not Making the Progress It Should.

Many bankers who are resting secure in the belief that, having purchased a modern vault and paid the price required, the security they furnish their depositors is absolute, will learn with surprise that the only protection they really have is that afforded by auxiliary devices: watchmen, policeman patrols, electric alarms, public observation, etc.

It is often stated that not once dur-

THE FOURTH NATIONAL BANK
OF THE CITY OF NEW YORK

THE specialized organization of this Bank provides a thoroughly equipped Department for the purchase and sale of high class stocks and bonds for the account of customers. Orders are promptly and carefully executed.

JAMES G. CANNON, President
SAMUEL S. CAMPBELL, V. President
CHARLES H. PATTERSON, V. Pres.
DANIEL J. ROGERS, Cashier
E. W. DAVENPORT, Asst. Cashier
CHARLES E. MEEK, Asst. Cashier

CAPITAL and SURPLUS $10,000,000

THE
German National Bank
PITTSBURGH, PA.

Capital and Surplus, - $1,200,000

Can offer you the personal service of officers who regard no account as unworthy their utmost skill.

MARINE NATIONAL BANK BUFFALO

Capital and Surplus Earnings, - - - $3,500,000.00
Resources, - - - - - - - - - - $33,000,000.00

Accounts of Banks, Corporations and Individuals Invited
Collections Given careful and prompt attention.

The Merchants National Bank Indianapolis Indiana

ESTABLISHED 1868

CAPITAL = = $1,000,000 SURPLUS FUND AND PROFITS, $900,000

Superior facilities for handling items on Indianapolis and State of Indiana.

New York State National Bank
ALBANY, N. Y.

Capital, $500,000 Deposits, $13,000,000 Surplus, $500,000

LEDYARD COGSWELL, President
LEDYARD COGSWELL, JR., 2nd Vice President LAURENCE H. HENDRICKS, Cashier
GEORGE A. WHITE, Asst. Cashier.
OVER 800 BANK DEPOSITORS IN THE UNITED STATES.

Atlantic National Bank, Providence, R. I.

Direct connections with every Town in R. I.

SEND US YOUR COLLECTIONS. MINIMUM RATES.

FIRSTNATIONAL BANK, Denver

Capital and Surplus .....$2,000,000.00 Resources $26,125,124.89
OLDEST BANK IN COLORADO.
A. V. HUNTER, President
THOMAS KELLY, Vice President J. C. HOUSTON, Asst. Cashier
F. G. MOFFAT, Vice President F. J. DENISON, Asst. Cashier
GERALD HUGHES, Vice President D. R. PLATT, Asst. Cashier
C. S. HAUGHWOUT, Cashier G. M. HAUK, Auditor

Digitized by Google

ing the past twenty-five years have burglars so much as attempted an attack upon any vault that could pretend to even a fair amount of

RESISTING QUALITIES.

While this statement is doubtless true, it does not apply to fire proof vaults or safes, which are successfully burglarized every day. The truth is that the art of vault construction has advanced with remarkable slowness. Aside from a few notable examples, practically all vaults continue to be built upon designs thirty years old. The meaning of this is perfectly plain. Much of the work to-day is practically worthless and can be successfully attacked with old fashioned appliances and in a remarkably short time by new and well-known methods, regardless of the price of the work. Of course, this does not take into account mob attack, for under this latter condition, there are few vaults that would afford successful resistance.

Slowly this condition is being recognized, as is shown by the character of some of the vaults recently finished and others now under construction. For instance, an eastern bank has recently ordered doors three feet thick; the government has asked for estimates on work of even heavier designs, and the examples of each represent the best of all recent work. They are of the composite type of construction, which alone affords protection of that most dangerous method of attack oxy-acetylene and oxy-hydric flames.

What is the reason for such backward conditions? It is due to a combination of three facts: Inaction on the part of the burglar, ignorance of the subject on the part of the banker and unfair competition on the part of the maker. The same cut-throat competition obtains that has been so much in evidence ever since the consolidation of three of the largest safe manufacturers in this country, a consolidation which has been on the ragged edge of bankruptcy several times since 1893.

Unlike other manufactured products a vault contract ends with the sale and delivery. The work is never called upon to withstand the test for which it was built. So long as the doors open and the bolts throw, nothing further is required. Even if the owner should discover that his vault is not all that he had thought, for business reasons he says nothing. The fault lies primarily with the banker. He invites competition, and then is forced to decide upon details of construction, with which he is unfamiliar. Lacking knowledge of the many methords of attack, he bases his decision upon the statements made by

MISLEADING SALESMEN.

Sometimes he employes an architect who is equally ignorant of vault construction or an incompetent specialist.

The remedy would appear to be the employment of an engineer who has no affiliations with any vault builder and can recommend the best work after real competition, based on estimates made bw this thoroughly competent engineer himself.

The suggestion is made, in view of the vital importance of the subject, that the bankers' associations appoint standing committees, composed of members of their professions, and mechanical and civil engineers of high standing, to investigate the subject and to make recommendations to the entire banking fraternity. It is a matter which could, with entire propriety, be taken up by the American Bankers' Association, and we hope to see such a move in the near future.

INDEPENDENT BANK AUDITS.

A Growing Demand For These Examinations.

It is considered a sign of strength, not of weakness, for a bank to employ the services of expert accountants to make an independent audit of their affairs. There was a time when the reverse was true, but that day has long since passed and many of our largest and strongest institutions are now regularly employing outside auditors to furnish them with a detailed investigation of their inner workings.

Reports of national and state bank examiners are, of course, good as far as they go, but that they lack thoroughness, because, as a rule, these examiners are not trained auditors nor have they the technical knowledge of accounting details.

There are many questions which should arise in the minds of bank officials and stockholders: 1st. Are you quite satisfied with the methods employed in your bank? 2d. Are you confident that the expenses of operation and collection are reduced to a minimum? 3rd. Do you feel sure that you are enjoying proper safeguards against loss through accident or dishonesty? 4th. Are there more modern methods for the clerical department which might eliminate needless expenses? 5th. Would it not be better for the auditing committee to employ accountants to assist them who are specialists, and are familiar with securities and other assets and liabilities of a bank? 6th. Would not the effect upon the employes of knowledge that at the most unlooked-for moment the books and records of the entire institution are likely to be subjected to a rigid and critical ex-

OLDEST BANK IN AMERICA
Chartered by Congress, 1781.

The Bank of North America
(NATIONAL BANK)
PHILADELPHIA, PA.

Capital ..... $ 1,000,000.00
Surplus 2,250,000.00
Undivided Profits..... 371,000.00
Deposits 16,075,000.00

HARRY G. MICHENER.....President
SAMUEL D. JORDAN.....Cashier
WILLIAM J. MURPHY.....Asst. Cashier
RICHARD S. McKINLEY.....Asst. Cashier
Accounts Solicited
Correspondence Invited

BOSTON SAFE DEPOSIT AND TRUST COMPANY
100 Franklin Street

YEARS AGO valuables were considered protected when concealed in secret places.

YESTERDAY it was deemed expedient to place valuables in a safe at the office or at home.

TODAY a box in a Safe Deposit Vault like ours is a Business necessity.

BOXES at from $10 (ample for most needs) to $350 per year.

NATIONAL METROPOLITAN BANK
OF WASHINGTON, D. C.
Oldest National Bank in the District of Columbia

GEO. W. WHITE - - - President
CUNO H. RUDOLPH - - Vice-President
O. H. P. JOHNSON - - - Vice-President
GEORGE O. WALSON - - - - Cashier
J. CALES MOORE - - - - Auditor

FIRST NATIONAL BANK
EUCLID AVENUE
CLEVELAND

CAPITAL $2,500,000 Surplus and Profits $1,250,000
ACCOUNTS OF BANKS AND BANKERS, MERCHANTS AND CORPORATIONS, SOLICITED
SPECIAL ATTENTION TO COLLECTIONS
DEPOSITS = = = = = $25,000,000

YOUR INVESTMENT SHOULD EARN YOU MORE MONEY
Boston Real Estate Carefully Selected and Scientifically Managed
The United States Investor in its issue of Sept. 16, 1911, says of this company "Both the preferred stock and the bonds are well worthy of the consideration of our readers."
Address for prospectus and other information
COMMONWEALTH REALTY COMPANY, Chas. E. Jeffrey, Prest.
Room 407, 53 State St., Boston.

Digitized by Google

amination be most beneficial?

Those are only a

FEW OF THE QUESTIONS

which should occur to the minds of bank officials who desire that their institution shall be conducted properly. It will not do to lean too heavily upon the good character of your employes, nor to believe that you are not losing money simply because you have not discovered carelessness, inaccuracy, or dishonesty. It will not do for you to think you are safe because you have had an audit made and hold a certificate signed by the president or some company who never saw the inside of your bank. Neither will it do for you to be misled by people who will examine your bank for nothing and before they leave sell you several hundred dollars worth of books and stationery.

While most banks and trust companies are ably managed, many are losing sight of some of the essential points of efficiency and economy in operation because their examinations are made by perfunctory hands. What they need is an examination that will suggest methods and safeguards. In nine banks out of ten, there are opportunities for corrections and improvements, which will compensate many times over each year the cost of a thorough and efficient examination.

INDEPENDENT AUDITS.

At the recent convention of the American Bankers' Association, at New Orleans, Joseph B. Martindale, President of the Chemical National Bank of New York, presented a paper. In the course of his article, he had this to say

ABOUT INDEPENDENT AUDITS

"Furthermore, the writer has always believed that an independent audit by a firm of certified public accountants of undoubted standing and reliability is desirable, and too much emphasis cannot be placed upon the advisability, both from the standpoint of the borrower, as well as the lender of money, of at least once a year having the affairs of a firm or corporation examined and audited by a high-class firm of accountants or auditors. When the statement of a business is prepared by men of wide experience, and of undoubted integrity, they naturally will see where the system of the firm or corporation might be improved, and will offer suggestions which will increase the earning capacity of the concern by decreasing its expenses, or adding to its volume of business, or increasing its efficiency in other ways.

There are a number of accounting firms in Boston who fulfill the requirements of Mr. Martindale, among whom may be mentioned that of Harvey S Chase & Company. This firm numbers among its satisfied clients such concerns as the Boston Consolidated Gas Company, the Boston Elevated Railway Company, the Old Colony Trust Company, the American Trust Company, the W. H. McElwain Company, and many manufacturing and commercial corporations.

The high regard in which Mr Chase is held is attested in his choice by President Taft for a place on the President's Commission on Economy and Efficiency, which is now engaged in reviewing and classifying the accounts of the Federal government.

WASHING AIR OF BANKS.

In constructing their new buildings, banks find the new system of moistening and purifying air to be an essential feature. Especially is this true in many of our large centres where the air is always heavily laden with coal, smoke and gas, as well as with dust. One of the more successful systems of air purification is that known as the "Acme", which Thomas & Smith, Inc., of Chicago, have installed in many banks, hotels and manufacturing establishments. In

Kidder, Peabody & Co.
115 Devonshire St.
Boston
56 Wall Street
New York

INVESTMENT SECURITIES
FOREIGN EXCHANGE
LETTERS OF CREDIT

Agents and Attorneys for
Baring Brothers & Co., Ltd.
LONDON

Dial Cash Register, Pay-As-You-Enter Car, Eastern Mills Stocks, Hocking Valley Products Co., bought and sold.
C. W. GILMOR, 50 Broad St., N. Y.
Wire connections to all markets

UNLISTED & INACTIVE ISSUES
We are prepared to quote actual trading markets on unlisted or inactive investment issues.
Correspondence Solicited
E. BUNGE & CO. 29 BROAD STREET, NEW YORK
Cable Address, "Ernestus, New York" Long Distance 'Phone 4735-4736 Rector

Hodenpyl, Hardy & Co.
BANKERS
7 Wall Street, New York
6% PREFERRED STOCKS A SPECIALTY

BODELL & CO.
PROVIDENCE, RHODE ISLAND
Boston Office, 35 Congress St.
Bonds and Preferred Stocks of Proven Value

GEO. D. COOK & CO.
BANKERS
71 BROADWAY, NEW YORK
We make a Specialty of
Mexican Government and State Bonds

McCOY & COMPANY
Municipal and Corporation Bonds
181 LA SALLE STREET
CHICAGO

Boody, McLellan & Co.
111 BROADWAY, NEW YORK
MEMBERS OF NEW YORK STOCK EXCHANGE
Orders Executed for Investment or on Margin

We Have For Sale
First Mortgage Loans—3 Years 6%, 6½%, 7% Interest.
WM. D. PERKINS & CO., Bankers
No. 211 Cherry St., Seattle, Wash.
Established 1893
Oldest Bond House In Washington.

DOMINION BOND COMPANY
LIMITED
MONTREAL TORONTO OTTAWA
LONDON, ENGLAND
Dealers in HIGH-GRADE CANADIAN BONDS
List on Application

5% BONDS
Guaranteed by
National Light Heat and Power Co
A. H. BICKMORE & CO.,
30 PINE ST., NEW YORK

6% Timber Bonds
Carrying With Them An Exceptionally Attractive Feature.
American Finance & Securities Co.
5 Nassau Street New York

H. C. Gibbs & Co.
Gas and Electric Light Bonds
To yield 5% to 5 1-2%
60 State Street BOSTON

CIRCULAR ON MISCELLANEOUS UNLISTED MILL AND MANUFACTURING SECURITIES
UPON REQUEST
HORNBLOWER & WEEKS, 60 Congress St., Boston

Digitized by Google

this system, the air is drawn by a fan into a spray chamber, where it comes in direct contact with sheets of water drawn transversely across the chamber, so evenly that uniform resistance to the air is felt across the entire chamber. The heavier particles of dirt and foreign matter are at once precipitated into a tank and the combination of air and moisture passes in the form of a finely divided spray into a second chamber where the moisture is removed from the air and the clean air passes on into the bank. This second chamber, although less than three feet in length, is actually so effective in separating air and moisture that a stream of water of thirty or forty pounds pressure could be turned against the plates, of which the interior is constructed, and yet not a particle of water would pass through.

The peculiar virtue of this system is that it is so nicely designed that the clean air it delivers has a lower percentage of humidity than that attained by most, if not all, other air-washing apparatus. Bank clerks will agree that in the summer this condition is decidedly gratifying. By means of a hygrostat, the proper amount of moisture is added to the air during the winter as the air passes through the apparatus. Economy of space is also claimed for the apparatus, its construction allowing the steam coil usually placed in front of spray chambers to be dispensed with.

A UNIQUE COMPANY.

The following names might indicate the dreaded money trust: Philip Stockton, president, Old Colony Trust Company; Allen Forbes, president, State Street Trust Company; A. H. Wiggin, president, Chase National Bank, New York City; Francis B. Sears and Henry D. Forbes, vice-presidents, National Shawmut Bank; Frederic H. Curtiss, cashier, First National Bank, Boston; N. Penrose Hallowell, of Lee, Higginson & Company; Elliot Wadsworth of Stone & Webster; Wm. Allen Hayes, of Hayes, Williams, Baker & Hersey, Boston; Walter R. Whiting, vice-president, and Frank E. Crawford, treasurer, Bankers' Electric Protective Association, but instead they simply represent the board of trustees of a $50,000 Massachusetts corporation, the Bankers' Electric Protective Association of Boston. This company is a typical ultra-conservative Massachusetts financial institution. Its stock is pooled and is owned by prominent bankers throughout New York and New England.

It pays most of its earnings to its trustees who invest them in the same securities as Massachusetts Savings Banks. It is said that this trust fund would pay dividends indefinitely, even if the company should never make another sale.

This company's stockholders alone use its apparatus in safe-guarding over four hundred million dollars deposits. Although conservative, this company more than doubles its business each year, and numbers the United States Treasury and a large proportion of the banks of New York and New England among its customers.

It is claimed that this is the only company manufacturing isolated electric protective systems that has ever paid a dividend, although some 25 such companies have started up at different times and finally gone out of business

NEW OFFICERS ELECTED.

Directors of the Rittenhouse Trust Company have elected Howard Longstreth, a special partner in the brokerage house of Mellor & Petry, president of the Company, to succeed H. O. Hildebrand, A. C. Shand, chief engineer of the Pennsylvania Railroad, succeeded V. Gilpin Robinson in the vice-presidency. Both the superseded officials will continue as directors of the institution. It is understood a majority in the directorate favored a more aggressive policy than under the old management. Other officers were re-elected as follows: Second vice-president, Frank B. Off; treasurer, W. C. Fitzgerald, and secretary and trust officer, S. W. Waterman.

UNITED FRUIT RIGHTS

BOUGHT AND SOLD ON COMMISSION

WIGGIN & ELWELL

Members Boston and New York Stock Exchanges

219 Exchange Building

BOSTON

Cumberland Telephone & Tel. Co.

8% STOCK

Of all the different subsidiary Companies of the AMERICAN TELEPHONE & TELEGRAPH CO., there are none better than the CUMBERLAND. This Company has a quarterly cash dividend record of over 27 consecutive years.

For quotations, address,

GOULDING MARR

Investment Broker

NASHVILLE = TENNESSEE

Assets Realization Company

Capital $10,000,000

Purchases Estates in Liquidation at any point in the United States

NEW YORK PHILADELPHIA CHICAGO

American Industrials Co.

Broad Exchange Building, New York

INVESTMENT SECURITIES.

6% Twenty Year First Mortgage Gold Bonds.
7 Preferred Stocks.
8% Preferred Stocks.

Baker, Ayling & Co.

50 Congress street, Boston

INVESTMENT BONDS

Philadelphia Office, Land Title Building

THE BACHE REVIEW

has proved of considerable interest to bankers in estimating general conditions. It gives each week clear, condensed information on the situation in the business and financial world.

Sent to bankers, on application, without charge.

J. S. BACHE & CO, BANKERS

(Members New York Stock Exchange)

42 BROADWAY NEW YORK

TAX EXEMPT STOCKS

List Mailed on Application

311 Main St., **W. F. CROSBY** Telephone 4090

WORCESTER, MASS.

6% NON-TAXABLE TRUST CERTIFICATES With Participation in the Large Profits of Real Estate Development. Secured by Income Property. Send for Booklet

GREATER BOSTON REALTY TRUST, 28 School Street, Boston

Digitized by Google

A Louisville & Nashville Melon?

Wall Street Has Advanced the Stock This Week in Discussing Prospects of a Stock Dividend Ranging in Size From $30,000,000 to $40,000,000—Company Could Easily Maintain Its Present 7 Per Cent Dividend Rate on an Increased Issue of $40,000,000 Above the $60,000,000 Now Outstanding—Controlling Owner, the Atlantic Coast Line Railroad, Increased Its Dividend Rate From 6 Per Cent to 7 Per Cent This Week, An Exceptional Instance Where Brokers Had No Advance Information.

The rapidly advancing figures in the stock market for Louisville & Nashville shares in connection with the advance in dividend rate from 6 per cent to 7 per cent of the Atlantic Coast Line Railroad Company which owns a majority of the $60,000,000 of Louisville & Nashville stock outstanding has tended to give convincing color to the story which has been circulated to the effect that the Louisville is about to cut a melon and distribute to its shareholders a substantial proportion of the large earnings for many years back above the amount disbursed in dividends and which have been put into the property.

Both the Louisville & Nashville and the Atlantic Coast Line with their controlled properties probably constitute the largest railroad system in this country as well as in the world which is controlled by a single individual and the individual in this case is Henry Walters of Baltimore. Banker Morgan and various other bankers and capitalists are reputed to dominate the principal railroad properties. James J. Hill, for example, is always regarded as the master of Great Northern and Northern Pacific. But neither Mr. Hill nor Mr. Morgan personally own a controlling interest in the stock of the roads which they are generally understood to control.

In the case of Henry Walters, he not only dominates but

PERSONALLY OWNS CONTROL

of the Atlantic Coast Line and the Louisville & Nashville through a little holding company known as the Atlantic Coast Line Company of Connecticut. This Connecticut corporation has a small capitalization, but it has in its treasury a controlling interest in the Atlantic Coast Line Railroad, the Atlantic Coast Line owns in turn a controlling interest in the Louisville & Nashville and incidentally, the Louisville & Nashville owns control of the Nashville, Chattanooga & St. Louis. This string of controlled companies could be continued to some length if the smaller corporations were included but the important and interesting fact is that practically a majority of the small holding company in Connecticut which controls them all is owned and held by Henry Walters personally.

The remoteness of Mr. Walters from Wall street was very eloquently illustrated this week, when, upon the unexpected announcement that the Atlantic Coast Line Company had increased its dividend rate from 6 per cent to 7 per cent, the stock advanced six points in a single day's transactions, and on a subsequent day this week the stock recorded a further advance of 2¼ points, closing on Thursday of this week at 138¼. In other words the Atlantic Coast Line dividend was one of the very exceptional events which Wall street had not previously discounted. Price makers in the street it seemed in this instance had

NO ADVANCE INFORMATION

about what the directors were going to do and in consequence a lively advance of about ten points for the week resulted.

During the past three years, Louisville & Nashville has earned on an average nearly 15½ per cent per annum on its stock, the present dividend rate on which is 7 per cent. The company has been exceptionally liberal in its charging of maintenance and improvements to the expense account but has nevertheless built up a surplus according to its last annual report of $31,246,881. This result is even more remarkable when the well-known fact is considered that during the past ten years the company has practically rebuilt its road out of earnings.

Another item which may be properly added to the surplus of the company is its ownership of control of the Nashville, Chattanooga & St. Louis, $7,100,000 of this company's $10,000,000 of stock is owned by the Louisville and although it has been earning over 14 per cent for some years, dividends at the rate of only 6 per cent have been paid. This company has an accumulated surplus computed on conservative lines of $7,-269,039, of which the proportionate share of the Louisville & Nashville is some over $5,000,000.

The Louisville & Nashville, therefore, has available a surplus account of over $36,300,000, which is over 60 per cent on the amount of its stock outstanding.

There is clearly the possibility and justification for a melon distribution which

MIGHT BE 50%

and still not use up all of the com-

pany's undivided profit account. This distribution if it takes place is likely to be in the form of stock, because the company has use for all its capital and is likely to continue its custom of building up the property out of surplus earnings.

One theory which has been advanced against the idea that a stock dividend is to be declared is that all of this stock dividend accruing to the controlling owner, the Atlantic Coast Line Railroad Company, would have to be deposited as additional collateral to secure its outstanding purchase money bonds which were issued in acquiring the control of the Louisville These bonds are known as Atlantic Coast Line, Louisville & Nashville collateral fours. It might be significant that on unusually large transactions these bonds advanced this week in market price to over 95.

This would hardly seem to be a formidable obstacle, because the controlling company would not have to pay any more interest on the bonds outstanding, but would in this event receive an increased amount of revenue from dividends on the enlarged amount of collateral stock deposited.

Another theory which has been suggested and one which is of more importance is that the accumulation of surplus by railroads is likely to be discouraged by legislation in the near future. The regulation of capital issues is reported to be one of the recommendations of President Taft's Hadley commission, and railroad magnates are therefore much inclined at the present time to have their companies distribute whatever they have on hand either in cash or securities depending on the necessities and possibilities of each individual case.

In other words if a corporation has a large surplus at the present time it may be advisable to have the

SURPLUS DISTRIBUTED

before the time arrives when new securities cannot be issued without the approval of the Federal government as well as the authorities of every state through which the line may run.

The Louisville & Nashville could very easily distribute a stock dividend of not only $30,000,000 but even $40,000,000. Should a $40,000,000 stock dividend be determined on, this would make the company's total stock capitalization $100,000,000 and the present 7 per cent dividend rate could be maintained on this increased issue as the earnings with very liberal deductions for maintenance and depreciation account have been over 9 per cent on $100,000,000 for some years.

The stock this week sold above 160 and continues to enjoy the distinction of selling higher than any other 7 per cent railroad stock listed on the New York stock exchange. If there is to be a 50 per cent stock dividend the stock looks cheap, but it is nevertheless a minority stock which has many disadvantages as is also the case with the controlling company, the Atlantic Coast Line Railroad Company. The real stock which I have recommended for many years and which is the controlling owner of both these properties is the Atlantic Coast Line Company of Connecticut which stock it may not be surprising to say is not listed on the New York stock exchange.

P. DE MEDICI.

The Sherman Law—By Political Expediency Out of Demagogy

Convincing Arraignment of the Anti-Trust Law by Chancellor Day, of Syracuse University, Before the Economic Club, of New York—Competition a Fetich Which Should Have Come Off Its Pedestal Long Ago—The Sherman Law as an Efficient Tool For Politicians and a Menace to Business Should Be Repealed—The Chancellor Says That Our Commerce Under the Law Is Now on Almost as Stable, Firm and Safe a Basis as Is Aviation.

On the occasion of the recent dinner of the Economic Club in New York City, which was attended by many of the nation's biggest and brightest business men for the purpose of discussing the Sherman anti-trust law in all its phases, it was significant that this representative group of men, which was the largest ever gathered in our history, should have been unanimous in their condemnation of this law.

There were some speakers who suggested that changes might be made, but no one contended that the law ought to be retained on the statute books.

The speech of the evening, which seemed to express the key-note of the occasion and which was most intently listened to as well as elicited the most enthusiastic approval, was that of Chancellor James R. Day, the intrepid educator, who supervises some 6,000 collegians in Syracuse University.

Chancellor Day's speech on this occasion was one of the most interesting and trenchant discussions of the subject which has appeared since the anti-trust law began to make trouble, and was as follows:

Speech of Chancellor Day.

It has been charged repeatedly that my position on the question before you to-night is due to my connection with corporation magnates and my personal frendship for some of them.

When I was a student in Bowdoin College, that great little college in Maine, which has graduated a president of the United States, a chief justice of the United States Supreme Court, a speaker of the House of Representatives and a long-time president pro tem of the United States Senate, and the immortal poet of Hiawatha, I heard Wendell Phillips lecture one evening against corporations in general and railway capitalists in particular. He was wonderfully eloquent, as he always was when he had something to scold.

I left the hall that night profoundly impressed with Mr. Phillips' eloquence, but with the thought that I had listened to a tottering old man, who could not keep up with the mighty progress of his times. And every year since then has convinced me of the justice of my judgment. For so early as that time in my life I had lived on both sides of the continent when there was not a railroad to connect them, nor a telegraph line. The mail was brought into Portland, Oregon, by a team of Texas steers with a mule for a leader.

Wendell Phillips

MADE ME A CONVERT

to corporations and adequate instruments for the country's commercial expansion by arguing against them. He has had his lineal descendants upon this question in all of the four decades that have passed by since that time. Reckless, ill- considered, undigested and demagogic utterances have multiplied until they have become the current and universal socialistic ranting of the present hour.

The other day an eminent clergyman from England was reported to have said that no successful business man in America was honest or could be honest. He corrected the report by saying that he did not say in America, but everywhere business men were dishonest. I do not see how everywhere leaves out America. We certainly are somewhere and we come pretty near being everywhere.

A few days ago the President of the United States is reported to have said in a public speech that our great business men were guilty of lawlessness.

These two gentlemen, speaking in their private capacity, gave as a reason for their remarks the relation of the subject to socialism. The first gentleman said that socialism was the

FREDERICK S. HOLMES
Vault Engineer
2 RECTOR STREET, NEW YORK

Ambursen Hydraulic Construction Company
Engineer-Constructors
88 PEARL ST., BOSTON
165 BROADWAY, NEW YORK 405 DORCHESTER ST. W., MONTREAL
Our experience is of value to you because it is gained in the successful building of 67 dams to date (Nov. 1, 1911), of all heights up to 150' and having an aggregate length of over 4½ miles. We have inaugurated a system of bi-monthly Bulletins on pungent engineering topics as viewed from the Bankers' standpoint. Send us your name for our mailing list.

Digitized by Google

cure for business dishonesty, forgetting that

JUDAS WAS LIVING

under a highly spiritualized and religious condition of socialism, in fact that he carried the bag. The president justifies himself by saying that he is proceeding against these lawless men to save the country from socialism. The builders of a nation's commerce are in a hard strait between two accusers, one charging them with creating socialism and the other of being in opposition to socialism.

Both of these illustrious gentlemen have spoken recklessly and have uttered an unjust charge against American citizens and prescribed inadequate causes and remedies for the evils they imagine.

I champion the honor, the integrity, the fairness, the loyalty and patriotism of the great business man of my country. I venture to do this against the eminent clergyman who spoke for these United States after his residence of forty-eight hours in a New York hotel. I venture to object to the charge of lawlessness, because the citizen accused is bigger than the president, the citizens is the government in America and must not be assailed in his character impulsively and in careless terms even by the president.

I have known the business man of this country for many years, the man of small business and the man of the greatest forms of business. I have been his pastor for twenty years and as a college president I have known him for nearly twenty years, a position in which a man is forced to be critical and fairly judicial. And I am proud of the business men of my land. I have found them in the pew as honest as the men in the pulpit. They have been as law abiding and of as lofty patriotic ideals in the counting rooms as the presidents in the White House.

Lawlessness means disregard of moral law, of social law, of natural law. It can by no justice or truthfulness be applied to men who find themselves in violation of a statute law that for twenty-one years no one had defined and which finally the Supreme Court of the United States trushed aside as a troublesome thing by saying that men must use their reason in interpreting it, leaving it to one man with power of prosecution to say when they reasoned reasonably.

Everybody who knows the history of the Sherman law knows that its father was political expediency and its mother was that flirtatious dame, demagogy. She is

A FRISKY OLD DAME,

prolific beyond the years of the Sarah of Bible story.

Probably no important law ever went upon the statute books of this country in a more crude form, more incomplete and obscure, unless it was to be interpreted literally as an interdiction and destruction of all forms of corporate business. It made no provision for any discrimination. And we hear a president, when a general effort was made to enforce it, saying that it did not mean good corporations but bad ones. But the law does not say so. The men who made it did not know enough about trusts and corporations to give them a definition.

But the law does not make any distinction, a good enterprise, like making church furniture, is prosecuted the same as a tobacco trust. The Supreme Court says that it means unreasonable success in corporate business. But the law does not say so. It leaves no discretion. It declared against monopoly when there are some forms of business like transportation and manufacture under patents that were being done that way and could not be done except by monopoly. It forbade combination in form of trusts or otherwise in restraint of trade between states, etc., and declared that every person who shall make such contract or engage in any such combination shall be deemed guilty and punished by fine or imprisonment, when every great business which is carried on by greater capital and intelligence and skill must in the nature of things restrain trade of the other men of smaller capital and less ability.

That it meant such restraint of trade must be true because in section 7 it says: "Any person who shall be injured in his business or property by any other person or corporation by reason of anything forbidden or declared to be unlawful in this act, shall sue and recover threefold the damages by him sustained." This man might be in the same business, trying to do the same thing. But if his business did not amount to enough to restrain anybody's trade, he might assess a damage upon himself and go to court for his profits by getting a verdict against his competitor who had succeeded. Was there ever anything more absurd in law making.

It is a fine law for the politician. It is a mighty efficient

INSTRUMENT OF TORTURE

for the demagogues to use. It is a wonderfully efficient menace for the unsuccessful competitor. It is an easy law for prosecuting attorneys, for it is so sweeping and general and indefinite that it is sure to catch the accused in some of its meshes, however honestly he may have tried to avoid conflict with it.

And this is a law to promote trade, to secure great prosperity to the country, to develop our mighty resources and industries, to open up for us the markets of the world, to encourage the use of capital and enterprises in some hopeful proportion to the magnitude of the twentieth century; this law, which is tying up our vast movements, while Germany, an insular country, is capturing the commerce of the world by her sane commercial laws, and even little Canada snaps her fingers in our face and laughs at our proposal of reciprocity, while by her intelligent corporate laws, she takes her place among European nations as a respected commercial unit.

Gentlemen, study the law and you will be amazed that the great American people have left it upon their statute books 21 years. Do you imagine that the unbusinesslike men of Congress 21 years ago could have framed a law that would anticipate the conditions of ehis country in its internal development and its relation to

WORLD WIDE COMMERCE

at this distance of a fifth of a century. Has any land made history so fast as we have in 21 years? Have events multiplied anywhere and in such tremendous magnitude as they have with us in these two decades? No man was ever on earth with business prescience to make a law that could govern business 20 years in such an age.

It is not in human prescience to anticipate movements so far in advance in times of such vast changes in every form of life and every condition of travel and trade and such tremendous zones of commerce as have developed in a quarter of a century, and such an amazing radius of transportation.

A law that never could have been enforced in any past age without impaling inventive genius and paralizing progress cannot promote the interests of a great people just learning to use the laws which built the universe, applying them in their creative energy and definiteness to their tremendous enterprise.

No law made by man has ever illustrated more fully the inability of the human mind to grasp the details of a rapidly moving time than the Sherman law, by which men altogether impracticable ventured to ignore fundamental principles and prescribe methods and details that are al-

Before All Else

there is found in every Union Mutual Policy the first and strongest Purpose of Life Insurance.

Protection

Clear, Faithful Reasonable Contracts. Ask for Particulars.

Union Mutual Life Insurance Co.
Portland, Maine

Fred E. Richards, President.

JANUARY 1, 1911
Insurance in force more than $140,000,000
ASSETS - $36,327,078.09
LIABILITIES 33,371,841.25
SURPLUS - $ 2,955,237.78
1910 MOST PROSPEROUS IN HISTORY OF THE COMPANY

HARTFORD LIFE INSURANCE CO.

Chartered 1866 Hartford, Conn.
OFFERS SPLENDID OPPORTUNITIES UNDER DIRECT CONTRACTS.
All Forms of Policies.

THE BOSTON MUTUAL LIFE INSURANCE COMPANY
141 MILK STREET, BOSTON, MASS.

HERBERT O. EDGERTON, Pres. FRANK H. VIELE, Sec'y and Treas.
A corporation operating under the stringent Insurance Law of Massachusetts.
All desirable forms of up-to-date policy contracts issued.
All weekly premium policies in full immediate benefit.
CORRESPONDENCE SOLICITED.

Digitized by Google

ways changing. How plainly is this seen by the crude and indefinite references to the specific features interdicted which they left to be guessed at and which the court says we must guess at reasonably.

If the Constitution of the United States could not stand without almost immediate amendments, do you expect such a crude law as the Sherman law to embody all prescient wisdom with regard to a trade condition its authors could not see and appreciate? Since their time, 95 per cent of the country's business has taken corporate form. Their law is not constructive. It was not then. It cannot now serve the country. It is destructive and only destructive.

Of the truth of this statement we have full proof and demonstration in the disaster and ruin wrought by the unwise attempt to hurl the enforcement of the Sherman law into the business of the country. It blocks the wheels of the corporations at home it stagnates the tides of commerce on every sea.

What has it accomplished of any good in anything? Is beef any lower in price or better in quality? It

KNOCKED INTO SMITHEREENS

our export trade in that article. Another corporation prosecuted by it had created for this country an export trade in 10 years of three-fourths of a billion dollars, not counting Canada and Mexico. Which was better, to have the whole people share in this mighty current of trade or to attempt to secure by law privileges to a few which they could not secure for themselves, by plunging this great commodity and its by-products into the raging conflict of a destructive competition which would make export prices impossible.

What do you think of such a law in its economic features? What has it touched to help? Has it promoted trade?

Its purpose is to secure competition and competition is called the life of trade. Competition is a fetich that should have come off its pedestal long ago. It is not the life of trade. It is the destruction of trade. It had furnished the world with so little trade that it had to be abandoned, and today for the purposes of promoting trade and adequately meeting the demands of a great people, we are obliged to carry on the trade of this country by corporations. It is the only way we can do it.

Nothing has promoted trade for all of the people like those mighty organizations which the Sherman law is to-day paralizing.

Since Wendell Phillips sought to indoctrinate a lot of college students in Maine with his mellifluent sophistries, railways have stretched across the continent on every parallel of latitude and are crowded with the people's traffic and will continue to be after the government sets up its monopoly at the Isthmus of Panama. In the meantime our industries have been promoted in proportions that

ASTOUND THE WORLD.

The fact that this crude law, out of date and impracticable, destroys and disintegrates and does not regulate trade, is all the argument that is needed for its repeal or radical amendment. It proposes to resolve into their constituent parts the corporations because they restrain trade, and it begins with those corporations that have signally promoted trade, and proposes to destroy them so that they cannot promote trade, but some other men more pious and worthy can promote trade. It comes forward and says: I don't think these men ought to trade in oil or coal or steel, because there are some other men who say they could succeed in trade if these oil and coal and steel men were prevented from succeeding and were pushed back into the primal parts out of which they were formed. It proposes the absurd, the idiotic thing of giving all men the government help to equal success.

It proposes to undertake a work that the Almighty has never attempted to do, give all men an equal chance. What the government's ground is for its peculiar affection for men who cannot succeed, I do not know.

But what is going to happen if this law reduces these great corporations back into their primal elements. I don't see how it is going to find them. They have lost their identity by absorption and assimulation.

But suppose it can wreck a corporation into twenty or thirty companies. They are to compete, are they not? But if they or any one of them competes successfully and takes the trade, there will be restraint of the other man's trade, will there not?

The enforcement of the law is bound to make trouble, for whichever way you work it, it is against you if somebody chooses to use the undefined "unreasonableness" against you.

IT ASSAILS EVERY

corporate form of trade, the small as well as the large. It is the form of business, not the men who restrain the trade. And the law does not say what degree of restraint is prohibited. It cannot stop large restraint and permit small restraint.

You get a better idea of what such a law means when you learn that this administration boasts that over 250 cases have been decided under it. Not all convictions, but showing that all have been tried in the courts. How many wait trial, I do not know.

Some of the cases decided were of cast iron pipe, window glass, enamel ware, agricultural implements, threshing machines, watch cases and rubber tires, paper, turpentine, fertilizers, church furniture and tow boats, biscuits, mica, preserved fruits, ice and gun powder, umbrella material and talking machines.

Do you imagine that a law that goes hunting to prosecute men of business representing such wide and varied interests will have no harmful effect upon the business of the country? Who can do any kind of business with such a condition of things and with the President and the Attorney General giving out monthly fulminations against such corporations? The Attorney General is reported as saying that one hundred corporations are in violation of the Sherman law. By the verdict of the supreme court, every corporation in our land may be declared guilty at any moment by the Attorney General, or by any one who may choose to bring an accusation, and may be forced into a trial involving ruinous expense. Commerce in America, which was upon secure foundations until the Roosevelt administration took the bit in its teeth, is almost as stable and firm and safe now as aviation.

The astounding thing is that in the dawn of the twentieth century we see nothing. We have learned nothing. Every nation has tried in some way

THIS PATERNAL MEDDLING

with its business, and every one of them has plunged its commerce into disaster. If you want to study it in its extreme features, review your English

MONATON
REALTY INVESTING
CORPORATION

Pays
6% COMPOUND INTEREST
On Money Invested in
Its Accumulative Certificates
Running terms of 10, 15 or 20 yr.
Payments may be made annually, semi-annually, quarterly or monthly.

SECURITY
OWNERSHIP OF NEW YORK INCOME PROPERTY
Affording
Immediate returns on investments and Opportunity for increase of valuation.
For Illustrated Booklet, inquire:

Publicity Department
Times Building
Broadway & 42nd Street,
New York City

First Mortgage Bonds
For Small Investors
WEEKLY OR MONTHLY PAYMENTS
Government, State and Municipal Issues, also Standard Railroad, Public Service and Industrial Bonds sold in any amount for Cash or on Weekly or Monthly Payments. Best, Easiest and Safest way to provide for your future.
Circulars 104 on request; Correspondence invited
Resident Representatives Wanted
FUNDING COMPANY
OF AMERICA
40 EXCHANGE PLACE, NEW YORK

Digitized by Google

history through the reign of Edward III. into that of Edward VI.

From the days of Grecian and Roman Republics, up to our times, the various types of absolute governments have sought to regulate trade. In all such instances, history shows comparatively little advance in industry and commerce. Under the freest and least meddlesome governments, the greatest progess has been made.

In such governments, at such times when national interference and restrictions have been least, and the greatest freedom and encouragement have been given to the largest enterprises, trade has flourished and prosperity has been abundant.

It is only an untutored or crude people that requires paternal laws. No highly civilized and powerful people will long submit to the meddlesome fussing of impracticable demagogues with their personal rights and liberties, constitutional and inalienable, in the pursuit of their industries. It is amazing that the American people have suffered so long men with no experience or capacity or knowledge to determine how the commerce of the country shall be managed.

Was there a man on the committee who protected that Sherman law who had created anything in commerce or who had any practical knowledge of the laws of trade or any appreciation of the proportions to which our commerce must extend by the expansion of our resources? Had any of them ever done business?

Does the President need to worry about socialism? Did we need to guard the state against destructive socialism by throwing a dog into the manger? What had socialism threatened? What had it done that we should fear it? Has it ever built a railroad or a steamship or a steel mill or stretched a wire across the continent? It could not have done a day's work for wage, but for the men whose property it seeks to destroy.

Are we going to make such a law against our great business men to conciliate such brigands? We must have become

SHAMEFULLY SUPINE AND WEAK

in our day and generation.

The case is plain: You cannot make competition by law. The proportions of competition and trade cannot be regulated by statute law. They have their own laws as the planets have theirs. It is a greater thing to secure trade than traders. If we try by law to turn trade into the hands of any class of traders by taking it away from another class of traders, we shall destroy both trade and traders.

The Sherman Law was a piece of demagogy. There was no statesmanship about it, and so well was its character and crudity known by the men of its time that for long years no attempt was made to enforce it. And during those years, two men as honest and conscientious as any President who has ever occupied the White House were our Presidents—Grover Cleveland and William McKinley. Who will say that these men did not have a high sense of their executive responsibility? Who does not know that laws are constantly going upon our statute books that must be administered with sound discretion and common sense? We all know that if all the tens of thousands of laws on the books of the states and nation were to be enforced simply because they are laws, they would have the entire population on the run. We all would be guilty of lawlessness.

Nothing in all human history has promoted trade in such volumes and values as the present-day corporations. Nothing has made so many men of moderate means prosperous. Nothing has secured to the day laborer so many well-paid days' work, and to his home so much security and happiness. Nothing has so advanced us to the first place among nations. Nothing has developed in any part of the world men of such commercial genius. The very men whom this law hunts and hounds are the nation's bulwarks in every possible calamity.

The Sherman Law

SHOULD BE REPEALED,

because it restrains trade and destroys traders.

Would it not be a great thing if we could have one administration that did not feel that it must proceed at once to the making of new laws with which to govern the country, an administration that would try to govern by the old constitution, and the common law with its eternal principles and such statutes as have become law, and not mere guesses.

What a great day for our business, domestic and foreign, if it could go forward without reading every other morning, a purpose of the President to put through Congress a new law for the control of trade.

You couldn't blame business men if they were to mistake that great day for the millennium. P. De Medici.

SUCCESSFUL MORTGAGE FIRM OPENS BOND DEPARTMENT.

John A. Prescott & Company, of Kansas City, Mo., have recently organized a bond department which handles a general line of municipal, railroad and public utility bonds, suitable for savings banks, insurance companies, estates, trust funds and conservative investors generally. The business of this firm was established in 1899 and became widely known in connection with the real estate and mortgage business throughout all that vast territory which is naturally tributary to Kansas City.

Mr. Prescott, the head of the firm, has for many years represented important eastern financial interests, including several of the larger insurance companies and trust companies which have large sums invested in the West. These investments have proven so profitable that they are being constantly increased and

MR. PRESCOTT'S JUDGMENT

as to values is depended upon by an ever widening clientele scattered through all the eastern states.

Since 1905, they have been actively engaged in syndicate and underwriting operations in connection with railroad, public service and industrial corporations located in that great section of the country, which extends from 700 to 1,000 miles to the West and Southwest and whose business and banking interests have for years been centred in Kansas City.

Among other enterprises, they financed the Joplin & Pittsburg Railway, a very prosperous property, embracing slightly more than 100 miles of interurban electric road, of the very highest type of construction and equipment, and operating in a very rich and populous section of Southwestern Missouri and Southeastern Kansas.

U. S. Steel
Amalgamated Copper

Our weekly market letter mentions the above, also Beet Sugar, First Nat'l, Greene-Cananea, Mazatan, Porcupines Tonopah, Cobalts, "Coppers" and "Curb" stocks in general. Mailed free upon request.

"Coppers" and Curb Stocks bought and sold for Cash or Carried on Margin

H. A. BROWN & CO.

Members Boston Curb Exchange

60 State St. Boston — 74 Broadway New York

FOR

Oil and Gas Land Leases

WRITE

C. W. DEMING

Tulsa, Okla.

FOR HIGH GRADE OIL STOCKS

EQUITY BOND & SECURITY CO.

37 WALL STREET, NEW YORK CITY

TINTICS AND OTHER UTAH STOCKS

Write for reports and for Weekly Market Letter.

WM. H. TIBBALS, Salt Lake, Utah.

EMNAHA COLD MINING COMPANY

Incorporated under the laws of the State of Idaho. Capitalization, $500,000, divided into 500,000 shares. Par value $1.00 per share. Of which 200,000 shares have been placed in the Treasury, for the development of the property

This Company owns and controls nine claims on Battle Creek, Imnaha, Willowa Co., Ore., on which there are three well defined parallel veins, carrying very rich gold quarts. A limited amount of [illegible] of the stock have been sold.

For full particulars [illegible]

JOHN SENNETT, Treasurer

79 Milk Street, Boston, Mass.

Digitized by Google

Summary of the Week

Amalgamated Copper Co.—The Amalgamated Copper Company through John D. Ryan its president, has entered the purchase field by securing control of the Nevada-Utah Development Company, a copper proposition, through payment of $40 cash a share.

Brooklyn Rapid Transit Co.—Brooklyn Rapid Transit has its operating expenses well under control, and out of every dollar of receipts handled approximately 50 cents is being saved for net. The gain in net for the first four months of the current fiscal year amounts to upward of $[illegible] in view of these large charges, it is, perhaps but natural that there should be considerable talk of an increase in dividend disbursements from a 5 per cent to a 6 per cent basis, but there is good authority for the statement that no increase is in contemplation.

Canadian Car & Foundry Co.—The Canadian Car & Foundry Company has issued its pamphlet report for the year ended on September 30, 1911. The profits for the year were $1,007,137, compared with $[illegible] for the eleven months ended September 30, 1910, preferred dividends $[illegible], against $[illegible], common dividend $[illegible], none previous year, surplus $546,687, against $511,650, profit and loss surplus $1,056,134.

Canadian Pacific Ry. Co.—In the fiscal year ended June 30, last, Canadian Pacific's surplus available for dividends equalled 11.56 per cent on the $150,000,000 of stock outstanding. It will be very surprising if surplus returns in the present fiscal year do not turn out to be largely in excess of this figure.

Chicago & Eastern Illinois R. R. Co.—This company reports for the year ended June 30, 1911, total operating revenue of $[illegible], against $11,[illegible] in the year before. Operating expenses were $8,[illegible],463, an increase of $[illegible], and net earnings, including taxes, $[illegible], a gain of $104,504. Total miscellaneous income was $[illegible], making total income $4,[illegible]. against $4,176,909 in the preceding year. Surplus available for dividends was $1,[illegible],340, and after dividends there was a balance to credit and loss account of $[illegible].

Cincinnati, New Orleans & Texas Pacific Ry.—This company has declared an extra dividend of 2½ per cent on its common stock, in addition to the regular semi-annual dividend of 2½ per cent. This makes the eleventh increase in dividends this year against five reductions.

Colorado & Southern Ry.—In the first three months of the current fiscal year gross earnings fell behind the same period of 1910, and with the decreasing business the reduction of operating expenses has continued. At the end of September gross earnings were $621,[illegible] less than for the corresponding period of 1910 and over $500,000 had been lopped off expenses. The three months surplus of $678,4[illegible] was less than $20,000 behind 1910. These current earnings are another factor that may militate against the possibility of the consideration of increasing the current rate of 2 per cent on the common stock.

Copper Market.—Sales of electrolytic copper at 13⅛ cents a pound are reported to have been made by several agencies. However, the metal in small lots was obtainable at 13⅜ cents a pound. The demand for copper is fair, but no pronounced demand is expected until after the Copper Producers publish their November statistics. The opinion is general that deliveries this month have been large and will be reflected in the November statement. Producers say they have sold more copper within the last six weeks than in any similar period since 1907. The bulk of the copper shipped abroad is for Germany. The activity of industrial conditions in Germany is reflected in a record-breaking output of pig iron last month.

Cumberland Telephone & Telegraph Co.—President Cadwell, of the Cumberland Telephone & Telegraph Company, has sent a letter to stockholders advising them that the American Telephone & Telegraph Company has agreed to the proposition to purchase the entire minority stock of his company at $100 a share in 5 per cent twenty-five year bonds of the Cumberland Telephone & Telegraph Company, or to give in exchange American Telephone & Telegraph stock, par for

(Continued on page 2140.)

UPON PRESENTATION

at the Office of

THE MIDDLESEX BANKING COMPANY

OF MIDDLETOWN, CONN.

DEBENTURES OF Series E16, for $204,000.00, and Series E22, for $188,500.00, maturing January 1st, 1912, WILL BE PAID at par with interest to the date of payment.

6 PER CENT INTEREST PAID

By Coupon on Bonds Secured by Well Selected New York Real Estate.

"We Deal in No Other Securities"

THE DEBENTURE CORPORATION OF NEW YORK

334 Fifth Avenue New York City

Security

THE CAREFUL INVESTOR realizes that Public Utility Bonds are the most satisfactory form of investment.

BECAUSE the value of such properties when properly managed constantly increases. The steady growth of the communities served is bound to result in increased earnings.

WE SPECIALIZE in Public Utility securities based upon properties that we control and operate and in which we have invested our own money.

Write for Circular

Meikleham & Dinsmore

ENGINEERS & BANKERS

25 BROAD STREET, New York City — 437 Chestnut Street, Phila.

60 State Street, Boston

JUST PUBLISHED

For Sale by All Booksellers

Control of the Market

A LEGAL SOLUTION OF THE TRUST PROBLEM

By BRUCE WYMAN, A.M., LL.B.

Professor of Law in Harvard University and Lecturer in the Department of Economics,

Author of "Railroad Rate Regulation," "Public Service Corporations," "Administration Law," "Restraint of Trade," &c.

PRICE 1.50 NET

No one can read this notable book without realizing that we are entering upon a new epoch in the expansion of the Doctrine of Law. The author views no reason for the law stopping with the control of Public Service corporations as such. There must also be included in the class of Public Service all businesses which by reason of their virtual monopoly have substantial control of their market. If these great businesses should be compelled to deal fairly with all, the objectionable competition of the trusts could be suppressed in the natural way. He has been supported by [illegible] who realize the perils of state ownership will appreciate Professor Wyman's contention that [illegible] State regulation of private enterprises will serve to free State ownership of all important industries.

MOFFAT, YARD & COMPANY

UNION SQUARE NEW YORK

6% BONDS

Certainty Adaptability Convertibility

NO element of an investment approaches in importance that of *certainty*—certainty that it will conserve and return principal intact, and pay the contract rate of interest. A-R-E 6's have done this for nearly a quarter of a century.

¶ They are adaptable, being issued to return interest on current funds or to provide for saving surplus earnings, returning the latter with interest compounded at 6%.

¶ Their *cash convertibility* safeguards the investor against temporary financial need.

¶ This Company is engaged solely in the business of investment and operation in New York real estate, a stable and profitable investment field, and offers its 6% Gold Bonds in these forms:

6% COUPON BONDS

For those who wish to invest $100 or more

6% ACCUMULATIVE BONDS

For those who wish to save $25 or more a year

Descriptive Booklets and map of New York showing location of properties sent on request.

AMERICAN REAL ESTATE COMPANY

Capital and Surplus, $2,011,247.80
Founded 1888 Assets $23,023,699.67

Room 502, 527 Fifth Avenue, New York

6% NEW YORK CENTRAL REALTY BOND

A Good Investment

To investigate is the six per cent Realty Bond of the New York Central Realty Company issued in denominations of $1,000. $500. and $100.

It offers a high grade of security, a liberal cash availability and an interest earning of 6%.

WRITE for booklet illustrating the methods of the Company, describing its bonds, their redemptive privileges and advantages over other Realty securities. Everybody knows us.

New York Central Realty Co.

Suite 1190, 1328 Broadway, Cor. 34th St., New York City

CAPITAL AND SURPLUS, $1,464,588.34

20%

Dividends on stock of the SMITH VALLEY LAND & LIVE STOCK COMPANY will be very conservative with positively no chance of losing the amount of your investment. If you are interested in dividends and absolute security back of your investments you will want some of this stock. It is a sure winner; a sure dividend payer, and a very high class investment. Write for particulars.

Glass & Meyer

56-58 Vandergrift Bldg. Pittsburg, Pa.

GEORGIA FARM LOANS 6%

Net on first mortgage farm loans in the rich belt of Southwest Georgia. Cotton, corn, oats, wheat, hay, peaches, cantaloupes, and other money crops are produced.

Seventeen years' experience without a loss.

EMPIRE LOAN & TRUST CO.
Americus, Ga.

Municipal Bond Sales

MUNICIPALITY.	Date of sale.	Classification of bonds.	Amount.	Rate of interest. Per cent.	Maturity.	Sales price.	Purchaser.	Income basis.
Norristown, Pa. Sch. Dist.	Nov. 29	Funding	$62,500	4½	10-30	par	Sinking Fund Trustees	3.50
Cambridge, Mass.	Nov. 17	City	175,240	3½		100.81	Blake Bros. & Co., Boston	3.64
Grosse Pointe Farms, Mich.	Nov. 6	Park imp.	25,000	4	1920	101.76	A. B. Leach & Co., Chicago	3.76
Westfield, Mass.	Nov. 20	Fire dist.	50,000	4	**3-21	102.07	Estabrook & Stringer, Boston	3.768
Evansville, Ind.	Nov. 30	Refdg. & fd'g	800,000	4	1931	102.59	Local Investors	3.85
Adams Co., N. D. Lemmon S. D.	Nov. 20	Building	2,000	4	1931	par	State	4
Burleigh Co., N. D., Sibley S. D.	Nov. 20	Building	800	4	1931	par	State	4
Farrib's Co., Minn., S. D. No. 92	Nov. 13	Building	2,000	4		par	State	4
Murray Co., Minn., S. D. No. 90	Nov. 13	Building	1,200	4		par	State	4
Norman Co., Minn., S. D. No. 91	Nov. 13	Building	700	4		par	State	4
Pembina Co., N. D., Crystal S. D.	Nov. 20	Building	2,000	4	1931	par	State	4
Pipestone Co., Minn., S. D. No. 13	Nov. 13	Building	2,000	4		par	State	4
Polk Co., Minn., S. D. No. 25	Nov. 13	Building	800	4		par	State	4
Redwood Co., Minn., S. D. No. 5	Nov. 13	Building	700	4		par	State	4
St. Louis Co., Minn., S. D. No. 2	Nov. 13	Building	1,000	4		par	State	4
Sargent Co., N. D., S. D.	Nov. 20	Building	2,500	4	1931	par	State	4
Sheridan Co., N. D. Hilton S. D.	Nov. 20	Building	700	4	1931	par	State	4
Stearns Co., Minn., S. D. No. 81	Nov. 13	Building	800	4		par	State	4
Stevens Co., Minn., S. D. No. 66	Nov. 13	Building	1,200	4		par	State	4
Todd Co., Minn., S. D. No. 41	Nov. 13	Building	1,200	4		par	State	4
Todd Co., Minn., S. D. No. 71	Nov. 13	Building	800	4		par	State	4
Todd Co., Minn., S. D. No. 109	Nov. 13	Building	600	4		par	State	4
Todd Co., Minn., S. D. No. 146	Nov. 13	Building	800	4		par	State	4
Towner Co., N. D., Monroe S. D.	Nov. 20	Building	1,800	4	1931	par	State	4
Traverse Co., Minn., S. D. No. 32	Nov. 14	Building	1,000	4		par	State	4
Wilkin Co., Minn., S. D. No. 54	Nov. 13	Building	1,500	4		par	State	4
Wells Co., N. D., Heindal S. D.	Nov. 20	Building	1,000	4	1921	par	State	4
Wells Co., N. D., Johnson S. D.	Nov. 20	Building	800	4	1921	par	State	4
Williams Co., N. D., Medbery Locke Sch. Dist.	Nov. 20	Building	2,800	4	1931	par	State	4
Williams Co., N. D., Wold Lake Sch. Dist.	Nov. 20	Building	2,000	4	1931	par	State	4
Wright Co., Minn., S. D. No. 125	Nov. 13	Building	800	4		par	State	4
Minneapolis, Minn.	Nov. 9	Fire dept.	75,000	4	1932	101.164	Secld. Sid. State Bank, Minneapolis	4.105
Milford, Ohio, Sch. Dist.	Nov. 30	Building	50,000	4½	*20-21	100.89	Provident S. & L. Co., Cincinnati	4.112
Hoboken, N. J.	Nov. 22	School	250,000	4½	1941	105.181	Estabrook, Kaufmann & Co., New York	4.200
Trenton, N. J.	Nov. 21	Refunding	75,000	4½	1921	102.251	Kissel, Kinnicutt & Co., New York	4.224
Wood County, Ohio	Nov. 20	Local	50,000	5	*1-5	101.76	Cleveland Trust Co., Cincinnati	4.421
Grand Rapids, Mich.	Nov. 13	Water	200,000	4½	1941	105.31	A. B. Leach & Co., Chicago	4.253
Stowe Township, Pa.	Nov. 20	Township	20,000	4½	1941	105.45	Lawrence, Barnum & Co., New York	4.262
Seneca Falls, N. Y.	Nov. 22	Paving	31,000	5.80		100.25	Lessing, Sage & Co., New York	4.295
Wellington, Ohio	Nov. 13	St. assess.	7,000	6	*1-5	101.579	Thurman & Wetzel, Inc., Cleveland	4.304
Portland, Ore.	Nov. 20	City	150,000	4	1931	98.17	Merrill, Oldham & Co., Boston	4.317
Hempstead, N. Y., S. D. No. 1	Nov. 24	Building	15,000	4.33	**1-20	par	Hempstead Bank, Hempstead	4.33
Omaha, Neb.	Nov. 14	School	250,000	4½	1931	101.859	Merrill, Oldham & Co., Boston	4.375
Oneonta, Ala.	Nov. 20	Sewer	1,000	6½		100.75	Coal Producers, Oneonta	4.409
Noble Township, Ohio	Nov. 11	Local imp.	12,000	5	*1-5	100.54	Seasongood & Mayer, Cincinnati	4.45
Dallas, Texas	Nov. 22	Sewer imp.	250,000	4	*20-40	98.39	Dallas Trust & Sav. Bank, Dallas	4.50
Marysville, Mich.	Nov. 30	Park	50,000	4½	*2-9	par	Clark & Clark, Ltd. & S. B., Chicago	4.50
Osceola, Neb., S. D. No. 19.	Nov. 16	Building	10,000	5	5-20	102.013	Credit Alley, Omaha	4.544
Alliance, Ohio	Nov. 30	St. imp. assess.	6,000	5	**1-3	100.96	M. S. Bond, Somerset	4.653
Tuolumne County, Cal.	Nov. 15	Building	40,000	5	**3-27	102.90	H. P. Kent, Red Bluff	4.714
Modesto, Cal.	Nov. 8	Street imp.	30,000	5	**2-12	103.536	J. H. Adams & Co., San Francisco	4.724
Moscow, Idaho, S. D. No. 3	Nov. 15	Building	6,000	5	**13-22	103.536	Investment Bond Co., Seattle	4.724
Troup, Ore.	Nov. 22	Highway	50,000	6	*5-6	103.906	J. Robinson & Co., Robinson Humphrey & Albright	4.731
Musselshell County, Mont.	Nov. 15	Refunding	20,000	5	15-20	102.77	Peabody, Houghteling & Co., Chicago	4.74
San Joaquin County, Cal.	Nov. 7	Building	5,000	6	**1-20	100.77	Stockton Savings Bank	4.904
Spring Valley, Minn.	Nov. 20	Water works	5,000		*2-6	100.36	First Nat. Bank Spring Valley	4.90
Stillwater, Okla.	Nov. 20	Water works	5,000		**3-6	100.36	Spitzer, Rorick & Co., Toledo	4.90
Algona, Iowa	Nov. 20	Light & water	75,000		*15-31	100.83	Geo. M. Bechtel & Co., Davenport	4.967
Grand View, Wash.	Nov. 1	Water	40,000		1-20	100.121	W. T. Hoile & Co., Chicago	4.987
Anselmo, Neb.	Nov. 20	Water	1,500	5	1-20	par	State	5
Bryan, Texas	Nov. 14	Water, gas & e	20,000	5	10-40	par	J. M. [illegible]	5
Cashmere, Wash., S. D. No. 1	Nov. 2	Building	3,000			par	State	5
Chehalis County, Wash.	Nov. 6	Funding	30,000		15-20	par	First National Bank, Seattle	5
Chehalis Co., Wash., S. D. No. 103	Nov. 11	Building	1,000		11-21	par	State	5
Genesee, Ida., S. D. No. 2.	Nov. 13	Bldg. imp.	3,000	5	*10-20	par	First Nat. Bank, Genesee	5
Monongalia Co., W. Va.	Nov. 20	Street imp. assess.	10,000	5	1-21	par	Spitzer, Rorick & Co., Toledo	5
North Wildwood, N. J.	Nov. 16	Improvement	3,000		1-20	par	Marine Nat. Bank, Wildwood	5
Rio Grande City, Tex.	Nov. 13	Building	2,000	6	**5-20	100.30	Portsmouth Nat. Bank, Portsmouth	5
Port Arthur, Tex., S. D. No. 20	Nov. 23	Building	1,000	5		par	State Board of Education	5
Upshur Co., Tex., S. D. No. 50	Nov. 23	Building	700			par	State Board of Education	5
West New York, N. J.	Nov. 21	Street imp.	1,000	5	1-21	par	Firemen's Relief Association	5
Portland, Ore.	Nov. 20	Local imp.	2,000	6	1-20	102.78	[illegible]	5.032
Sumas, Wash.	Nov. 15	Improvement	4,000	6	1-10	101.239	Spitzer, Rorick & Co., Toledo	5.81
Tulare County, Cal.	Nov. 13	Refunding	5,000	6	**2-4	100.3	[illegible]	5.81
Lake Dorcas Levee Dist., Mo.	Nov. 30	Drainage	25,000	6	*[illegible]	par	[illegible]	6
Medford, Ore.	Nov. 8	Improvement	2,000	6	1-5	par	[illegible]	6
San Diego, Cal.	Nov. 6	Fire Engines	7,000	5	*1-5	par	[illegible]	6
Wilbur, Wash.	Nov. 7	Water & Light No. 1	10,000	6	1-11	par	Wm. W. Flournoy, De Funiak Spgs.	6
Fort Smith, Ark.	Nov. 14	Park, Etc.	250,000	4½	1-21		[illegible]	
Hoquiam, Wash., S. D. No. 28	Nov. 11	Building	10,000	6	1-11		[illegible]	
Hoquiam, Wash.	Nov. 11	Funding	15,000	6	1-11		[illegible]	
Mount Ida, Ark.	Nov. 20	Bonds	5,000				Blake Bros. & Co., Boston	
Cleveland, Ohio	Nov. 10	Improvement	5,000				[illegible]	
Middletown, N. J., Sch. Dist.	Nov. 15	Building	50,000	4½	*[illegible]		[illegible]	
Mt. Pleasant, Iowa	Nov. 13	Light & power	15,000	5½	11-20		[illegible]	
New Haven, Conn.	Nov. 18	[illegible]	30,000		1-21		[illegible]	
[illegible]	Nov. 8	Funding	50,000			102.08	[illegible]	
[illegible]	Nov. 15	[illegible]	[illegible]	6	1-21		[illegible]	
[illegible]	Nov. 15	[illegible]	[illegible]				[illegible]	
[illegible]	Nov. 20	Bond	[illegible]			par	[illegible]	
[illegible]	[illegible]	[illegible]	[illegible]	6	1-21		[illegible]	
[illegible]	Nov. [illegible]	[illegible]	[illegible]				[illegible]	
[illegible]	[illegible]	[illegible]	[illegible]			100.13	[illegible]	
[illegible]	[illegible]	[illegible]	[illegible]			100.90	[illegible]	
[illegible]	[illegible]	[illegible]	[illegible]				[illegible]	
[illegible]	[illegible]	[illegible]	[illegible]				[illegible]	
[illegible]	[illegible]	[illegible]	[illegible]				[illegible]	

* Interest. ** Year serial. † Year optional.

Digitized by Google

BANK ITEMS.

CHADRON, NEB.—The Chadron National Bank is organizing with a capital of $50,000.

MT. HOLLY, N. J.—The Farmers National Bank is undergoing voluntary liquidation.

HUTCHINSON, MINN.—The Farmers National Bank of Hutchinson is organizing with a capital of $25,000.

PHARR, TEX.—The First National Bank is organizing with a capital of $25,000.

LESLIE, ARK.—The Farmers National Bank has made application to convert into the First National Bank. Capital $50,000.

STEWARTSTOWN, PA.—The corporate existence of the First National Bank has been extended until October 31, 1931

CLAREMONT, CAL.—The Claremont National Bank is organizing with a capital of $30,000.

PLAINFIELD, CONN.—The First National Bank is organizing with a capital of $50,000.

BELLEVILLE, PA.—The Farmers National Bank is organizing with a capital of $50,000.

Bond Certification

Modern conditions make the registration and certification of municipal and corporate obligations desirable and convenient. We have a department maintained exclusively for this purpose.

First National Bank of Boston
70 Federal Street

6%

First Mortgage Bonds

Thirty Years as Investment Bankers Without a Dollar Loss.

This record is the investor's assurance of absolute safety and signifies that our business judgment, our reputation, our integrity and our honor are back of every security we offer.

We solicit the investments of all, whether the sum be $500 or $100,000. To the man of small means, we assure the same absolute safety as secured by the large capitalist. We deal in the highest class of securities and in no other—FIRST MORTGAGE BONDS on improved Chicago Real Estate—in denominations of $500 and $1,000.

Request special circular No. 3.

S.W. STRAUS & CO
INCORPORATED

Mortgage and Bond Bankers
ESTABLISHED 1882

STRAUS BUILDING CHICAGO

City and Town Treasurers

The Old Colony Trust Company is one of the largest and strongest banking institutions in the country. Its tremendous resources and its strong position in the confidence of the public make our services in the preparation and certification of Municipal Bonds of unusual value to city and town treasurers.

Our plan for handling this work is the safest and most systematic that experience can suggest, and it is so economical that the entire cost is within the means of the smallest municipality.

It affords absolute protection not only to the issuing community and its officials but also to the banker and investor. It has already been adopted by many cities and towns throughout the country and has the unqualified endorsement of all bond dealers.

The marked preference shown by investors for bonds issued under our plan has resulted in a distinct enhancement of their market value. *Kindly send for descriptive pamphlet.*

OLD COLONY TRUST COMPANY

COURT STREET BOSTON TEMPLE PLACE

Notice to Bond Buyers

Five Hundred and Twenty-four Thousand Dollars ($524,000.00)
Refunding Bonds of the City of Houston, Texas

Sealed bids will be received by the City of Houston, Texas, until 12:00 o'clock noon, Monday, December 11th, 1911, for the issue of Five Hundred and Twenty-Four Thousand Dollars ($524,000.00) Five per cent (5%) Refunding Bonds, bearing date the 16th day of October, A. D. 1911, interest payable semi-annually at the office of the Union Trust Company, in the City of New York, said bonds to run Thirty (30) years, with an option reserved by the City of Houston to pay same at the expiration of Twenty (20) years.

Each bid for the above issue of bonds must be accompanied by a certified check on a Houston bank, payable to H. B. Rice, Mayor, for One per cent (1%) of the face value of said issue as a guaranty of good faith; bonds to be delivered and money paid in Houston, Texas.

The City of Houston reserves the right to reject any and all bids.

H. B. RICE,
Mayor of the City of Houston.

Attest.
Dan C. Smith, Jr.,
City Secretary.

UTAH COPPER COMPANY

165 Broadway, New York, Nov. 24th, 1911.

DIVIDEND NO. 14.

The Finance Committee of the Utah Copper Company has this day declared the 14th quarterly dividend of seventy-five cents (75c.) per share, being at the rate of seven and one-half per cent (7½%) per quarter on par value payable December 30th, 1911, to stockholders of record at the close of business on December 8th, 1911. The books for the transfer of the stock of the Company will close at 3 o'clock P. M., December 8th, and reopen at 10 o'clock A. M., December 13th, 1911.

CHAS. K. LIPMAN, Asst. Secretary.

REPUBLIC IRON & STEEL COMPANY

DIVIDEND NO. 40.

At a meeting of the Executive Committee of the Republic Iron & Steel Company, held November 22, 1911, the regular quarterly dividend of 1¾% on the Preferred Stock was declared payable January 1st, 1912, to Stockholders of record, December 15th, 1911. Books remain open.

R. JONES, Jr., Secretary.

BROOKLYN RAPID TRANSIT CO.

New York, November 22nd, 1911.

The Board of Directors has this day declared a quarterly dividend of ONE AND ONE-QUARTER PER CENTUM (1¼%) on the capital stock of this Company, payable on January 1st, 1912, to stockholders of record at the close of business on Saturday, December 9th, 1911.

J. H. BENNINGTON, Secretary.

MASSACHUSETTS ELECTRIC COMPANIES.

A dividend of Two Dollars ($2) per share has been declared payable on Janaury 1, 1912, to Preferred Shareholders of record at the close of business December 2nd, 1911.

J. H. GOODSPEED, Treasurer.

Boston, November 22nd, 1911.

THE UNITED STATES LIGHT & HEATING CO.

The annual meeting of the stockholders of The United States Light & Heating Company will be held at the office of the Company at 231 St. John Street, Portland, Me., on Wednesday, December 13, 1911, at 11 A. M. Stock books close November 30th and open December 14th.

W. S. CRANDELL, Treasurer.

Digitized by Google

SUMMARY OF THE WEEK.

(Continued from page 2137.)

yar. Stockholders also have the option of taking payment partly in Cumberland bonds and partly in American Telephone & Telegraph stock. The Cumberland is controlled by the American Telephone, and acquisition of the minority stock is part of its plan to bring the subsidiary companies more closely together.

Diamond Match Co.—The Diamond Match Company announces that the balance of the issue of $2,000,000 5 per cent gold notes dated July 1, 1908, and due July 1, 1912, will be redeemed at 101 and interest on December 29. These notes were subject to redemption at any time on five weeks' notice. Not more than $500,000 of the issue is now outstanding. Interest will cease from and after December 29, 1911.

Erie Railroad Co.—This company has sold $4,600,000 of equipment trust certificates, recently authorized by the Public Service commission to Philadelphia bankers.

Inspiration Copper Co.—Negotiations are reported to be under way for a consolidation of the Inspiration Copper Company and the Live Oak Development Company, two of the largest porphyry copper companies in the Globe district. Terms of the transaction are to be announced in the near future. The combined company will be dominated by Amalgamated Copper interests, who have secured control of the Live Oak Company, and have also, according to report, acquired a substantial interest in the Inspiration Copper Company. The two mines have developed close to 50,000,000 tons of ore.

Intercontinental Rubber Co.—Considerable discussion has arisen recently over the report that the directors of the Intercontinental Rubber Company will vote at the next meeting to retire an additional $250,000 of the preferred stock. At the present time, there is $1,250,000 of this class of stock outstanding, $2,950,000 having been retired within the last two years. The board of directors is said to be divided upon the advisability of reducing the preferred, a majority agreeing that the amount should not be placed below $1,000,000.

Lehigh Valley R. R. Co.—Lehigh Valley reported an increase in gross earnings of $81,206 in October, but an expansion in total operating expenses of $236,665, which resulted in a shrinkage in operating income of $179,890. For the four months ended October 31, operating income shows an increase of $55,090.

Louisville & Nashville R. R. Co.—Louisville & Nashville will increase its capital stock from $60,000,000 to $100,000,000, which stockholders may use in part to subscribe to the new stock, according to rumor in Wall street. The financial community has heard this rumor for several years, but the advance of Louisville & Nashville stock across 160 lent color to the rumor. In the last ten years the road has put $34,238,962 back into improvements and betterments. It has an accumulated surplus of $31,246,881, which is equal to about 52 per cent on the capital stock. The road owns about 71 per cent of the Nashville, Chattanooga & St. Louis, which has an accumulated surplus of $7,269,039, of which Louisville's equity is equal to $5,135,921, so that the road really has an undivided surplus of $36,382,802, which is equal to about 60 per cent on the stock. Even if Louisville does not cut a melon, the company is in a very strong position. It earned 14.26 per cent on its stock last year and 17.35 per cent in 1910. It pays dividends of 7 per cent a year.

Massachusetts Electric Companies.—Trustees of Massachusetts Electric Company have voted to pay the accrued dividends of 17½ per cent in preferred stock at par on July 1, 1912. This entails the issuance of $3,648,008 additional preferred stock.

National Railways of Mexico.—The report of the National Railways of Mexico for the year ended June 30, 1911, shows gross earnings of $61,934,421 (Mexican currency), against $61,483,147 in the preceding year, and net earnings of $22,656,076, a loss of $2,099,753. Net earnings reduced to gold at the acreage price of the Mexican dollar for the year, 50 cents were $11,327,538, compared with $12,377,414 in 1910.

Nevada-Utah Mine & Smelters Corp.—This company has been put in the hands of a receiver on the application of Cleiens J. Caughey, who claims more than 2,000 for services rendered, which the company has admitted it is unable to pay. Henry Melville has been appointed receiver. An early reorganization is looked for.

New York Air Brake.—Directors of the New York Air Brake Company, who deferred dividend action at their meeting last month, met and again took no dividend action. The next regular meeting of the board takes place December 29, and President Starbuck said that the question of paying a dividend would be taken up then. Hope that the board will consider a declaration advisable was held out by Mr. Starbuck's further statement that the company had taken large orders since the October meeting and had prospects of securing even larger ones.

New York Central Lines.—The New York Central, Lake Shore Michigan Central and "Big Four," at meetings of their directors yesterday, authorized an issue of $15,000,000 of equipment trust certificates bearing 4 per cent interest. The notes under this trust will be issued from time to time to pay for the equipment recently ordered by the New York Central lines, amounting to nearly $20,000,000. It is expected that some of them will be sold to bankers in the near future.

Northern Ohio Traction & Light Co.—The Northern Ohio Traction & Light Company has declared an extra dividend of one-quarter of one per cent payable December 15, to holders of record November 30. The regular quarterly dividend of three-quarters of one per cent was recently declared. The company will put the stock on a regular four per cent annual basis beginning next year, and earnings available for dividend on the common stock the past year were understood to amount to about seven per cent.

Ohio River R. R. Co.—Bankers are offering to investors Ohio River Railroad Company general mortgage 5 per cent gold bonds due in 1937, to yield about 4.40 per cent. The bonds are secured at the rate of $23,775 per mile on part of the Baltimore & Ohio system.

Oswego & Syracuse R. R. Co.—Stockholders of the Oswego & Syracuse Railroad Company, a Lackawanna subsidiary, will hold a meeting December 6 to authorize an issue of $2,000,000 of bonds, of which half a million will go to reimburse the Delaware, Lackawanna & Western for advances for improvements. About $600,000 or $700,000 will be used for refunding, and the remaining for construction.

PHILADELPHIA STOCKS

For the Week Ending Wednesday Evening, November 29, 1911.

Names.	RANGE FOR WEEK Low	RANGE FOR WEEK High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911 Lowest			RANGE FOR YEAR OF 1911 Highest			RANGE FROM JAN., 1879, TO JAN., 1911. Lowest		RANGE FROM JAN., 1879, TO JAN., 1911. Highest	
Amer. Cement..	5	6½	6	120	5	Nov	27	17½	Jan	4	5½	1905	46	1909
Amer. Railways.	45¾	46¼	46¼	351	42	Jan	10	48¼	Nov	27	21½	1900	58¾	1902
Bell Telephone..	...	...	116½	.....	.....			.....			45	1907	124¾	1910
Cambria Steel...	43¾	44¾	44	1,345	40¾	Sept	22	48¾	Feb	18	13½	1879	49¾	1909
do. Iron	...	...	44½	.....	43	Oct	2	46	Mar	27	42	1907	133	1882
Elec. Co. of Am.	12	12¾	12	60	11½	Oct	2	12¾	Jan	14	5¾	1902	35	1899
Elec. Storage....	52¾	55	52¾	3,402	48½	Jan	3	56¾	June	15	15	1894	104	1899
Gen'l Asphalt...	32	33	32	1,250	28½	Aug	25	39¾	Oct	23	8	1907	34¾	1910
do. pref.	72½	73	73	330	68	Aug	28	83¾	Jan	30	11	1905	84¼	1910
Hunt. & B. T...	...	...	5	.....	5	Oct	21	8	June	19	7	1910	42	1899
do. pref.	...	...	14	.....	14	Nov	20	27	Feb	1	⅞	1880	58¾	1902
Lake Sup. Corp.	26¾	27¼	27	550	21½	Sept	20	31¾	Feb	4	3¾	1908	33⅞	1909
Lehigh Valley...	88 7-16	90	88⅝	1,273	76	Sept	12	90½	Feb	3	17¾	1897	121¼	1910
Lehigh Navig'n.	90	91	88	.....	*84½	Sept	12	93¾	July	29	36	1898	131½	1904
Marsden	...	...	1¾	.....	.....			.....			¾	1907	28¾	1899
Penn Steel.....	...	...	60	.....	.....			.....			5	1894	200	1881
do. pref.	102¾	103¾	102¾	40	100½	Nov	9	108¼	Apr	13	10	1897	117¼	1909
Phila. Co.....	53¾	53	53	281	48¼	Sept	21	59¾	June	5	23¾	1907	55¾	1906
do. pref.	43¾	43¾	43¾	30	42	Oct	18	45	Feb	8	34	1909	52	1906
Phil. Elec.....	15½	16⅝	16¼	8,201	15¾	Nov	17	18	July	17	2	1900	16¾	1910
Phil. Rap. Trans	23½	24	24¾	1,042	16¾	Apr	1	24½	Aug	4	12	1907	37⅞	1909
Phil. Traction...	84½	84½	84⅝	31	82	Oct	12	87½	July	14	5	1885	102¾	1905
Tonopah Min'g..	7	7	7	185	5 3-16	Aug	23	8⅝	Jan	17	3 3-16	1907	21¼	1906
United Gas Imp.	86	86½	86¼	799	84¼	Sept	29	89⅝	Jan	9	50	1893	175	1899
Union Traction..	51¾	52⅝	52⅛	3,588	43	Jan	4	52⅝	Nov	28	5⅜	1897	66¾	1905
Warwick Steel..	10¾	10¾	10¾	15	9¾	Jan	10	11¾	Feb	25	2½	1908	18	1899
W'stm'el'd Co'l.	...	...	78	.....	78	Nov	14	91½	Mar	30	45½	1878	114	1906

* Ex-dividend. † Trust certificates. ** Temporary certificates.

CHICAGO STOCKS

For the Week Ending Wednesday Evening, November 29, 1911.

Names.	WEEK FOR RANGE Low	WEEK FOR RANGE High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911 Lowest			RANGE FOR YEAR OF 1911 Highest			RANGE FROM JAN., 1879, TO JAN., 1911. Lowest		RANGE FROM JAN., 1879, TO JAN., 1911. Highest	
Am. Can.....	10¾	11¾	11¾	425	8¾	Jan	27	12½	May	23	2¾	1903	31½	1901
do. pref.	90¾	92	91	475	78¾	Jan	7	92	Nov	10	25¾	1902	86	1910
Am. Radiator...	...	...	300	.....	265	Jan	9	300	Nov.	10	30	1900	260¾	1910
do. pref.	133	133	133	30	128½	Mar	2	133	Nov	28	98	1898	136	1899
Am. Shipbldg...	...	...	48	.....	48	Nov	18	59	Feb	6	19	1904	84¼	1910
do. pref.	...	...	106¼	.....	100¼	Jan	16	113	May	19	82	1904	112	1910
Chic. City Ry...	...	...	150	.....	145	Mar	22	190	Apr	28	140	1906	476	1898
Chic. Pneu Tl.	45¼	45½	45¼	31	39¼	Sept	22	55½	Feb	22	18	1904	107¼	1903
Chic. Subway...	⅝	1⅛	⅝	470	¼	Nov	14	6	Mar	1	2¼	1910	87¾	1905
Chic. Telephone.	132½	141¼	139½	2,730	115	Jan	27	141½	Nov	27	95	1907	288	1901
Chic'g'o Edis.	134½	135	134½	268	113	Jan	25	152¾	July	1	77	1907	126	1910
Diamond Match.	105	110¾	110¾	1,178	90	Jan	16	110¾	Nov	28	82¾	1910	161	1901
Kan. City Light	20	20¾	20¾	145	15	Sept	28	25	May	27	20	1910	68¼	1906
do. pref.	52	53½	52½	14	39	Sept	27	72½	Feb	27	48	1908	93¼	1906
Mex. El.....	...	...	21	.....	19¼	Feb	1	36¾	June	28	12	1899	43	1902
do. pref.	...	...	75	.....	64	Mar	16	***75	July	17	32	1909	93¼	1901
Nat. Carbon.....	...	...	160	.....	100	Sept	13	120	June	2	15	1899	145	1910
do. pref.	120	120	120	10	106¾	Aug	22	120	Nov	27	72	1900	124	1909
No. West. El...	...	...	20½	.....	20½	Apr	27	29½	June	30	13¾	1904	55	1901
do. pref.	...	...	61½	.....	60	Mar	1	67	Mar	30	44	1904	97	1901
Quaker Oats.....	...	...	198	.....	165	Mar	17	198	June	29	85½	1904	186	1910
do. pref.	105	105¼	1 5	20	102½	Feb	8	107½	July	24	78	1903	109½	1905
So. Side El	...	...	20½	.....	68	Feb	16	80	June	20	40¾	1897	199	1901
Streets' Car.....	...	...	8	.....	8	May	31	13¾	Feb	24	10¾	1910	84½	1909
do. pref.	...	...	38	.....	38	Nov	21	50	Aug	11	40	1910	111¾	1906
Swift & Co.....	100½	101¾	101¾	47	97¾	Sept	25	104	June	9	75¼	1907	177¼	1909
Un. Box Board..	1⅞	1⅞	1⅞	50	1½	Sept	29	7	Jan	5	¾	1908	17¾	1902
do. pref.	...	...	7⅞	.....	.....			.....			1⅞	1908	71	1902
Western Stone..	15	16	16	60	13½	July	25	24¾	Jan	24	14	1908	50	1906

* Ex-dividend. † New. ** Receipts. ‡ Assessment paid.

Pacific Gas & Electric Co.—This company will distribute a stock dividend of one-half a share for every share held as of November 22. The directors have adopted this method of distributing the accumulated cash surplus of $10,000,000. This action will increase the amount of outstanding common stock to nearly $30,000,000.

Pacific Mail S. S. Co.—The report that the Harriman holdings in Pacific Mail would be taken over by the International Mercantile Marine Company was good for a rise of 1½ points last week on the sale of about 5,000 shares. The fact that it is discredited in some quarters did not have much influence on the stock to-day. The story of a change in control was heard in Wall street over six months ago. The usual annual advance in the shares on talk of a subsidy bill is expected soon. It comes with the regularity of the seasons.

Pere Marquette R. R.—Despite the fact that the company's income account for the four months ended October 31 fails to give any promise of the road's future ability to support a greater capitalization due to the increase in the funded debt, the management is confident that coming months will show better net earnings, due to the improved condition of the property. The fact that operating expenses for October increased about 5 per cent is largely because of the gain in gross business of $155,760, or 10.8. The four months net before charges and taxes were $92,752, or 6.8 per cent in excess of 1910, but taxes and fixed charges were greater by $112,804, or 7.7 per cent, leaving a deficit of $116,523, as against $96,471 for the same period a year ago.

Rio de Janeiro Tramway Light, Heat & Power Co.—London advices state that the Rio de Janeiro Tramway Light, Heat & Power Company will immediately issue another $10,000,000 of additional stock, authority for which will shortly be asked from shareholders. This amount would

SALE OF MISSOURI STATE BONDS

Three and a half per cent. Capitol Building Bonds.

Dated January 1, 1912. Optional in eight years and redeemable in thirteen years.

Issue, $3,500,000.00. To be issued in denominations of $1,000.00 in coupon form, with interest, payable semi-annually on the first of January and the first of July of each year.

These bonds will be sold on Friday, December 1, 1911, at 12 o'clock noon, at the office of the State Board of Fund Commissioners in Jefferson City, Missouri. No bids will be accepted for less than the par value of the bonds, nor unless accompanied by a deposit of money or by a certified check or bank draft upon a solvent bank or trust company of the cities of Jefferson City, Kansas City, St. Louis, Chicago or New York, payable to the order of the State Treasurer of Missouri, for at least five per cent of the par value of the bonds bid for.

All bids, together with the security deposits, must be sealed and endorsed "Bid for Missouri State Capitol Bonds," and enclosed in a sealed envelope directed to the "State Board of Fund Commissioners, Jefferson City, Missouri, care of James Cowgill, State Treasurer."

These bonds will be ready for delivery to the purchaser on January 1, 1912. The State Board of Fund Commissioners reserves the right to reject any or all bids which are not considered advantageous to the State. The Board of Fund Commissioners further reserves the right to issue at least $500,000.00 of the bonds in the denomination of $500.00.

Further particulars can be secured by addressing James Cowgill, State Treasurer, Jefferson City, Mo.

The State of Missouri has no other bonded indebtedness, and the payment of the interest and principal of this issue of bonds is provided for by a special tax of 2 cents on the $100 of assessed valuation. The total assessment of all classes of property in the State for the taxes of the current year is $1,804,208,191.00.

HERBERT S. HADLEY, Governor,
JOHN P. GORDON, Auditor.
ELLIOTT W. MAJOR, Attorney-General,
JAMES COWGILL, State Treasurer,
Board of Fund Commissioners of the State of Missouri.

BOSTON STOCKS AND BONDS

For the Week Ending Thursday Evening, November 30, 1911.

Names.	RANGE FOR WEEK		Last Sale	Sales for Week	RANGE FOR YEAR OF 1911				RANGE FROM JAN., 1879, TO JAN., 1911.	
	Low	High			Lowest		Highest		Lowest	Highest
Railroads.										
Boston & Albany	222	222	222	241	219	Sept	236	Feb 15	129	1899
Boston Elevated	129½	130	129½	374	124½	Oct 3	130½	Aug 2	52½	1898
Boston & Maine	100	101	100	13	96½	Oct 30	122½	Feb 15	100½	1879
do. pref.	...	...	146	.....	142½	Nov 9	154	June 5	134½	1891
Cent. Verm't 4s	90	90	90	20.00	82½	Sept 20	92	Mar 23	76	1904
C. B. & Q. Jt. 4s	96½	96¾	96½	57,000	95½	Jan 5	98½	June 2	82½	1907
Chic. June. R.	...	...	158	.....	[illegible]	Apr 29	[illegible]	Aug 23	50	1899
do. 5s	101¾	101¾	101¾	1,000	101¼	Sept 23	102	Aug 24	89¾	1891
Fitchburg pref.	126¼	126½	126½	57	125	Oct 25	[illegible]	Jan 9	63½	1899
K.C.,Ft.S.&M.6s	117	117	117	2,000	115	Mar 22	117¾	Nov 17	76	1886
K.C.M.&B.new4s	92	92	92	2,000	91	Oct 27	93½	Jan 3	25½	1894
do. inc. 5s	...	...	89	.....	87½	Oct 27	102½	Nov 4	8	1895
N.Y., N.H. & H.	139	143	139	488	128½	Sept 14	151½	Feb 22	127	1907
Old Colony	...	...	190	.....	183	Mar 15	190	Nov 22	95	1879
Rutland pref.	38	38	38	50	32	Jan 26	45	Aug 4	6¼	1879
West End	87½	87½	87½	54	85	Oct 4	95	Feb 6	42	1894
do. pref.	...	...	103½	.....	100	Sept 26	105	June 22	78	1888
Miscellaneous.										
Am. Agri. Chem.	55	55½	102½	395	44½	Oct 6	60½	May 18	9	1903
do. pref.	102¼	[illegible]	102	180	99	Jan 6	106½	Mar 1	66½	1903
Am Pneu. Ser.	4¾	4¾	4½	550	3½	Oct 7	6½	Jan 31	3	1908
do. pref.	15½	16½	16	945	12½	Sept 1	19½	Jan 31	9¼	1908
Am. Tel. & Tel.	137¾	142	138½	4,153	131¾	Aug 30	153¼	Jan 5	88	1907
do. 4s	90½	90¾	90¾	$1,000	89½	Mar 22	92	May 23	71	1907
do. cons. 4s	111¼	111¼	111¼	40,000	104	Aug 2	113¾	June 19	80¾	1908
Am. Woolen	25½	25½	24½	50	27½	Sept 19	36½	Mar 20	7¾	1903
do. pref.	85¾	85½	88	346	85¼	Oct 27	96½	June 15	65	1903
B. & Wor. Elec	...	...	12	.....	8	Feb 15	13	July 11	8	1910
do. pref.	...	...	56	.....	39½	Jan 27	58	July 1	35	1910
Cumberl'd Tele.	156¼	156¾	155¾	3,294	146	Jan 19	158	June 2	83½	1907
Dom. Coal 6s	...	...	97¾	.....	90	Jan 4	98½	Sept 22	99	1908
E. Boston Land.	9¾	9¾	9¾	110	7¼	Nov 22	13	May 11	2¾	1893
Edis. Elec. Ill.	287	287	287	95	278	Sept 9	294	Oct 30	10	1893
Gen'l Elec. Co.	154	156	154	117	142	Sept 22	167¾	May 29	30¾	1896
Mass. Elec.	22½	22¼	22¼	1,298	18	Apr 21	24	June 3	6½	1907
Mass. pref.	90½	90¾	94½	461	83¾	Jan 9	98	Nov 22	37	1907
Mass. Gas	90¼	91¾	90½	149	87¾	Sept 28	96½	Aug 4	30	1903
do. pref.	90½	96	95¼	97	91½	Apr 13	98¾	Nov 13	74½	1903
Mergenthaler	230	230	230	20	211	Jan 3	250	July 31	118¾	1897
N. E. Cot. Y'n.	104	104	104	20	103	Nov 21	119	Mar 14	49	1905
do. pref.	101	102½	101½	227	101	Nov 21	116¾	Mar 15	84¾	1903
do. 5s	99¼	99¼	99½	5,000	99	Nov 22	103	June 20	93	1909
N. E. Telephone	150	150¾	150¾	109	137	Jan 17	150½	June 10	78¾	1879
Portland Elec.	...	...	73¾	.....	62¾	July 29	73¾	Nov 18	.....	.....
Pullman Car.	159	159¾	159¾	129	153	Sept 25	168	Jan 30	5¾	1901
Reece But. H.	12¾	13	13	10	12	Jan 5	16¾	May 22	7½	1884
Torr'g'n Co.Cl.A	29¾	29¾	29¾	74	29	Nov 17	36	Jan 7	18	1905
do. pref.	...	...	29	.....	27	Sept 8	30	July 26	20	1907
U'ted Fruit Co.	196½	197½	197	492	180	Aug 28	197	Nov 28	73	1901
U'ted Fruit 4½s	96¼	96¼	96¼	5,000	95½	Nov 8	97½	Jan 6	86	1910
Un. Shoe Mac'y.	48	50	48	4,405	40¼	Aug 28	58¾	Feb 18	28	1900
do. pref.	27¾	28	27¾	440	26½	Sept 22	29½	Mar 7	22	1900
West. Tel. & T.	...	...	27½	.....	15	Sept 28	27½	Nov 8	4	1905
do. pref.	...	...	107¾	.....	89	Jan 23	107¾	Nov 9	50	1907
do. 5s	99¾	99¾	99¾	2,000	90¾	Jan 3	100½	Nov 13	74	1907
Mining.										
Adventure	5	5¼	5	103	4	Oct 9	7¼	May 15	†.62½	1907
Allouez	34	37	34½	1,440	21	Aug 28	39	Jan 5	90	1894
Amalgamated	61½	64¾	62¼	3,723	44½	Sept 22	71½	June 26	33¾	1903
Am. Zinc	25¾	[illegible]	26	6,740	19¾	Oct 5	30¾	June 14	5	1901
Arizona Com.	10	.45	.25	3,115	.10	Nov 22	15¾	June 14	7¾	1907
Bos. & Corbin	6½	6¼	6½	555	3¾	Aug 24	15½	June 6	6	1907
Butte Bal'kl'n	4	4¼	4	310	3¼	Aug 29	6¾	Jan 4	4¼	1910
Butte Coalition	17	18¼	17	903	14	Sept 28	30½	May 24	10	1907
Calumet & Ariz.	56	57½	56¼	4,235	41	Sept 25	63	June 14	44¾	1910
Calum. & Hecla.	390	410	400	85	360	Sept 25	545	Jan 4	124	1864
Centennial	11¾	13¼	11¾	415	8	Sept 27	16	Jan 3	10¢	1896
Copper Range	54½	59½	54½	1,574	46½	Sept 25	69¾	Feb 2	37	1903
Daly-West	5½	5¾	5½	165	3	Feb 15	6¼	June 21	3½	1910
East Butte	11¾	13	12¾	11,066	8¾	Aug 26	14¾	June 26	3½	1908
Elm River	...	...	.15	.....	.10	July 24	.30	Jan 6	.05	1910
Franklin	8½	9¼	8¾	2,051	5½	Aug 24	14	June 14	4	1879
Giroux	4¼	5	4¼	3,388	3¾	Sept 26	8½	Feb 6	2¾	1907
Granby	31	31¾	31	57	28	Aug 25	43½	June 21	20	1910
Greene Cananea	8	8½	8	6,857	5 8-16	Feb 9	8½	Nov 28	5	1907
Hancock, Con.	20¾	25	23	460	17	Sept 26	20¼	June 19	1¾	1907
Helvetia	1¼	1¼	1¼	890	.75	Nov 1	2	Mar 4	1¾	1910
Isl'd C'k Coal	39½	41¼	40½	2,470	29¾	May 9	48¾	June 3	30¾	1910
do. pref.	86¾	87¾	87	170	82½	Sept 25	91	June 13	84½	1910
Isle Royale	19¾	20¼	19¾	9,210	11¾	Aug 30	20¾	Nov 28	6¼	1903
Kerr Lake	3¾	3¾	2¾	605	2¾	Oct 21	7¾	Jan 23	6	1910
Keweenaw	70	.95	.75	1,915	.70	Nov 21	3¾	June 14	2½	1909
La Salle	4½	5¾	4¾	1,895	3	Oct 21	6	Jan 3	3	1908
Lake Copper	23½	25¾	23¾	3,979	21¾	Aug 28	40	June 13	4	1907
Mass. Cons.	7	7¾	7	25	4½	Aug 25	10	June 19	2¼	1908
Miami	21¾	22¾	21¾	845	16¾	Oct 3	27½	June 21	4¾	1908
Michigan	2¾	2½	2¾	260	1¼	Nov 13	4¼	May 6	1	1900
Mohawk	44¼	49	46¼	220	[illegible]	Apr 24	53	June 15	11½	1900
Nev. Cons.	19¾	18¾	18¼	1,158	15	Sept 25	21¾	June 15	6¼	1907
New Arcadian	3	3¾	3¼	620	2	Sept 29	4¾	May 17	1	1905
Nipissing	7½	7¾	7½	370	7½	Nov 22	11½	Feb 17	5	1906
North Butte	20¼	24¾	21½	5,975	20	Sept 25	36	June 13	18½	1910
North Lake	[illegible]	7	[illegible]	2,657	3¾	Aug 23	9¾	June 3	4½	1909
Old Dominion	45¼	48	46¼	316	34¾	Sept 25	49	June 19	9¼	1904
Osceola	97	102	98	591	[illegible]	Sept 22	124	Jan 4	7¼	1859
Parrot	11	11	11	10	7¾	Sept 22	13¼	May 22	5¾	1907
Quincy	66	67	67	104	55	Sept 22	74	July 24	10	1879
Ray Consol'ted	15	15¾	15	2,740	12	Sept 25	18¾	Jan	7¼	1906
Santa Fe	...	...	1 1-16	.....	.75	Apr 26	1¾	June 13	1	1903
Shannon	9¾	10¼	9¾	3,020	7	Oct 9	12¾	Feb 6	2½	1904
Superior Copper	26	27½	26	275	20	Oct 30	34½	June 14	7	1907
Sup. & Boston	3¾	3¾	3¼	734	2	Oct 23	8¼	June 15	1¾	1908
Tamarack	25	29	25	397	20	Sept 26	52	Jan 3	15½	1910
Tennessee	38¼	38¾	38¾	26	34¾	Aug 9	43½	June 12	9¼	1901
Trinity	4¾	5	4¼	510	2¾	Oct 5	5	Nov 21	3¾	1904
U. S. Smelting	35	36¾	35	3,239	20¾	Sept 25	40¼	June 14	24¾	1907
do. pref.	47¾	48	47¾	308	45¼	Oct 10	49½	June 26	27¾	1907
Utah Cons.	17¾	17¾	15¾	1,446	9¼	Jan 20	20	June 26	12¾	1910
Utah Apex	2¼	2¾	2¾	1,457	2	Oct 3	3¾	June 15	1¾	1907
Victoria	2¾	2¾	2¾	915	1	Aug 19	2¾	Nov 10	1	1900
Winona	5½	6	5½	575	4	Oct 23	9¼	Feb 6	1	1902
Wolverine	89	91	89	35	75	Nov 2	123	Feb 10	75c	1893

* Ex-dividend † Assessment paid. ‡ Rights off. ‖ Auction. § Old securities. ¤ Old stock. ** Temporary certificates.

Digitized by Google

NEW YORK STOCKS AND BONDS

For the Week Ending Thursday Evening, November 30, 1911.

Names.	RANGE FOR WEEK Low	RANGE FOR WEEK High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911 Lowest		RANGE FOR YEAR OF 1911 Highest		RANGE FROM JAN., 1879, TO JAN., 1911. Lowest		RANGE FROM JAN., 1879, TO JAN., 1911. Highest	
Atch. & T. R.R.	106½	106¼	106⅞	16 30	99⅜	Sept 27	116⅝	June 5	1 1-16	1894	152½	1906
Atch. & Top. pf.	103⅝	103¾	103⅞	60	100⅜	Jan 3	106½	June 12	14	1896	107½	1901
Atch. & Top. 4s.	99⅛	99⅞	99⅞	89,000	92⅝	Sept 20	99⅝	Nov 13	61	1894	105⅞	1902
do. adj. 4s....	91⅝	91⅞	91⅝	1,000	90⅜	Mar 29	92½	Jan 26	26	1896	99⅝	1900
At'tic C'st Line.	136¾	138½	137	4,400	117	Jan 3	139½	Nov 23	56	1907	170	1906
B. & O. Gold 4s.	98½	98⅝	98½	21,000	97¼	Sept 20	99⅜	Oct 10	62	1907	106⅜	1908
B.& O.S. W.3½s.	90½	91	90½	10,000	89½	Sept 29	97	Mar 11	80	1907	98	1908
Balti. & Ohio...	102½	104	103	3,000	93⅜	Sept 29	109¾	July 22	9	1887	125⅛	1906
do. pref.	....	....	....	....	85½	Aug 30	91	Jan 4	47¼	1889	100	1906
Brooklyn R. T..	77⅝	78½	77⅝	5,400	72	Sept 25	85⅜	July 20	18	1896	137	1899
B.R.T.conv't 4s.	84½	84⅞	84½	72,000	82⅜	Oct 2	88⅜	Jan 26	56	1907	102½	1908
Canadian Pac...	241⅛	242⅞	241⅛	13,600	186⅝	Jan 3	247	July 21	33	1895	202⅜	1910
Canada South...	....	....	86	.....	62	Mar 1	88	May 12	22	1896	97	1902
Cen.ofGa.Con.5s.	....	....	109	.....	107¾	Jan 13	110	July 26	85	1907	130⅛	1911
do. 1st inc....	....	....	98	.....	95	Nov 11	114⅛	Apr 18	30	1896	102	1910
do. 2d inc....	....	....	96	.....	91	Oct 17	105⅛	Apr 6	9	1899	101	1910
do. 3d inc....	....	....	100	.....	85	Feb 24	102	Apr 4	4	1898	100	1910
Central N. J....	....	....	310	.....	260	Sept 16	285	June 2	31	1885	312	1910
Cent'l Pac. 3½s.	....	....	90	.....	90	Nov 3	92	Mar 8	75	1907	91	1910
Ches.O. gen.4½s.	101⅝	101⅞	101⅞	17,000	99⅝	Nov 15	102	May 15	61	1893	111	1908
Chesapeake & O.	74½	76⅛	75¼	5,200	68⅜	Sept 25	86⅝	Feb 10	1	1888	123⅜	1881
Chic. & Alton...	....	....	19	.....	15	Aug 28	31¾	May 23	8¼	1907	74⅜	1909
do. pref.	....	....	40	.....	40	Oct 6	63	Jan 27	47	1908	95¼	1908
Chic. Gr't West.	20¼	21⅛	20¼	400	17¾	Sept 14	25¼	June 5	3⅝	1897	37⅜	1902
do. pref. A....	38	39	38⅜	700	34	Sept 27	49¼	Feb 6	15½	1908	90¼	1901
Chic. M. & St.P.	109⅜	112⅝	111⅛	50,255	105¾	Oct 4	123½	Feb 7	34⅜	1879	129⅜	1908
do. pref.	147	148¾	147	270	141	Sept 14	156½	June 15	74⅜	1879	218	1908
Chic. & N. W....	145	146⅜	145½	1,614	138¼	Sept 22	150½	June 12	49⅜	1879	271¼	1902
do. pref.	....	....	197	.....	197	Aug 30	201½	Aug 9	128	1893	274½	1902
Chi.,St.P. & Om.	....	....	144	.....	130¾	Apr 20	144	June 12	18½	1885	225	1905
do. pref.	....	....	150	.....	153	Feb 18	182	Feb 18	66	1885	220	1905
Chic. Un. Trac..	....	....	2	.....	1⅝	Sept 30	6	June 2	⅜	1908	22	1902
do. pref.	....	....	4⅜	.....	4⅜	Nov 27	7¼	Feb 6	2	1908	60	1902
C.,C.,C. & St. L.	63	63	63	100	48⅝	Sept 15	66	Jan 15	19½	1896	111	1907
do. pref.	....	....	94½	.....	94½	Aug 22	98	Feb 1	63	1897	124⅛	1902
Colo. & South'n.	....	....	13	.....	11	Sept 22	20	Jan 18	4⅜	1889	68⅜	1909
Col. & So. 1st pf.	77¼	77⅞	77⅜	300	72	Oct 20	94⅝	July 10	35	1899	86	1909
do. 2d pref....	70	70	70	100	66	Sept 18	75	Aug 8	12½	1899	84½	1909
Del. & Hudson..	171½	171½	171½	300	159⅝	Sept 27	175¾	June 8	23	1879	240⅜	1905
Del., L'ck & W..	....	....	550	.....	505	Sept 25	570	Nov 10	48	1879	680	1908
Den. & Rio G'de	23	23⅜	23	200	21½	Sept 14	35	Feb 21	4⅜	1885	186½	1889
do. pref.	48½	48½	48½	100	41	Sept 14	74	Feb 21	24	1894	163¼	1901
Dul.,So.Sh.& Atl	9	9	9	400	9	Nov 27	15½	May 11	2½	1895	24	1902
do. pref.	19	19	19	100	19	Nov 27	28⅝	Apr 4	5	1895	46⅜	1908
Erie 1st gen. 4s.	78¼	79½	78¼	22,000	72¼	Jan 3	79⅜	Nov 10	55	1868	95	1908
Erie	31⅜	33½	32	35,200	27¼	Jan 11	38⅛	June 30	3⅜	1894	52¼	1891
Erie 1st pref....	52⅜	54⅜	52½	5,201	45⅜	Jan 12	61½	July 1	15	1892	95	1891
Erie 2d pref....	44	44⅞	44	650	35	Jan 13	49¼	July 3	13	1896	78⅜	1907
Ev's'le & T. H.	....	....	41	.....	60	Feb 1	88	July 24	20	1880	152	1892
do. pref.	....	....	82½	.....	85	June 5	90	July 24	72	1904	104⅜	1902
Gr'ns'B&W'deB.	....	....	12½	.....	11	Sept 25	15¾	Jan 25	2½	1898	27½	1907
Gt. Northern pf.	127	129¾	127⅝	9,800	119	Sept 25	140	June 8	44½	1900	348	1898
Hock'g Valley**	....	....	134	.....	128	May 24	134	Apr 29	22	1899	140	1910
do. pref.	....	....	128	.....	....	....	....	....	53½	1899	101⅜	1910
Illinois Central..	144	145½	144	1,200	132	Jan 3	147	July 20	79⅛	1879	184½	1903
Inter-Met (w.i.).	14	15¾	15	15,100	13¾	Sept 26	20⅜	Feb 15	4⅜	1900	45⅜	1906
do. pf. (w. i.)	44⅜	47⅜	47	11,300	39⅜	Sept 25	53⅜	Feb 10	14	1907	87⅜	1906
Iowa Central....	17	17	17	100	15	May 12	22	Sept 8	2	1888	51⅜	1907
do. pref.	34	34	34	100	28	Apr 27	39	Sept 8	12	1888	90⅜	1907
Kan. City & So	29½	30⅜	29½	600	25⅛	Sept 25	35¼	June 15	7	1900	56⅜	1907
do. pref.	66	66	66	200	61½	Sept 25	70	May 26	27½	1900	75¼	1909
K.C.,Ft.S.&M.pf	79¾	79¾	79¾	500	75	Aug 7	76	May 3	58	1900	88	1907
L'ke E. & West.	....	....	14	.....	10	Sept 25	17	Nov 9	1⅜	1885	76½	1907
do. pref.	....	....	31½	.....	25	Sept 5	46	Jan 13	34	1885	138	1902
Louis. & Nashv.	156½	160⅜	157⅜	18,400	136⅛	Sept 14	160⅝	Nov 24	22	1885	162⅜	1906
Manh'ttan Elev.	135	135	135	200	131¾	Sept 25	142⅞	July 19	64¼	1884	175	1905
Minn. & St. L..	....	....	37¼	.....	21¾	Apr 28	35⅛	Nov 9	3½	1889	115	1907
do. pref.	....	....	59	.....	35	Mar 13	64	Sept 13	7⅜	1889	127⅜	1902
M.S.P. & S.S.M.	134½	135¾	135¼	1,520	124⅜	Sept 22	150¼	Mar 30	6	1897	164	1906
do. pref.	148	149	148	100	143⅜	Aug 28	156½	July 21	30	1897	183⅜	1906
M.,K.&T. 1st 4s.	....	....	97⅜	....	87⅜	Sept 8	98¼	Nov 13	50	1893	117	1907
do. 2d 4s.....	84	84⅜	84	6,000	82⅜	Jan 3	87⅜	Feb 17	27	1893	93⅜	1908
M.K. & T. 1st 5s	....	....	104⅜	....	97⅜	Oct 25	105⅜	July 10	72	1896	114½	1909
Mo., K. & Tex..	32¾	32¾	32	4,400	27	Sept 26	38¼	June 14	5⅜	1879	54	1907
do. pref.	66⅜	66⅜	66⅜	100	57	Sept 26	78⅜	June 14	13⅜	1893	78½	1908
Missouri Pacific.	39	40½	39	3,700	33½	Sept 13	43	Feb 15	10	1880	125	1907
N. Y. Central...	107	107⅜	107	6,400	99⅜	Sept 27	115½	Feb 3	31⅜	1885	174⅛	1901
N.Y.,C. & St. L.	54	54	54	100	48	Oct 9	65	Jan 20	9	1896	97½	1902
do. 1st pref...	....	....	96⅜	.....	86⅜	Sept 25	101⅜	Mar 20	4	1895	124½	1907
do. 2d pref....	....	....	82½	.....	82½	Aug 21	90	Jan 20	18	1896	100	1902
N.Y., Ont. & W.	42¾	43⅛	42¾	2,500	37⅜	Sept 25	46⅞	July 22	6⅜	1888	64	1902
No. & W.Con. 4s.	96½	96½	96½	2,000	90⅛	Oct 26	96¾	Nov 4	74	1898	107	1909
Norfolk & West.	110⅝	111⅜	110⅜	7,700	96⅜	Sept 25	111¼	Nov 24	..	⅛	1896	105⅝	1910
do. pref.	91	91	91	400	86⅜	Apr 28	91	Nov 24	4⅛	1896	98	1906
N. Pac. prior 4s.	99⅜	100⅛	99⅜	45,000	98⅜	Sept 22	102¾	Nov 2	20⅛	1896	109	1898
do. gen 3s....	69⅜	69⅝	69⅜	18,000	68	Sept 25	71½	Aug 4	57	1896	79	1907
North'n Pacific.	118	121	118⅝	22,200	111¾	Sept 25	137⅜	June 8	11	1897	1000	1907
Pacific Coast....	95	95	95	10	96	Nov 27	102	Jan 10	34	1898	142	1907
do. 1st pref...	....	....	150	.....	....	....	....	....	65	1907	165	1907
do. 2d pref....	....	....	101	.....	101	Jan 11	101	Jan 11	60½	1907	135	1907
Penn. R. R.....	122⅝	123½	123½	9,50	118⅝	Sept 25	130¼	Feb 1	97⅛	1879	170	1909
Peoria & East'n.	....	....	20	.....	....	....	....	....	2	1897	50	1901
P.,C.,C. & St. L.	96	96	96	1,500	90¼	Sept 26	100	Jan 17	10¼	1896	105½	1909
do. pref.	98⅛	98⅜	98⅛	50 00	104¼	Sept 25	112	Feb 17	60	1896	126	1909
Reading gen. 4s.	149⅞	154⅜	151⅝	334,200	96⅜	Mar 15	99½	Nov 14	77	1896	104¼	1907
Reading	....	....	91	.....	124	Sept 25	161⅜	June 2	17⅜	1896	117⅛	1909
do. 1st pref...	90	90	90	100	88	Sept 20	92	July 14	11⅜	1907	81	1909
do. 2d pref....	26⅜	27⅜	26⅜	2,70	90½	Sept 20	101	May 2	26	1907	64⅜	1906
R'k Island. new	50	51⅜	50⅛	1,600	22⅜	Sept 25	31⅜	June 14	6⅜	1907	90⅛	1901
do. pref.	80½	80⅝	80⅛	3,100	11	Sept 25	65⅜	June 14	18	1870	120	1887
St L.&S F.rfg 4s	66½	67	66⅜	200	57	Oct 3	83	May 4	4⅜	1870	84⅜	1887
St L.&S F 1st pf	42¾	44	42½	1,800	39	Sept 19	69	July 25	50	1870	110⅛	1907
St L.&S F 2d pf	....	....	37½	.....	26	Apr 21	49½	July 24	12	1870	103⅜	1900
St L.&SW 1st g4s	....	....	97½	.....	89⅞	Jan 24	92⅜	Aug 23	46	1886	123⅜	1909
do. 2d gtd 4s.	....	....	79½	.....	78	Jan 9	83¼	June 29	26	1886	97	1907
St. L. Southw...	21¾	21⅝	21⅜	200	24	Jan 17	34	Feb 4	1	1887	39⅛	1907
do. pref.	81⅞	82⅝	82⅜	100 00	64⅜	Jan 3	72	Nov 27	..	..	90	1909
S'b'd A.L.adj.5s.	87⅜	87⅝	87⅜	2,000	74½	Sept 25	92⅝	Nov ..	..	..	..	..
San Ant.&A.P.4s	94⅜	95	94⅜	97,000	86	Sept 11	98	Oct 1	..	..	..	..
So. Pac. rfd 4s.	113⅜	115⅜	114⅜	21 700	101½	Sept 29	96¼	Nov ..	..	..	..	..
South'n Pacific..	....	....	71⅜	.....	104½	Sept 25	126⅜	June ..	..	..	..	..
do. pref.	....	....	....	....	....	....	....	....	..	..	..	..

increase the capital of the company from $40,000,000 to $50,000,000

St. Louis & San Francisco R. R. Co.—The report of the St. Louis & San Francisco Railroad Lines for the year ended June 30, 1911, shows total transportation revenue of $42,551,627, an increase of $1,-161,835 over the preceding year. Total operating revenue was $42,159,227, an increase of $1,093,288; operating expenses were $29,320,600, an increase of $643,568, and net operating revenue, including taxes, was $12,937,000, an increase of $390,-079. After the addition of miscellaneous income total income was $14,360,971, a gain of $1,029,631. Surplus available for dividends after all charges was $1,535,-404, leaving a balance after dividends of $1,335,662 carried to profit and loss account. The net increase in funded debt and equipment bonds and notes in the years was $5,756,020.

Sears, Roebuck Co.—Surplus earnings of the Sears, Roebuck Company for the year ending December 31 will probably show a loss owing to the smaller margin of profit on sales. The volume of sales is expected to approximate that of last year, but if there is any increase it will be due to a larger holiday trade than is now expected.

Southern Railway Co.—Southern Railway issued a favorable report of earnings for October, gross showing a gain of $347,726. Operating expenses were $251,-941 larger, so that net was $95,785 over that for the same period last year. After allowing for taxes and outside operations there was operating income left $89,558 in excess of that for October 1910. For the four months ended October 31, operating income shows an increase of $365,681. It is expected that an issue of Southern Railway equipment trusts, of between $1,-500,000 and $2,000,000, will be announced in the near future. This issue will be sold for the purpose of paying for the equipment recently ordered.

MINING INQUIRY.

Nipissing Mines Co.

21356. (Keene, N. H.) What was the cause of the recent three-point drop in Nipissing? What are its future prospects?

Ans.: At the present selling price of 7½, Nipissing is three-eighths of a point above the 1911 low level, and 3¾ points under the high. This decline since the beginning of the current year is apparently due less to any particular change for the worse in physical and financial conditions than to the depressing influence of liquidation consequent upon a heavy demand for funds in connection with a Porcupine flotation in which the Nipissing interests are the moving spirits. The putting out of this line was accompanied by apparent abandonment of any attempt to lend support to the market, and traders, recalling that similar action in Kerr Lake and McKinley-Darragh preceded dividend cuts, started rumors of a smaller rate of disbursement on Nipissing shares, thereby facilitating the downward movement. The predicted cut has not come, however, although the last payment was made only a month ago. At the regular quarterly rate of 5 per cent, with 2½ per cent per quarter extra, the return on par is 30 per cent, which means 20 per cent on the present market price. So far as official statements have been obtainable from the insiders, they have shown a tendency to discredit expectations of a dividend cut in the near future. Certainly, it is still true that Nipissing is the premier mine of Cobalt, which for a long time to come will remain the great silver camp of this continent. Those who are bearish on the stock are calling attention to the marked decrease in shipments in recent months, forgetting that this state of affairs is due to the fact that ore which was formerly shipped is now being treated in the company's high-grade mill, the

erection of which of itself indicated confidence on the part of the management that there is an abundance of ore to be mined. Recently, developed results have been generally encouraging, sufficiently so, we believe, to justify one in looking on the stock as an attractive speculative mining investment.

BANK ITEMS.

EAST ROCHESTER, N. Y.—The First National Bank has made application to organize with a capital of $25,000.

LINCOLN, ALA.—The First State Bank has made application to convert into the First National Bank of Lincoln. Capital $25,000.

BENNETT'S

INFORMATION AGENCY

INVESTMENT DEPARTMENT

The wisest men in the United States are those who never make a new investment which they consider good, and never get rid of an old investment which they consider bad, until they have made an investigation of the merits of the investment through BENNETT'S INFORMATION AGENCY.

CONGRESSIONAL INFORMATION

We attend to business at the Treasury Department as well as before Congress, the Courts, and all departments of the United States government, through our Washington office, 208 Corcoran Building, and through our staff of Washington correspondents. If you desire any information from Washington, or any business transacted at the National Capital, we shall be pleased to perform the desired service for our subscribers

PROBATE DEPARTMENT

Information respecting probate matters, in any town or city of the United States, is furnished to our subscribers gratuitously if the inquiry is answered through the columns of the INVESTOR, or for $2.00 if the reply is by private letter.

LEGAL DEPARTMENT

Questions answered by prominent attorneys upon any desired subject for $2.00 each.

MERCANTILE DEPARTMENT

A report regarding the standing and reliability of any firm or individual in the United States furnished for $2.00. Our information goes into the character and individuality of members of a firm and its methods of doing business.

MISCELLANEOUS QUESTIONS

Inquiries of any sort answered for $2.00 each. Send for descriptive pamphlet of the agency.

REAL ESTATE DEPARTMENT

A report upon any piece of property in the United States furnished for $2.00.

Conducted by

Frank P. Bennett & Co., Inc.

530 Atlantic Ave., BOSTON.
308 Chestnut St., PHILADELPHIA
2 Rector St., NEW YORK.

NEW YORK STOCKS AND BONDS

For the Week Ending Thursday Evening, November 30, 1911.

Names.	RANGE FOR WEEK Low	High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911 Lowest		Highest		RANGE FROM JAN., 1879, TO JAN., 1911. Lowest		Highest	
Southern	29⅞	31¼	30⅜	57,900	24⅝	Sept 28	33⅜	July 22	42	1884	$263	1882
do. pref.	71½	74	72⅞	5,100	61⅝	Jan 11	75¼	July 20	612	1884	103	1906
Texas & Pacific.	24½	24½	24½	100	22¼	Sept 21	30¾	June 9	4⅝	1893	73⅝	1881
Third Avenue...	5⅜	6	5⅝	14,500	2⅝	Nov 27	28	Mar 2	4½	1910	242	1885
Tol.Rys.& Light	18	18⅝	18⅝	1,000	4	Nov 16	8½	Jan 17	5½	1910	33	1902
Tol., St. L. & W	....	....	4⅛	.....	17	Sept 11	24⅝	Feb 8	10⅜	[illegible]	54⅞	1909
do. pref.	41⅝	42⅝	42⅝	1,200	33	Sept 1	53⅛	Feb 8	22⅝	1908	74⅝	1909
Twin City R. T.	106	108	106	310	104	Sept 15	111	Feb 3	9½	1897	129	1902
U.P.cvt. 4s, 1927.	103	104⅝	103¾	983,000	100	Sept 25	109⅝	June 27	70¾	1907	124⅛	1909
Union Pacific....	175⅝	178⅝	177¼	308,700	153⅝	Sept 25	192⅝	July 22	3	1898	204⅝	1910
do. pref.	93¾	94½	93⅝	4,100	89	Sept 21	96	Nov 21	47	1898	118½	1909
Wabash 1st 5s...	104⅝	105¾	105	5,000	99¼	Aug 30	110	Mar 20	93	1890	121	1902
do. deb. B's...	....	....	101	.....	.....		.....		19	1893	101	1908
Wabash	9¾	11¾	10⅞	6,100	9¼	Nov 27	18⅝	Feb 21	2	1885	60	1881
do. pref	20	22	20⅝	3,600	19	Sept 27	40¾	Feb 21	9	1884	96¼	1881
West. Md., pref.	51⅜	51⅞	51½	200	75	Jan 14	88¼	July 24	67	1910	77	1910
Wheel & L E	....	....	4	.....	2½	Sept 28	6¾	Feb 3	¼	1897	63⅝	1887
do. 1st pref.	10¾	11	10½	500	7½	July 22	17⅝	Feb 3	2⅝	1897	80½	1892
do. 2d pref....	....	....	5	.....	3	Sept 5	8	Feb 23	4	1910	42⅜	1902
Wis. Central....	56	57½	57⅜	900	48	Sept 21	72⅛	May 1	4c	1893	64	1910
do. pref.	....	....	85½	.....	.....		.....		50c	1899	91⅞	1909
do 1st 4s....	92⅜	93	92⅝	8,000	82	Aug 28	93⅝	July 5	27	1896	99½	1890
Miscel. St'ks.												
Adams Express.	....	....	100	.....	235	Jan 20	243	June 12	97¼	1888	215	1907
Allis Chalmers..	3¼	3⅜	3½	200	2	Oct 9	9¾	May 31	4	1907	27⅜	1906
do. pref.	....	....	13	.....	9¾	Oct 18	34	Feb 3	14	1908	87⅛	1908
Amal Cop	62⅝	64½	63¾	42,400	41⅜	Sept 25	71⅜	June 19	33⅜	1909	120	1901
Am. Beet Sugar.	54⅜	55⅞	54⅝	16,200	39⅜	Jan 12	59⅜	Oct 30	9¼	1908	49¼	1909
Am Car & F'd.	54⅜	56¼	54⅝	4,800	42½	Sept 27	58⅞	July 19	10⅜	1899	78⅛	1909
do pref	116¾	119¼	116¾	300	113	Oct 25	120	May 23	51	1903	134⅜	1909
Amer. Cot. Oil..	44½	45	45	1,200	41¼	Nov 2	62⅜	Feb 28	8	1896	79⅝	1909
do. pref.	....	....	97	.....	95	Oct 27	106½	Mar 21	27¼	1890	107⅝	1909
Amer. Express..	....	....	211	....	201	Sept 26	[illegible]	Mar 27	100	1593	301	1910
Am. H. & L....	....	....	8⅝	.....	3	Oct 9	5	July 21	2⅛	1903	37⅜	1899
do. pref.	....	....	17⅞	.....	17¼	Oct 31	26⅝	June 14	10	1907	83½	1899
Am. Ice Sec.....	19	19⅜	19⅛	500	16¾	Aug 28	35⅜	July 12	8½	1907	98	1907
Am. Linseed Co	9	9	9	100	8	Aug 11	12⅜	Feb 17	5	1903	20⅜	1901
do. pref.	27⅞	27⅞	27⅞	100	26½	Oct 27	34	Feb 14	16½	1907	66	1901
Am. Loco.....	36½	37⅜	37	1,600	24	Sept 29	43¼	May 22	11⅜	1903	78¼	1906
do. pref.	102	102	102	100	102	Oct 25	110⅜	Mar 1	67¼	1903	122½	1906
Amer. Malt Co..	....	....	4⅜	.....	3	Sept 25	5⅜	July 11	2¼	1907	90⅜	1898
do pref.	43¾	45⅜	43⅞	500	31½	Mar 9	48⅜	Nov 25	14½	1903	59	1909
Am. Smlt. & Ref	73⅞	74⅜	74	19,410	66⅝	Sept 26	83⅞	June 15	30	1899	174	1906
do pref.	104⅝	104	104⅜	800	96⅜	Sept 27	108¼	June 15	77½	1890	137	1905
Am. St'l F'dry	34	34⅝	34⅝	400	25	Sept 26	52½	Feb 9	3½	1904	64⅝	1909
Am Sugar Ref	118	119	118¾	3,400	112⅜	Sept 25	121⅜	June 14	85	1889	182	1899
do. pref	113¾	116⅛	116⅛	500	111	Jan 5	119½	Feb 14	66½	1898	143	1905
Am. Tob. pref..	88	90	90	1,000	87	Aug 24	103	Nov 27	60	1907	151½	1902
Anaconda†††	39¼	39⅝	39	16,700	29	Sept 25	41⅛	June 20	25	1907	302⅜	1907
Brk Un'n Gas.	144	144¾	144	200	129	Sept 15	146¾	Nov 10	80	1907	253	1902
Central Leather.	27⅞	28	27⅞	900	18⅝	Sept 25	33¼	Feb 2	11⅞	1907	51⅛	1909
do. pref.	94	94	94	200	91⅜	Nov 4	106	Feb 10	68	1907	111	1909
Chino Copper....	42	43⅜	42⅞	4,900	16½	Sept 25	25⅝	May 19	2¼	1910	13	1909
Colo. Ind. Se....	74½	75	74½	3,000	53	Aug 12	79½	Feb 23	35	1907	88½	1906
Colo. F'l & Ir'n	27	28½	27	1,100	25	Sept 30	36⅞	Feb 6	24	1907	136½	1901
do. pref.	....	....	102	.....	100	Oct 27	110½	Jan 9	30	1907	142½	1901
C&H V Co'l&Ir.	130½	132	132	.....	4	Feb 9	4	Feb 9	⅜	1896	92⅜	1910
Consolid't'd Gas.	....	....	140¼	4,800	129	Sept 25	148½	June 6	67	1887	241⅞	1897
Con Tobacco 4s	....	....	90	.....	31¼	Jun 11	91½	Nov 9	51¼	1908	95⅜	1904
Corn Prod'ts R.	11½	11⅝	11⅜	1,600	9⅝	Oct 26	15⅜	May 17	5	1907	28	1908
do. pref.	91½	92⅜	91⅜	.....	73	Oct 18	95	May 29	46	1907	93⅝	1909
Distl. Secur	29½	30	29¾	2,900	29	Sept 26	38¼	June 6	16½	1904	78	1907
Fed M & Smlt.	19¾	19¾	19¾	200	15	Oct 27	26	Feb 16	4⅝	1904	100	1906
do pref.	....	....	49¾	.....	47	Oct 13	66½	May 19	17	1907	112⅞	1906
Goldfield Con....	4⅞	5⅛	5	2,700	3½	Oct 18	7⅞	Jan 3	2	8¾	1907	10	1910
Internat Paper	10	10	10	100	9	Sept 5	13⅝	Feb. 8	2	7½	1907	68½	1899
do pref.	101	103⅜	101	700	44⅞	May 15	50⅜	Jan 21	47	1909	95	1898
Int. Harvester..	104⅜	106	106	1,500	99⅛	Sept 30	126⅜	May 5	52	1902	125⅞	1910
do pref	....	....	120	.....	115	Sept 22	129¾	May 4	98	1908	129	1910
Inter Stm Pump	83½	84	83½	800	22	Oct 31	44	Feb 10	7⅜	1907	60	1906
do. pref.	97	97	97	100	80	Nov 1	94½	June 12	50	1907	95	1902
Laclede Gas....	104½	105⅜	105½	400	102¼	Sept 25	114¾	Jan 20	90¼	1907	115⅜	1910
Mackay pref....	....	....	78	.....	72	Aug 21	77	Mar 7	50	1907	78⅜	1910
National Biscuit	129	130⅜	129	900	117¼	Jan 18	140¾	Nov 14	21	1906	128	1903
do pref.	....	....	129½	.....	124	Jan 20	134	Feb 4	79½	1901	130	1909
Nat Enam. & Stp	....	....	137¾	.....	128¾	Oct 30	22	July 24	6	1907	86	1906
do pref.	96	96½	96	50	85	Jan 6	100¾	July 22	70	1907	94¼	1909
Nat Lead	59¾	60½	60¼	2,400	42½	Oct 27	85⅜	Mar 25	10½	1903	95¾	1906
do pref.	....	....	105	.....	101	Sept 22	109⅜	Aug 15	68	1903	115	1899
N Y Air Brake	77½	77⅞	77½	2,100	50	Nov 1	96	June 19	14	1904	158⅜	1906
North Amer. Co	64⅜	64⅞	64⅜	2,100	54	Jan 17	70½	May 22	2¼	1897	114	1902
Pacific Mail	27⅛	27⅜	27⅛	1,700	22½	Apr 24	39⅜	Nov 11	5½	1893	70	1885
P'ple's G L & C	103	103¾	103	1,700	101½	Aug 25	109	Jan 19	39	1907	129¼	1898
Pressed St'l Car	39½	41¼	41	700	25	Sept 25	57⅝	July 20	15⅝	1907	75⅜	1902
do pref.	....	....	106	.....	91	Sept 22	108⅜	June 16	62½	1907	111⅞	1909
Ry Stl Spring.	24⅝	25⅜	25⅜	100	24⅞	Aug 26	39	June 14	15⅞	1894	63½	1907
do. pref.	102¾	102¾	102¾	100	88⅝	Aug 30	107¾	Nov 25	67	1903	109	1909
Rep'b Ir. & St'l	52⅜	54⅜	53⅞	1,100	38	Oct 27	85¼	Feb 6	5	1901	49½	1909
do pref.	....	....	74⅛	.....	64	Oct 27	90⅜	Mar 11	36⅞	1900	112⅛	1909
Sloss Sh S & I	....	....	42	.....	36	Sept 25	56⅛	Feb 6	17¾	1900	114⅛	1906
do pref	....	....	113	.....	112	Feb 15	112	Feb 15	50½	1900	110	1905
T Pac Ld Tr	79	81	79	1,000	54	Sept 11	92	Jan 24	6	1898	96	1910
Texas Company	164½	167½	165	3,900	93	Nov 27	196½	Feb 1	13⅛	1910	144	1910
Underwid Typ...	64½	64½	64½	100	63	Mar 29	121	June 26	41	1900	41	1909
Un Bag & Pap	....	....	23	.....	7½	Sept 22	9	Feb 10	1⅞	1904	45	1899
do pref.	73½	74½	73½	.....	60½	Nov 1	89½	Jan 30	36	1900	89	1899
U Stand IP & F	45½	47	46⅜	300	11	Sept 27	16	Feb 24	6	1903	58	1906
do pref.	....	....	92	.....	80½	Sept 25	98⅝	Feb 24	33	1903	97⅜	1905
U S Express	85½	86	86	200	85	Sept 25	100	Feb 1	45	1896	160	1902
U S Red'g & Imp	63	64	63	200	63	Nov 27	79¾	May 29	26	1907	98¼	1906
U. S. Rubber....	46¼	47¾	46¾	2,700	30½	Sept 25	47⅜	Mar 1	7	1903	60⅜	1890
do 1st pref.	106½	106½	106½	400	104	Sept 25	115⅜	July 7	36½	1903	123⅛	1909
U S Steel.....	69	69⅞	69⅞	1,800	58	Oct 27	82¼	Feb 6	8⅝	1901	91	1910
do. pref.	122½	123½	123½	1,800	106	Oct 27	129⅝	Feb 4	49¾	1901	125⅜	1910
do 5s	100	100	100	500	100	Sept 29	102½	May 27	65	1903	105⅛	1910
Utah Copper ...	53½	54⅛	54⅛	1,500	38	Sept 25	61⅜	Nov 27	12	1903	87⅛	1909
Virg Car Chem	17⅝	17⅝	17⅝	100	14¾	Sept 25	29¾	Feb 28	12⅜	1907	72	1901
do pref.	78	78½	78	1,100	114	Sept 25	128½	Mar 15	77	1907	128⅜	1902
West Un'n Tel	63½	64	63¾	900	51¾	Mar 29	81⅜	May 24	47	1903	137¾	1881
West. Mfg. Co.	....	....	135	.....	108½	Aug 16	123	Jan 5	45½	1896	160	1907

* Ex-dividend. ** New. † Assessment paid. ‡ Ex-rights. ‖ Price bid. § Price asked. ¶ Old securities. †† Certificates. x Ex-interest. ††† Par value basis. *** Receipts.

Digitized by Google

The Best Purchases on the Industrial List

As Indicated by the Two Standards of Comparison: of Present Investment Yield on Basis of Current Dividends and Prevailing Market Price, and on Basis of Present Earnings on Prevailing Market Values

The average net yield of the 50 industrial stocks quoted in the following table was 6.34 per cent on November 28, as compared with 6.38 per cent on November 21, 6.30 per cent on January 3, and 5.76 per cent on January 2, 1910.

Tips of a decidedly bullish character are being circulated regarding the various "specialty stocks" quoted on the New York stock exchange, and the public utility shares continue to play a part of no small importance in this market gossip, as, indeed, they are playing in all of the market developments these days. New York gas and electric stocks, to say nothing of the shares of the various rapid transit companies, are moving in a manner which is emphatically suggestive of a strong undercurrent of public interest. Since the directors of the Brooklyn Union Gas Company a few days ago declared an extra dividend of one per cent on the stock in addition to the regular payment of one and one-half per cent, an added impetus has been given to this demonstration of interest, owing, no doubt, to the fact that the street sees in this action an indication of other and more important "melons" in other quarters. Accompanying the declaration of this "extra" came a statement to the effect that "It is estimated that the net earnings for the current calendar year will not exceed 6 per cent upon the value of the company's properties." A hasty reading of this statement might lead the investor to ask how it is that, in the face of these prospects, the company can afford to pay, not only its 6 per cent rate, but an additional one per cent, but it will be noted that no prediction is made as to the amount which will be shown to have been earned on the stock in the next annual report, but on "the value of the company's properties," which, obviously enough, is quite another matter. Last year, the Brooklyn Union showed 9.11 earned on its capital stock as against 5.18 per cent in 1908 and 3.39 in 1907. It is quite reasonable to suppose that at the present time the company is earning at the rate of 10 per cent or more on its shares, and that the next annual report will be an improvement upon that of 1910. Nor is it at all likely that the figures which will be shown will err at all on the side of liberality. It has been stated semi-officially that the declaration of the extra dividend is the first step towards making up to the shareholders an average rate of 6 per cent since 1906, the full amount necessary for this purpose being 9½ per cent, and the statement relative to the indicated earnings of 6 per cent looks like a pointed intimation that the stockholders are not to accept the payment of the one per cent extra as evidence that the stock is on anything higher than a 6 per cent basis. This is the rate which was paid during the first four years of the company's existence, that is, from 1896 to 1900 inclusive, but for the next three years 8 per cent per annum was paid, followed by a payment of 9½ per cent in 1904 and one of 8 per cent in 1905. In 1906, only 3 per cent was paid, and in the following year dividends were suspended entirely, to be resumed in 1908 with a payment of 5½ per cent, 6 per cent being returned to the shareholders in 1909 and 1910.

Stocks	Present dividend.	Price.	Yield on present price.	Present rank.	Stocks	Price	Earnings on present price	Year ended	
Am. Malt Corp., pref.	4%	43	9.30	1	Inter. Merc. Marine, pref.	16	58.55	Dec. 31, 1910	
Am. Beet Sugar, com.	5%	55	9.09	2	Bethlehem Steel, pref.	57	23.55	Dec. 31, 1910	
U. S. Rubber, com.	4%	47	8.51	3	Allis-Chalmers, pref.	14	22.05	Jne. 30, 1910	
Republic I. & S., pref.	7%	82	8.44	4	Am. Beet Sugar, com.	55	20.00	Mar. 31, 1911	
United Dry Goods, com.	8%	98	8.16	5	Am. Ag. Chem., com.	55	20.00	Jne. 30, 1911	
Am. Woolen, pref.	7%	88	7.95	6	Westinghouse, com.	66	19.80	Mar. 31, 1911	
U. S. Rubber, 1st pref.	6%	76	7.89	7	Am. Locomotive, com.	37	19.60	Jne. 30, 1911	
U. S. Steel, com.	5%	64	7.81	8	Ry. Steel Spring, com.	32	18.80	Dec. 31, 1910	
Union Bag & Paper, pref.	4%	53	7.55	9	Pressed Steel Car, com.	34	16.45	Dec. 31, 1910	
Central Leather, pref.	7%	94	7.45	10	Am. Woolen, com.	28	14.50	Dec. 31, 1910	
U. S. Ind. Alcohol, pref.	7%	95	7.37	11	Sears, Roebuck, com.	142	14.40	Dec. 31, 1910	
Nat. Enam. & Stpg., pref.	7%	96	7.29	12	Inter. Harvester, com.	105	14.15	Dec. 31, 1910	
U. S. Realty & Imp.	5%	69	7.25	13	Union Pac.	196	13.75	Sep. 30, 1910	
Int. Steam Pump., pref.	6%	85	7.06	14	Am. Tel. & Tel.	19	13.60	Oct. 31, 1910	
Pressed Steel Car, pref.	7%	100	7.00	15	Am. Malt Corp., pref.	43	13.15	Aug. 31, 1911	
Ry. Steel Spring, pref.	7%	102	6.86	16	Am. Car & Fdy., com.	55	12.75	Apr. 30, 1911	
Am. Smelt. & Rfg., pref.	7%	103	6.86	17	U. S. Ind. Alcohol, pref.	95	11.65	Dec. 31, 1910	
Am. Locomotive, pref.	7%	107	6.86	18	Colo. Fuel & Iron, com.	28	11.50	Jne. 30, 1911	
Va.-Carolina Chem., pref.	8%	119	6.72	19	Inter. Paper, pref.	46	11.50	Jne. 30, 1911	
Laclede Gas	6%	105	6.66	20	Republic I. & S., com.	23	10.75	Jne. 30, 1911	
Peoples Gas	7%	105	6.66	21	General Electric	155	10.75	Dec. 31, 1910	
National Lead, pref.	7%	105	6.66	22	Nat. Enam. & Stpg., com.	16	10.50	Jne. 30, 1911	
Corn Products Rfg., pref.	6%	73	6.66	23	Union Bag & Paper, pref.	53	10.45	Jan. 31, 1911	
National Biscuit, com.	6%	100	6.66	24	U. S. Realty & Imp.	69	10.20	Oct. 31, 1911	(6 mos.)
U. S. Steel, pref.	7%	105	6.42	25	U. S. Steel, com.	64	9.70	Sep. 30, 1911	(9 mos.)
Distillers Sec. Corp.	3%	52	6.25	26	Am. Linseed, pref.	28	9.50	Jly. 31, 1911	
Am. Cotton Oil, pref.	6%	97	6.18	27	Corn Products Rfg., pref.	75	9.40	Feb. 28, 1911	
Am. Beet Sugar, pref.	6%	98	6.12	28	Distillers Sec. Corp.	32	9.20	Jne. 30, 1911	
Westinghouse, 1st pref.	7%	115	6.08	29	Western Union	78	9.10	Sep. 30, 1911	
Am. Car. & Fdy., pref.	7%	116	6.03	30	United Dry Goods, com.	98	9.10	Jly. 15, 1911	(6 mos.)
Am. Sugar, pref.	7%	116	6.03	31	U. S. Cast Iron Pipe, pref.	47	9.10	May 31, 1911	
Am. Tobacco, pref.	6%	100	6.00	32	Am. Smelt & Rfg., com.	74	8.60	Apr. 30, 1911	
Am. Sugar, com.	7%	119	5.88	33	Laclede Gas	105	8.60	Dec. 31, 1910	
National Lead, com.	4%	71	5.63	34	N. Y. Air Brake	55	8.60	Dec. 31, 1910	
Pacific Coast, com.	6%	102	5.88	35	National Lead, com.	51	8.50	Dec. 31, 1910	
Mexican Petroleum	5%	85	5.88	36	Am. Can, pref.	91	7.50	Dec. 31, 1910	
Inter. Harvester, pref.	7%	125	5.74	37	Am. Tel. & Tel.	100	7.10	Sep. 30, 1911	(9 mos.)
Am. Tel. & Tel.	8%	139	5.76	38	Standard Oil, com.	100	7.10	Jan. 31, 1911	
Va.-Carolina Chem., com.	3%	54	5.55	39	Amalgamated Copper	83	6.25	Apr. 30, 1911	
Am. Can, pref.	7%	91	5.70	40	Utah Copper	91	6.15	Sept. 30, 1911	(9 mos.)
Am. Smelt. & Rfg. com.	4%	74	5.41	41	Am. Sugar, com.	118	6.10	Dec. 31, 1910	
General Electric	7%	155	5.16	42	Mexican Petroleum, com.	85	6.05	Jan. 31, 1911	
Sears, Roebuck, com.	7%	142	4.93	43	Tennessee Copper	68	5.85	Dec. 31, 1910	
Inter. Harvester, com.	7%	105	4.76	44	Va.-Carolina Chem., com.	54	5.80	May 31, 1911	
Inter. Paper, pref.	7%	46	4.35	45	Consolidated Gas	140	5.20	Dec. 31, 1910	
Consolidated Gas	6%	140	4.28	46	Standard Oil, com.	41	4.90	Nov. 30, 1910	
Western Union	6%	78	3.85	47	General Electric, pref.	94	4.80	Dec. 31, 1910	
Underwood Typewriter	6%	167	3.74	48	U. S. Rubber, com.	47	4.70	Mar. 31, 1911	
Am. Car & Fdy., com.	2%	55	3.63	49	Am. Cotton Oil, pref.	97	3.60	Aug. 31, 1911	
Amalgamated Copper	2%	83	3.17	50	Inter. Steam Pump, com.	34	2.15	Jne. 30, 1911	(3 mos.)

Digitized by Google

The Best Purchases on the Railroad List

As Indicated by the Two Standards of Comparison: of Present Investment Yield on Basis of Current Dividends and Prevailing Market Price, and on Basis of Present Earnings on Prevailing Market Values.

The average net yield of the 50 railroad stocks quoted in the following table was 5.21 per cent on November 29, as compared with the 5.24 per cent on November 22, 5.43 per cent on January 4, and with 4.71 per cent on January 2, 1910.

The Chicago & Alton has issued its pamphlet report for the year ended June 30, showing that, although gross earnings were larger than in the previous year, the increase in operating expense was so great as to result in the operation of the property at a deficit exceeding that for last year. Total operating revenue of the road was $14,592,519, an increase of $1,234,044. Operating expenses and taxes increased $1,781,499, leaving net operating revenue of $3,723,278, a shrinkage of $547,554. After allowing for deductions, interest and dividends, there was a deficit of $250,991, which was $97,605 more than that for the previous twelve months. The company's statement shows that more than half of the dividends paid came out of surplus.

The increased wages being paid employes of the road is the most important problem now confronting the road. On this matter President Shonts, in his report to the stockholders says: "It is a question how your management shall meet the increased expense and at the same time serve the public in the manner demanded and expected, and also maintain the property in the way it should be kept, unless proportionate advances can be obtained in rates of transportation to offset the increase in cost of operation. In addition to the foregoing many, operating difficulties were encountered due to the activity of state and federal commissions and the conditions of service stipulated in agreements with various labor unions, including commissions with supervisory powers, which resulted in increased cost of operation."

Atlantic Coast Line and Louisville & Nashville continue to feel the influence of the increase in the Atlantic Coast Line dividend and recently advanced to new high prices for the year The increase in this dividend had not been expected, and the market reception of the favorable news was encouraging to the bulls, for it is often considered a bull point on stocks that the declaration of an increased dividend is followed by an upward movement in stock affected. On most occasions of increases, this year the increase has been foreshadowed in the price of the stock and the latter has sold off on realizing sales. The difference in the case of Atlantic Coast Line may have been that this stock is not speculative and that the increase was entirely unexpected. Another unexpected dividend declaration was that of Cincinnati, New Orleans and Texas Pacific, which declared on the common stock an extra dividend of 2½ per cent in addition to the regular semi-annual dividend of 2½ per cent The common stock of the company is controlled in the interest of Southern Railway and Baltimore and Ohio.

Common shareholders of the Atchison, Topeka & Santa Fe should not have any fears as to the security of the return on their investment because of the large decline in the net earnings of the road.

STOCKS SHOWING BEST INVESTMENT YIELD

Present rank.	Stock.	Present dividend	Price.	Yield on present price.
1	Toledo, St. L. & W., pref..	4%	42	9.52
2	Chesapeake & Ohio, com...	5%	75	6.66
3	Detroit United	5%	75	6.66
4	R. R. T.	5%	78	6 41
5	St. Paul, com.....	7%	110	6.36
6	St. L. & San F., 1st pref....	4%	66	6.06
7	K. C. Southern, pref.....	4%	66	6.06
8	M., K & T., pref.....	4%	66	6.06
9	Northern Pacific	7%	119	5.88
10	Baltimore & Ohio, com.....	6%	103	5.82
11	Colo. & Southern, 2d pref...	4%	70	5.71
12	N. Y., N. H. & H.	8%	141	5.67
13	Twin City R. T., com.....	6%	106	5 66
14	Union Pacific, com.....	10%	177	5.65
15	St. Louis S. W., pref.....	4%	71	5 63
16	Lehigh Valley	10%	178	5.62
17	Atchison, com.	6%	107	5 60
18	N. Y., C. & St. L., com.....	3%	54	5.55
19	Great Northern, pref.....	7%	127	5 51
20	Norfolk & Western, com...	6%	110	5.45
21	C., C., C. & St. L., pref.....	5%	94	5.32
22	C., St. P., M. & O., com....	7%	132	5 30
23	Southern Pacific, com.....	6%	114	5.26
24	P., C., C. & St. L., com.....	5%	95	5.26
25	M., St. P. & S. S. M., com...	7%	135	5.19
26	Colo. & Southern, 1st pref....	4%	77	5.19
27	Atlantic Coast Line	7%	137	5.11
28	Delaware & Hudson	9%	171	5.09
29	K. C., F. C. & M., pref.....	4%	79	5 06
30	Pennsylvania	6%	122	4.92
31	N. Y., O. & W.	2%	41	4.88
32	Western Maryland, pref.....	4%	82	4.88
33	Illinois Central	7%	144	4.86
34	Chicago & N. W., com.....	7%	145	4.83
35	Atchison, pref.	5%	104	4.81
36	Buffalo, R. & P., com.....	5%	105	4.76
37	St. Paul, pref.....	7%	147	4.76
38	M., St. P. & S. S. M., pref...	7%	148	4 73
39	N. Y. Central	5%	107	4.62
40	Baltimore & Ohio, pref.....	4%	90	4.44
41	Louisville & Nashville	7%	158	4.43
42	Norfolk & Western, pref.....	4%	91	4.40
43	Union Pacific, pref.....	4%	93	4.30
44	Canadian Pacific	10%	242	4 13
45	Colo. & Southern, com.....	2%	49	4.08
46	Boston & Maine	4%	100	4.00
47	Reading, com.....	6%	151	3.97
48	Central of N. J.	12%	310	3 87
49	D., L. & W.	20%	554	3 61
50	Southern Railway, pref.....	2%	72	2.78

STOCKS SHOWING BEST EARNINGS.

Present rank.	Stock.	Price.	Earning on present price.
1	St. L. & San F., 2d pref.....	43	27.70
2	Erie, 1st pref.....	52	24.60
3	Detroit United	75	18 25
4	Southern Railway, pref.....	72	18.00
5	Hocking Valley, com.....	124	15 20
6	Colo. & Southern, com.....	49	13.90
7	Buffalo, R. & P., com.....	105	13.75
8	Norfolk & Western, com..	110	11.35
9	Louisville & Nashville	158	11.00
10	Twin City R. T., com.....	106	10.65
11	Chicago Gt. Western, pref.....	39	9.60
12	C., C., C. & St. L., com.....	63	9.20
13	N. Y., C. & St. L., com.....	54	9.10
14	D. & R. G., pref.....	48	9.05
15	Atlantic Coast Line	137	8.95
16	R. R. T.	78	8.95
17	M., St. P. & S. S. M., com.....	135	8 70
18	Union Pacific, com.	177	8.60
19	Central of N. J.	310	8 25
20	Great Northern, pref.....	127	8.20
21	St. Louis S. W., pref.....	71	7.80
22	United Rys. Invt., pref.....	61	7 80
23	Canadian Pacific	242	7.70
24	Baltimore & Ohio, com.....	103	7.65
25	Delaware & Hudson	171	7.45
26	N. Y. Central	107	7.45
27	Southern Pacific, com.....	114	7.30
28	Lehigh Valley	178	7.30
29	Erie, com.	32	7.05
30	Chesapeake & Ohio, com.....	75	6 85
31	K. C. Southern, pref.....	66	6.50
32	Northern Pacific	119	6.50
33	P., C., C. & St. L., com.....	95	6.50
34	Illinois Central	144	5.90
35	Atchison, com.	107	5.45
36	Pennsylvania	122	5 40
37	D., L. & W.	554	5 05
38	N. Y., N. H. & H.	141	4.70
39	Chicago & N. W., com.....	145	4.60
40	Western Maryland, pref.....	82	4.55
41	Reading, com.	151	4.45
42	C., St. P., M. & O., com.....	132	4.15
43	M., K. & T., pref.....	66	3.70
44	St. Paul, com.	110	2.30
45	Iowa Central, pref.....	34	2.00
46	N. Y., O. & W.	41	1.80
47	Toledo, St. L. & W., pref.....	42	1.80
48	Rock Island, pref.....	50	1.65
49	K. C. Southern, com.....	29	0.75
50	Boston & Maine	100	0.45

Digitized by Google

Strathmore Parchment

(For Business Stationery)

A gentleman told us the other day that since he had been using ***Strathmore Parchment*** for his letterheads he felt as though his stationery was an investment and not an expense. Said he—

"Simply and solely because the quality and appearance of the paper conveyed an impression of my business that I couldn't in words."

What kind of an impression do you try to convey about your business?

Ask the man who supplies your stationery to show you the ***Strathmore Parchment*** Test Book, or, if you will write us, we will send you a copy.

STRATHMORE PAPER COMPANY

MITTINEAGUE, MASS., U. S. A.

Successor to

MITTINEAGUE PAPER CO.

W. N. COLER & CO.

BANKERS

ESTABLISHED 1870

NO. 43 CEDAR ST., NEW YORK CITY

WE DEAL IN BONDS FOR INVESTMENT

Buying and selling for our own account. Carrying at all times a select list of municipal and corporation bonds, we offer to officers of banks, administrators of estates, savings banks, insurance companies and individuals opportunity of selection according to their wants.

Special Circular Upon Request

EMERSON McMILLIN & CO.

BANKERS

40 WALL STREET :: :: NEW YORK

Boody, McLellan & Co.

BANKERS

111 Broadway, New York City

Members New York Stock Exchange

Stocks, Bonds and Investments

ORDERS EXECUTED FOR INVESTMENT OR ON MARGIN

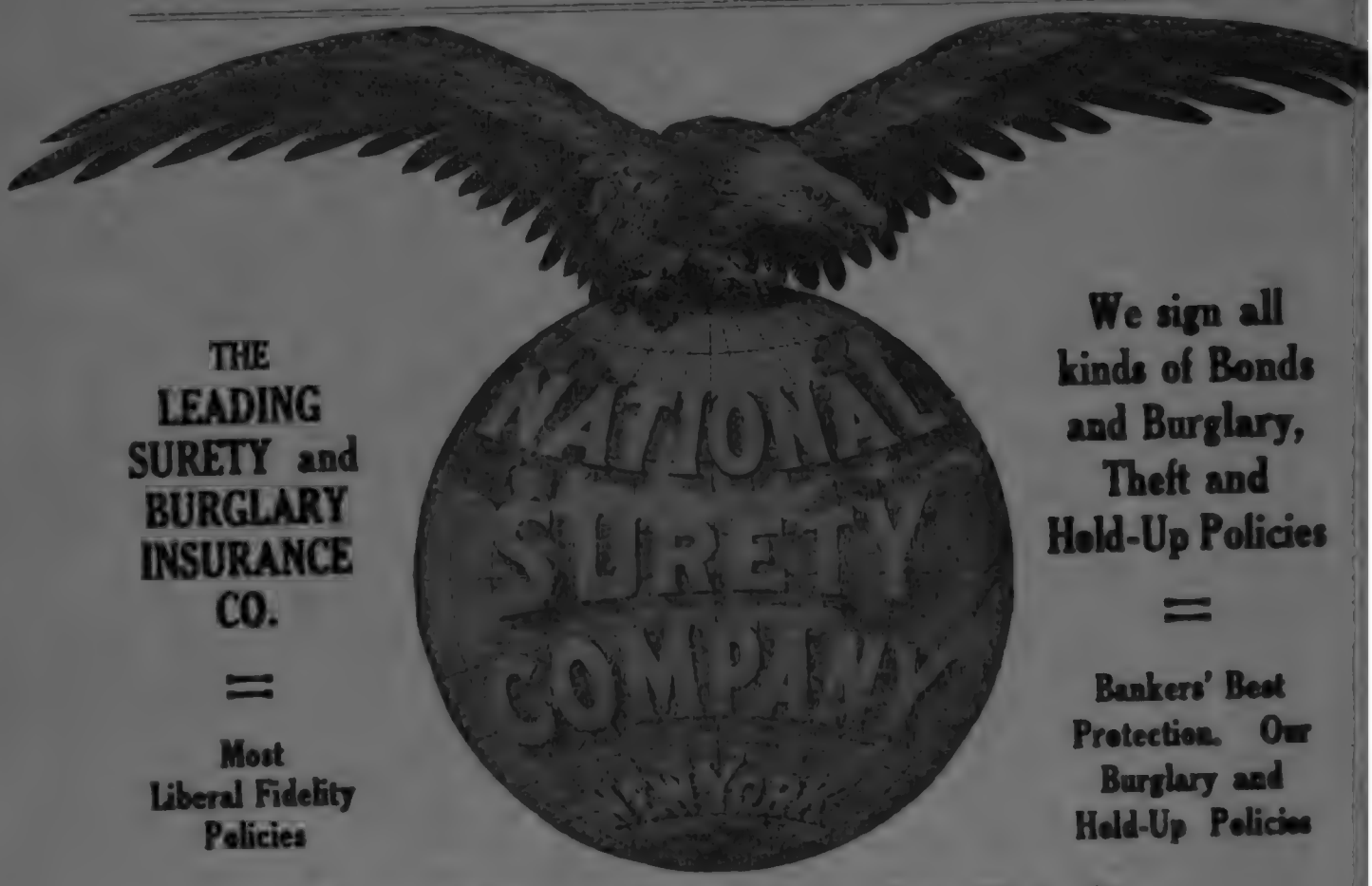
W. EUGENE KIMBALL ESTABLISHED 1865 LEEDS JOHNSON

R. J. KIMBALL & CO.

Stocks-Bonds

Investment Securities

Members New York Stock Exchange 7 NASSAU STREET, NEW YORK



THE LEADING SURETY and BURGLARY INSURANCE CO.

=

Most Liberal Fidelity Policies

We sign all kinds of Bonds and Burglary, Theft and Hold-Up Policies

=

Bankers' Best Protection. Our Burglary and Hold-Up Policies

Home Office: 115 Broadway, New York City

Massachusetts Bonding and Insurance Company

T. J. FALVEY, President. JOHN T. BURNETT, Secy-Treas.

BOSTON, MASS.

Surety Bonds—Burglary and Theft—
—Liability Insurance in all Forms—
—Personal Accident and Health Insurance

BOARD OF DIRECTORS

WILLIAM A. GASTON
Pres. National Shawmut Bank.
ROBERT WINDSOR
Of Kidder, Peabody & Co., Bankers.
JAMES W. KENNEY
Vice-Pres. Federal Trust Co.
JAMES L. RICHARDS
Pres. Boston Consolidated Gas Co.
JOSEPH H. O'NEIL
Pres. Federal Trust Co.
CALVIN AUSTIN
Pres. Eastern Steamship Co.
JAMES J. PHELAN
Of Hornblower & Weeks, Bankers.
CHARLES A. STONE
Of Stone & Webster.
WILLIAM F. FITZGERALD
Of Fitzgerald, Mabrard & Co., Bankers.
HENRY G. BRADLEE
Of Stone & Webster.
WILLIAM H. HILL
Of Richardson, Hill & Co., Bankers.
JAMES M. MORRISON
Of Thos. Kelly & Co., Blanket Mfrs.
LEE M. FRIEDMAN
Attorney.
WILMOT R. EVANS
Pres. Boston Five Cents Sav. Bank, Boston.
EUGENE P. CARVER
Attorney.
FRANCIS H. DEWEY
Pres. Mechanics' Nat. Bank and Pres. Worcester Street Railway Co.
ALBERT E. APSEY
Attorney.
PIERCE POWERS
Secretary American Tube Works.
PETER E. CORR
Pres. Corr Mfg. Co.
WILLIAM F. HARRINGTON
Treas. Portsmouth Brewing Co.
JOHN JOYCE
Vice-Pres. Gillette Safety Razor Co.
CHARLES G. LUND
Pres. Woburn Five Cents Savings Bank.
HENRY A. RUSTER
Pres. Ruster & Co., Inc.
BERNARD J. ROTHWELL
Pres. Boston Chamber of Commerce.
THOMAS J. CLIXTON
Klipstein & Co., Chemicals, etc.
JOHN T. BURNETT
Pres. Joseph Burnett Co., Bostons.
T. J. FALVEY
President.

This Company becomes bondsman for Bank Officials and Employees, and all people occupying positions of Trust. Its Burglary Policies protect Banks, Safes, Vaults, Bank Messengers, Paymasters, and cover all kinds of residence theft and commercial Burglary insurance. Write us for Rates or request your broker to do so.

United States Investor

Copyright 1911, by Frank P. Bennett & Co., Inc.

Volume XXII. BOSTON, NEW YORK AND WASHINGTON, DECEMBER 9, 1911 Number 49

New Orleans in Retrospect

The annual convention of the American Bankers' Association has come and gone. New Orleans bankers and merchants have had their chance to play the host and have disappointed no one. The bankers of the country have had an opportunity to see a city whose future is probably quite as promising as that of any city in the entire country. Even though all of the hopes in which Louisiana people indulge of the great things which the opening of the Panama Canal is to do for their chief commercial centre, shall fall somewhat short of complete realization, the city has great prospects of gain from other sources. As the natural point of export for the north and south railroads of the country, as the logical commercial centre for a rich group of states which never have been properly exploited, and as the nearest gateway to great portions of the interior of the country, it cannot fail to become more and more of a metropolis.

The exclamation was common among visiting bankers who remember the New Orleans of only ten years ago that the city had undergone a complete metamorphosis. The great buildings and the busy enterprises there to-day seem to have almost no connection with the more sluggish activities, and the less imposing structures, which were typical in New Orleans a decade back. Of course, the visitors enjoyed their brief stay. They saw a city worth seeing, and they were entertained in the fashion for which the hospitable South is famous. The large attendance indicated the lively anticipations of bankers that the sessions of the convention would be helpful and the entertainment well nigh prodigal, and it was amply justified. In conclusion, therefore, one may fairly say that the convention just adjourned will go down in the history of the association as one of the best it ever has held.

Where It Fell Short

It is, therefore, almost an ungracious task for one to suggest wherein the procedure at New Orleans might have been made more helpful, and, therefore, of more lasting value. Neither are we quite sure that such criticism, friendly though its intent, will be received graciously. The thoughts of those who were able to go to New Orleans are too full of content with their kindly treatment there, while those who were less fortunate, have heard so much from those who did attend, that they have no relish for a judicial attitude toward the occasion. Their judgment is that the whole series of events was a chain of unqualified successes.

They are correct in so believing, we freely admit, provided the value of the convention is to be measured entirely by the smoothness with which the successive features were run off, by the happy absence of discord among the delegates, and by the apparent unanimity of sentiment throughout the association when the delegates came to vote upon the Aldrich plan. Clearly, if surface portents are to be taken as the one criterion, the American Bankers' Association now presents an aggressive and unbroken front in its campaign for better methods, better ethics, and better laws for the banking arrangements of the country.

What bothers us is a feeling that these surface indications are not the only omens which one must consider. Sometimes, the surface current of a river fails to reveal the powerful flow that is going on beneath, and sometimes the traveler in a forest pathway, who hears only the murmur in the tree tops, gains a wholly inadequate idea of the powerful wind which is swaying the branches above his head. Frequently, an assembly does things by unanimous vote, when back of that vote lies either a great mass of indifference or no small amount of sullen and unconvinced opposition. Have the members of the American Bankers' Association really enlisted in a campaign to procure the enactment into law of the fundamental provisions of the Aldrich plan, as the unanimous vote at New Orleans would lead many to believe, or have their representatives at New Orleans merely been out talked? Have they acquiesced for the time being, but reserved their rights to utter a protest, more or less vehement, as events progress? These are questions which really call for answer.

Where Do Bankers Stand?

Upon the attitude of the bankers of the country toward this action at New Orleans, a very great deal depends. If they are going to importune their congressmen, organize local currency reform leagues, and spur the press on to enthusiastic advocacy of the Aldrich plan, as the bankers ought to do if their heart was in the vote their delegates took at New Orleans, then we are confident that their movement will be irresistible. One does not have to be even half a prophet to stake his reputation on that forecast. If, however, the vote at New Orleans indicates anything less than this, the outcome of the Aldrich plan is problematical.

It will be reported within a few days by the National Monetary Commission to a Congress which is by no means predisposed in its favor. It will be considered by a committee of that Congress which will feel no compunctions at hunting for every weak spot in the plan, and holding up those weak spots to the most persistent and pitiless publicity. Unless that committee and the Congress which creates it shall become impressed with the earnestness of the bankers of the country in advocacy of it, the plan is doomed anyway. If, on the other hand, the bankers reveal their earnestness by enlisting the great mass of the businessmen of the country on their side, its enactment will follow, because no congressman stands unmoved against a demand from such a source as that. It will take a little time to reveal just how enthusiastic the bankers of the country are for the plan. Unfortunately, what they did at New Orleans does not indicate that the necessary enthusiasm is to be found in the banking fraternity.

An Unhappy Arrangement

It is this condition of uncertainty which leads us to suggest that the stage manager at New Orleans did not play his part with consummate skill. Either he did not have all of the stage properties which he needed, or else he arranged them so that they counted for less than they should have counted. In some ways, he gave evidence of knowing how to make the most of his opportunities. In other respects, he failed most unhappily. To drop the

Digitized by Google

language of metaphor, why in the world did the one who directed the arrangements at New Orleans allow the discussion of the Aldrich plan which came after Mr. Frank B. Anderson's paper, and in which Senator Aldrich participated degenerate into so perfunctory a piece of one-sided debate? The bankers of the country in convention assembled surely did not shine on this occasion in their portrayal of the role of debaters. Even president Watts seems to have had some inkling of the poor impression which readers of that discussion will gather as to the genuineness of the interest which the bankers of the country take in the Aldrich plan. The words with which he closed the discussion are apologetic in their purport, however optimistic they may sound to the ear. Putting the best face possible on the situation, he suggests that the meagreness of the questions and arguments advanced at this time indicates a state of great satisfaction with the Aldrich plan among bankers. It is a bit significant, however, that even so ardent an advocate of the plan as Mr. Watts was impressed with the lack of any genuine debate over the plan.

What Might Have Been

The debate need not have been so disappointing. The managers of the session should have seen to it that a manly, instructive, and deep-probing discussion was arranged in advance and carried out. Everyone who has ever had a share in arranging for annual conventions knows that to leave any portion of the program to the spontaneous enthusiasm which the sessions shall themselves engender is a hazardous thing to do. Either the expected extemporaneous speeches fail to materialize, or some of those which do are not of the character desired. Instead, every thoroughly wise committee on arrangements gives just as much painstaking attention to the part of the program which is to appear spontaneous, as to the other parts. The committee on arrangements for the New Orleans convention should have done this, too. They should have had several good speakers cocked and primed to discharge questions at Senator Aldrich, which would have put him squarely to the test, and would have shown whether his plan will endure the exacting requirements of practical experience. They should have had some speakers there who do not believe in the plan, or who would suggest in the debate the alterations which the plan requires. Only through such a grilling can the faults of the Aldrich plan be made apparent, as well as its excellencies. A debate over the plan by representatives of that aggressive organization of junior bankers, the American Institute of Banking, would have been more enlightening than the debate which was had. Therefore, it cannot be asserted that the vote taken by the association on the Aldrich plan was had with everybody's eyes wide open, and in the fullness of light. Rather, it was taken in that complacent spirit which so often is engendered by half knowledge, or in that spirit of timid ignorance which sprang from a feeling that "If Forgan and Reynolds and Aldrich vouch for this, they must be correct, for they know more about it than I do."

Committee's Purpose Good

In all fairness to the ones who made the arrangements for the New Orleans convention, let it be confessed that they had no intention of pushing the association to a deciding vote without giving the members sufficient information upon which to act. Their program gives ample evidence of a purpose to make the convention a regular school in currency and banking reform. President Watts was so well aware of this high purpose, and so impressed with the quality of the papers which were to be presented, that in one of his addresses, he urged that the contributions to the literature on the Aldrich plan, which the speakers on this occasion would make, ought to be put in enduring book form.

The committee selected the speakers with considerable acumen. They arranged, for instance, to have Mr. Aldrich himself present. Thus, would be put at the disposal of the delegates exact knowledge as to the Aldrich plan, and an opportunity to quiz its author. Probably, they could not have selected more competent other speakers to deal with the particular phases of the Aldrich plan. which were assigned each of them than Frank B. Anderson, or F. H. Goff, or Mr. Paul M. Warburg, or any of the other regular speakers.

The committee arranged very sagely, too, when they had the various subdivisions of the association, the Sections, present less formidable programs than usual, and to donate their time thus saved to the parent association. In short, the committee on arrangements seem to have done about all they could do to make their intention very clear, of having the New Orleans convention regard the Aldrich plan as the primary motive of the occasion. Where they made their error, it seems to us was in not considering enough how their speakers would interpret their respective topics, and whether those not on the program would contribute their share to the portion of the proceedings which was to be a spontaneous debate.

Faults of the Addresses

With due respect for the standing of the various speakers, may we be permitted to suggest that there is one fault common to several of these addresses at New Orleans on the Aldrich plan? The speaker is too much the advocate and too little the dispassionate judge. He lauds the merits of Senator Aldrich's plan in the phase which is assigned him, and makes no effort to discover any weaknesses the plan may have in that phase. At least one of the addresses, we will not state which one, is almost sycophantic in its admiration of Senator Aldrich's handiwork. Some of the others use language that is more discriminating, but seem not to realize that the kindliest thing one can do for a project which one favors is to discover its faults and seek to remove them. One of the addresses is admirably free from this fault. It views the plan with expert eye and presents dispassionately what it discovers. This is the address of Mr. Anderson. That this voice from the Pacific should have been the one to draw Senator Aldrich's fire in the debate and to provide such spontaneous debate as there was at the convention with this the only important topic of discussion, is indicative of the growing importance of the place which San Francisco holds in our national banking arrangements. Mr. Anderson's paper, was, in short, written according to a model which all of the addresses should have followed.

In brief, although the committee on arrangements could hardly be the editors of all the papers, they might fairly have outlined more clearly to each speaker just what attitude his paper should take toward the plan. They did not do quite enough when they subdivided the discussions of the plan into various topics, and then left each speaker to follow his own bent unguided.

Opportunities Were Lost

We make the above criticism in no spirit of antagonism either to the committee on arrangements, or to the plan of Senator Aldrich On the contrary, for a good deal of the plan we have considerable admiration. It has been put together most ingeniously. It has been made to fit conditions peculiar to this country in a most clever fashion, in many re-

Digitized by Google

NATIONAL BANK 3rd OF ST. LOUIS

CAPITAL $2,000,000
SURPLUS $2,000,000
DEPOSITS $35,000,000

NATIONAL BANK 3rd OF ST. LOUIS

spects. Our feeling is rather one of fear that the American Bankers' Association has let slip some of the golden opportunities to help along the work of the National Monetary Commission which the New Orleans convocation afforded. The vote taken at New Orleans hasn't been made to mean all that it could have meant. When Congress has begun to grapple with the Aldrich plan through its committee, that committee will be addressed by representatives from the American Bankers' Association. Are these representatives going to be able to acquit themselves in the best possible fashion? Are they ready for every question which congressmen may ask, and for every argument which may be raised to combat the bill?

Inadequate Preparation

One thing is certain, and that is that they would be in better shape for the ordeal if they had had at New Orleans to run the gauntlet of hostile criticisms and searching questions. A college football team is always made ready for the great conflict of the year by gruelling contests before hand, with second elevens and teams from minor colleges. Its coaches realize that only by being compelled to fight its way into the best possible condition and by discovering in preliminary contests what weaknesses it needs to eradicate can it enter the crucial contest in its best possible form. Trainers of debating teams have discovered also that the way to prepare for the real contest is through the ordeal of anticipatory contests. The genuine friends of the debating team are willing to try to find the weak links in the chain of arguments which the team is to present just for the sake of making that team more efficient. Might not the committee on arrangements for the New Orleans meeting have found some bankers who would give the advocates of the Aldrich plan a genuine gruelling at New Orleans, and thus make them better spokesmen for the appearance before the congressional committee which is yet to come? Wouldn't that same committee on arrangements have served the cause better if they had had Mr. Forgan and the other speakers pull and haul the plan more and laud it less? Those are the questions which force themselves upon our minds, and our belief is that they should be answered in the affirmative.

Much Work to Do

We have some apprehension that the bankers of the country at large have not yet been spurred on to that advocacy of the Aldrich plan which is desirable if they are to aid in bringing about its enactment. A prolonged period of education will be required to bring them into line for really good work, or else some exceedingly energetic work must be done between now and spring, if the period of education is to be curtailed, and some constructive work obtained from the present Congress. The Citizens League probably provides about as efficient

THE
OLD NATIONAL BANK
OF SPOKANE
OFFERS ITS CORRESPONDENTS
Better Banking Service
The Largest Number of direct connections of any bank in the Inland Empire.
Send us your Washington, Oregon, Idaho and Montana Items.

Chase National Bank
NEW YORK
Capital .....$ 5,000,000
Surplus and Profits (earned)... 8,382,871
Deposits 118,548,700
A. BARTON HEPBURN, Chairman of the Board
ALBERT H. WIGGIN, President
SAMUEL H. MILLER, Vice-President
HENRY M. CONKEY, Cashier
CHARLES C. SLADE, Ass't Cashier
EDWIN A. LEE, Ass't Cashier
WILLIAM E. PURDY, Ass't Cashier
ALFRED C. ANDREWS, Ass't Cashier
DIRECTORS
Henry W. Cannon
James J. Hill — George F. Baker
Grant B. Schley — Albert H. Wiggin
A. Barton Hepburn — George F. Baker, Jr.
John I. Waterbury — Francis L. Hine
FOREIGN EXCHANGE DEPARTMENT

Portland National Bank
PORTLAND, MAINE
Union Mutual Life Insurance Co. Bldg.
Accounts received on the most liberal terms consistent with sound banking.
Collections receive prompt attention.
WM. W. MASON .....President
EDWARD W. COX .....Vice-President
CHAS. G. ALLEN .....Cashier
EDWARD L. PIPER .....Asst. Cashier
Directors:
Fred E. Richards, Charles G. Allen,
Henry B. Cleaves, George F. West,
William W. Mason, George Westcott Beyer,
Lyman M. Cousens, Roswell C. Bradford,
Edward W. Cox.

Franklin National Bank
PHILADELPHIA
Capital $1,000,000.00
Surplus and Undivided Profits. 2,730,181.17
INCORPORATED 1900.
OFFICERS:
J. R. McALLISTER, President.
J. A. HARRIS, JR., Vice-President.
E. P. PASSMORE, Cashier. L. H. SHRIGLEY, Assistant Cashier.
J. W. HARDT, Assistant Cashier.
Foreign Exchange Department.
WILLIAM WRIGHT, Manager.

THE
People's State Bank
DETROIT, MICH.
Capital, $1,500,000.00
Surplus, 1,500,000.00
Collections a specialty
Correspondence Invited

OLDEST BANK IN AMERICA
Chartered by Congress, 1781.
The Bank of North America
(NATIONAL BANK)
PHILADELPHIA, PA.
Capital .....$ 1,000,000.00
Surplus 2,290,000.00
Undivided Profits..... 371,000.00
Deposits 15,078,000.00
HARRY G. MICHENER.....President
SAMUEL D. JORDAN.....Cashier
WILLIAM J. MURPHY.....Asst. Cashier
RICHARD S. McKINLEY.....Asst. Cashier
Accounts Solicited
Correspondence Invited

Ladd & Tilton Bank
PORTLAND, OREGON.
Established 1859.
Capital $1,000,000.
Surplus & Undivided Profits $700,000.
OFFICERS
W. M. LADD, President
EDWARD COOKINGHAM, Vice Pres.
W. H. DUNCKLEY, Cashier
ROBERT S. HOWARD, Asst. Cashier
J. W. LADD, Asst. Cashier
WALTER M. COOK, Asst. Cashier
DIRECTORS:
EDWARD COOKINGHAM J. WESLEY LADD
WILLIAM M. LADD S. B. LINTHICUM
HENRY L. CORBETT FREDERIC B. PRATT
CHARLES E. LADD THEODORE B. WILCOX

The National Park Bank
OF NEW YORK
Organized 1856.
Capital .....$ 5,000,000.00
Surplus and profits 12,947,453.12
Deposits, Sept. 1, 1911.....105,550,902.43

Digitized by Google

IF YOU HAVE NO CORRESPONDENT
IN CINCINNATI
WE WILL WELCOME THE OPPORTUNITY OF PROVING TO YOU THE BENEFITS WHICH WILL ACCRUE FROM FORMING A CONNECTION WITH US.
RESOURCES
TWENTY-FIVE MILLION DOLLARS
And every facility for the satisfactory handling of Bank Accounts.
THE FIFTH-THIRD NATL BANK CINTI O.

machinery for the purpose as can be had. Within its folds are to be brought together business men of every sort and degree of influence. It must not be assumed, however, that the mere organization of such a league and the enrollment of a numerous membership will accomplish a great deal in and of itself. The members must sense an individual responsibility. They must seek to arouse interest in the plan in their communities, must set influences at work to spur on their respective congressmen. Incidentally, they must not fail to use the press and every other legitimate means of informing the public as to just what the plan contemplates, and just why it is needed. With any less vigorous and comprehensive program than this we look to see the movement for better banking arrangements in this country have a long and tedious road to travel. Many of the obstacles in that road, we firmly believe, would have been eliminated, if the addresses and discussions at New Orleans had been more dispassionately critical, more eagerly bent on getting at all the facts, than upon presenting to the listening delegates the various phases of the plan in their most attractive guises.

COLUMBUS BANK SUSPENDS.

On December 4, the Union National Bank posted a notice of suspension by a resolution of the board of directors. It is further stated that the bank is now in the hands of the Comptroller of the Currency. As the action of the directors had been expected for several weeks, it is not thought that the closing of the bank will have any effect on the local financial situation. The capital stock of the Union National Bank was $750,000, its surplus $100,000, and it is estimated that its deposits approximated $2,000,000. W. S. Courtwright was president of the bank; B. K. Stewart, general manager of the Columbus Railway & Light Company, of whose affairs a receiver was recently appointed, was first vice-president; Felix M. Jacobs, second vice-president, and Edgar J. Vaughan, cashier. It is reported from Washington that the failure of the bank involves a possible loss of about $860,000. Assets to that extent covering the institution's capital, surplus and undivided profits are reported to be of questionable value.

WINDSOR TRUST CO.

Howard M. Jefferson, who has been vice-president and cashier of the Bank of Coney Island, since it was reorganized, two years ago, was, on Wednesday of this week, elected secretary of the Windsor Trust Company, of New York. Before becoming associated with the Bank of Coney Island, Mr. Jefferson was one of the bank examiners of the state of New York, serving under Superintendent Williams.

Mr. Jefferson was the guest of honer at a dinner given by the directors of the Bank of Coney Island at the Brooklyn Club November 28. A special guest was President Williams, of the Windsor Trust Company. The directors who gave the dinner were Adolph P. Arnheiter, Charles G. Balmanno, William C. Courtney, Charles L. Feltman, Richard Garms, Henry Grashorn, James M. Gray, Fred B. Henderson, Joseph Huber, Stephen E. Jackman, Fred W. Kistner and William J. Ward.

RESERVE AGENTS APPROVED.

The First National Bank, of Chicago, Ill., has been approved as reserve agent for the First National Bank, Escondido, Cal., and the First National Bank, of Shoshone, Idaho.

The Chase National Bank, of New York, has been approved as reserve agent for the Hingham National Bank, Hingham, Mass.

The Mechanics & Metals National Bank, of New York, has been approved as reserve agent for the First National Bank, of Princeton, Minn; the First National Bank, of Cambridge, Minn., and the Eufaula National Bank, of Eufaula, Okla.

The Corn Exchange National Bank, of Chicago, Ill., has been approved as reserve agent for the Union National Bank, of Grand Forks, N. D., and the Stock Yards National Bank, of South Omaha, Neb.

The First National Bank, of Boston, Mass., has been approved as reserve agent for the First National Bank, of Brunswick, Me.

The Chatham & Phenix National Bank, of New York, has been approved as reserve agent for the Commercial National Bank, of Columbus, Ohio.

The National Park Bank, of New York, N. Y., has been approved as reserve agent for the First National Bank, of Brooksville, Ky.

THE FOURTH NATIONAL BANK
OF THE CITY OF NEW YORK
THE specialized organization of this Bank provides a thoroughly equipped Department for the purchase and sale of high class stocks and bonds for the account of customers. Orders are promptly and carefully executed.
JAMES G. CANNON, President
SAMUEL S. CAMPBELL, V. President
CHARLES H. PATTERSON, V. Pres.
DANIEL J. ROGERS, Cashier
E. W. DAVENPORT, Asst. Cashier
CHARLES E. MEEK, Asst. Cashier
CAPITAL and SURPLUS $10,000,000

RUEL W. POOR, President
JAMES McCUTCHEON, Vice-President
W. L. DOUGLASS, Second Vice-President
ARTHUR W. SNOW, Cashier
RALPH T. THORN, Asst. Cashier
The Garfield National Bank
OF NEW YORK CITY
Capital and Surplus - - - $2,000,000
Offers to Banks, Bankers, Corporations and Firms the services of a thoroughly equipped and conservatively managed bank.
YOUR BUSINESS SOLICITED

METACOMET NATIONAL BANK
OF FALL RIVER, MASS.
Capital, $750,000
Surplus and Undivided Profits, $333,000
SIMEON B. CHASE, President
MILTON REED, Vice-President
CHARLES B. COOK, Cashier
Special attention given to the handling and collecting of cotton drafts, sent direct from the South

THE DEXTER HORTON NATIONAL BANK of Seattle maintains a department organized for the especial care of the accounts of banks and bankers. Our officers will be pleased to correspond with bankers contemplating the establishment of relations in the Pacific Northwest.
CAPITAL & SURPLUS $1,440,000

Digitized by Google

THE NATIONAL CITY BANK OF CHICAGO

CAPITAL :: :: $2,000,000.00
SURPLUS & PROFITS 500,000.00
RESOURCES :: :: $29,300,000.00

United States Depository — Accounts of Banks and Bankers solicited. Correspondence invited. — Organized 1907

This Week and Next

Stock Market Still Suffering From the Effects of Mr. Morgan's Stumble—Higher Money Rates and Politics as Joint Bear Arguments—New Haven Relinquishes Its Ontario & Western Control.

Some weeks ago, while passing the collection plate in the church in which he is a shining light, J. P. Morgan stumbled over a cushion which some careless worshiper had left in the aisle and there was a sudden "drop in money" although not in the sense in which Wall street usually speaks of such matters. It may have been because the spectacle of the "Wizard of the Street" dropping money is a new one, or, as is more probable, Wall street believed that the stumble was due to an illness of some sort, but the fact remains that the bear operators who some time previously had been driven to cover, came out of their hiding places and renewed their campaign with a reasonable degree of success, which has continued up to the present time.

OTHER DEPRESSING FACTORS.

Of course, there are other plausible reasons for this shifting of sentiment. For that matter, the month of December has more than once in the past marked the puncturing of a more or less fully inflated market boom, since it is a month in which money rates are likely to show a decided stiffening tendency. This week call money has been quoted above 5 per cent, so that there exists a logical reason for the slackening in general speculative and investment interests. Then again, we have had rather unpleasant reminders of disturbing possibilities in the form of 57 varieties of tariff changes, and other indications of political activity, such as the introduction of the bill providing for

A PHYSICAL VALUATION

of railroads by the Interstate Commerce Commission and for an annual report on such valuations to Congress, naturally excited the bearish temperament. The real reason, of course, for the present stand-still attitude of the market lies in the fact that the previous advance has been accepted as representing as marked a movement as might logically be looked for until such time as a further recuperation in general business or a more complete adjustment of political uncertainties becomes apparent.

The President's message, long looked forward to as a possible depressing influence, fell flat simply because its recommendations had been anticipated and fully discounted. As Wall street viewed the message, it was more constructive in tone than some of the President's less comprehensive references to the trust question. Therefore, in seeking a logical reason for the market weakness noted within the last few days, this document may be disregarded, as a cause, even though its previous discounting influence may have had some depressing effect.

NEW HAVEN'S POLICY.

New Haven's action in selling its control of the New York, Ontario & Western is likely to prove a nine-days' wonder, not so much on account of the importance of the move to the New York Central, the purchaser, as because it indicates a possible change of the New Haven policy in taking hold of everything in sight. The Wall street understanding is that the transfer of the Ontario from the New Haven to the New York Central is a concession made by the Mellen road for the joint interest which it recently secured in the Rutland as a means of fortifying itself against the activities of the Grand Trunk. When the New Haven acquired control of this road a great

THE
Chatham and Phenix
National Bank
NEW YORK

Capital and Surplus
$3,000,000

All business under direct supervision of the officers.

LOUIS G. KAUFMAN, President.

GEO. M. HARD, Chairman of the Board.
F. J. HEANEY, Vice-President.
W. H. STRAWN, Vice-President.
A. M. BULL, Vice-President.
BERT L. HASKINS, Cashier.
H. L. CADMUS, Assistant Cashier.
N. P. GATLING, Assistant Cashier.
W. B. BOICE, Assistant Cashier.
H. C. HOOLEY, Assistant Cashier.

Your Account Solicited.

The MECHANICS and METALS NATIONAL BANK
OF THE CITY OF NEW YORK

OFFICERS

GATES W. McGARRAH, President
ALEXANDER E. ORR, Vice-Pres.
NICHOLAS F. PALMER, Vice-Pres.
FREDERIC W. ALLEN, Vice-Pres.
FRANK O. ROE, Vice-Pres.
WALTER F. ALBERTSEN, Vice-Pres.
JOSEPH S. HOUSE, Cash.
ROBERT U. GRAFF, Ass't Cash.
JOHN ROBINSON, Ass't Cash.
CHARLES E. MILLER, Asst. Cash.

Capital, Surplus and Undivided Profits, $14,000,000

The Commercial National Bank OF WASHINGTON D. C.
Capital $500,000 Surplus and Undivided Profits $296,000
ASHTON G. CLAPHAM, President
ELDRIDGE E. JORDAN, First Vice-pres. N. H. SHEA, Second Vice-pres.
T. K. SANDS, Third Vice-president
JOHN POOLE, Cashier HERBERT V. HUNT, Asst. Cashier.

FIDELITY TRUST CO. TACOMA, WASHINGTON
CAPITAL AND SURPLUS, $900,000
General Banking
Oldest Trust Company in the State of Washington.

CITIZENS NATIONAL BANK BALTIMORE MD.
CAPITAL, $1,000,000 SURPLUS, $2,000,000

Digitized by Google

deal was made of the indirect benefit of

A TRAFFIC ROUTE

from the coal fields into the New England manufacturing districts. New Haven's willingness to sell indicates this advantage has not proved as great as anticipated, or else Mr. Mellen and his associates must be greatly disturbed over the possibilities of a further invasion by the Canadian road.

Some of the week's market developments have been logical and others have not. In the latter classification may be included the strength of St. Paul common, which has held steady, while other railroad shares have been showing a reactionary trend. Next to the Clover Leaf, which seems to be doing its best to invite bankruptcy by paying preferred dividends, which it is a long way from earning, the St. Paul seems to be, in view of the poor earnings reported this year, about as logical a candidate for a dividend reduction as the market affords.

THE REORGANIZATION FEVER.

The general course of the stock market is closely reflected in the subtle shifting of sentiment, and the inclination to take, if not an absolutely bearish point of view, at least a less optimistic one than that which had been in evidence for some weeks past. Indeed, the manner in which the public has been acting, to say nothing of the professional attitude toward the stock list, suggests that the market is suffering from the effects of indigestion resulting from a premature indulgence in Thanksgiving cheer early last month. At that time, as I had occasion to remark more than once, Wall street's point of view was largely confined to prospective "melons". Many of these melons now appear to have shriveled on the vine, or at least they are not likely to ripen for some time to come. The wave of optimism which led to predictions of a special disbursement on the preferred shares of the American Can Company, providing for payment of a portion of the arrearage which has accumulated on that issue, and which also produced expectations of an increase in the St. Louis Southwestern dividend rate to 5 per cent. has broken, leaving the followers of these tips stranded high and dry.

TIPS GONE WRONG.

The American Can directors have maintained the existing 5 per cent rate on the preferred, but have done nothing more than that, and the St. Louis Southwestern stockholders, despite reports of good earnings, will be forced to be contented with a 4 per cent dividend for the present at least, since the directors have voted to continue that rate. Yet the week has not been altogether unproductive in bringing to light some evidence of prosperity, as reflected in larger returns to shareholders. A dividend of 3 per cent has been declared on the common stock of the Rubber Goods Manufacturing Company, comparing with 2 per cent three months ago, 1 per cent six months ago, and 2 per cent last March, bringing the total for the year up to 8 per cent. This year's dividends on the common stock are the largest on record for this company. In 1908 the annual disbursement was 4 per cent, while only 1 per cent was paid in the two years following. Of course, this larger dividend will afford added justification for the recent declaration of an initial dividend on United States Rubber common, since the United States Company owns all but about $200,000 of the common stock of the Rubber Goods Manufacturing Company.

THE WABASH SITUATION.

The one main overshadowing feature of the market, however, has been the hastening of the Wabash situation toward a crisis, which has been met by plans for a reorganization, in the course of which the Gould control is to be climinated. The Wabash has had a very dark past, but there are good reasons for believing that brighter days are close at hand. Apparently, there is a plan on foot to straighten out its affairs in much the same way as those of the Erie were straightened out several years ago, and if the subsequent history of the "Poor Old Erie" is anything to go by, the present development in Wabash affairs is likely to be for the best from almost any point of view. Not the least important feature of the plans announced this week is the fact that Kuhn, Loeb & Company are slated to take charge of the Wabash finances, and this house certainly ought to be able to supply the sum of $10,000,000 or thereabouts which it is estimated is required to make

A REAL RAILROAD

out of the unfortunate Wabash, if anyone can. The election of new directors suggests that the active management of the new Wabash will be in entirely new hands, although I doubt not many readers with observant minds will entertain a feeling of curiosity as to the exact manner in which the admission of Edwin Hawley to the board will improve matters in view of the trouble which that gentleman is having and has been having for some time past with his own railroads.

DODGING A RECEIVERSHIP.

The reorganization propsed is clearly an attempt to avoid, if it is possible to do so, the receivership toward which the Wabash has been headed for a long time past. It is hoped that it will be unnecessary to ask for the appointment of a receiver, but I would not be surprised if the Gould interests succeeded in blocking the wheels of progress to such an extent that the banking interest would find it necessary to bring about a default on the 4 per cent bonds on January 1, thereby forcing the step which they are otherwise disposed to avoid. In either event, it is likely that the stock will be assessed, probably to the extent of $10 per share, although it is too early as yet to say positively whether or not such a step will be taken. THE FORECASTER.

$2,500 Invested
To yield 5½%
Example "A"

	Present cost.	Income annually.
$500 At., T. & S. Fe Adjustments 4½s....	$460	$22
$500 Karpen Bldg. 1st Mortgage 5s.....	495	25
$500 So. Bell Tel. & Tel. 1st Mortgage 5s....	490	25
$500 Am. Typef'nders Debenture 6s.....	505	30
5 McCrum-Howell 7% Preferred	465	35
	$2415	$137

Safety of Principal, Marketability, Satisfactory Yield and Possibilities of Appreciation in above selection. Special diversified Investment Lists prepared for the Individual Investor, Trustee or Institution suitable to the requirements of each inquiry.

Detailed Information regarding Example "A" sent upon request.

GEORGE H. BURR & Co.
Bankers, 35 Wall Street, New York
Chicago—Boston—Philadelphia—St. Louis—Seattle
San Francisco

BOSTON SAFE DEPOSIT AND TRUST COMPANY
100 Franklin Street

YEARS AGO valuables were considered protected when concealed in secret places.

YESTERDAY it was deemed expedient to place valuables in a safe at the office or at home.

TODAY a box in a Safe Deposit Vault like ours is a Business necessity.

BOXES at from $10 (ample for most needs) to $350 per year.

SEND FOR SAFE DEPOSIT BOOKLET

THE AMERICAN AUDIT COMPANY
100 BROADWAY, NEW YORK
Independent Examinations Made of Banks, Trust Companies and Corporations
Modern Accounting Methods Introduced

BRANCHES
NEW YORK, (Waldorf-Astoria) 33d St. and 5th Ave.
CHICAGO, Marquette Building
WASHINGTON, Colorado Building
PHILADELPHIA, Bellevue-Stratford
SAN FRANCISCO, Western Metropolis Bank Bldg.
MILWAUKEE, Plankinton Bank Building
BOSTON, Exchange Building
ATLANTA, Fourth National Bank Bldg.
RICHMOND, American Nat'l B'k Bldg.
BALTIMORE, Keyser Building
NEW ORLEANS, Maison Blanche
LONDON, E. C., 60 Gresham Street, Bank

Digitized by Google

Among New England Banks

Our Correspondent Visits New Hampshire and Vermont—The Northern Bankers' Association No Longer So Energetic—A Neat Use of Canadian Money.

The average New Englander in the country has been stung so many times by unscrupulous mining and manufacturing promoters that he is naturally of a suspicious nature, and usually, before he opens up to any extent, and gives out any information that is worth while, you have got to show him what you are and what you want. In the same way, the country bankers, I find rather non-responsive at first, but usually, after a short time, they warm up to a subject, and become quite frank.

WHAT I DISCOVER.

In this way, probably, certain things have happened in their relation with their correspondents in the reserve cities, which they have discussed more freely with me than they would with the transit man of these banks, and my experience with some of them shows that many accounts might have been saved had some of the larger banks shown them a more benign attitude. I was talking with the cashier of a New Hampshire national bank the other day, a national bank the business of which is done over the same counter with the savings bank. The national bank has a large Boston bank as a correspondent, while the savings bank has another large Boston bank as its correspondent. I noticed that the cashier thought a great deal of one of the banks, while of the other he would not say much, and did not show any degree of interest when I spoke of it in very favorable terms. It struck me then, that there was a nigger in the woodpile somewhere, and so I asked him why it was he thought so much of one and did not seem to have so much to say of the other, regardless of the fact that he must have considerable to do with the Boston bank.

UNGRACIOUS CORRESPONDENT.

"Well," he said, "I have been down to Boston several times, and on every occasion I have gone into our correspondents in order that by picking up an acquaintance our relations might move as smoothly as possible. In one of the banks, however, I noticed that the man with whom I was talking, and who showed me around, carried a sort of bored expression, as if he wanted to get rid of me just as soon as possible, and he hurried through very quickly. In the other bank, however which I go in, they always seem glad to see me, and while they do not allow me to take too much of their time, which I certainly never expect to do, yet I feel when I come out of there that I have not been in the house of my enemies, but in the house of friends. In fact, they always seem glad to see me in this bank, and do not give me the impression that they want to get rid of me. I presume, of course, that many times they might want to get rid of me just as much as the other bank, but yet, the fact that they show me some deference, and do not give me an impression of being bored, naturally makes me feel much more kindly to them than to our other correspondent."

COURTEOUS TREATMENT PAYS.

It seems to me that many other bankers might take this example to heart, and, just as many other of the larger bankers do, keep their country correspondents in good humor; for, as a matter of fact, I have found a number of incidents where cashiers state they might do better with some other bank, but yet they have always been used so well by their correspondents, and the treatment has been so courteous that they feel it would be unfair, even though they were to get a little more profit out of their foreign business, to change to somebody else.

Recently, I spent a week or two up in northern New Hampshire, than which there is probably no part of New England in which the banks feel more that they are getting the short end in collections from Boston. All of us remember, when the Boston Clearing House put into effect the present extra charge changes, the objection that went up from among the New England banks, and in no place was a louder clamor heard than that from northern New Hampshire and many points in Vermont which were made non par points. In fact, the putting into effect of these extra charge changes practically resulted in the formation of the Northern Bankers' Association, for the main object in the gathering together of a number of Vermont banks and those banks in New Hampshire north of Plymouth where the extra charge covered. The only banks which were par banks were those in Wells River and St. Johnsbury, Vt. As a matter of fact, I understand that there were some seventy bankers present at the time of the formation.

THE NORTHERN BANKERS.

To-day, however, the extra charge question is more or less tabooed, and one banker told me that the man who brings it up in a meeting to-day is apt to get his head chopped off. While the Northern Bankers' Association has never been recognized by the American Bankers' Association, yet the fact that it has lived so long shows that the bankers have clung pretty well together, and that the meetings, as a general rule, in the past, have been interesting. Of course, the reason the American Bankers' Association has never recognized it is because it is an interstate association, and the big association being an interstate association is recognized only by the state associations as such. This, of course, is as it should be in order to get the best results, and the most good for membership.

PROGRAMME NEEDS REFORM.

However, I found a number of members of the Northern Bankers' Association who have been attending the last two or three years. They say that the meetings recently have partaken altogether too much of the social side, and as they are going to attend not altogether because they are going to have a good time but because they want to get some real value in the way of banking methods, etc., out of their association with other members, they who would be better satisfied with addresses on banking in the way of bookkeeping, accounting, extra charge methods, etc. Undoubtedly, therefore, there would be a larger attendance if the Northern Bankers' Association returned to its old programme. Our attitude on the question of too much social side in the bankers' convention has already been given a number of times, and so there is no need of saying more about it here. As a matter of fact, however, it would seem to me that the Vermont bankers and the New Hampshire bankers would be better off as members of state organizations, so that they would be in a position to be recognized by the American Bankers' Association, of which probably most of them are already members. In one of the cities in New Hampshire are located several large manufacturing plants. Instead of paying their employes direct at a paymaster's department at the plant, they have the pay roll handled directly from the bank, where the men go to receive their salary. Each bank has considerable of a pay roll to put out each Friday, and it is necessary, therefore, that they have a large quantity of silver and bills in small denominations. One of the cashiers likes to put out new bills. He therefore has a nice arrangement with a Savannah (Ga.) banker, which he says is very satisfactory, and which permits him not only to put out new bills, but saves him the expense of having the silver expressed to him from a sub-treasury. This bank keeps an inactive account of $5,000 with the Savannah banker, and in return, the latter has its agent

FREDERICK S. HOLMES
Vault Engineer
2 RECTOR STREET, NEW YORK

Ambursen Hydraulic Construction Company
Engineer-Constructors
88 PEARL ST., BOSTON
165 BROADWAY, NEW YORK 406 DORCHESTER ST. W., MONTREAL
Our experience is of value to you because it is gained in the successful building of 67 dams to date (Nov. 1, 1911), of all heights up to 150' and having an aggregate length of over 4½ miles. We have inaugurated a system of bi-monthly Bulletins on pertinent engineering topics as viewed from the Bankers' standpoint. Send us your name for our mailing list.

Digitized by Google

in Washington ship its incomplete currency direct to

THE NEW HAMPSHIRE BANK,

which stamps it.

This is the first instance of this kind that I have heard of, and undoubtedly, it will be interesting to some of our readers. Of course, the New Hampshire bank saves much on its shipping charges, which depend upon the amount of currency which it receives each week, for, with the $5,000 which they keep on account in this kind of a bank, they probably could depend upon receiving pretty close to 6 per cent in interest, or $250. At the Savannah bank, it, of course, counts as reserve, and 2 per cent, or $100, is paid on it. But there is still a discrepancy of $150 between this figure, and the interest figure, providing they had the use of it. Therefore, you can see the saving and expense will depend wholly upon the amount of currency received.

Another bank by its exchange arrangement with one of the Albany national banks is able to get checks through some one of the large New York national banks. That is to say, the checks which they receive are signed by the New York bank, and the name of the Albany correspondent does not appear at all, while others, of course, have the regular means of obtaining a New York exchange through their correspondents sending them on from a New York bank.

In Laconia, N. H., the Laconia Savings Bank and the People's National Bank, just as do many banks in the smaller towns and cities in this state, do business over the same counter. The former bank is one of the oldest savings banks in New Hampshire, and there are few banks to-day, if any, which are any stronger. It was established in 1831, and has built up deposits of over $2,000,000, while the People's National was established in 1899. Under the practical and efficient methods employed, it has a line of the best customers in

LACONIA AND VICINITY.

The bank has a safe deposit vault and rents safe deposit boxes, and Mr Munsey, the cashier, is a capable banker, and enjoys the confidence and esteem of the community. Mr. Little, the treasurer of the Laconia Savings Bank, is one of that class of savings bank treasurers who is very careful and conservative and to whom is due the standing and reputation which our New England savings banks enjoy among the banking fraternity. Mr. Little told me that he does not believe that savings banks should be allowed to invest in stocks to any extent, for he says that the treasurers have no right to jeopardize the savings of widows and orphans which the deposits may represent, by investing in stocks, the return on which depends upon what the company may happen to be doing. As a matter of fact, unlike many people who may say one thing, but yet may sometimes do the opposite of that themselves, he has invested his funds after the principle which he believes in, for a study of his report for 1910 shows that although the Laconia Savings Bank has deposits of over $2,000,000, yet only about $35,000 has been invested in bank stocks, of which $16,900 has been invested in the two national banks in Laconia, and only par value of $11,000 has been put into other stocks, and that only the preferred stock of one of our conservative railroads.

Another bank in this region has also shown a nice, steady growth, and a growth which has been interesting from the fact that it is located in a town, the population of which is only about 1,500 people, showing that much of the business is drawn from the surrounding country. At the present time, this bank has the problem of carrying on its business in the same location upon which it is constructing

A NEW BANK BUILDING,

and I can assure you that it must be a problem indeed, for the new building is being built bit by bit.

Once the building is completed, however, they will probably have the best banking quarters of any bank in that vicinity, and the safe deposit vault, which will have a door 21½ inches thick, and the most modern construction throughout, I understand has the heaviest door on any country bank safe deposit vault. Mr. Bailey, the cashier of the bank, is one of the most influential men in that region, and undoubtedly, the confidence in which he is held in the community will build up the bank's safe deposit vault business in good shape. In Littleton, N. H., there is only one national bank and one savings bank. Littleton is, of course, a place having a population of something over 5,000 people, and is one of the most prosperous places in that part of New Hampshire. They have there one of the shoe shops of the Sears-Roebuck Company, which employs about 600 hands, and the plant of the Saranac Glove Company. It seems strange to me, therefore, that although places much smaller than this through which I passed had two or three banks, or a national bank and a trust company, a place the size of this had but one national bank.

I understand, however, that several attempts have been made to start a bank here, and they have either failed, or been bought up, and that the courteous treatment which the bank officials have always accorded their customers, and the sound banking system they have always used, have put them in a position to resist any efforts to start another bank. As a matter of fact, it was the bank which was foremost in the securing of the new building which the Sears-Roebuck Company occupy, for which the townspeople subscribed $62,000, $31,000 of which was in stock, and $31,000 in bonds.

ESTRANGED FROM BOSTON.

As I previously stated, I find the banks through which I have been passing feeling that the Boston banks are not using them quite right. Especially is this true of those banks which are par points, and charge Boston no exchange. If they have items upon the places for the collection of which Boston charges one-tenth, they are charged one-tenth just as much as are the banks which charge Boston. This certainly does not seem quite

What seems [illegible] at they have grounds for feeling indignant, and that in many cases Boston charges on New England points are not fair, was brought up in an example, which one of the smaller bankers in northern New Hampshire gave me the other day. He said that a merchant in his city, in payment of a debt to a Boston wholesale house, had sent several checks aggregating $20,000. The Boston house turned them into their Boston banker. He in turn sent them to the New Hampshire point for collection. The cashier told me that since there was no trouble in collecting these items, as they were checks upon some bank, he charged only $2. Yet, nevertheless, he stated that the Boston bank was obliged to charge the merchant a tenth, or $20 for the collection, thus giving them a profit of $18, and since they were put to practically no expense in collection of the debt, it seemed totally out of reason. As a matter of fact, I have found bank after bank in this part of the country which are dissatisfied with Boston on a collection basis, and who keep balances either in Albany or Philadelphia, or Portland or Concord, averaging from $15,000 to $40,000, which might just as well be kept in Boston, providing they could get the same terms. The cleverest part of this, of course, is that there is a lot of money which might well be used for New England in her development, which is going to other parts of the country, and making New England help develop other parts, when she should be developing her own country.

USING CANADIAN MONEY.

This shows the methods which bankers sometimes employ as a matter of economy. It seems that in a small New Hampshire city, one of the national banks has the largest pay roll, while the other has quite a number of merchants among its customers. Of course, for a bank with a pay roll to import silver from the subtreasury, the expense charges would be quite heavy in the run of a year. Instead, therefore, in the past, they have had some of the other New Hampshire banks ship to them Canadian silver, the shipper paying the express, and willingly, too. If he were to ship it to Canada, he would not only have to pay the express charges, but for silver it would be exchanged on a basis of what it was worth as silver there, not as currency.

You can see it works out a great deal better for him to do it this way than to ship it to Canada, while the bank which receives the money gets it without any charge to the bank itself.

The funny part about it is, however, that this bank pays the silver out in the pay roll, and then the other national bank, which has among its customers the merchants, receives the silver back from these merchants who have received it in payment of goods, which have been purchased by the working people, and this bank has not only to pay the express charge of shipping it to Canada, but take the risk of getting the exchange. Of course, it does not wish to put out over the counter Canadian bills on which banks in this country have to pay a 10 per cent tax.

BANK VISITOR.

Digitized by Google

The New Third Avenue

Stock of the Old Company Which Sold as High as 242 Touched Its Low Point of 2¾ This Week—Wall Street Acclaimed Arrival of the New Company By Trading in $2,656,000 Third Avenue Bonds Out of a Total of $5,397,000 of Bonds Dealt in on the New York Stock Exchange on Wednesday—On the Basis of a Most Conservative Estimate the Stock of the New Company Will Earn Over 4½ Per Cent This Year—Three Separate Receivers For the Different Parts of the Property Are to Be Supplanted By One Executive in a Few Weeks.

That the new Third Avenue Railroad Company, now about to arrive after much travail, is to be accorded a most enthusiastic reception in Wall street, was amply evidenced by the fact that on Wednesday of this week, out of total bond transactions on the New York stock exchange, of $5,397,000, no less than $2,656,000 were in the various Third avenue issues, comprising the old undeposited Third Avenue fours, certificates and stamped certificates for this issue, the new refunding fours when issued, and the new adjustment fives, when issued. The new stock, when issued, ranged in price from 32¾ to a closing figure of 36¾ on Wednesday, constituting an advance of three and three-quarters points for the day on transactions of over 11,000 shares. The old stock of the company on transactions of over 4,600 shares closed at 5½, an advance of two points for the day.

The transformation in sentiment, as reflected by these transactions, is of interest, because a stock which has taken such

A TERRIFIC TUMBLE

as Third Avenue has, might be expected to be excluded from the consideration of both speculators and investors. Third Avenue stock not many years ago sold as high as 242, and this week sold as low as 2¾, notwithstanding the strange fact that its actual intrinsic value was probably more when it sold at its lowest price this week than it was when it reached its maximum valuation in market opinion some years ago.

Disregarding the many vicissitudes of the past, including the receivership and the litigation between the reorganization committee, and the Public Service Commission as to the amount of securities which could be issued by the reorganized company, it now appears that the new Third Avenue Company, aside from underlying liens, which have been undisturbed, will have the following capitalization:

Stock	$16,550,000
Adjustment income 5% bonds	23,000
Refunding 4% bonds	15,700,000
Total	$54,916,400

Interest charges, including full payment on the income bonds, will, therefore, consist of $631,600 per annum on the refunding fours, and $1,126,800 on the income fives, making a total of $1,758,400. The Third Avenue system last year earned net $2,123,670, so that after providing for the interest on both the refunding and income bonds to be issued by the new company, there would remain on the basis of last year's operations, a surplus of $365,270 for the stock.

That this surplus, however, should be regarded as

A MINIMUM INDICATION

of what the property is likely to do in the future, is best proved by the following figures, showing the gross and net results of the system and its notable progress, notwithstanding its administration by three separate receivers during the past three years:

THE THIRD AVENUE RAILROAD COMPANY AND SUBSIDIARY COMPANIES.
Aggregate of the Income Accounts as per reports to the Public Service Commission for the three years ended June 30, 1909, 1910 and 1911

	1909.	1910.	1911.
Gross earnings	$8,317,554.31	$8,648,452.96	$9,436,074.16
Operating expenses	$5,973,294 77	$6,456,028 42	$6,831,700 80
Taxes	708,181 30	539,831.71	584,439 24
Income from operation	$2,035,918 24	$2,652,592 83	$3,018,934.01
Other income	31,908 11	32,916 67	27,085 64
Total income	$2,067,826 35	$2,685,509 50	$3,046,019 67
* Income deductions	713,598 65	814 224 06	923 870 80
Net income	$1,353,927 70	$1,871,285.44	$2,122,309 87

* Not including interest on the receiver's certificates, as these are to be retired upon reorganization.

In the above figures, the earnings of the parent, as well as all

THE SUBSIDIARY COMPANIES

are included, which are as follows: The Third Avenue Railroad Company, the Forty-Second Street, Manhattanville & St. Nicholas Avenue Railway Company, the Dry Dock, East Broadway & Battery Railroad Company, Kingsbridge Railway Company, Union Railway Company of New York City the Bronx Traction Company, the Southern Boulevard Railroad Company, the Westchester Electric Railroad Company and the Yonkers Railroad Company.

Receiver Whitridge states that the net earnings of the company since the date of its last annual report covering a period of operations for the year ending July 1, 1911, show an increase averaging $35,000 per month, and estimates that if this rate of increase continues during the balance of the fiscal year, that the net earnings will be $400,000 more than last year. On the basis of this estimate, there would be available for dividends on the stock of the new Third Avenue Company, $765,270, or over 4½ per cent. The new stock is now selling around 36, so that it appears attractive.

I am inclined to go on record, however, with the prediction that the results of the new company for the fiscal year ending June 30, 1912, will be better than

THE AUTHORIZED ESTIMATE.

I base this conclusion primarily on the fact that the company has, up to this time, been operated by three different receivers, and has had to contend with, and pay the expense of more kinds of trouble, legal and otherwise, than is ordinarily allotted to any transportation system of its size, and that this trouble now seems to be all over. Receiver Whitridge states that his expenses in litigation alone with the Public Service Commission during the past three years, have aggregated $400,000. The Westchester companies have had continuing trouble about franchises, and the transfer question has always been in evidence.

Three separate receivers with their attorneys, necessarily get more money for their administration of a property than does one executive. Very shortly, there will be one executive for the Third Avenue system, instead of three receivers.

Receiver Whitridge of the parent property has, nevertheless, made a record which is unique, in view of the fact that he is a lawyer, and not a railroad man. He has done so well that one of the largest bondholders told me recently that he was going to advocate his election as the permanent president of the new company. I have heard nothing about the plans for the executive staff of the new Third Avenue corporation, but I cannot refrain from suggesting that if a practical railroad man is made president, that Mr. Whitridge should be

RETAINED AS CHAIRMAN

of the board of directors.

The estimate that the new company will earn during the current year $400,000 net more than it did last year is based largely on the operations of the Third Avenue proper in New York City. This estimate, I believe, could fairly be increased, if consideration was given to the possibilities of the controlled Westchester properties, the Yonkers Railroad Company, and the Westchester Electric Railroad Company.

The Yonkers Railroad Company, for example, shows the following results during the past three years:

YONKERS RAILROAD COMPANY.

Year.	Gross earnings.	Net earnings.
1909	$487,572	*$79,667
1910	541,453	*80,126
1911	673,021	**2,395

* Deficit. ** Surplus.

The Westchester Electric Railroad Company indicates similar possibilities, as will be noted from the following figures:

WESTCHESTER ELECTRIC R. R. CO.

Year.	Gross earnings.	Net earnings.
1909	$588,497	*$1,398
1910	676,099	**21,426
1911	789,194	**46,160

* Deficit. ** Surplus.

It should be observed that in both of these companies gross earnings have been increasing at the rate of

ABOUT $100,000 A YEAR,

and considering the territory they

Digitized by Google

cover, it cannot be doubted that this rate of development is likely to increase, rather than decline in the future. It should also be borne in mind that during this receivership period, these companies have contributed nothing to the Third Avenue income account, but they are very evidently now in a position to do so.

That these properties, when managed by the reorganized Third Avenue property, will contribute this year to the profit account around $150,000, would seem to be a very conservative statement.

Under the receivership jurisdiction, the net earnings of the Third Avenue system have increased from $1,353,928 in 1909, to $2,123,670, for the year ending June 30, 1911, and these figures tell their own story. The adjustment income 5 per cent bonds of the new company, at 76, as well as the stock at 36, should, therefore, appeal to investors generally, and particularly to those, of which there are many thousands, who are now carrying old Third Avenue securities at a substantial loss.

P. DE MEDICI.

FINANCIAL INQUIRIES.

Amate Plantation Co.

21361. (Scranton, Pa.) We have two certificates of stock, one dated October 1, 1906, and the other May 23, 1907, of the Amate Plantation Company incorporated under the laws of the state of Missouri, with a capitalization of $450,000, par value of shares $10 each. Will you give us whatever information you have concerning this company as well as advising us the city in which the stock is marketable?

Ans.: This company was originally organized with a capital stock of $450,000 and had an issue amounting to $150,000 of first mortgage 6 per cent bonds. The property of the company consisted of 8,000 acres of coffee and rubber plantation lands in the state of Vera Cruz, Mex. The failure to earn its bond interest and the inability to operate at a profit, forced a foreclosure in October, 1909, when the property was sold by the Commonwealth Trust Company, the trustee of the bonds. A syndicate of local bondholders purchased the property, which, however, has never been operated since, and which is again being offered for sale. The proceeds of the sale, after deducting expenses, etc., were deposited with the Commonwealth Trust Company, St. Louis, and amount to about 13 per cent of the face value of the bonds. This amount will be paid for any of the bonds upon presentation at the Commonwealth Trust Company.

Your stock has no value whatsoever, and, of course, there is no city in which there is a market for it.

Interborough Realty Co.

21376. (Ithaca, N. Y.) Please inform me if the Interborough Realty Company of 10 Wall street, New York City is reliable, and if you would advise an investment in same?

Ans.: This company has been in existence for nearly 10 years, being organized in New York, with a paid-up capital of $100,000, and appears to be doing a good business along legitimate lines. It is engaged in selling bonds secured by real estate in the Metropolitan district of New York city, as well as by the capital and by reserve and undivided profits amounting to more than $90,000. So far as can be learned, the company's operations are honestly conducted.

Hart, Schaffner & Marx Profits

The Forthcoming Report Is Expected to Justify Amply the Bids of 50 For the Common Stock, Which Is As Yet Only a Prospective Dividend Payer.

The first annual report of Hart, Schaffner & Marx, Inc., not yet made public, is awaited with interest, and when it comes it ought to be satisfactory to holders of both common and preferred stock of that corporation. The common was last bid 50 and the preferred 101. It is not likely that this bid of 50 on the common stock is inspired by anything other than the prospect of dividends. Fifty is a high quotation for a common stock which has not made a record for itself, but it does not seem to be too much for a fairly capitalized clothing manufacturing corporation, particularly for such a money maker as Hart, Schaffner & Marx. The profits in the clothing business, that is, in the manufacture of such wearing apparel as this corporation makes, are large for leaders in the trade, as is Hart, Schaffner & Marx. This corporation offers to the investing and consuming public the only opportunity of sharing in the profits of clothing manufacturers. The preferred, of course, is limited to 7 per cent. The common offers the opportunity for profit sharing.

The company was incorporated in New York, March 3, 1911. It took over the business of the old firm of Hart, Schaffner & Marx from November 21, 1910. The balance sheet of the old corporation as of that date is the latest one available which is found lower down. The business has developed to the present corporation from a small retail establishment started in 1876, through the partnership of Hart, Schaffner & Marx organized in 1887, their total sales that year being $600,000. The sales for 1910 were over $15,000,000 and represent the distribution in every state in the Union with some trade with the territories of Alaska, Porto Rico and Hawaii, and a beginning in the export trade to Mexico and Canada, of ready-made clothing, suits and overcoats for men. The

PRINCIPAL OFFICE AND WORKS

of the company are in Chicago, and keep busy something like 10,000 hands.

Hart, Schaffner & Marx, Inc., is capitalized for $20,000,000, $5,000,000 being 7 per cent cumulative preferred and $15,000,000 common. No dividends can be paid on the common stock unless there has been set aside and maintained unimpaired the sum of $500,000 from profits, and dividends on the common cannot exceed 4 per cent in any one year until $1,000,000 of such surplus profit [illegible] aside and maintained. It [illegible] out later that this s[illegible] to be long in accumulating. The preferred stock is subject to call in whole or in part at any time at 120 and accrued dividend. The charter of the corporation provides that out of surplus and net profits after provision for all accrued dividends on the preferred stock, there shall be retired at not to exceed $120 per share the preferred stock in installments so that at least $500,000 shall be retired on or before July 1, 1921, and the remainder in installments of not less than $500,000 during each of the five-year periods following successively July 1, 1921. As the following figures will point out, it ought to be easy for Hart, Schaffner & Marx the first year to put aside the first $500,000, which will allow paying 4 per cent on the common stock, and the second year add to that another $500,000, allowing thereafter better than 4 per cent on the common. As a matter of fact, it will be seen on the balance sheet below that good will is put down at $15,000,000. This amount balances the common stock on the other side of the ledger, and this may be wiped out or decreased before any considerable common stock dividends are paid.

EARNINGS ESTIMATED $1,950,000.

Hart, Schaffner & Marx sell over $15,000,000 of manufactured wearing apparel to retail at prices ranging from $18 to $55 for men's suits and to $65 for overcoats. For purposes of figuring, I am taking the suit of clothes which retails and reaches the consumer at $20. Such a suit of clothes takes 3½ yards of woolen or worsted goods. The cloth used would average $1.70 per yard, or a total of $5.95 for the garment. Add to that the cost of findings, including linings, pads, thread, buttons and labor, the item of $4.75 plus the profit to Hart, Schaffner & Marx of $1.75, and we have the selling cost of that suit $12.45. It is well understood in the trade and agreed upon by clothing manufacturers, cutters-up, as they are termed in the trade, that selling costs from 2 to 3 per cent, and I am figuring at 2½ per cent. Then the cost of selling the suit which retails at $20 is 30 cents, that being 2½ per cent of $12.45, making a net cost to the retailer of $12.70. The retailer's profit and cost of doing business have no effect upon the profits of Hart, Schaffner & Marx, and have no other place in this article than that they point out the profits of the retailer and the cost of the present retailing system to the consumer. The retailer then buys the suit which he retails for $20 for $12.70 net. The suit would probably be billed to him for $13.50, but the discounts would bring it down to the former figure.

THE RETAILER'S COST

of selling is about 32 per cent or $4.10. His profits are figured at 25 per cent or $3.20, making a total cost to consumer of $20.

From the above figures it will be seen that Hart, Schaffner & Marx's profit of $1.75 on its selling price of

Digitized by Google

$12.70 represents a gross profit of 13 per cent. As it does a business of over $15,000,000 a year, its gross profits on that amount would be $1,950,000, or about $2,000,000. That is, after the year's business is done it has $1,950,000 of gross profits to be used in paying preferred dividends, interest, depreciation and other charges, for paying dividends on the common stock or adding to its surplus and for decreasing the good will item. After paying the dividend on the preferred, a sum of $350,000, we have from our figures a remainder of $1,600,000 for depreciation, interest losses and other expenses. Now it is in the charter of the company that in the first ten years $500,000 of the preferred must be retired at not to exceed 120. Thereafter, that amount of preferred must be retired every five years. I am figuring only on the five-year basis. As the preferred is callable at 120, of course, it cannot sell at a higher quotation, and if it cannot be picked up in the open market at that price or better, it is presumedly callable by lot. So for figuring let us set aside every year $120,000 for calling $100,000 par value of the preferred, and we have left from the gross profits after deducting preferred dividends and money set aside for calling preferred the sum of $1,480,000. Hart, Schaffner & Marx has no big fixed capital; that is, its plant and machinery, etc., represent so small a sum that if my figures are correct the whole item could be knocked off the first year without taking any great amount of money. I am figuring marking off for depreciation 10 per cent of $1,480,000, my last figures, or $140,000, which leaves $1,340,000, from which, if I set aside the very first year the necessary $500,000 of surplus to allow the payment of common stock dividends, I have the sum of $840,000 available for dividends on the common stock; that is, a sum representing more than 5 per cent on the $15,000,000 of common.

Of course, the above figures are not based upon actualities shown on the books of Hart, Schaffner & Marx except the figures of more than $15,000,000 of sales. That basis of figuring is fair and conservative and is based upon a knowledge of the cost of clothing manufacturing and of retailing.

PAST PROFITS.

As a matter of fact, the books of Hart, Schaffner & Marx show a net profit after deductions for depreciation, interest, losses, etc., an average of $922,000 a year for the past five years. The sales in 1905 and 1906 were under $10,000,000, but in 1909-10 over $15,000,000.

In 1908-9 the net profits after deductions were $1,368,000 on sales of $14,000,000 worth of goods. Take, however, the average for the last five years of $922,000 net after charging off for depreciation, interest, losses, etc., and with that amount of net profit subtract $350,000 for preferred dividend requirements, $60,000 to be set aside without interest for retirement of $500,000 of preferred at 120 in ten years and we have left the sum of $512,000 for common dividends, or better than 3 possible common stock dividends for the first year.

The last balance sheet of the old firm of Hart, Schaffner & Marx dated November 25, 1910, is as follows:

GENERAL BALANCE SHEET, NOV. 26, 1910.

Assets:—	
Good-will, trade names, etc.	$15,000,000
Machinery, furniture & fixtures.	295,611
Manufactured goods, work in process	1,855,194
Accounts receivable	2,682,504
Cash on hand and in bank	1,421,360
Deferred charges to profit and loss	81,448
Total	$21,336,117
Liabilities:—	
Preferred stock	$5,000,000
Common stock	15,000,000
Bills payable	400,000
Accounts payable	416,606
Due to members of old firm	319,511
Total	$21,336,117

I have pointed out above that the item of $15,000,000 for Good Will can be wiped out materially in the course of the next few years at the rate of a considerable sum each year if that is to be the policy of the management. Hence, from my figures the wiping out of that item can be carried along regularly even with the money specified for retirement of preferred stock being

Kidder, Peabody & Co.
115 Devonshire St.
Boston
56 Wall Street
New York
INVESTMENT SECURITIES
FOREIGN EXCHANGE
LETTERS OF CREDIT
Agents and Attorneys for
Baring Brothers & Co., Ltd.
LONDON

Dial Cash Register, Pay-As-You-Enter Car, Eastern Mills Stocks, Hocking Valley Products Co., bought and sold.
C. W. GILMOR, 50 Broad St., N. Y.
Wire connections to all markets

Hodenpyl, Hardy & Co.
BANKERS
7 Wall Street, New York
6% PREFERRED STOCKS A SPECIALTY

BODELL & CO.
PROVIDENCE, RHODE ISLAND
Boston Office, 35 Congress St.
Bonds and Preferred Stocks of Proven Value

Geo. D. Cook & Co.
BANKERS
71 BROADWAY, NEW YORK
We make a Specialty of
Mexican Government and State Bonds

McCoy & Company
Municipal and Corporation Bonds
181 LA SALLE STREET
CHICAGO

Boody, McLellan & Co.
111 BROADWAY, NEW YORK
MEMBERS OF NEW YORK STOCK EXCHANGE
Orders Executed for Investment or on Margin

We Have For Sale
First Mortgage Loans—3 Years 6%, 6½%, 7% Interest.
WM. D. PERKINS & CO., Bankers
No. 211 Cherry St., Seattle, Wash.
Established 1893
Oldest Bond House In Washington.

DOMINION BOND COMPANY
LIMITED
MONTREAL TORONTO OTTAWA
LONDON, ENGLAND
Dealers in HIGH-GRADE CANADIAN BONDS
List on Application

5% BONDS
Guaranteed by
National Light Heat and Power Co.
A. H. BICKMORE & CO.,
30 PINE ST., NEW YORK

6% Timber Bonds
Carrying With Them An Exceptionally Attractive Feature.
American Finance & Securities Co.
5 Nassau Street New York

H. C. Gibbs & Co.
Gas and Electric Light Bonds
To yield 5% to 5 1-2%
60 State Street BOSTON

CIRCULAR ON MISCELLANEOUS UNLISTED MILL AND MANUFACTURING SECURITIES
SENT UPON REQUEST
HORNBLOWER & WEEKS, 60 Congress St., Boston

Digitized by

set aside and at the same time allowing dividends on the common.

The next item, Machinery, Fixtures, etc., of less than $300,000 points out that the manufacturing clothing trade does not call for a big investment in fixed assets. The cutter-up has

TWO SEASONS A YEAR,

the light weight and the heavy weight. He buys his cloth direct from the mills and at the first of each season buys only small amounts, really samples. With those sample ends he makes up samples of his product, showing them to the retail trade and taking orders. With his actual orders in hand and has product closely defined he buys his woolen goods. Woolen goods are sold on generous terms, and probably Hart, Schaffner & Marx has a large advantage through discounts in the purchase of its raw material. I have figured out above that on the suit it sells for about $13 the cloth costs about $6, or nearly 50 per cent, so that in the course of a year Hart, Schaffner & Marx uses about $7,000,000 worth of fabrics, or $3,500,000 for cloth each season. The statement of condition dated November 25 is after the heavy-weight garments have been distributed and are in retailers' hands and before the light-weight season has started. So this statement shows nearly $2,700,000 of goods out with retailers to be paid for, nearly $1,500,000 of cash on hand from sales, and nearly $2,000,000 worth of made-up goods all ready to ship. On the other side of the ledger is about $800,000 of Bills and Accounts Payable which probably represents piece goods. It will be seen from the above statement that Hart, Schaffner & Marx has about $6,000,000 of liquid assets against $1,300,306 of current liabilities or net quick assets of about $92.50 back of each share of preferred.

FACT AND THEORY.

According to the above figures, of which there are two kinds, the actual figures from the balance sheet and the others being more or less theoretical showing what the company ought to do in the way of earnings, it is a fact that Hart, Schaffner & Marx is the largest and probably the most profitable clothing manufacturing concern in the United States. It has by right a good will asset of great value. The company has been consistently in the last several years a large and shrewd advertiser. It was the first clothing manufacturer to advertise largely an all-wool product, and that one fact must have had a large effect in increasing its sales from less than $10,000,000 in 1906 to over $15,000,000 in 1910. Added to this is a most efficient selling organization which has increased sales from $600,000 in 1887 to more than $15,000,000 last year. Of course, this firm must always figure on some competition, and it has lots of it, but it minimizes it to a large extent by always "trading up", that is, by working into a better class of goods, and has shown that it can meet any competition and go it one better. A few years ago there were similar concerns larger than Hart, Schaffner & Marx selling more goods both in volume and in price, but to-day the Chicago concern has out-distanced all of them.

There is no doubt of the investment value of the preferred, and although the quotation of the common stock has anticipated dividend payments, the common, in the not far distant future, ought to be worth much more than its present quotation and paying better than 4 per cent.

Referring once more in the balance sheet above to the item under assets, Deferred Charges of $81,000, when this item is considered with the balance of the statement, with the Cash on Hand enough to pay off all current liabilities, with Manufactured Goods and Accounts Receivable enough to pay off the preferred stock, the conservatism of the bookkeeping of this company is indicated.

P. De Medici.

BANK ITEMS.

BALDWIN, WIS.—The First National Bank, capital $25,000, has received a charter. F. H. Wellcome, president; L. A. Christensen, vice-president; N. L. Swanson, cashier; Oscar Swenby, assistant cashier.

CAMERON, S. C.—The Bank of Cameron has been given the right to increase its capital stock from $15,000 to $25,000.

JEFFERSON PARK (P. O. Chicago), Ill.—The Jefferson Park National Bank has been organized with a capital of $50,000. Geo. M. Hayes, president; Peter T. Thomsen, vice-president, and Fred H. Esdohr, cashier.

OSWEGO, KAN.—The Exchange Bank has received its charter from the state board. J. M. Piper is president; T. M. Cooper, vice-president; Paul H. Kimball, secretary, and W. C. Greening, cashier. The new institution is capitalized at $50,000 and will open in a few weeks.

Cumberland Telephone & Tel. Co.

8% STOCK

Of all the different subsidiary Companies of the AMERICAN TELEPHONE & TELEGRAPH CO., there are none better than the CUMBERLAND. This Company has a quarterly cash dividend record of over 27 consecutive years.

For quotations, address,

GOULDING MARR

Investment Broker

NASHVILLE = TENNESSEE

Assets Realization Company

Capital $10,000,000

Purchases Estates in Liquidation at any point in the United States

NEW YORK PHILADELPHIA CHICAGO

American Industrials Co.

Broad Exchange Building, New York

INVESTMENT SECURITIES.

6% Twenty Year First Mortgage Gold Bonds.
7 Preferred Stocks.
8% Preferred Stocks.

Baker, Ayling & Co.

50 Congress street, Boston

INVESTMENT BONDS

Philadelphia Office, Land Title Building

TAX EXEMPT STOCKS

List Mailed on Application

311 Main St., **W. F. CROSBY** Telephone 4090

WORCESTER, MASS.

JOHN P. DAVIS, President. WM. M. WELLCOME, Vice-President. BYRON H. DAVIS, Sec'y-Treas.

The Davis Wellcome Mortgage Co.

(Incorporated)

TOPEKA, KANSAS.

Gilt-edge first mortgage loans for sale at 5½% and 6% net to the investor. Security well-selected, improved farm lands, in no case to exceed 50% actual value of the farm. Every loan personally examined by one of our inspectors. No better or safer security for money anywhere.

We point with pride to a record of twenty-five years, loaned over $12,000,000, without foreclosing a mortgage or the loss of a dollar in either interest or principal.

Bank References:
BANK OF TOPEKA
CENTRAL NATIONAL BANK, TOPEKA

Correspondence Solicited

6% NON-TAXABLE TRUST CERTIFICATES

With Participation in the Large Profits of Real Estate Development. Secured by Income Property. Send for Booklet

GREATER BOSTON REALTY TRUST, 28 School Street, Boston

Digitized by Google

Seaboard Pool To Be Dissolved

The Seaboard Holding Company, Which Has Successfully Nursed the Reorganized Seaboard Air Line, to Distribute Cash, Preferred and Common Stock of the Railroad Company in Liquidation—After Distribution Seaboard Stocks to Be Listed on the New York Stock Exchange, and the Preferred 4 Per Cent Stock is Scheduled to Go on a Dividend Basis—Earnings of the Railroad Company Last Year Showed a Surplus of $2,455,545 After Payment of Interest on Income Bonds—From July 1, 1911, to the Third Week in October, Gross Earnings Have Increased $447,985.

The re-organized Seaboard Air Line Railway, which has for some years been under the chaperonage of a holding company, the Seaboard Company, has made such vigorous strides of progress, that it is now about to shake off the swaddling cloths of the nursing corporation, list its stock on the New York stock exchange, and take its proper and well-earned position among the large railroad systems of the country.

There has naturally been much confusion about Seaboard securities, because of the fact that the only securities of the enterprise listed on the New York stock exchange have been the underlying and adjustment 5 per cent bonds of the railroad company The stock of the railroad company proper has been listed only on the Baltimore stock exchange, and the securities of the holding company have had their only market on the curb.

At the time of the reorganization of the Seaboard Air Line, there were so many complications that it was impossible to make effective any plan which would provide the new company with the amount of capital it needed. As a result, harmony was secured on the best terms possible, and the best

FRIENDS OF THE PROPERTY

organized a holding company, known as the Seaboard Company, which at the start had a controlling interest in the stock of the reorganized Seaboard Railway Company, and has subsequently acquired nearly all of its outstanding stock.

The sole object of the holding company was, of course, to furnish the railroad corporation with the funds it might need for development, and to take such securities as it could issue and carry them until such time as they could be marketed.

In other words, the plan of the Seaboard Company was simply to nurse the Seaboard Railroad Company until such time as it could stand alone, and that time has now arrived.

The Seaboard Company issued no bonds, and incurred no obligations, except through the sale of its stock. The company's capitalization was as follows:

First preferred 5% cumulative	$6,309,600
Second preferred 6% non-cumulative	15,993,600
Common	28,543,300

All of the company's assets have consisted of cash and securities of the railway company, which comprised bonds, common and preferred stock.

It will be recalled that the railroad company was very

SUCCESSFUL IN SELLING

its $25,000,000 of adjustment mortgage 5 per cent bonds, which were a lien on the entire property subsequent to the refunding bonds. The interest on these bonds was made cumulative from date of issue, but it was provided that interest payments need not be made, unless the surplus earnings of the road were sufficient, and the directors ordered the payment of interest. The first installment of semi-annual interest on these bonds of 2½ per cent was paid in August, 1910, and since that time, interest payments have been regularly made. The bulk of adjustment bonds were sold abroad by a syndicate, which underwrote them at around 70. These bonds are selling in the market at around 82.

Of the adjustment bonds, the holding company took $6,785,000, which have since been sold at a price which netted above 80.

The holding company, in consequence, now has a considerable amount of cash, as well as most of the common and preferred stock of the railroad company, and some time in the next few months, it will dissolve and distribute its holdings pro rata to the holders of Seaboard Company securities. The first preferred stock of the holding company is redeemable at par, so this issue is to be paid off at par in cash, which will result in the distribution of $6,860,600. The holders of the second preferred stock of the holding company will receive 133 per cent in preferred 4 per cent stock of the railroad company, and the holders of the common stock of the holding company will receive 104 per cent in common stock of the railroad company, together with any remaining sur-

(Continued on page 2175.)

Knauth, Nachod & Kühne

BANKERS

15 WILLIAM ST., NEW YORK
LEIPZIG, GERMANY

Members of the New York Stock Exchange

INVESTMENT SECURITIES

Drafts on all Parts of the World

Letters of Credit and Travelers' Checks Available Everywhere

Obtainable either direct from us or through Banks and Bankers throughout the United States and Canada. Pamphlet "Funds for Travelers" mailed upon application.

I. M. TAYLOR & CO.

8 Congress Street, Boston
115 Broadway, New York

Members of New York, Boston and Chicago Stock Exchanges

Notice to Bond Buyers

Five Hundred and Twenty-four Thousand Dollars ($524,000.00) Refunding Bonds of the City of Houston, Texas

Sealed bids will be received by the City of Houston, Texas, until 12:00 o'clock noon, Monday, December 11th, 1911, for the issue of Five Hundred and Twenty-Four Thousand Dollars ($524,000.00) Five per cent (5%) Refunding Bonds, bearing date the 16th day of October, A. D. 1911, interest payable semi-annually at the office of the Union Trust Company, in the City of New York, said bonds to run Thirty (30) years, with an option reserved by the City of Houston to pay same at the expiration of Twenty (20) years.

Each bid for the above issue of bonds must be accompanied by a certified check on a Houston bank, payable to H. B. Rice, Mayor, for One per cent (1%) of the face value of said issue as a guaranty of good faith; bonds to be delivered and money paid in Houston, Texas.

The City of Houston reserves the right to reject any and all bids.

H. B. RICE,
Mayor of the City of Houston.

Attest.
Dan C. Smith, Jr.,
City Secretary.

Digitized by Google

Municipal Bond Sales

MUNICIPALITY.	Date of sale.	Classification of bonds.	Amount.	Rate of interest. Per cent.	Maturity.	Sale price.	Purchaser.	Income basis.
Pittsfield, Mass.	Nov. 22	Water	$100,000	4	**5-24	104.919	R. L. Day & Co., Boston	3.563
Fall River, Mass.	Nov. 25	Highway	15,000	4	1921	103.00	E. H. Rollins & Sons, Merrill, Oldham & Co.	3.628
Everett, Mass.	Nov. 22	Refunding	10,000	4	**1-10	101.49	Hornblower & Weeks, Boston	3.69
Dayton, Ohio.	Nov. 20	Paving assess.	6,000	5	*4½	104.533	Davies-Bertram Co.	3.892
Cleveland, Ohio.	Nov. 28	City Hall	1,100,000	4 1-10	1936	102.80	Seasongood & Mayer, Tillottson & Wolcott Co. and Otis & Hough.	3.823
Cleveland, Ohio.	Nov. 24	Bridge	50,000	4½	1942	106.51	Barton & Barton	3.941
Pleasant Ridge, Ohio.	Nov. 22	Water pipe	1,600	4	1941	100.68	Atlas Nat. Bank, Cincinnati	3.961
Rochester, N. Y.	Nov. 28	Notes	200,000	4	8 mos.	100.02	Luther Robbins, Rochester	3.965
Rochester, N. Y.	Nov. 28	Notes	224,000	4	8 mos.	100.002	Union Trust Co., New York	3.99
Selinsgrove, Pa.	Nov. 25	Street imp.	6,500	4½	**1-13	101.55	J. W. Specht, Beaver Springs	3.991
Atlantic City, N. J.	Nov. 25	Park	205,000	4	1946	par	Local Land Owners	4
Bowman Co., N. D., Gascoyne Sch. Dist.	Nov. 20	Building	3,000	4	1926	par	State	4
Cass Co., N. D. Arthur Sch. Dist.	Nov. 20	Building	2,500	4	1921	par	State	4
Emmons Co., N. D., Sand Creek Sch. Dist.	Nov. 20	Building	800	4	1916	par	State	4
Emmons Co., N. D., Winchester Sch. Dist.	Nov. 20	Building	6,140	4	1924	par	State	4
Lamoure Co., N. D., Sheridan Sch. Dist.	Nov. 20	Building	1,500	4	1921	par	State	4
McHenry Co., N. D., Miner S. D.	Nov. 20	Building	2,000	4	1921	par	State	4
Morton Co., N. D., Sunny Slope Sch. Dist.	Nov. 20	Building	800	4	1931	par	State	4
Cleveland, Ohio.	Nov. 24	Sewer	200,000	4¼	1946	104.10	Seasongood & Mayer, Tillottson & Wolcott Co., Otis & Hough.	4.029
Cleveland, Ohio.	Nov. 24	Park	250,000	4¼	1928	103.50	Seasongood & Mayer, Tillottson & Wolcott Co., Otis & Hough.	4.08
Dayton, Ohio.	Nov. 20	St. Inters't'n	11,000	4½	*10	103.61	Dayton Savings & Trust Co.	4.057
Middletown, Ohio.	Nov. 18	Sewer	15,000	4½	*5¾	103.18	A. E. Aub & Co., Cincinnati	4.064
Dayton, Ohio.	Nov. 20	Sewer	4,000	4½	1920	103.12	Dayton Savings & Trust Co.	4.082
Dayton, Ohio.	Nov. 20	Street assess.	3,100	5	*6 2-3	105.466	Davies-Bertram Co.	4.196
New Britain, Conn.	Nov. 28	Water	100,000	4¼	1941	102.168	E. H. Rollins & Sons, Boston	4.12
Wooster, Ohio.	Nov. 18	Ref'd'g & sew.	8,300	4½	1921	105.48	Citizens Nat. Bank, Wayne Co. Bank, Wooster	4.128
Dayton, Ohio.	Nov. 20	Street assess.	2,700	5	*7	105.222	Davies-Bertram Co.	4.133
Dayton, Ohio.	Nov. 20	Street assess.	3,100	5	*7	105.466	Davies-Bertram Co.	4.153
Dayton, Ohio.	Nov. 20	Paving	3,100	5	*7	105.095	Davies-Bertram Co.	4.153
Yonkers, N. Y.	Nov. 28	Local imp.	115,000	4½	**1-20	102.378	R. M. Grant & Co., New York	4.217
Warren, Ohio.	Nov. 18	Sewer	3,000	4½	*3¾	100.85	Western Reserve Nat. B'k, Warren	4.249
Montgomery County, Ohio.	Nov. 18	Bridge	8,000	4½	**1-4	100.56	Dayton Sav. & Trust Co.	4.28
East Liverpool, Ohio.	Nov. 20	Crematory	9,000	5½	*7	101.221	Provident S. B. & T. Co., Cincinnati	4.286
Eastview, Ohio.	Nov. 20	R. ip. & assess.	21,304	4½	*7	101.221	Hayden, Miller & Co., Cleveland	4.286
Montgomery County, Ohio.	Nov. 18	Ditch	1,350	4½	**1-6	100.58	Dayton Savings & Trust Co.	4.32
Asbury Park, N. J.	Nov 20	Improvement	50,000	4½	1951	102.278	R. M. Grant & Co., New York	4.327
Kenton, Ohio.	Nov. 20	Water main	3,400	4½	*3¾	100.75	First Nat. Bank, Kenton	4.34
Barberton, Ohio.	Nov. 20	St. imp. assess	4,750	5	*5	102.94	Seasongood & Mayer, Cincinnati	4.362
La Rue, Ohio.	Nov. 20	St. imp. assess.	22,500	5	*6¼	103.10	Well, Roth & Co., Cincinnati	4.445
Ellicott, N. Y., Sch. Dist.	Nov. 25	Building	14,650	5	*5½	102.75	Isaac W. Sherrill, Poughkeepsie	4.449
Dumont, N. J.	Nov. 22	School	40,000	5	*20 1-3	104.401	Closter Nat. Bank, Closter	4.66
Hilliards, Ohio.	Nov. 18	Sewer	5,000	5	*5½	101.112	New First Nat. Bank, Columbus	4.767
Snohomish County, Wash.	Nov. 15	Dr. Dist. No. 1	24,000	6	1921	100.552	Allen & Wells, Spokane	5.926
Nacogdoches County, Texas.	Nov. 20	Crt h'se & jail	75,000	5	15-40	100.31	A. J. Hood & Co., Detroit	4.93
Brownsville, Texas.	Nov 28	Water ext.	35,000	5	20-40	par	Sutherlin & Co., Kansas City	5
Brownsville, Texas.	Nov 28	Elec. light ext.	15,000	5	20-40	par	Sutherlin & Co., Kansas City	5
Clay Co., Tex., Sch. Dist. No. 9.	Nov. 23	Building	3,000	5		par	State Board of Education	5
Coucho Co., Tex., Sch. D. No. 11.	Nov 23	Building	5,000	5		par	State Board of Education	5
Crockett Co., Tex., Sch. D. No. 1.	Nov. 23	Building	3,000	5		par	State Board of Education	5
Ellensburg, Wash.	Nov 18	Refunding	29,000	5	1931	par	Union Tr. & Sav. Bank, Spokane	5
Exeter, Cal.	Nov. 20	Water works	42,000	5	**1-40	par	First Nat. Bank, Exeter	5
Fayette Co., Tex., Sch. D. No. 60.	Nov. 23	Building	1,500	5		par	State Board of Education	5
Greensburg, Pa.	Nov. 30	Improvement	35,000	5	(14-20	par	State	5
Harrisonburg, Va.	Nov. 25	F'd'g, f. e. & s	75,000	5	1941	par	People's Bank, Harrisonburg	5
Hopkins Co., Tex., S. D. No. 71.	Nov. 23	Building	500	5		par	State Board of Education	5
Lawrenceville, Ga.	Nov. 10	Water	35,000	6	1941	par	J. R. Mc'Cary & Co., Atlanta	5
Limestone Co., Tex., S. D. No. 8.	Nov. 23	Building	1,000	5		par	State Board of Education	5
McLennan Co., Tex., S. D. No. 38.	Nov 23	Building	3,500	5		par	State	5
Magnet, Neb.	Nov. 20	Water	4,000	5	15-20	par	State	5
Mt. Sterling, Ky., Sch. Dist.	Nov. 24	Building	15,000	6	**1-15	104.72	Seasongood & Mayer, Cincinnati	5.269
Island Co., Wash., S. D., No. 10.	Nov. 13	Building	3,000	5½	1916	par	State	5 50
King Co., Wash., Sch. D. No. 66.	Nov. 18	Building	3,000	5½	1-10	par	State	5 50
Cradlebourn, N. C., Sch. Dist.	Nov 16	Building	1,000	6	1941	100.76	A. J. Hood & Co., Detroit	5.945
Flathead Co., Mont., S. D. No. 41	Nov 11	Building	2,500	6	10-20	par	State Board Land Com., Helena	6
Hillsboro, Ore.	Nov. 20	Street imp.	51,108	6	**1-30	par	Warren Construction Co.	6
Burley, Idaho.	Nov. 18	Refunding	7,500	6	10-20	*5	Bank of Commerce, Burley	6.69
Albion, Idaho.	Nov 22	Funding	30,000	4		103.66	J. H. Causey & Co., Denver	
Asbury Park, N. J.	Nov. 20	Street	28,521	5	**3		Local Banks and Investors	
Atlanta, Ga.	Nov. 20	Redemption	68,500	4½	1941		Unknown	
Auburn, N. Y.	Nov 27	Street	3,650	5			Board of Water Commissioners	
Auburn, N. Y.	Nov. 27	Paving	7,787	4			Board of Water Commissioners	
Auburn, N. Y.	Nov. 27	Paving	1,650	4			Board of Water Commissioners	
Brookville, Fla.	Nov. 15	School	4,000	5	**1-31	99	Hernando State Bank, First Nat. Bank, Brookville	
Clarksville, Tex.	Nov. 16	W. ext. & imp.	10,000	5	15-40		Unknown	
Clarksville, Pa.	Nov. 17	School	15,000	4½			Wm. Kent, Washington, Pa.	
Corpus Christi, Tex.	Nov. 20	C. h. & fire dp.	55,000				Unknown	
Dennison, Tex.	Nov. 18	Loan	8,000				Local Institutions	
Edwardsville, Pa., Sch. Dist.	Nov. 21	Building	27,000		1938		Unknown	
Ellington Township, Iowa.	Nov. 20	Jacobs dist.	50,000	6		101.32	Geo. M. Bechtel & Co., Davenport	
Ellington Township, Iowa.	Nov. 20	Beachamps d't.	10,000	6		101.32	Geo. M. Bechtel & Co., Davenport	
Harrisburg, Tex., Sch. Dist.	Nov. 23	Building	15,000				Nat. Bank of Commerce, Detroit	
Hinckley, Minn.	Nov. 20	Building	5,000	4			State	
Kern Co., Cal., Brown Sch. Dist.	Nov 10	Building	1,100			102	V. D. Black, Maricopa	
Marengo, Iowa.	Nov. 14	Water works	2,000				Local Investors	
Millersburg, Pa.	Nov. 18	Improvement	15,000	4	15-19		State	
Monterey Co., Cal., King City Sch. Dist.	Nov. 18	Building	20,000	6		100.775	First Nat. Bank, Monterey	
Rochester, N. Y.	Nov. 23	Water notes	200,000	3.80	8 mos.		Read & Gwilym, New York	
Roseau County, Minn.	Nov. 24	Loan No. 8	12,000	5½		102.50	Security Trust Co., St. Paul	
San Bernardino County, Cal.	Nov. 29	Building	5,500	5			First Nat. Bank San Bernardino	
							Citizens' Bank, Santa Paula	

* Year average. ** Year serial. † Year optional.

MUNICIPAL SHORT TERM LOANS.

ROCHESTER, N. Y.—The various 8 months notes were awarded as follows: Luther Robbins, Rochester, $300,000 as 4s at 101.02 equals 3.965, Union Trust Company, New York, $224,000 as 4s at 100.008 equals 3.99. Other bidders were: Bond & Goodwin, New York, $424,000 at 4.22 per cent; T. J. Swanton, Rochester, $424,000 at 4.75 per cent.

MALDEN, MASS.—Blake Bros. & Company, of Boston, have been awarded a 6 months' temporary loan to the amount of $30,000 at 3.37 per cent. Other bidders were: Old Colony Trust Company (75 cts. prem.), 3.38 per cent; F. S. Moseley & Company ($1.30 prem.), 3.39 per cent; Curtis & Sanger ($1 prem.), 3.39 per cent; Loring, Tolman & Tupper, 3.39 per cent; Lee, Higginson & Company ($1 prem.), 3.40 per cent; First National Bank, Boston, 3.40 per cent; Estabrook & Company ($1.25 prem.), 3.41 per cent; Bond & Goodwin, 3.44 per cent; R. L. Day & Company, 3.56 per cent.

NORTHAMPTON, MASS.—The Old Colony Trust Company, of Boston, has been awarded a 5 months' temporary loan to the amount of $30,000 at 3.41 per cent. Notes are in denominations of $10,000 each. Dated November 18, 1911. Due, April 18, 1912. Other bidders were: Northampton National Bank, 3.45; Edgerly & Crocker, 3.45; Blake Bros. & Company ($3 prem.), 3.50; F. S. Moseley & Company ($1.40 prem.), 3.57; R. L. Day & Company, 3.60; Bond & Goodwin, 4.48.

Bond Certification

Modern conditions make the registration and certification of municipal and corporate obligations desirable and convenient. We have a department maintained exclusively for this purpose.

First National Bank of Boston
70 Federal Street

SEALED PROPOSALS

will be received by O. C. Funderburk, County Judge, at Palestine, Texas, until January 1st, 12 M. for $150,000 5% 40-20 Road District Bonds dated January 1, 1912. Certified check for $1000 required with bids.

YUKON GOLD COMPANY

165 Broadway, N. w York, December 1st, 1911
DIVIDEND No. 13

The Directors of the Yukon Gold Company have this date declared a quarterly dividend on the issued capital stock of the Company, at the rate of six per cent (6%) per annum, or seven and one half cents (7½c) per share, payable December 30th, 1911, to all stockholders of record at the close of business December 15th, 1911. The books for the transfer of the stock of the Company will close at 3 o'clock P. M., December 15th, 1911, and reopen January 8th, 1912, or upon the completion of the annual meeting of stockholders to be held January 8th.

CHAS. K. LIPMAN, Secretary.

City and Town Treasurers

The Old Colony Trust Company is one of the largest and strongest banking institutions in the country. Its tremendous resources and its strong position in the confidence of the public make our services in the preparation and certification of Municipal Bonds of unusual value to city and town treasurers.

Our plan for handling this work is the safest and most systematic that experience can suggest, and it is so economical that the entire cost is within the means of the smallest municipality.

It affords absolute protection not only to the issuing community and its officials but also to the banker and investor. It has already been adopted by many cities and towns throughout the country and has the unqualified endorsement of all bond dealers.

The marked preference shown by investors for bonds issued under our plan has resulted in a distinct enhancement of their market value. *Kindly send for descriptive pamphlet.*

OLD COLONY TRUST COMPANY

COURT STREET BOSTON TEMPLE PLACE

AN INVESTMENT NETTING 6%
SECURED BY
CHICAGO DOWN TOWN PROPERTY

We own and offer for sale FIRST MORTGAGE GOLD BONDS in denominations of $500 and $1,000, secured by a new thirteen-story high class fire-proof store and office building with basement and sub-basement to be erected in one of the best business districts in the world, devoted to retail trade.

The bonds are the obligation of a man of large wealth and prominence, and the owner of numerous valuable properties.

A large income from the property is assured by its ideal location; the net earnings, being conservatively estimated over three times the greatest interest charge, make certain the prompt payment of interest and principal.

We recommend the purchase of these bonds.
Write for descriptive circular No. 67.

S.W. STRAUS & Co.
INCORPORATED
MORTGAGE AND BOND BANKERS
ESTABLISHED 1882
STRAUS BUILDING, CHICAGO

ISLAND CREEK COAL COMPANY
PREFERRED STOCK DIVIDEND

The Directors of the Island Creek Coal Company have declared the regular quarterly dividend of $1.50 per share upon the preferred capital stock of this Company, payable January 1, 1912, to stockholders of record at the close of business December 16, 1911.

F. W. HATCHELDER, Treasurer

MERGENTHALER LINOTYPE COMPANY

New York, December 1, 1911

A regular quarterly dividend of 2½ per cent and an extra dividend of 2½ per cent on the capital stock of Mergenthaler Linotype Company will be paid on December 30, 1911, to the stockholders of record as they appear at the close of business on December 9, 1911. The Transfer Books will not be closed.

FREDCK J. WARBURTON, Treasurer.

COPPER RANGE CONSOLIDATED COMPANY

At a meeting of the Board of Directors of the COPPER RANGE CONSOLIDATED COMPANY held this day, a dividend of 50 per share, being Dividend No. 12, was declared, payable on Monday, January 1st, 1912, to stockholders of record at the close of business on Saturday, December 9th, 1911.

FREDERIC STANWOOD, Treasurer.

Boston, December 4th, 1911.

AMERICAN CAR AND FOUNDRY COMPANY

New York, December 1, 1911.

PREFERRED CAPITAL STOCK.
Dividend No. 51.

A dividend of one and three-quarters per cent (1¾%) on the Preferred Stock of this Company has this day been declared, payable Monday, January 1, 1912, to stockholders of record at the close of business, Monday, December 11, 1911.

Checks will be mailed by the Guaranty Trust Company of New York.

WM. M. HAGER, Secretary.
S. S. DELANO, Treasurer.

AMERICAN CAR AND FOUNDRY COMPANY

New York, December 1, 1911.

COMMON CAPITAL STOCK.
Dividend No. 37.

A dividend of one-half per cent (½%) on the Common Stock of this Company has this day been declared, payable Monday, January 1, 1912, to stockholders of record at the close of business, Monday, December 11, 1911.

Checks will be mailed by the Guaranty Trust Company of New York.

WM. M. HAGER, Secretary.
S. S. DELANO, Treasurer.

MASSACHUSETTS ELECTRIC COMPANIES.

A dividend of Two Dollars ($2) per share has been declared payable on January 1, 1912, to Preferred Shareholders of record at the close of business December 2nd, 1911.

J. H. GOODSPEED, Treasurer.

Boston, November 22nd, 1911.

Digitized by Google

United States Investor

Published Every Saturday Morning by

FRANK P. BENNETT & CO., Inc.

SUBSCRIPTION RATES

$5.00 per annum in United States and Mexico; $5.50 per annum in Canada.

$7.00 per annum in England, the Continent, Australia and Countries in the Postal Union.

$10.00 per annum for Investor and Inactive Securities Supplement, including privilege of inserting quotations in the Supplement.

ADVERTISING RATES

Twenty-five cents per agate line. There are fourteen agate lines to the inch.

PUBLICATION OFFICE,

530 Atlantic Avenue, Boston.

NEW YORK OFFICE,

2 Rector Street, New York.

JOSEPH L. BARKER, Manager.

Washington Office, 208 Corcoran Building; Philadelphia Office, 308 Chestnut Street.

Entered at the Post Office at Boston, Mass., as second class matter.

Any banker who is disposed to think that Boston is almost unduly conservative in banking may find his eyes opened and this illusion dispelled if he watches the progress of a new activity of the Boston Chamber of Commerce. To its new enterprise the Chamber has given an individual name, the "Industrial Development Company". While the name indicates the purpose of the undertaking, it gives barely an inkling as to the methods which will be followed. They involve a public spirited form of credit insurance, the end and aim of which is to make Boston grow into a busier and, therefore, more substantial business centre.

The $500,000 of funds which the enterprise needs has already been subscribed. The contributors are leading bankers, manufacturers and merchants. The list of officers and directors reads like a page from the City Blue Book. The president is an active partner in what is almost the largest private banking house in Boston. Every one of the three vice-presidents and the treasurer are presidents of Boston's biggest banks. The Loan Committee of five comprises five of the best judges of credits in Boston. For an organization which is to serve a genuinely unique purpose, it clearly is launched under singularly favorable auspices.

And just what is the company to do? Nothing more nor less than to aid small manufacturers who cannot get aid at the banks. Boston is believed to offer unusual opportunities for small manufacturers who can do business in loft buildings. Some of these who are already doing a good business desire to expand modestly. Others not yet located in Boston could be induced to make modest beginnings there. Unfortunately, for neither can assistance from the banks be now assured. The new corporation will investigate those who would like to begin, and if their propositions satisfy the Loan Committee, and convince them that the new enterprises are likely to succeed, the new corporation will endorse the applicant's note. This will give him credit at one of the banks of the city.

The scheme is not so chimerical as some might suspect. The names of those who are to govern it guarantees that. So, too, does the fact that, although no large city has given it a trial, it has worked advantageously in two or three very small cities, which have greatly increased their industries by means of it. For Boston to be the first large city to take it up seems to indicate that in that place a wholesome spirit of unrest has at last come over the local captains of industry. They are no longer willing to let their city rest on the laurels that business men of an earlier generation won. They do not enjoy hearing Boston referred to as effete, and they relish even less the suspicion some of them have had that this characterization of their home town has not been entirely undeserved. In a very practical fashion, therefore, they have set to work to make Boston grow, and in their endeavor they are showing that they are not afraid to try new methods as boldly as though these methods had already been tested elsewhere and found fruitful.

THE NEW ORLEANS CONVENTION.

The bankers' convention at New Orleans last week conclusively showed that members of the banking profession are determined to have constructive legislation at the coming session of Congress if that be possible. It also showed, at least on the surface, that a surprising degree of unanimity had been arrived at by those who are thinking carefully on this subject. The ballot by which the National Reserve Association plan was ratified was overwhelmingly in favor of that scheme, although discussion had revealed a considerable number of points at which changes are needed and must be made before the legislation approaches completion.

This is wonderful progress in its way. The advance toward harmony is of a kind and extent that could not possibly have been looked forward to two years ago or perhaps even one year ago. But it is well worth while to observe how this harmony has been secured and to learn the lesson which it conveys. When Mr. Aldrich returned from the visits to Europe on which, it is alleged, he was educated out of that old opposition of his to any respectable legislation on banking which had prevented progress for so many years, he advocated a central bank based upon the great European institutions like the banks of England, France and Germany. It did not take long to show that this proposition would not do. Mr. Aldrich promptly altered his scheme, and put in place of it the National Reserve Association. It was received with a chorus of protest when it became public last January, and promptly a process of modifying and reshaping the scheme set in. The result has been a proposal entirely different in character from that which was proposed last winter. True, the changes have been largely in details, but it is details that in such matters make the difference between satisfactory and unsatisfactory measures. The success that has been had thus far has been experienced as a result of accommodating the proposition to the requirements of those whose aid was needed in putting it through.

Now the problem of getting a broad popular support for a satisfactory banking plan is presented. It is not a thing that can be pushed through Congress by any "machine" or secretive methods. It must stand the scrutiny of all classes in the community and will undoubtedly be severely criticised. Why should it not be carefully readjusted in all those details where changes can be made without sacrificing any fundamental principle, in order to meet the requirements of the persons whose aid and support is absolutely necessary to the success of the plan? For example, the present provisions in regard to control are not favorably regarded, and the same is true of numerous other elements. It may not be thought necessary by those who are pushing the proposition to introduce safeguards of the kinds that are called for. At many points they would doubtless prefer to leave the plan as free of hampering restrictions, and, consequently, as flexible as they can. In fact, some of the principal movers who are backing it say frankly that they will not submit to alterations originating with so-called progressive members of Congress, or growing out of popular prejudice. This is much to be regretted. Success will be had in this matter along the same lines that have carried it so far on the road to success heretofore. It will be had by accommodating the various elements in the community whose aid and support is needed. If this is not done by the supporters of the Aldrich

Digitized by Google

plan, they may as well expect to see their measure indefinitely hung up. If they want prompt action, they will go on with the same method that has worked well thus far.

NEW ENGLAND RAILROAD RATES.

It isn't altogether surprising that there should be popular antagonism to the railroads, nor that the public should be suspicious even of the arguments by which the railroads seek to justify their policies, when one frequently finds some of the best intentioned newspapers adding to the popular fund of misinformation on railroad problems. Just how popular opinion is to be made intelligent until the information which the press affords is itself purged of ignorance is not clear.

What leads to generalizing to this effect is a brief editorial in a recent issue of one of Boston's most popular newspapers and one which we are convinced never intends to mislead its readers by the prejudices of proprietor, editorial writer, or reporter. Utterly out of harmony, however, with that laudable purpose is its comment on the objections of the Boston & Maine Railroad to the creation of mileage and ticket books interchangeable between its lines and those of the other New England roads. The editorial writer in question cannot understand "why, if two railroads in New England can afford to carry passengers for 2 cents a mile (the New York, New Haven & Hartford and the Boston & Albany) the others can't".

The disappointing feature about this bit of philosophy is the source from which it comes. We had supposed that everybody was orthodox on the principle that the rate a road must charge its passengers depends to no small degree upon the number of passengers it can obtain. So far as we can recall, no one has ever seriously questioned the propriety of a railroad charging more per mile in Florida, for instance, where traffic is thin, because the country is not densely populated, than a road running in New England where, on the other hand, traffic is heavy. If a road can fill its cars and keep them steadily employed, it naturally can afford to carry its passengers at a lower charge per head than when its cars are not even comfortably filled or in steady demand for frequent trains. The writer of the editorial in question has fallen into the natural error of imagining that simply because the Boston & Maine Railroad is in New England, its traffic must have much the same density as the traffic on the New York, New Haven & Hartford.

The last annual report of the Massachusetts Board of Railroad Commissioners has some figures which shed considerable light upon this mooted question. They show that of the three large railroad corporations in New England, the Boston & Maine has the thinnest traffic of all. The New Haven carries an average of 97 passengers for each mile its passenger trains run. The Boston & Albany carries an average of 74 passengers for each mile its passenger trains run. The Boston & Maine, on the other hand, carries an average of but 71 passengers for each mile its passenger trains operate. There is nothing surprising about these figures. Any one familiar with the country which the three lines serve is quite prepared for such statistics. Along the lines of the New Haven, prosperous manufacturing communities are numerous and near together. Along the Boston & Albany, the condition is more or less the same. For the passenger traveling on the Boston & Maine the view from the car window is rather a changing series of landscapes, now a broad marsh, now a series of rolling hills with only an occasional village and less frequently a sizable town to break the monotony. Obviously, from the passenger through such a country a somewhat more considerable charge must be collected.

There are some other features in the same report which are even more impressive. During 1910, the New Haven carried about 83,000,000 passengers, while the Boston & Maine carried only about 47,000,000 passengers. To be sure, the difference between these figures does not in itself afford much ground for drawing conclusions. Some railroads are so situated that they could afford to carry even less than the Boston & Maine carried last year without charging more per mile than the New Haven would charge. Such roads, however, are those which are compact, which have fewer miles of track, and are able to carry this smaller aggregate traffic with fewer train miles. The Boston & Maine, however, is not so fortunate. To carry its more meagre aggregate of passengers, it has had to afford a train service well up to that which the New Haven finds necessary. With only about half as many passengers to carry, it has had to run a good deal more than half as many passenger train miles.

The New Haven took care of its 83,000,000 of passengers by running its passenger trains about 15,500,000 miles. The Boston & Maine, instead of being able to take care of its 47,000,000 passengers by running its passenger trains eight or nine million miles, had to run them over 12 million miles. This means, of course, that the patrons of the Boston & Maine Railroad are getting 30 to 40 per cent more passenger train service than that to which they would appear to be entitled from a comparison with the New Haven service. That the territory could stand a decrease of service of anything like 30 per cent is, of course, improbable. In spite of the lightness of its traffic, the Boston & Maine Railroad will probably have to continue to give approximately its present number of trains. That, in the meantime, however, it must collect from its passengers enough to warrant the expense of such service goes without saying. We do not believe that even the writer of the editorial quoted above would deny that the pay for such additional service can be obtained only by having each passenger pay slightly more per mile than he would have to pay on other roads.

THE STEEL MUDDLE.

As a result of the government's suit against the United States Steel Corporation, the so-called Stanley investigating Committee has fallen into a serious muddle. The Stanley Committee had intended to go on with its work when attorneys for the corporation a few days ago very properly called attention to the fact that the original resolution under which the committee was created authorized only those inquiries which related to the acts of the Steel Corporation that had not been made the basis of suit. An executive session of the committee resulted in developing the fact that this idea appealed to several members as reasonable, the more so because it was recognized that the prosecution of the inquiry would undoubtedly tend to give immunity to members of the corporation if not to the concern itself for those acts in regard to which they were compelled to testify. Division of opinion, however, existed, Mr. Stanley and a few chosen extremists insisting upon going ahead while the majority voted against them.

The determination to do nothing further until Congress assembled has led to much recrimination. Mr. Littleton, a democratic member of the committee who voted to discontinue the inquiry, has been at swords' points with Mr. Stanley, and now charges that the latter has been made a tool of by the "anti-trust league" and the bear party on the New York stock exchange. He is reported to believe that the attacks upon him and those who voted against the continuance of the investigation proceed from individuals

Digitized by Google

who are interested in keeping down the price of steel shares. Of course, the insinuation has been rebutted with vigor, but in the course of the discussion inquiry has become hopelessly muddled. It is hardly worth while to attempt to determine how much foundation there is for the various charges and recriminations that have been flying back and forth, but the fact remains that the whole investigation was clouded with political motive from the beginning. The desire to make capital against the administration was responsible for the initiation of the work and the disappointment over the discontinuance of the investigation is largely due to a fear that the administration will succeed in reaping all the credit that is to be had from the proceedings.

It is quite time that the attacks on business that are founded upon the motives that have controlled in this steel investigation should come to an end. Ever since the opening of the last session, there has been a search for grounds of attack upon enterprises of one sort or another. The whole special session was occupied with this search for political capital, and practically the whole time of the Rules Committee was taken up with inquiries into proposed resolutions which sought to carry the campaign of abuse still further. Most of these were fortunately turned down, owing to some remnant of saving sense in the minds of the members, but enough unwarranted inquiries were authorized to cause much trouble. The sugar investigation, for example, was absurd and unnecessary since the so-called sugar trust was already under investigation and prosecution. Much the same was true of the steel trust which was being elaborately studied by the Bureau of Corporations, and, as events have proved, was shortly to be attacked by the Department of Justice. The proposition to press these inquiries further and to attempt to outdo the administration by raking up charges that go further than anything yet developed, no matter how little evidence there may be behind them, as was done with reference to the ore railroads by the Stanley Committee last week is both disturbing to business and reacts severely, from a political standpoint, upon the party which is responsible for it.

PROPOSAL FOR BONDS.

ANDERSON COUNTY, TEX.—O. C. Funderburk, county judge, Palestine, Texas, will receive sealed proposals until January 1, for $150,000 5 per cent 10-20-year road district bonds, dated January 1, 1912. A certified check for $1,000 must accompany each bid.

FINANCIAL INQUIRIES.

Indian Refining Co.

21367. (Cincinnati, O.) Kindly give a financial report of the Indian Refining Company of New York.

Ans: This company has been in existence for about six years and has a capital stock of $6,000,000, of which $3,000,000 is 7 per cent preferred. There is an authorizer issue of 6 per cent first mortgage serial bonds to the amount of $5,000,000, of which $4,000,000 has been issued, the remainder being reserved for a future issue. These bonds constitute a first mortgage on substantially all property now owned or hereafter acquired except for purchase money mortgages to the amount of $50,000, and outstanding car trusts. The property covered is estimated at about $14,000,000.

The company is engaged in the production and refining of crude oil, as well as in the manufacture and sale of lubricating oils, wax, greases, etc. It owns a number of refining plants in various sections of the country, and through subsidiaries, holds large storage stations for export business, besides having many distributing stations in this country and Europe. Average annual net earnings during the last three years, were about $1,000,000 or over four times the interest on the bonds. Net earnings for 1910 on this basis were about $1,200,000 without any benefit from a new refinery at Lawrenceville, Ill., and other improvements which are expected to add materially to the earnings. The company has paid annual dividends of 7 per cent upon the preferred stock since its creation and of 12 per cent on the common stock since July, 1908.

Sewer Tax Warrants.

21368. (Crestline, O.) We are interested in some McAlester and Pauls Valley (Okla.) sewer tax warrants, a part of which were due December 15, 1910. We understand that under the laws of Oklahoma, property upon which taxes have become delinquent, is taken over by the county each year in October, and then bears interest with a penalty equaling 18 per cent. We would like to secure a brief synopsis of the delinquent tax law and would like to know whether we can take over the tax certificates, thus enabling us to secure deeds for the property if not redeemed within a certain time. These sewer tax warrants become due on December 15, each year, with interest at 7 per cent, presumably payable annually, but on the first installment, interest was collected on that installment only. We would like to know if we are entitled to interest and penalty where the warrants become delinquent and are paid, say, 60 days after maturity or at any time prior to the date of the delinquent tax sale.

Ans.: We will answer more fully at a later date, but our impression is without looking up the law on the subject, that the holders of sewer warrants are simply entitled to interest, the penalty on delinquent taxes accruing to the municipality behind the warrants.

Digitized by Google

SEABOARD POOL TO DISSOLVE.

(Continued from page 2169.)

plus in cash which may result from liquidation.

The present market quotations on the stocks of the Seaboard Company, the holding corporation, are as follows: Common, 26¼-27¼; first preferred, 98-99; second preferred, 63¼-64¼. There is only a very small amount of the stock of the railroad company out standing, but the nominal quotation on these securities correspond with the announced figures of distribution on the holding company.

The

PROGRESS OF THE COMPANY

during the current year has been reflected in the advance in market prices of its securities. In April of this year, the adjustment 5 per cent bonds of the railroad company were selling at 76, as compared with 82 at the present time. Similarly the first preferred stock of the holding company was selling around 84, as compared with nearly par at this time, and the second preferred was selling at around 55, as compared with 64 at this writing.

The statement of the railroad company for the fiscal year ended June 30, 1911, was very favorable, as it showed a substantial surplus earned above interest requirements on both the underlying and adjustment bonds. This statement may be summarized as follows:

SEABOARD AIR LINE RAILWAY.
Year Ending June 30, 1911.

Gross revenue	$22,606,452
Net income	6,754,020
Interest on underlying bonds	1,778,500
Balance	4,975,520
Interest on Seaboard Air Line first 4s	511,000
Balance	4,464,520
Interest on Seaboard Air Line refunding 4s	760,000
Balance	3,704,520
Interest on Seaboard Air Line adjustment 5s	1,248,975
Surplus	2,455,545

From the above figures, it will be noted that the surplus earnings available for payment of interest on the adjustment 5 per cent bonds amounted to $3,704,520, or nearly two and one-half times the amount necessary to pay the 5 per cent interest on this issue.

The indenture securing these bonds specifically sets forth the manner in which net income is to be determined, limiting the amount to be used in improvements and betterments, and by such provision obviates the possibility of non-payment at the will of the directors. In this respect, the holders of these bonds

ARE PROTECTED

against manipulation of accounts. In the event that interest is not paid on any semi-annual interest date, the directors are obliged to file a statement of earnings with the trustee of the mortgage, and on the application of 25 per cent of the holders of the bonds, the trustee is directed to take steps to test the accuracy of such statement. The railway company also agrees that no dividend shall be paid on the stocks of the company until all arrears of interest on the adjustment bonds have been paid.

Since the date of the last annual report, or from July 1, 1911, to and including the third week in October, the gross earnings of the company have increased $447,985, and the net results have been in proportion.

The railroad company has outstanding $25,000,000 of 4 per cent preferred stock, to pay the dividend on which requires only $1,000,000 a year. As the surplus earnings last year available for dividends were over $2,400,000, and as the revenues for the few months which have elapsed this year indicate that the surplus for the current year will closely approximate $3,000,000, the prediction seems to be justified that at about the time the securities are listed on the New York stock exchange, the preferred stock will be placed on a dividend basis, and begin to receive its 4 per cent per annum.

P. De Medici.

FINANCIAL INQUIRY.

W. L. Douglas Shoe Co.

21352. (South Framingham, Mass.) I would like some information on the W. L. Douglas Shoe Company, and would like to ask your opinion on the preferred stock.

Ans.: The W. L. Douglas Shoe Company is perhaps the largest manufacturer of shoes in the world. It has an aggregate floor space of about 200,000 square feet, and produces over 2,500,000 pairs of shoes annually, valued at approximately $8,000,000. Besides doing a steady business with over 11,000 retailers scattered all over the whole United States, the company operates 76 stores in various large cities.

There is an authorized and outstanding issue of $2,500,000 of capital stock divided into $1,500,000, 7 per cent non-cumulative preferred, par $100, having preference to assets of over $3,000,000, and $1,000,000 common stock, par $100, which is held mostly by W. L. Douglas. Arrangements have been made in the event of the death of the latter to appoint three trustees, to carry on the business along the same general line as at present. Mr. Douglas has made an agreement that no dividends are to be paid him on his common stock until after it has earned $1,000,000, which is to be put back into the treasury, which agreement will make the preferred stock doubly secure by having an extra million dollars back of it.

The last statement of the company for the six months, ending July 5, 1911, was very satisfactory, in spite of the fact that during the period covered, the shoe business was poor. An item which should give the holders of the preferred shares great satisfaction, is the

UNUSUALLY LOW MARK

at which the different stores are set down in the assets, the figures for the 76 stores being $565,361, or about $7,000 each. The leases on a number of the stores could be sold to-day for a much larger sum than this, but the company has refused all offers for them. The report further shows net quick assets of $1,228,965, or over 80 per cent of the preferred stock outstanding, which means that each preferred stockholder would get over $80 for each share besides his proportionate share of whatever might be realized from the sale of the machinery and plant in case of any sudden liquidation. In spite of the fact that large expenditures are made annually on the equipment, approximately $75,000 has been marked off in the plant valuation since January 1, 1909.

Already the business for the current six months is 26 per cent larger than that for the six months ending July 5. The preferred stock is quoted 92 to 94, netting a return of about 7⅛ per cent on the investment and may be considered a good purchase. Dividends of 3½ per cent semi-annually are and have been paid regularly on the preferred stock since the incorporation of the company. This issue is a popular one among investors and is very closely held, as is shown by the fact that less than 100 shares have been transferred during the last six months, and one-half of these came about through the settling of estates.

ARLINGTON HEIGHTS, ILL.—Peoples State Bank, capital, $25,000, is the title of the new bank organizing at this place. The organizers are: J. M. Burkitt, F. W. Gieseke, A. T. Kates, F. Redeker and Otto Sandmeier.

SIOUX CITY, IOWA.—The National Bank of Commerce has been organized with a capital of $100,000. G. R Whitmer, James F. Toy, D. C. Shull, T. F. Harrington and J. B. Alexander are interested.

the profit Facts of the combing Cotton Gin:

The Southern Combing Gin Co. of Chattanooga, has been building and selling the Cotton Combing Gin for three years—has orders in hand now for 110 gins at $300 each—which cost (with present facilities) $132 to build, leaving a profit of $168 per gin—or a total profit of $18,480 on total cost of $14,520.

This one order alone represents a profit on the total paid up capital of the company ($150,000) of more than 10%.

And prospective orders for nearly 1,000 gins to be delivered in 1912 represents more than 55 per cent profit on the total capitalization ($550,000). We need $100,000 more to finance the delivery of gins for 1912, and this amount will enable us to increase our plant and facilities so as to reduce the cost per gin to $96, increasing our profit per gin to $202.

We offer to investors in fractional shares of $10 each or in blocks up to 100 shares at par ($100) each an opportunity which has not been equalled in years.

We are a healthy, going concern — conservatively managed — owning the only practical improvement on the Cotton Gin since Eli Whitney invented it in 1792.

We have *not* issued Preferred Stock or bonds nor are we giving promoters a bonus to get investors' money.

$100 of every share will be used to further this business.

WE URGE CAREFUL INVESTIGATION OF THIS, THE BIGGEST THING THAT HAS HAPPENED TO HELP THE COTTON INDUSTRY IN 100 YEARS.

Write or call for further particulars and free book.

J. W. LINDAU,
who will show the gin and give all facts.
Suite 1,041.
145 West 45th St., New York.
Or the

SOUTHERN COMBING GIN CO.
of Chattanooga, Tenn., and Roseville, Ga., whose references include any bank in Chattanooga and Dun or Bradstreet agencies.
Fiduciary Agents,
CITIZENS' NATIONAL BANK OF CHATTANOOGA, TENN.

Digitized by Google

FINANCIAL INQUIRIES.

Virginia-Carolina Chemical Co.—American Smelting & Refining.

21368 (Manchester, Conn.) Would you consider Virginia-Carolina Chemical Company preferred and American Smelting & Refining preferred good stocks to purchase for an investment from which to derive an income.

Ans.: From the standpoint of net income yield, both these issues are attractive, netting as they do nearly 6% per cent at current market valuations At these quotations, moreover, both issues possess very fair possibilities in the way of future speculative profits, for Smelters preferred is selling more than 30 points under the high record mark of 1907, and about 11 points below the best prices attained in 1907, and again in 1909, while Virginia-Carolina preferred has sold 10 points or thereabouts above its present level in 1909, 1910 and even in the current calendar year. The best price ever reached by this issue was in 1903, when it sold at 133¾.

In the case of American Smelters preferred, the comparatively low price for an issue which has maintained an unbroken record of 7 per cent dividends on the senior stock issue since the organization of the company 12 years ago, is explained by the fact that the corporation appears to be exposed to the dangers of the present trust-busting policy of the government, and there is the risk, therefore, that the man who buys the stock will find that he has bought into litigation, whatever the outcome of the latter may be.

THIS FEATURE

of the situation is emphasized by the fact that the company has also been sued for damages in Colorado, for alleged conspiracy and fraud in connection with the acquisition of coal lands, while a subsidiary, the Carbon Coal & Coke Company has had proceedings brought against it on somewhat similar grounds.

This particular speculative feature is much less pronounced in the case of the Virginia-Carolina Chemical Company, the relatively low price of the latter's preferred shares at the present time being accounted for by the fact that earnings last year were poor, although, to be sure, they amounted to 12.83 per cent on the preferred as against the 8 per cent actually paid. This reduction in earnings, which was followed by a cut in the common dividend rate last July, was the outcome of unfavorable conditions, which played havoc with the profits of the Southern Cotton Oil Company, an important subsidiary. This condition has seemingly been removed, thanks to this year's record cotton crop, and it is only natural to expect that the next annual report will be a substantial improvement upon its predecessor.

The Virginia-Carolina Company has quick assets in excess of liabilities to the amount of about $12,000,000, or nearly as great as the entire authorized preferred issue. Average earnings of the last few years have been between two and three times the preferred dividend rate, and the issue, all things considered, appears to be a desirable industrial investment.

Caribbean Development Co.

21362. (Scranton, Pa.) Kindly give us what information you may have regarding the Caribbean Development Company, 11 Broadway, New York City. Also tell us the quoted value of their stock, and where same is marketable?

Ans.: This company is the owner of about 5,000 acres of tillable plantation property in Honduras, of which between 500 and 600 acres have thus far been planted, with plans under way for the cultivation of some 1,500 acres additional. There is an authorized capital of $300,000, of which, we understand, about $120,000 is in the treasury at the present time. This authorized total is divided into $100,000 7 per cent preferred and $200,000 common. The latter has never paid a dividend, but the preferred did so up to about a year ago, when the company's operations were interfered with so seriously that a suspension of payments for a time was found necessary. Of the preferred stock there is about $40,000 outstanding at the present time. It would be a very difficult matter, in our opinion, to find a market for either issue in view of present conditions, and equally difficult to name any figure as being representative of

THE PRESENT VALUE.

as we have heard of no sales. Last spring a cyclone laid waste a part of the company's properties, doing damage which it will take some little time to overcome. The greatest trouble however, has been the difficulty encountered in transporting the fruit to the coast from points 70 miles inland, owing to the low water in the river during a considerable portion of the year. This difficulty, the insiders anticipate, has now been overcome by the organization of a company which is building and will operate light draft boats. As an evidence of better conditions, it is pointed out that the company has already, under these new conditions, made a large shipment of fruit to the coast, thereby justifying the hope that the company's affairs will show to better advantage from this time forward.

REAL ESTATE INQUIRY.

Brooklyn, N. Y.

4752. (Boston, Mass.) Can you give me the present and prospective value of lots 19 and 20, 55 and 56, block 43, the Westminster Heights Co., 227 Broadway, New York City, being the agents.

Ans.: Lots similar to these in location and area have been sold at $950, and are generally held at that figure at the present time, but it is hardly probable, we believe, that this price could be realized in the event of forced liquidation by those who have purchased them from the development company, which is one of the numerous realty promotions of ex-Senator William H. Reynolds. The market is in a decidedly depressed condition at the present time, we find, as, indeed, has been the case for some time past. Rapid transit improvements now contemplated, however, should eventually work a betterment in values in this particular section, as the lack of proper facilities of this kind has been a decided drag upon the rapid development of this part of Brooklyn

BANK ITEMS.

CLAREMONT, CAL.—The Claremont National Bank has been organized with a capital of $30,000. W. S. Palmer, J. W. Cooper, A. W. Towne, L. N. Smith, M. F. Palmer and J. T. Brooks are promoters.

JACKSONVILLE, ILL.—Directors of the Elliott State Bank have voted to increase the capital stock from $100,000 to $150,000.

MIAMI, FLA.—Southern Bank & Trust Company, capital $100,000, is reported being organized. The officers are: J. N. Lummus, president; Frederick Streeter Morse, vice-president; Clarence L. Huddleston, secretary and treasurer.

MONTGOMERY, ALA.—The Sullivan Bank & Trust Company will increase its capital stock from [illegible] $250,000.

PEKIN, ILL.—The First Trust & Savings Bank was recently incorporated by W. Prettyman and W. S. Prettyman. Capital, $100,000.

ST. JOHNS, ORE.—The Peninsula Bank, of St. Johns, capitalized at $50,000, has been converted into the Peninsula National Bank of St. John. Robert Treat Platt is president; F. C. Knapp, vice-president; J. N. Edlefson, cashier, and S. L. Dobie, assistant cashier.

TUSTIN, CAL.—The First National Bank, of Tustin, has been organized by W. C. Crawford, S. Stevens, C. E. Utt, S. Tustin and R. H. Sanborn. The institution is capitalized at $25,000.

WARREN, OHIO.—Union Savings & Trust Company was recently organized. Thos. I. Gillmer and others are the incorporators. Capital, $200,000.

Before All Else

there is found in every Union Mutual Policy the first and strongest Purpose of Life Insurance.

Protection

Clear, Faithful Reasonable Contracts. Ask for Particulars.

Union Mutual Life Insurance Co.
Portland, Maine
Fred E. Richards, President.

National Life Insurance Company
MONTPELIER, VERMONT.
Mutual. Organized 1850.

This company has increased its dividend scale this year for the third successive year, and the increase applies to all participating policies in force from 1850 to date.

An attractive monthly income policy just placed on the market.

A good agency opportunity for the right man.

Correspondence invited.

UNUSUAL FEATURES
In Life, Accident and Health Insurance
New Methods of Compensation
Short Form Policies Clear—Terse
Easy to Read and Understand
Low Non-participating Rates
The Columbian National Life Insurance Company, Boston, Mass.
ARTHUR E. CHILDS, President
Wm. C. Johnson, Vice-Pres. and Gen'l Mgr

JANUARY 1, 1911
Insurance in force more than $140,000,000
ASSETS - $36,327,079.03
LIABILITIES 33,371,841.25
SURPLUS - $ 2,955,237.78
1910 MOST PROSPEROUS IN HISTORY OF THE COMPANY

North American Accident Insurance Co.
CHICAGO

Net Surplus & Capital..$ 500 061.57
Income 1910..... 1,151,828.28
Will aid good men in Establishing Agencies.
Best Policies — Largest Commissions or Profit Sharing Contract.
A. E. Forrest, Vice-Pres. & Sec'y. Chicago.

Digitized by Google

Financial Summary of the Week

American Agricultural Chemical Co.—Officials of the company do not confirm current market tips to the effect that at next week's meeting of the directors a dividend on the common stock will be authorized to be paid in January. A committee appointed some time ago to look into the matter in behalf of protesting shareholders reported against common dividends at this time, but average earnings for several years back would seem to justify a 4 or 5 per cent dividend similar to those recently authorized on United States Rubber common and American Beet Sugar common, respectively.

American Can Co.—The usual quarterly dividend of 1¾ per cent was declared on the preferred stock of the American Can Company this week. This action disappointed part of Wall street, which has been counting upon an extra disbursement or an increase in the rate. Although the stock is 7 per cent cumulative, it has only been paying 5 per cent per annum and about 33 per cent in back dividends is due. The shares recently made a new high record price of 93 on expectation of a large disbursement.

Bethlehem Steel Corporation.—This company does not propose to increase its production from the present level in the near future. President Schwab has in mind certain plans for enlarging the works of the company, but nothing will be done in this direction until the outlook is clearer. Notwithstanding the depression in prices for steel products, the Bethlehem Steel Corporation will make a showing in earnings this year as favorable as in the preceding year. Reduced costs of manufacture have helped to offset the loss through lower prices.

Black Lake Consolidated Asbestos Co.—It is believed that the Black Lake Consolidated Asbestos Company, Limited, will default on its next bond interest, which falls due in March. It is said that the company is in need of working capital and that it will have to be reorganized. The corporation has $1,000,000 6 per cent bonds outstanding, also $5,000,000 common stock at $1,000,000 7 per cent preferred stock.

Booth Fisheries Co.—It has been decided by the interests in control of the Booth Fisheries Company to recommend an issue of $6,000,000 7 per cent cumulative preferred stock, of which $2,000,000 is to be exchanged for a like amount of non-cumulative preferred stock now outstanding, and the remaining $4,000,000 of new stock held in the treasury for the future redemption of bonds and other purposes. The exchange of the new for the old stock will be share for share at par. The stockholders will be asked to authorize the proposed action at their annual meeting, to be held in January. While the new preferred stock will be given a fixed rate of dividends, the shares will be without voting power. The control of the company will then be vested entirely in the $5,000,000 common stock, part of which was trusted at the time of the financial reorganization last spring.

Central California Railway Co.—This company, which is a subsidiary of the Southern Pacific, will hold a special meeting in San Francisco, February 1, to increase its capital stock from $1,000,000 to $5,000,000.

Chicago & Alton R. R.—The annual report of the Chicago & Alton Railroad Company for the fiscal year ended June 30, 1911, shows gross operating revenue of $14,552,592, the largest in the history of the company and $1,234,044 in excess of the figures for the preceding fiscal year. Operating expenses were $10,446,656, against $8,640,207 for the preceding year, an increase of $1,806,429, and taxes were $422,604, the net operating revenue being $3,723,279. Adding income from investments, $1,705, and deducting hire of equipment, rentals, sundry interest and other items, aggregating $715,191, the total income is shown as $3,009,883. Deductions from total income included $2,543,973 interest on funded debt in the hands of the public, $241,024 dividends on stocks of subsidiary companies and $67,411 discounts on securities written off, a total of $2,852,408, leaving surplus of $157,475, which compares with $1,051,987 surplus for the year ended June 30, 1910. Dividends aggregating $408,466 were paid on two classes of th stock, a deficit resulting of $250,991. In the preceding year the deficit after payment of $1,225,374 in dividends was $153,386.

Chicago, Milwaukee & St. Paul Ry. Co.—The net loss of $1,523,719 in St. Paul's earnings for the first four months of the fiscal year leaves no room for doubt of a reduction in the dividends, if the directors base their policy entirely on the earnings for the period for which the rate is paid. It had been expected that October would reduce part of the net loss of the first quarter of the new fiscal year. Instead it added $190,616 to the deficit. Gross decreased $366,736. November and December may be better, but the prospect of recovering the lost ground is poor. The Puget Sound increased gross $262,700 and net $106,339.

Copper Market.—The large producers and selling agencies continue to quote electrolytic copper at 13¼ cents a pound, but demand shows a falling off, a natural result of the heavy buying that has been going on over the last two months. Most producers and selling agencies claim they have sold their possible requirements two months ahead. Sales are now being made for February delivery. Consumers are inclined to remain out of the market, pending the appearance of the Copper Producers' November statement, to be published this week.

Copper Range Consolidated Co.—Directors of the Copper Range Consolidated Company declared this week a dividend for the quarter of 50 cents a share, which is 25 cents less than the dividend paid three months ago. A year ago this time $1 was paid.

Diamond Match Co.—President Edward R. Stettinius, of the Diamond Match Company, says the company's financial condition is exactly the same as it was last May, when the directors reported to stockholders that indications warranted the hope that the dividend rate of 6 per cent would be increased next year, either by placing the stock on a 7 per cent basis or by the declaration of an extra dividend. The company has gradually redeemed its 5 per cent gold notes dated July 1, 1908, until less than $200,000 is now outstanding. These have been called in.

Eastern Steamship Co.—The specific cause of the recent strength of the stock is to be found in the report that an important announcement affecting the future of Eastern Steamship will be made in the near future. One report has it that a new steamship consolidation is about to be launched which will include the Eastern and which will place a value of about $125 on the latter's stock. Another rumor states that the dividend rate will soon be increased to 8 per cent.

Federal Light & Traction Co.—The Federal Light & Traction Company reports for the year ended October 31, 1911: Gross, $1,640,249; net, $621,482. For the year ended June 30, 1911, gross earnings were $727,928 and net $264,597.

Greene-Cananea Copper Co.—Although stockholders of Greene-Cananea were disappointed that a dividend was not declared at the recent meeting, many of them are holding their stock in the hope of some sort of a distribution in the near future. The company's production during the month of October from the smelter was approximately 6,000,000 pounds of copper. This was the biggest output the company has enjoyed in its history. Of the 6,000,000 pounds at least one-third was that of the Miami Copper Company's ore.

Hall Signal Co.—Readjustment committee of the Hall Signal Company has almost completed its work of reorganizing the affairs of the company, and a definite plan will be announced in the near future. Secretary E. P. Goetz, of the committee says: "The sum of $100,000 has been raised with which to place the affairs of the company on a sound footing. Many overdue accounts were paid off with this money and funds were provided to purchase new supplies and materials. The company now has contracts and orders on hand aggregating $450,000, and its business prospects are very good." Plants of the company continue to operate with an extra night shift three times a week, and there are more orders on hand than at any time since the summer of 1909, when full double-time shifts were in vogue.

Interborough Rapid Transit Co.—Interborough Rapid Transit reports an increase in operating revenue for October of $159,915. Operating expenses increased $97,850 and net operating revenue was $62,065 larger. After allowing for taxes, interest, rentals and dividends, there was a surplus left of $301,290, or $30,929 more than for the same month last year. For the four months ended October 31, operating income shows a decrease of $122,928 and surplus a shrinkage of $271,343.

Norfolk & Western Railway.—Apparently the increase in Norfolk & Western's common dividend rate to 6 per cent per annum has caused conversion of the company's 4 per cent 10-25 year gold bonds into common stock at a rapid rate. Of this issue $25,569,000 bonds were sold, $14,141,000 of which have been converted into common stock as of December 1, thus making the amount outstanding $11,428,000. On June 30, last, there were $17,285,000 of these bonds outstanding, indicating a conversion of $5,857,000 bonds into stock since that date. On this basis the common stock outstanding on December 1 would be $80,141,000, whereas with the full conversion of bonds into stock there will be outstanding $91,569,000 of the common issue.

Rumley, M., Co.—Bankers recently offered at 97 and accruing dividend $8,000,000 7 per cent cumulative preferred stock of the M. Rumley Company. This is part of an authorized issue of $10,000,000. Common stock authorized will be $12,000,000, of which about $9,000,000 is to be issued presently. This is the outcome of a plan to consolidate the farm implement concerns of the M. Rumley Company of La Porte, Ind., Gaar-Schott & Company, of Richmond, Ind., and the Advance Thresher Company, of Battle Creek, Mich. The plants of the two latter concerns are to be acquired through the issue of new securities.

St. Louis Southwestern Ry.—In the four months of the current fiscal year to the end of October, surplus after charges available for dividends totalled $726,742, or about $69,000 short of a full year's dividend requirements at the present 4 per cent rate. Surplus in October amounted to $329,901, and if November produces such good results a full year's dividend at a 5 per cent rate will have been earned in the first five months of the year.

Southern Railway Co.—The outlook for the remainder of the fiscal year is exceptionally favorable, and while it is rather early to make predictions it will be surprising if the next annual report of the company fails to show earnings in excess of $4 per share on the common stock after allowing for 5 per cent non-cumulative dividends to which the $60,000,000 preferred stock is entitled:

Steel Market.—There is a little change in the steel market. While certain manufacturers are asking $1 a ton more than the minimum price for structural steel and plates, there have been no official advances. The Steel Corporation continues to book business at the rate of about 40,000 tons a day, which assures operations of the mills at 75 per cent of capacity. Certain of the independents have found occasion to increase capacity. Pressure of consumers to book business for delivery in the far future on a basis of present prices continues without results. Producers are confining present low quotations to material for delivery within a period of from one to three months.

United States Lithograph Co.—This company has filed a blanket mortgage covering all real and personal property to the Guaranty Trust Company, of New York, as trustee, to secure an authorized 6 per cent bond issue of $1,500,000, payable November 1, 1931. The issue will be used to fund the floating debt incurred as the result of the consolidation of the company with a number of rival concerns.

United States Steel Corporation.—The tendency of steel prices having been downward since the first of October, prospects of a recovery in earnings of United States Steel in December are unfavorable. Estimates place the net earnings of the corporation in the current month between $6,500,000 and $7,500,000. Due to the holidays in December earnings in that month are expected to be smaller than reported in November. Estimates as to earnings in the current quarter still range between $20,000,000 and $22,000,000, which would mean a de-

Digitized by Google

ficit in case of the payment of the regular common dividend of 1¾ per cent and normal charges for depreciation.

Yukon Gold Co.—The directors of the Yukon Gold Company have declared a quarterly dividend of 7½ cents a share, equal to 1½ per cent. This is a reduction of 2 per cent from the last preceding payment, placing the stock on a 6 per cent basis instead of 8 per cent. S. R. Guggenheim, the president of the company says: "The extraordinarily dull season prevailing in different parts of the world, also affected Alaska and Yukon territories, curtailing the hydraulic production, and shortening the dredging operations. The two new steel dredges which had been built upon the property this season were not finished in time to be of much benefit. The final figures for the season's operations are not at hand, but the advance statements indicate a net operating profit of approximately $1,300,000, as against an estimated profit of $1,500,000, which, if realized, would have allowed the continuation of the dividends at the 8 per cent rate."

MINING INQUIRY.

Amajac Mines Co.

21366. (Portland, Me.) Will you kindly give me such information as you possess in relation to the Amajac Mines Company, incorporated under the laws of Delaware?

Ans.: This company is capitalized at $2,500,000, of which $1,000,000 is treasury stock, the par value of shares being $1 each. No bonds or preferred stock have been authorized. Operations have been carried on for some time past upon the properties in the Hostotipaquillo district, Mexico, these holdings including the Refugio, Animas and Tres Estrellas mines in that section of the country. The first of these, 125 acres in extent, was opened up to a depth of 500 feet during the quarter century preceding its acquisition by the present owners, the sulphide zone having been left untouched while the oxidized zone was being opened up to the extent of several thousand feet.

The Animas, covering 144 acres, has been developed by over 2,500 feet of workings, and it is claimed by the present owners that in these two properties there is enough ore developed to return every dollar to the investors. No great amount of development work has yet been done upon the Tres Estrellas property, though surface indications have been spoken of as very promising.

The president of the company is W. R. Ramsdell, New York, the remaining officers and directors being as follows: Vice-president, Hon. C. F. Barclay, lumberman, Sinnamahoning, Pa.; secretary and treasurer, C. A. Sidler, attorney, Sunbury, Pa.; Joe D. Dotson, New York; E. B. Waples, Wilmington, Dela.

So far as can be learned there is only a very limited market for the shares among dealers in miscellaneous securities.

ANTAUGAVILLE, ALA.—A new state bank has been organized at this place with a capital of $12,000.

CRANFORD, N. J.—The Cranford Trust Company has been organized with $100,000 capital. Thos A. Sperry, E. H. Miller, R. J. Mix, G. M. Hendricks and John C. Denman are interested.

GREENFIELD, OHIO—The Peoples National Bank has been chartered with a capital of $50,000. J. A. Harps is president; J. N. Douglass, vice-president; C. B. Lair, second vice-president; C. B. Lair, cashier, and B. Lough, assistant cashier.

SACRAMENTO, CAL.—The Capital National Bank, capital $100,000, has been chartered with Alden Anderson as president; F. W. Blewener, vice-president; W. W. Bassett, cashier.

Ryan In The Porphyries

Leading Exponent of Vein Mining System Secures Control of Important Low-Cost Properties—Consolidation Now Being Arranged Will Bring Control of Entire Globe Camp Under Control of Amalgamated Interests—Combined Demonstrated Tonnage of 62,000,000 Tons Involved—A Suggestion of Amalgamated's Interest in the Deal—A Strong Argument For the Porphyries—Other Recent Consolidations Show a Marked Trend Towards Centralization of Power Among Large Producers.

No less interesting than the recent advance in the price of the red metal to a point above the 13-cent mark is the news announcing the entry of Amalgamated Copper interests into the porphyry copper field. True, the advance of more than one cent per pound in the market price of the metal within the space of a few weeks is of more direct importance and significance to the producing world and shareholders generally, but for all of that, the happening of the unexpected, in the form of an announcement, which suggests a more or less open acknowledgment on the part of leading vein mining interests that the porphyries "have the call", is a development which is all the more noteworthy, because of its unexpected appearance.

From the official announcements thus far made, it appears that John D. Ryan and associates have obtained control of the Live Oak Development Company, in the Miami District of Arizona, adjoining the Miami, one of the best of the new low-cost properties.

THE LIVE OAK PROPERTY

is still in the development stage, and appearances indicate that additional financing will be necessary before it can hope to enter the ranks of the producers. It also appears that control was obtained at a price of $30 per share for the Hayden-Stone holdings of Live Oak, and that the remaining shareholders will be offered the same price for their stock holdings. I am told by one who is in a position to know the facts that the Ryan interests obtained control within 24 hours after they began bidding, following an offer of $30 per share, made by the Miami for the Hayden-Stone interest, payable in convertible bonds of the Miami. This offer was rejected on Thursday of last week, as some of the directors did not consider it quite good enough, but the offer of cash to the same amount quickly brought matters to a head.

THE FORMAL ANNOUNCEMENT

of this important transaction was made to the shareholders of the Live Oak Company last week, being couched in the following terms:

"On the 22d, a proposition was received by the board of directors of your company from the Miami Copper Company, through Hayden, Stone & Company, to purchase the individual holdings of all the shareholders of your company upon the basis of $30 per share, payment to be made in ten-year 6 per cent debentures of the Miami Copper Company. This proposition did not meet with the approval of the directors. The circumstances were such that prompt action had to

FOR

Oil and Gas Land Leases

WRITE

C. W. DEMING

Tulsa, Okla.

FOR HIGH GRADE OIL STOCKS

EQUITY BOND & SECURITY CO.

37 WALL STREET, NEW YORK CITY

"A KEY TO VALUATIONS"—OF MINING STOCKS

Just how to arrive at a proper valuation of a mining stock, both from an **investment**—as well as a **speculative** standpoint—is something that every investor should know. Our **"Key to Valuations"** of mining stocks will be sent you upon request—This is something that every holder of BALLARD-HEADED-NEVADA CONSOLIDATED—INSPIRATION—SOUTH WESTERN MIAMI—UTAH COPPER—BRADEN—MIAMI—LIVE OAK—BINGHAM, ETC., should have. **Every man** should figure for HIMSELF just what the **real**, as well as the prospective value is of the stocks he holds.

Every investor should have a responsible "BROKER" to insure promptness, reliability and fair dealing—this we can do for you and verify same upon request. If you are dissatisfied with your present connections let us **prove to you** that your interests will be well safeguarded when entrusted to us. We feel we are **well equipped** to serve you, inasmuch as associated with us in our Mining Division are men of long experience and high qualifications, and we seek only that clientele or following that will be creditable to us.

J. A. PARKER & COMPANY, 66 Broadway, New York

EMNAHA GOLD MINING COMPANY

Incorporated under the laws of the State of Idaho. Capitalization, $500,000, divided into 500,000 shares. Par value $1.00 per share. Of which 200,000 shares have been placed in the Treasury, for the development of the property.

This Company owns and controls nine claims on Battle Creek, Imnaha, Willowa Co., Ore., on which there are three well defined parallel veins, carrying very rich gold quartz. A limited amount of the shares of the stock have been sold.

For full particulars, address

JOHN SENNETT, Treasurer

79 Milk Street, Room 602 Boston, Mass.

be taken. Accordingly, negotiations were opened with John D. Ryan, which resulted in H. B. Hovland obtaining an option to purchase from Hayden, Stone & Company, 23,050 shares of the capital stock of the company at a price of $30 a share, said amount to be paid in stipulated installments, so that the entire amount should be paid on or before 90 days from November 23. The option thus acquired by Mr. Hovland for the purchase of the above number of the shares at the above price, was transferred to Mr. Ryan, who has undertaken to perform the conditions of the option and complete the payment of the purchase price above stipulated.

"In order to fully protect the interests of the individual stockholders of the company, the condition of the assignment of said option to Mr. Ryan was that it should, within a designated time, likewise purchase from the individual stockholders of the company, as much of their holdings as they might wish to offer at the same price. You are accordingly advised that Mr. Ryan has undertaken to, and that he will, purchase from you as much of your stock as you desire to sell at the rate of $30 a share.

"The conditons of the sale provide that the stock shall be deposited on or before Thursday, December 7."

A STRONG COMBINATION.

There are very good reasons for believing that as these words are written, negotiations are under way looking to a still greater combination, and, indeed, I would not be surprised in the least to learn, by the time these words appear in cold type, that the Miami, Inspiration and Live Oak properties will have been brought together under the control of the Ryan interests who would thus acquire possession of practically the entire Miami field, with a total demonstrated tonnage of over 60,000,000 tons. Inspiration has developend about 30,000,000 tons of porphyry ore averaging about 2 per cent in copper; Live Oak is reported to have 14,000,000 tons of ore, averaging 2.2 per cent; and Miami at last accounts had 18,000,000 tons, averaging 2.5 per cent copper. The basis of consolidation, it is expected, will be determined by the actual measurement of ore bodies and cost of copper by the engineers representing each property, credit being given to each company for its cash and equipment.

At all events, whatever the final outcome of these negotiations may be, it is evident that the control of the Miami, which, according to common market gossip, has been "on the market" for months past, has at last found a definite resting place. During the past summer, efforts were made to arrange a merger of the Inspiration with the Miami, but the proposal fell through.

THE SURPRISING FEATURE

of this deal, therefore, is not to be found in the fact that the Miami and the Inspiration, the two great properties of the Globe, are to join forces, but that the Ryan management is to conduct the affairs of the consolidation. The vein mining interests have not hitherto looked with especial favor upon the porphyries and their operations, or at least, if they have done so, have succeeded in disguising their real feelings very effectually. To be sure, the Giroux, which is largely porphyritic in character, is a Cole-Ryan proposition, but its mining and market histories have been alike unfortunate and disappointing, certainly not of a character, it was thought, to lead these powerful interests to make further incursions into that field. As president of the Amalgamated Copper Company, it is pointed out, Mr. Ryan has been the leading exponent of the vein system in copper mining operations, and that he should buy into Live Oak at a time when the stock is selling at the highest point in its history, is widely accepted as conclusive evidence that he and his associates are not only convinced of the growing importance of the low-cost properties, but that the merger now being arranged is but the forerunner of another and greater combination.

THAT MERGER AGAIN.

Indeed, I anticipate that the talk of a country-wide merger of copper producers will receive a new impetus from this latest move. This, of course, would indicate too great haste in jumping to conclusions, but that there has been a continuous movement which is grouping the country's producers more closely together cannot be denied. The Calumet & Hecla merger, to be sure, had to be abandoned recently, on account of legal difficulties, but in other directions the "community of interests" idea has been increasing in favor, resulting in actual combinations, as in the case of the Phelps-Dodge properties, the Anaconda expansion, the Utah Copper-Nevada Consolidated combination, and others of a similar character. Heretofore, however, the tendency has been towards a joining together of properties of similar characteristics, but this most recent deal, even though it does not appear that the interests involved on the purchasing end have represented the Amalgamated directors as such, suggests that it is the Amalgamated, nevertheless, which will be found in ultimate control of the Globe properties.

TIME FOR ACTION.

Certainly, the move, viewed from any angle, acquires added significance when one takes into consideration the fact that it was made at a time when metal values are ascending and when the operating company from which the Amalgamated obtains its dividends, the Anaconda Copper Mining Co., is in a position to show its 8 per cent rate more than earned for the first time in years. In other words, there is the emphatic suggestion that the entry into the prophyry field is actuated more by motives of policy than of actual necessity. With a new session of Congress about to begin, and with legislative bodies still active in fifty-seven varieties of investigations, it is evident that more or less danger would attend an open attempt of the Amalgamated company to acquire control of concerns which otherwise would become active competitors, but on the other hand the probability of higher market valuations for the shares of both Miami and Inspiration companies made it seemingly unwise to postpone negotiations until such time as the fear of federal interference had passed. The logical way out of the difficulty would be the acquisition of the coveted properties by interests representing the Amalgamated, and that this course has actually been followed strikes me as a development which is likely sooner or later to prove more than a coincidence.

P. De Medici.

MINING INQUIRIES.

Coos Mining Co.

21370. (Boston, Mass.) Enclosed you will find certificate No. 118 for 5,000 shares of the Coos Mining Company of New Hampshire. Can you tell us anything about this company? Has the certificate any value at this time?

Ans.: The secretary of the state of Maine has advised us that this company was excused in 1904 and since then has heard nothing from them. Therefore, the stock is valueless.

Tri-Bullion Smelting & Development Co.

21358. (Boston, Mass.) Please give me the latest information you have concerning the Tri-Bullion Smelting & Development Company.

Ans.: The company's fiscal year ended October 31, and the annual report for that period is now in preparation. Shipments for the 12 months aggregated 18,871 tons, consisting of 7,710 tons of zinc concentrates, 1,404 tons of lead concentrates, 4,525 tons of iron middlings and 232 tons of zinc carbonate. The amount of ore produced by the leasers on the old upper levels of the Kelly mines for the same period was 7,872 tons, of which 6,362 tons were zinc concentrates and the remaining 1,510 tons lead concentrates. For ore shipped by the Tri-Bullion Company, there was received $205,847 cash, and for that shipped by leasers $65,892, making a total for the year of $271,739.

The annual report is not likely to reflect any startling change in the trend of affairs for the year, but for all of that the quarterly reports, a very commendable feature of the management's recent attitude towards shareholders, indicate progress in various directions. Mining and milling operations have been carried on steadily at the Kelly mines. Probably the most important proceeding of the fiscal year has been the acquisition of the Silver Bell claim, giving the company the ownership of the properties up to and adjoining those of the Sherwin-Williams Company on the north. The company, within the last few weeks, has been cross-cutting in the direction of the Sherwin-Williams ore bodies in the expectation of finding ore in this territory. The results of this work should be known by the end of January, as the cross-cutting operations should be completed by that time.

IRRIGATION NOTES.

The secretary of the interior, Phoenix, Arizona, has been authorized to allot $200,000 to the Salt River project. Part of this fund will be used for widening the Arizona canal.

Representatives of the Water Users' Association, Phoenix, Arizona, will visit Washington, in the interests of the Salt River project.

Rapid progress is now being made on the Yuma irrigation project, and when the work is completed, an area of 20,000 acres will be supplied.

Digitized by Google

The Best Purchases on the Industrial List

As Indicated by the Two Standards of Comparison: of Present Investment Yield on Basis of Current Dividends and Prevailing Market Price, and on Basis of Present Earnings on Prevailing Market Values

The average net yield of the 50 industrial stocks quoted in the following table was 6.39 per cent on December 5, as compared with 6.34 per cent on November 28, 6.30 per cent on January 3, and 5.76 per cent on January 2, 1910.

It is by no means impossible that there will be another addition to the list of industrial dividend paying stocks in the comparatively near future. United States Rubber common and American Beet Sugar common having received the initial dividend payments which had been looked for from them for so long a time, Wall street is led to believe that the directors of the American Agricultural Chemical Company will see fit to take similar action regarding payment of dividends on the junior stock issue of their company, and according to the latest market gossip, such a dividend is likely to be declared some time during the current month, payable in January. The preferred stock has paid 6 per cent per annum, the full rate to which it is entitled, ever since the company was organized in 1899, but the common stock has never received a dividend. Yet the company would be more fully justified in giving the common shareholders a return on their investment than are some of the industrial corporations which are paying dividends at the present time. For the fiscal year ended June 30 last, the company earned, after preferred dividend requirement an amount equal to 9.05 per cent on the common stock, as compared with 10.42 per cent in 1910, 7.52 per cent in 1909 and 6.12 per cent in 1908. In other words, the company has averaged about 8¼ per cent on its common for the last four fiscal years, no part of which has been returned to the holders of that class of stock. All this time the company has been charging off liberally for reserves and other requirements, these charges being exclusive of the stock earnings above referred to. In addition, the company last year deducted $400,000 for depreciation of brands, good will, patents, trade-marks, etc., but this amount was deducted from the earnings to which we have referred as being available for the common stock issue.

Conditions in the steel trade are showing improvement, for not only has business been increasing, but there has been a slight stiffening in the prices of manufactured products. At the present time, steel manufacturers are taking a more hopeful view of the situation than any which they have entertained for some weeks past, believing as they do that the depth of the depression has been reached, both regarding prices and business. At the same time, they are afraid to advance quotations abruptly, realizing that such a move would have a decided tendency to restrict consumption, which, in turn, would go far toward restoring the old order of affairs. It is anticipated that the Pennsylvania and the New York Central will place large rail orders by the middle of the current month, thereby assisting very materially in hastening the process of recuperation. It is stated that the Steel Corporation is receiving new orders at the rate of from 35,000 to 40,000 tons daily, and it is anticipated that the next report of unfilled tonnage which will appear within a few days, will show a gain in unfilled orders on the company's books, some estimates running as high as 165,000 tons.

Stocks	Present dividend.	Price.	Yield on present price.	Present rank.	Stocks.	Price.	Earnings on present price	Year ended	
Am. Malt Corp., pref....	4%	42	9.52	1	Inter. Merc. Marine, pref....	17	55.10	Dec. 31, 1910	
Am. Beet Sugar, com....	5%	54	9.26	2	Allis-Chalmers, pref.	11	28.10	Jne. 30, 1910	
U. S. Rubber, com.....	4%	46	8.69	3	Bethlehem Steel, pref.....	58	23.15	Dec. 31, 1910	
Republic I. & S., pref....	7%	83	8.43	4	Am. Beet Sugar, com.....	54	20.30	Mar. 31, 1911	
United Dry Goods, com..	8%	98	8.16	5	Am. Locomotive, com.....	36	20.20	Jne. 30, 1911	
Am. Woolen, pref.....	7%	87	8.05	6	Westinghouse, com.	65	20.10	Mar. 31, 1911	
U. S. Rubber, 2d, pref...	6%	76	7.89	7	Am. Ag. Chem., com.....	55	20.00	Jne. 30, 1911	
Union Bag & Paper, pref.	4%	51	7.84	8	Ry. Steel Spring, com.....	32	18.80	Dec. 31, 1910	
U. S. Steel, com.....	5%	64	7.81	9	Pressed Steel Car, com	34	16.45	Dec. 31, 1910	
Central Leather, pref....	7%	94	7.45	10	Am. Woolen, com.....	28	14.50	Dec. 31, 1910	
U. S. Ind. Alcohol, pref..	7%	95	7.37	11	Sears, Roebuck, com.....	142	14.40	Dec. 31, 1910	
Nat. Enam. & Stpg., pref.	7%	96	7.29	12	Inter. Harvester, com.....	105	14.10	Dec. 31, 1910	
U. S. Realty & Imp.	5%	69	7.25	13	Am. Malt Corp., pref.....	42	13.45	Aug. 31, 1911	
Inter. Steam Pump, pref.	6%	83	7.20	14	Am. Ice Sec. Co.	19	13.30	Oct. 31, 1910	
Pressed Steel Car, pref..	7%	99	7.07	15	Am. Car & Fdy., com.....	95	12.75	Apr. 30, 1911	
Ry. Steel Spring, ...	7%	103	6.86	16	Colo. Fuel & Iron, com....	27	11.90	Jne. 30, 1911	
Am. Smelt. & Rfg., pref..	7%	103	6.86	17	U. S. Ind. Alcohol, pref.....	95	11.65	Dec. 31, 1910	
Am. Locomotive, pref. ..	7%	103	6.86	18	Inter. Paper, pref.	46	11.50	Jne. 30, 1911	
Laclede Gas	7%	103	6.86	19	General Electric	152	10.95	Dec. 31, 1910	
Va.-Carolina Chem., pref.	8%	119	6.72	20	Union Bag & Paper, pref.	51	10.85	Jan. 31, 1911	
People's Gas	7%	105	6.66	21	Republic I. & S., pref.....	23	10.75	Jne. 30, 1911	
National Lead, pref	7%	105	6.66	22	Nat. Enam. & Stpg., com	16	10.50	Jne. 30, 1911	
Corn Prod. Rfg., pref....	5%	75	6.66	23	U. S. Realty & Imp.	69	10.20	Oct. 31, 1911	(6 mos.)
Am. Cotton Oil, pref.....	6%	92	6.52	24	Central Leather	179	9.70	Sep. 30, 1911	
National Biscuit, com. ..	8%	119	6.48	25	U. S. Steel, com.....	64	9.70	Sep. 30, 1911	(9 mos.)
U. S. Steel, pref.....	7%	109	6.42	26	Am. Linseed, pref.	28	9.50	Jly. 31, 1911	
Pacific Coast, com.	6%	95	6.32	27	Corn Prod. Rfg., pref.	75	9.40	Feb. 28, 1911	
Distillers Sec. Corp.	2%	32	6.25	28	Distillers Sec. Corp.	32	9.20	Jne. 30, 1911	
Westinghouse, 1st pref...	7%	115	6.09	29	Western Union	78	9.24	Sep. 30, 1911	
Am. Car & Fdy., pref...	7%	116	6.03	30	United Dry Goods, com	98	9.10	Jly. 15, 1911	(6 mos.)
Am. Sugar, pref.....	7	116	6.03	31	U. S. Cast Iron Pipe, pref.	47	9.10	May 31, 1911	
Am. Sugar, com.....	7	116	6.03	32	Am. Smelt & Rfg., com....	72	8.70	Apr. 30, 1911	
Am. Beet Sugar, pref...	6	100	6.00	33	National Lead, com.	50	8.65	Dec. 31, 1910	
National Lead, com.	5	50	6.00	34	Inter. Paper	105	8.60	Dec. 31, 1910	
Am. Tobacco, pref.....	6	101	5.94	35	N. Y. Air Brake	55	8.60	Dec. 31, 1910	
Mackay Companies, com.	5	85	5.88	36	Am. Can, pref.....	60	7.45	Dec. 31, 1910	
Inter. Harvester, pref....	7	121	5.78	37	Am. Tel. & Tel.	139	7.10	Sep. 30, 1911	(9 mos.)
Am. Tel. & Tel.	7	120	5.83	38	National Biscuit, com.	119	7.10	Jan. 31, 1910	
Va.-Carolina Chem., com.	3	54	5.55	39	Amalgamated Copper	67	6.75	Apr. 30, 1911	
Am. Smelt. & Rfg., com.	4	73	5.47	40	Am. Sugar, com.....	116	6.20	Dec. 31, 1910	
Am. Can, pref.....	5	92	5.44	41	Inter. Copper	51	6.15	Sept 30, 1911	(9 mos.)
General Electric	8	152	5.26	42	Mackay Companies, com..	85	6.05	Jan. 31, 1911	
Sears, Roebuck, com....	7	142	4.92	43	Tennessee Copper	38	5.85	Dec. 31, 1910	
Inter. Harvester, com. ..	5	105	4.76	44	Am. Ice Sec. Co. com	54	5.80	May 31, 1911	
Inter. Paper, com.	4	46	4.34	45	General Electric	152	5.75	Dec. 31, 1910	
Consolidated Gas	6	139	4.32	46	Sloss-Sheffield, pref.	91	4.80	Nov. 30, 1910	
Western Union	4	93	4.30	47	Pressed Steel Car, pref.	94	4.80	Dec. 31, 1910	
Underwood Typewriter ..	12	300	4.00	48	U. S. Rubber, com.	46	4.80	Mar. 31, 1911	
Am. Car & Fdy., com....	4	95	2.63	49	Am. Tel. & Tel. com.	93	4.80	Aug. 31, 1911	
Amalgamated Copper ...	2	67	3.17	50	Inter. Steam Pump, com ..	27	4.25	Jne. 30, 1911	(3 mos.)

Digitized by Google

Textile Manufacturing Shares

The preferred stock of Julius Kayser & Company to the extent of $3,000,000 has been widely distributed, generally in small lots. The original concern of Julius Kayser & Company was succeeded by the present corporation of the same name, capitalized for $10,500,000 as follows: $3,000,000 7 per cumulative first preferred stock, all of which is outstanding, $750,000 of 7 per cent cumulative second preferred stock, of which $695,000 is outstanding and $6,750,000 common stock, of which $6,000,000 is outstanding.

JULIUS KAYSER HIMSELF

has $500,000 of the preferred and owns the $695,000 of second preferred. The unissued common stock to the extent of $750,000 may be issued only in exchange for an equal amount of second preferred The new financing is solely to allow Julius Kayser himself to withdraw from active business and to supply the new company with working capital at a lower rate than could be otherwise secured.

Mr. Kayser himself is no longer a young man, and as a matter of fact, the active business management has not been in his hands during the last 10 years, but has been in the hands of younger men, who are to remain with the company, and as the largest success of the old Kayser corporation was due largely to these younger men, their big interest in the new corporation offers for a good many years the one thing most necessary, that is, a tried and profitable management. E. F. Bayer, who is Mr. Kayser's son-in-law, and who has been the most active and prominent man in the company, will now have

PRACTICALLY FULL SCOPE

to carry on the large and growing business of Julius Kayser & Company. The preferred stock is now quoted at 102, and although the common stock is not dealt in to any extent, being held mainly by the insiders, some of it has changed hands at 70.

The company is the largest manufacturer of silk gloves in the world and includes in its product also the manufacture of cotton gloves, cotton and silk hosiery and underwear. The company owns plants in Brooklyn, and Amsterdam, N. Y.; Muhlau, Germany; Sydney and Bornell, N. Y., and leases plants in Owego, Port Jervis and Monticello, N. Y. The largest plant is located in Brooklyn, employing about two thousand people. The second largest plant

IS IN GERMANY

and at this plant about 40 per cent of all the lisle gloves sold in this country are manufactured. From this plant also come the silk gloves for supplying the European and Canadian markets. The other plants are of average size, employing two thousand more operatives, or about six thousand in all. The net earnings for the past five years have averaged over $835,000 per annum or about four times the dividend requirements of the first preferred stock. For the year ending December 31, 1910, the net earnings were about $715,000 or about three and one-half times the first preferred dividend requirements. At least $300,000 per annum must be reserved out of profits, of which not less than $150,000 is to be used in the process of redemption of the first preferred stock up to 120 and the remainder must be carried to a special surplus account for the benefit of the first preferred stock, which special surplus account may also be used in the purchase or redemption of first preferred. That is, in something like 30 years the first preferred will be fully refunded. The last annual statement is as follows.

ASSETS.

Real estate, buildings and machinery (after providing for depreciation)	$1,282,508.00
Current assets:	
Merchandise, material and supplies	3,263,489.21
Bills and acc'ts receivable	496,077 60
Cash in bank and on hand	81,458.91
Marketable stocks and bonds	50,222.17
	$5,896,247.89
Deferred charges:	
Insurance paid in advance	24,113.66
	$5,205,868.64
Deduct—Current liabilities:	
Bills payable $590,000.00	
Accounts payable 800,963.30	
	1,390,963.30
Surplus of assets over current liabilities	$3,814,905.34

In analyzing this statement it must be borne in mind that it was taken as of December 31, 1910 That is, consider the items merchandise, materials and supplies, and one must bear in mind that the last of December a great amount of silk goods have been made up on orders which are not shipped out until after the first of the year. That is, if this statement had been taken two or three months later, the item merchandise, etc., would not have stood so high, because these goods would have been distributed and their

VALUE IN CASH

appeared in the statement. The liability item of bills and accounts payable of $1,390,000 represents purchases of silk. Money as represented by this new stock issue costs Kayser & Company about 7 per cent. These silk purchases are sold on terms more favorable to the manufacturer than would be the case if 7 per cent money were immediately used to wipe them out. This statement shows $83.50 of net quick assets back of each share of first preferred.

Kayser & Company is one of the largest and best known textile manufacturing concerns in the country. It originally manufactured silk mitts, and in the manufacture of silk gloves, was a pioneer and has kept ahead of competition. One of the most necessary adjuncts to successful textile manufacturing is a strong selling connection. This Kayser & Company has in its own hands, selling direct as it does to retailers all over the country. The Kayser mills have never been stopped a day for lack of orders. This is a good 7 per cent preferred stock and can be bought to yield very near that rate.

The regular quarterly dividend of 1¾ per cent which the American Woolen Company will pay to preferred capital stockholders on January 15 is the 51st consecutive quarterly dividend which has been paid by this company on its preferred stock. The original preferred stockholders who are still possessed of this stock have received $89.25 per share in dividends, if the current dividend be included, and the aggregate of dividends which the company will have paid on January 15 will be $24,500,000. The current dividend will be paid to stock of record of December 20.

EAST POINT, GA.—The Bank of East Point will increase its capital from $25,000 to $35,000.

LOWELL MACHINE SHOP SOLD.

New Interests Purchase Every Share But One at About $1,120 Per Share From the Companies Which Have Owned It For the Last Six Years.

A transaction of more than ordinary interest to those connected with the textile industry, whether as manufacturers or owners of shares, has just become generally known, although it took place early in November. It marks the passing of the ownership of one of the largest and most profitable textile machinery companies of the country, the Lowell Machine Shop, from those who have owned it for the past six years to an entirely new group of owners. With the control of the Lowell Machine Shop passes to the new owners, of course, the Kitson Machine Company, which the Lowell Machine Shop owns. The two corporations will, however, be operated independently, the president and treasurer being the same for both, but the direct management of each being in separate hands.

There has always been some general confusion in the public mind as to just what happened

SIX YEARS AGO

with regard to the ownership of the Lowell Machine Shop, and an exact statement of facts at this time is, therefore, desirable. That company was known everywhere as a profitable manufacturer of cotton mill machinery, and was known to be making an honest effort to establish the manufacture of worsted machinery in this country. That it was in need, however, of younger men in its management was also generally known, and the prospect that the company might, for lack of this younger blood, not give so good an account of itself in years to come seemed a pity to the other cotton machinery manufacturers of the country. They found that control could be bought at a fair price. The problem of putting just the right man in as the new manager was found to be no more perplexing. In the smaller machinery plant of the Kitson Machine Company, then an independent corporation, was H. C. Perham, who had given evidence by his conduct of the Kitson business that he was capable of larger things.

Control was, therefore, purchased, and the price paid was

$1,120 PER SHARE.

The new owners comprised the other live textile manchinery manufacturers of the country, including such people as the Saco & Pettee, of Newton, the Draper Company, of Hopedale, the Whitins, of Whitinsville, and the Howard & Bullough American Machinery Company, of Pawtucket. That the Lowell Machine Shop might continue to be operated as a separate institution, the newly purchased stock which included every share of the Lowell Machine Shop except one was deeded in trust to Robert F. Herrick, of Boston. Ownership of the Kitson Machine Company was bought by the Lowell Machine Shop, not for the purpose of ridding the Lowell Machine Shop of a competitor, for the Kitson has never been a competitor of any of these corporations, being the manufacturer of a dif-

Digitized by Google

ferent class of machinery, but to obtain Mr. Perham, who was one of the owners of the Kitson business, and he was installed as manager of the Lowell Machine Shop.

The death of Mr. Perham about a year ago probably had something to do with bringing on the latest development. Certainly, the owners of the past six years have not had reason to regret their purchase, for the Lowell Machine Shop has paid them

SUBSTANTIAL DIVIDENDS.

The price which they have received now for their stock also indicates the value of the business they are selling, for the new owners are paying approximately the same price for the stock as the purchasers of six years ago paid for it. Under the new regime the old owners who, as has been said, are themselves cotton machinery makers, will find the Lowell Machine Shop a genuine competitor with live management. Wilmot R. Evans, of Boston, will be the new president and Mr. Herrick the treasurer. The Lowell Machine Shop will continue to manufacture cotton machinery and will continue also its manufacture of worsted machinery, from which portion of its business it has been drawing a modest profit.

A SUCCESSFUL BOND ISSUE.

The city of Evansville, on November 20, sold $800,000 of 20-year 4 per cent refunding bonds to retire that portion of the city debt falling due on January 1, 1912. The issue was five times oversubscribed. Among the bids for the entire issue were: A. O. Hassensall & Company, Evansville, Ind., $800,400; Gavin L. Payne & Company, Indianapolis, Ind., $800,000; Charles Finley Smith, banker and capitalist, Evansville, Ind., $811,555. Mr. Smith also made a scale bid for the entire issue at prices averaging 101.47. There were additional bids from all the local banks representing over 300 private investors.

The final awards were made as follows: Charles Finley Smith, president, Mercantile Trust & Savings Bank $441,500; miscellaneous banks and investors, Evansville, Indiana, $358,500. Prices averaged about 101.51.

The unusual character of this sale was due primarily to Charles Finley Smith, one of Evansville's leading citizens, and president of the Mercantile Trust & Savings Bank, who, for a number of weeks, conducted an aggressive advertising campaign in the local papers, urging upon the citizens the desirability of buying the bonds themselves. In fact, it is generally believed that, without the efforts of Mr. Smith, the popular bond issue would have been a failure.

Mr. Smith is not strenuously combatting the suggestion that the bonds be printed instead of engraved, and has offered that the Mercantile Trust Company will assume the entire cost of engraving, provided it be made the transfer agent. He has the support of all good citizens in this, and his offer will at least have the effect of forcing the depositaries mentioned in the ordinance passed by the council authorizing the issue to make as favorable terms with the city.

BOSTON STOCKS AND BONDS

For the Week Ending Thursday Evening, December 7, 1911.

Names. Railroads.	RANGE FOR WEEK Low	High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911 Lowest		Highest		RANGE FROM JAN., 1879, TO JAN., 1911. Lowest	Highest
Boston & Albany	*220	229	221	43	219 Sept		236 Feb	15	129 1879,	*250 1899
Boston Elevated.	129½	130	129½	279	124½ Oct	3	150¾ Aug	2	52¾ 1898	190 1901
Boston & Maine.	99	100¾	100¾	116	96½ Oct	30	122¾ Feb	15	108¾ 1879	230 1887
do. pref.	...	...	145	.....	142¾ Nov	9	154 June	5	134¾ 1891	190 1902
Cent. Verm't 4s.	90	90	90	5,000	82½ Sept	20	92 Mar	22	75 1904	96½ 1899
C. B. & Q. Jt. 4s	96½	96¾	96½	24,000	95½ Jan	5	98¾ June	2	82¾ 1907	102 1896
Chic. Junc. R...	...	...	158	.....	156 Apr	29	165 Aug	23	50 1893	182 1904
do. 5s	...	...	101¾	.....	101¾ Sept	27	102 Aug	24	89¾ 1891	118 1899
Fitchburg pref..	125½	126½	125½	28	125 Oct	25	130 Jan	9	63½ 1879	148 1906
K.C.,Ft.S.&M.6s	117¾	117¾	117¾	5,000	115 Mar	22	117¾ Nov	17	78 1886	126 1908
K.C.M.&B.new4s	...	...	92	.....	91 Oct	27	93½ Jan	3	125¾ 1894	102 1896
do. inc. 5s....	88	88	88	50	87½ Oct	27	102½ Nov	4	6 1896	104 1909
N.Y., N.H. & H.	139	141	140	730	125¾ Sept	14	151¾ Feb	22	127 1903	279 1880
Old Colony.....	187	189	187½	19	183 Mar	15	190 Nov	22	95 1879	221 1898
Rutland pref....	35½	35½	35½	20	32 Jan	26	46 Aug	4	6¾ 1879	125¾ 1902
West End.....	86	87½	86½	350	85 Oct	4	95 Feb	6	43 1894	102 1906
do. pref.	102¾	103½	103½	140	100 Sept	26	105 June	22	78 1885	118¾ 1901
Miscellane's.										
Am. Agri. Chem.	54¾	56	54¾	65	46¼ Oct	6	60¼ May	18	9 1903	50¾ 1909
do. pref.	103¾	104	103¾	55	99 Jan	6	105¾ Mar	1	86¼ 1903	105 1910
Am Pneu. Ser..	4¼	4½	4¾	220	3¾ Oct	7	6½ Jan	31	3 1908	29 1906
do. pref.	15	16	15¾	864	12¾ Sept	1	19¾ Jan	31	9¾ 1905	46 1906
Am. Tel. & Tel.	137¾	139¾	138¾	6,320	131¾ Aug	30	153¾ Jan	6	88 1907	136 1908
do. 4s	90¾	90¾	90¾	42,700	89½ Mar	22	92 May	23	71 1907	101½ 1908
do. cons. 4s....	...	...	111¾	.....	104 Aug	25	113¾ June	19	90¾ 1908	107¾ 1910
Am. Woolen.....	...	...	28½	.....	27½ Sept	19	36¾ Mar	20	7¾ 1903	48 1908
do. pref.	87½	88	87½	412	85¾ Oct	27	96½ June	1.	65 1903	110¾ 1905
B. & Wor. Elec.	...	...	12	.....	6 Feb	1.	13 July	'	8 1910	39½ 1906
do. pref.	...	...	56	.....	38½ Jan	27	58 July	1	35 1910	90 1906
Cumberl'd Tele..	155¾	157½	157	4,700	146 Jan	19	158 June	2	98¾ 1907	152½ 1910
Dom Coal 6s....	...	...	97¾	.....	90 Jan	4	98¾ Sept	22	90 1908	101½ 1905
E. Boston Land	9¾	10	10	275	7¾ Nov	23	12 May	1	2¾ 1893	18¾ 1909
Edis. Elec. Ill..	290	290	290	18	275 Sept	9	294 Oct	9	10 1903	210 1908
Gen'l Elec. Co..	155	155	153	79	142 Sept	22	167¾ May	29	30½ 1896	258½ 1909
Mass. Elec.....	21¾	22½	21¾	1,140	16 Apr	24	24 June	2	6¾ 1907	45¾ 1902
Mass. pref.....	93	95	94½	730	83¾ Jan	9	96 Nov	22	87 1907	99 1902
Mass. Gas.....	89¾	90½	90¼	941	87¾ Sept	28	96¾ Aug	4	30 1903	91¼ 1910
do. pref.	95	96	95	1,616	91¾ Apr	13	98¾ Nov	13	74½ 1903	97 1910
Mergenthaler ...	227	229	227	4	211 Jan	3	226 July	31	118¾ 1897	236 1910
N. E. Cot. Y'n.	106	106½	105½	60	103 Nov	21	119 Mar	14	60 1908	125 1909
do. pref.	...	...	101	.....	101 Nov	2.	116¾ Mar	15	24¾ 1903	118 1910
do. 5s	100¾	99¾	100¾	5,500	99 Nov	22	103 June	20	98 1908	106¾ 1901
N. E Telephone.	150¾	150	151½	341	137 Jan	17	155 Dec	7	78¾ 1879	270 1908
Portland Elec..	...	...	73¾	.....	62¾ July	29	73¾ Nov	13	.....	.....
Pullman Car....	153¾	156¾	159	222	153 Sept	25	163 Jan	31	6¾ 1901	23½ 1906
Reece But. H....	17	17	17	13	12 Jan	5	16¾ May	22	7½ 1884	163 1901
Torr'g'n Co.Cl.A	29¼	29¾	29¾	380	29 Nov	17	36 Jan	7	18 1905	37 1910
do. pref.	30	30	30	37	27 Sept	6	30 Dec	7	20 1907	35 1900
U'ted Fruit Co	156½	157½	152	1,910	139½ Dec	4	197 Nov	28	73 1901	200 1910
U'ted Fruit 4½s	94	94½	93	1,110	86½ Nov	8	97½ Jan	6	86 1910	97¼ 1911
Un. Shoe Mach'y	47	48½	47½	1,850	40¾ Aug	25	56¾ Feb	18	28 1901	96½ 1906
do. pref.	34¾	35	35	671	33½ Sept	22	39¾ Mar	7	22 1903	39½ 1905
West. Tel. & T.	...	...	97½	.....	95 Sept	26	97½ Nov	8	4 1903	33¾ 1902
do. pref.	...	...	100¾	.....	99 Jan	21	103¾ Nov	9	80 1907	106½ 1903
do. 5s	99¾	100	99¾	41,000	99¾ Jan	3	100½ Nov	13	74 1907	106¼ 1903
Mining.										
Adventure	4½	5	4½	200	4 Oct	9	7½ May	18	1.62½ 1907	23 1901
Allouez	...	...	22	5	21 Aug	28	29 Jan	5	9c 1894	74¾ 1907
Amalgamated ..	60	61¾	60	6,000	44¼ Sept	25	71½ June	26	33¾ 1903	129½ 1899
Am Zinc.....	25	25	25	1,000	14¾ Oct	7	30¾ June	14	5 1901	67 1899
Arizona Com....	10	10	10	1,400	.10 Nov	22	15¾ June	14	7¾ 1907	51¾ 1899
Bos. & Corbin..	7⅝	7	6¾	4,100	3¾ Aug	24	15½ June	1	6 1907	25 1908
Butte Balaklin	...	4 1-16	4	1,000	3¾ Aug	24	6¾ Jan	4	4¾ 1910	18¾ 1910
Butte Coalition	16	17	17	1,700	14 Sept	28	20½ May	24	10 1907	42 1906
Calumet & Ariz	71¾	73¾	73	4,414	65 Sept	25	86 June	14	44¾ 1903	136 1907
Calum & Hecla	640	640	640	74	360 Sept	25	845 Jan	4	124 1894	1000 1905
Centennial	19½	19½	19½	175	8 Sept	27	18 Jan	3	10c 1896	61 1899
Copper Range ..	61	63¾	63¾	1,000	46½ Sept	25	69¾ Feb	2	37 1903	105 1907
Daly-West	20¼	20¾	20¼	210	3 Feb	15	6½ June	21	3½ 1910	56 1902
East Butte	11	11¾	11¾	3,100	8¾ Aug	28	14¾ June	26	3¼ 1908	13¼ 1907
Elm River.....	...	...	19	.....	19 July	24	20 Jan	6	.05 1910	7 1907
Franklin	6½	6¾	6½	1,400	5½ Aug	24	14 June	14	4 1879	30 1899
Gimsey	4	4¾	4 1-16	3,000	3¾ Sept	28	8¼ Feb	6	2¾ 1907	13¾ 1901
Granby	35¾	37	36	1,200	26 Aug	25	43½ June	21	30 1910	151 1907
Greene Cananea.	6¾	6¾	7¾	4,100	5 5-16 Feb	9	9½ Nov	25	5 1907	18 1907
Hancock, Con..	24	25	25	16,100	17 Sept	26	30¾ June	19	1¾ 1907	38 1910
Helvetia	13	13	13	100	75 Nov	1	2 Mar	4	1¾ 1910	38 1899
Isle R'y & Coal	40¾	41¾	41	2,100	29¾ May	9	49¾ June	3	30¾ 1910	33¾ 1910
do. pref	87	87¾	87	300	83½ Sept	25	91 June	13	84½ 1910	90¾ 1910
Isle Royale.....	19¾	20	19	1,000	11¾ Aug	24	24¾ Nov	22	5¾ 1903	75 1899
Kerr Lake.....	7	7	7	1,100	5¾ Dec	6	7¾ Jan	23	6 1910	35 1907
Keweenaw	70	80	80	1,100	70 Nov	29	3¾ June	14	2½ 1909	7¾ 1909
La Salle	3¾	6	3¾	1,000	3 Oct	31	6 Jan	3	3 1908	23¼ 1905
Lake Copper ..	21¾	21¾	21¾	200	21¾ Aug	26	40 June	13	4 1905	94¾ 1910
Mass Cons.....	4¾	4¾	4¾	1,000	4½ Aug	25	10 June	19	2¼ 1908	37¾ 1901
Miami	22¾	22¾	22	150	18¾ Oct	3	22¾ June	21	4¾ 1908	29 1910
Mi'kigan	1¾	1¾	1¾	200	1¾ Nov	17	4¼ May	6	3 1900	34½ 1907
Mohawk	46	46	47	400	36 Apr	24	53 June	17	11¼ 1900	97 1907
Nev Cons.....	15¾	15¾	15¾	1,000	15 Sept	26	21¾ June	15	6¾ 1907	30 1900
New Arcadian .	2	2	2	200	2 Sept	29	4¾ May	17	1 1905	136½ 1899
Nipissing	7¾	7¾	7¾	1,700	2¼ Nov	22	11¼ Feb	17	5 1906	33¾ 1906
North Butte.....	28	28¾	28¼	2,210	20 Sept	25	36 June	13	13¾ 1909	120 1907
North Lake.....	4	4	4	100	3¾ Aug	23	9¾ June	3	4½ 1908	11¾ 1909
Old Dominion..	43	43¾	43	400	34¼ Sept	25	49 June	19	9¾ 1904	66¾ 1907
Osceola	86	86	86	37	81 Sept	22	126 Jan	4	7¼ 1899	181 1907
Parrot	12	12	12	100	7¾ Sept	22	13¼ May	22	5¾ 1907	72¾ 1899
Quincy	64	64	64	50	55 Sept	25	74 July	24	10 1879	190 1899
Ray Consolited..	17¾	17¾	17¾	1,800	12 Sept	25	18¾ Jan	7	7¾ 1903	27¾ 1899
Santa Fe.....	1¾	1¾	1¾	200	75 Apr	26	1¾ June	13	1 1903	22 1899
Shannon	10¾	10¾	10¾	1,000	9 Oct	9	12¾ Feb	6	8¼ 1904	24¾ 1907
Superior Copper	37¾	37¾	37¾	100	30 Oct	30	34¾ June	14	7 1907	69¾ 1910
Sup. & Boston..	3¾	3¾	3¾	200	2 Oct	27	8¼ June	15	1¾ 1908	1¾ 1908
Tamarack	55	56½	55	300	50 Sept	26	52 Jan	3	45¾ 1910	262 1901
Tennessee	...	...	38½	100	34¾ Aug	9	43½ June	12	9¾ 1901	55¼ 1907
Trinity	4	4¼	4	600	2¾ Oct	5	5 Nov	21	2¾ 1904	42¾ 1907
U. S. Smelting..	30¾	30¾	30¾	200	30¾ Sept	25	40¾ June	14	24¾ 1907	70 1907
do. pref	44	44	44¾	500	43¾ Oct	10	49½ June	28	27¾ 1907	64¼ 1899
Utah Cons	14	14	14	900	9¼ Jan	20	20 June	28	13¾ 1910	*79 1907
Utah Apex.....	¾	¾	¾	200	¾ Oct	3	2¼ June	15	1¾ 1907	10¾ 1908
Victoria	¾	¾	¾	100	1 Aug	19	2¾ Nov	10	1 1900	12 1901
Winona	6	6	6	97	4 Oct	28	9½ Feb	6	1 1902	22 1906
Wolverine	80¾	80	80	40	75 Nov	2	122 Feb	10	78c 1895	200 1907

* Ex dividend. † Assessment paid. ‡ Rights off. ‖ Auction. § Old securities. ● Old stock. ∞ Temporary certificates.

Digitized by Google

American Agricultural Chemical Co.

Once More Common Stock Dividend Is Expected—Meeting of Directors December 13, Will Act on That Question, and Within the Board, Favorable Action Will Be Urged—8 Per Cent Earned Last Several Years; 4 Per Cent Could Have Been Paid For Several Years, and Nearly Three-Quarters of a Million Dollars Carried to Surplus Annually.

The tip is out that a 4 per cent dividend is to be paid on the common stock of the American Agricultural Chemical Company, and that this dividend will be declared at the directors' meeting of the company which is to be held on December 13.

Of course, this is gossip, and is not confirmed by the management of the fertilizer company, and there will be no authorization regarding a common stock dividend either pro or con until after that meeting, but it is a fact that the company has more than earned a dividend of that size during the last several years, and that the dividend is talked about at every directors' meeting. Some two years or eighteen months ago there was a strong movement by common stockholders for financial recognition, and this was acknowledged by the company in the naming of a commission to consider the common stock claim for a return on their investment. This committee reported at the September quarterly meeting of the board of directors against paying such a dividend, and the effect of that report must be lasting with the directors beyond the period of three months, but the claims by common stockholders for such recognition have not decreased, and as the earnings

MORE THAN WARRANT

such dividend payment, the meeting of next week may bring forth the fact to warrant the present report.

The present quotation of 55 on the common stock (it has been above 60), anticipates, and has for a long period, a common stock dividend, and as that quotation would cover such a dividend payment, the announcement that the 4 per cent was to be paid would not affect that quotation anything like as much as lack of such a dividend might affect it adversely, although, as a matter of fact, the large earnings of the company and its financial condition promising a dividend in the near future would probably prevent any considerable falling off in that quotation even if the dividend is not declared. Bolstering up the market tip that this dividend is to be paid is the fact that

SIMILAR TIPS

on rubber common and beet sugar common have been fulfilled in fact.

The American Agricultural Chemical Company, incorporated in 1899, has made total profits to the end of its fiscal year, June 30, 1911, of $22,688,331. Paying 6 per cent on about $19,000,000 during that period has taken nearly $13,000,000. To-day, there is a surplus of $6,605,500. The surplus for last year was $1,536,803; from this was deducted $400,000 for depreciation in brand, trade-marks, patents, good will, etc., leaving a net surplus of $1,136,803. Of the total authorized common stock of $20,000,000 about $17,000,000 has been issued. The net surplus for last year, is, then, equivalent to 8 per cent on the common stock. The average earnings which might be applied to common stock dividends during the past five years have been $1,354,400 a year, or on an average of nearly 8 per cent on the common. These figures represent, of course, an 8 per cent which might be paid on the common without adding anything to surplus, but taking the average of $1,334,000 a year for the last five years, and if 4 per cent per annum were paid on the common taking $680,000, this would leave $654,000 to add each of the past five years to surplus. In the last eight years the company has carried to general reserve the sum of $4,105,911,

AN ANNUAL AVERAGE

of over $500,000.

During the past eight years it has written off more than $5,000,000, or at the rate of more than $600,000 a year. This is not a large percentage of write-off when it is considered that the capital assets of the company are carried at more than $3,000,000, but taking into account the two items of reserve and depreciation account and the fact that the surplus has been added to at a large rate, it will be seen that the company's actual policy for charging off for depreciation is better than fair. The real estate and machinery item is

PHILADELPHIA STOCKS

For the Week Ending Wednesday Evening, December 6, 1911.

Names.	RANGE FOR WEEK Low	High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911 Lowest			Highest			RANGE FROM JAN., 1879, TO JAN., 1911. Lowest		Highest	
Amer. Cement..	6	7	7	75	5	Nov	27	27½	Jan	6	5¼	1905	46	1900
Amer. Railways.	46	46	46	25	42	Jan	10	46½	Nov	27	21½	1900	56½	1902
Bell Telephone..	...	...	118½	.....	.....			.....			45	1907	124½	1908
Cambria Steel..	43½	44¼	43½	1,013	40¾	Sept	22	48¾	Feb	18	13¼	1909	49¾	1909
do. Iron	44½	45	44½	27	42	Oct	2	46	Mar	27	42	1907	114	1882
Elec Co of Am.	12	12	12	205	11¼	Oct	2	12½	Jan	14	5¾	1902	35	1899
Elec Storage....	53	54	54	2,234	48½	Jan	5	56¾	June	1	15	1894	194	1899
Gen'l Asphalt...	28⅞	29⅛	29⅛	4,860	25¾	Aug	25	29½	Oct	23	3	1907	34¾	1910
do. pref.	70⅞	72	71½	915	68	Aug	28	83⅞	Jan	30	11	1905	84¾	1910
Hunt. & B. T...	...	...	5	.....	5	Oct	31	8	June	19	7	1910	42	1899
do. pref.	14	14	14	121	14	Dec	4	27	Feb	1	7¾	1880	58¾	1902
Lake Sup. Corp.	26	27	26	585	21½	Sept	26	31⅝	Feb	4	3¾	1908	33¾	1909
Lehigh Valley...	88⅝	89⅛	88 13-16	516	76	Sept	12	90½	Feb	3	17¾	1897	121¾	1910
Lehigh Navig'n.	89½	90	89½	246	*84½	Sept	12	92⅛	July	29	35	1898	131½	1904
Marsden	...	...	1¾	.....	.....			.....			⅝	1907	28⅝	1899
Penn. Steel.....	...	...	60	.....	.....			.....			5	1854	300	1841
do. pref.	102⅜	103	102⅜	209	100½	Nov	9	108¼	Apr	17	10	1897	117½	1900
Phila Co.	52⅜	53½	53	501	48¾	Sept	21	59¾	June	5	33⅜	1907	55¼	1906
do. pref.	43¾	43⅝	42⅝	186	42	Oct	19	46	Feb	6	24	1909	52	1906
Phil Elec	15⅞	16⅛	16	2,295	13⅜	Dec	5	18	July	17	2	1900	16¾	1910
Phil Rap Trans	*23¼	23¾	23¼	1,030	16¾	Apr	7	24¼	Aug	8	12	1907	37¾	1909
Phil Traction ..	84	85	84¾	968	82	Oct	12	87½	July	14	5	1895	102¼	1905
Tonopah Min'g..	15-16	7	6 15-16	2,400	$ 3-16	Aug	2	8⅝	Jan	17	$ 3-16	1907	21¾	1906
United Gas Imp.	85⅝	86⅛	85⅞	1,100	84¼	Sept	25	89¾	Jan	9	50	1893	175	1899
Union Traction .	52	53⅜	52½	1,472	43	Jan	4	53⅜	Dec	4	5⅜	1897	68¾	1905
Warwick Steel .	10½	10⅝	10½	16	9¾	Jan	10	11¾	Feb	28	2½	1903	18	1899
Westm'l'd Co'l ..	...	...	75	.....	75	Nov	10	91½	Mar	29	45½	1879	114	1905

* Ex-dividend. † Trust certificates. ** Temporary certificates.

CHICAGO STOCKS

For the Week Ending Wednesday Evening, December 6, 1911.

Names.	WEEK'S RANGE Low	High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911 Lowest			Highest			RANGE FROM JAN., 1879, TO JAN., 1911. Lowest		Highest	
Am. Can.....	11	12	11⅞	725	8¾	Jan	27	12½	May	23	2⅜	1903	31½	1901
do. pref.....	50	53	52⅞	1,060	76¾	Jan	7	83	Dec	2	25¼	1902	86	1909
Am. Radiator....	...	...	300	.....	295	Jan	9	300	Nov	10	30	1899	260½	1910
do. pref.....	132	132	131	17	126½	Mar	9	133	Nov	2	98	1899	136	1900
Am. Shipbldg....	48	48	48	250	48	Dec	1	59	Feb	6	19	1904	84½	1910
do. pref.....	...	...	106½	.....	110¼	Jan	16	113	May	18	92	1904	112	1910
Chic. City Ry....	...	...	190	.....	185	Mar	22	190	Apr	28	140	1906	178	1902
Chic. Edison. Tr.	45½	46½	46½	525	39½	Sept	22	55½	Feb	22	18	1904	107½	1902
Chic. Subway...	⅝	1	⅝	200	¼	Nov	14	6	Mar	11	2¼	1910	87⅝	1906
Chic. Telephone.	137	138⅝	138⅝	600	115	Jan	25	141½	Nov	27	86	1907	286	1901
Cmnwlth Edis.	135½	136½	136	568	113	Jan	26	137¾	July	13	77	1907	128	1910
Diamond Match.	108½	110	108½	164	90	Jan	16	110¾	Nov	28	82½	1910	162	1903
Kan. City Light	....	....	20¾	.....	.....			.....			20	1910	68¾	1906
do. pref.	51	52	51	20	39	Sept	26	72½	Feb	25	68	1908	82¼	1908
Met El.....	...	...	21	.....	19½	Feb	1	28¾	June	28	12	1909	42	1902
do. pref	...	...	75	.....	64	Mar	16	***75	July	17	32	1909	82¾	1901
Nat Carbon.....	104	104	104	52	100	Sept	13	120	June	9	15	1889	145	1910
do. pref.	119½	119¾	119¾	15	108¾	Aug	23	120	Nov	21	72	1900	124	1909
No. West. El....	...	...	20½	.....	20½	Apr	27	28½	June	30	13¾	1908	55	1901
do. pref.	...	...	65½	.....	60	Mar	1	67	Mar	30	44	1904	97	1901
Quaker Oats.....	199	199	199	51	165	Mar	17	199	Dec	4	85¾	1904	198	1910
do. pref.	...	...	105	.....	102¼	Feb	8	107¼	July	24	73	1903	109¼	1908
So. Side El.....	...	...	29½	.....	68	Feb	16	80	June	30	40¼	1897	199	1901
Streets' Car.....	8	8	8	20	8	Dec	4	13¾	Feb	24	10¾	1910	54¼	1909
do. pref.	...	...	38	.....	28	Nov	21	50	Aug	11	40	1910	111¾	1906
Swift & Co.....	101¼	101⅝	101⅝	675	97⅝	Sept	25	104	June	9	75¼	1907	177½	1902
Un. Box Board..	1⅞	1⅞	1⅞	100	1½	Sept	29	7	Jan	5	¼	1906	17¾	1902
do. pref.	...	...	7¾	.....	.....			.....			1¾	1908	71	1902
Western Stone..	14	16	14	100	14	Dec	4	24¾	Jan	24	14	1908	50	1908

* Ex-dividend. † New. ** Receipts. ‡ Assessment paid.

Digitized by Google

larger to-day at nearly $10,000,000 than last year when it was carried at something over $8,000,000 back to 1906 when it was something less than $8,000,000. But with the known record of the company for spending large sums for up-keen and replacing machinery it is more than a fair assertion that actually, so far as replacement values are concerned, the present charge of real estate and machinery is conservative and the depreciation item has been taken full care of both in actual marking off and through the replacement of machinery and in additions. The policy of the company, so far as actual depreciation or replacement account is concerned, is best outlined by the fact that in 1910 the asset item under the heading of property acquired after organization is set down at $770,000, the same item in 1906 being more than $1,200,000. On that item there has been a charge of nearly 25 per cent in four years. The annual income of the company has increased from about $2,150,000 in 1904 to $3,430,000 during the last year. That is, in six years there has been an increase in annual income of $1,250,000, or about 50 per cent. The net profits in 1904 were $1,500,000, and in 1911 $2,680,000, an increase of $1,100,000 or about 73 per cent.

An official of the company says that common stock div-

THE AMERICAN BANK REPORTER
SEPTEMBER, 1911—75th YEAR
CONTENTS:
ALPHABETICAL LIST OF ALL BANKS in the United States and Canada, arranged in States, showing the names of officers and Correspondents, with Capital, Loans, Deposits, Undivided Profits and Surplus.
List of Reliable Attorneys in the United States and Canada—Foreign Banks and Bankers—Synopsis of Banking and Commercial Laws of the various States and Canada—List of Towns without Banking Facilities with nearest banking point—MAPS OF ALL STATES and TERRITORIES, including Canada, etc.
Price, $4.00 per copy Cloth Bound Edition Limited
Subscription Rate, $7.00 including March and September Issues
Send check with order to
STEURER PUBLISHING COMPANY
5 Beekman Street New York City

American Woolen Company
Fifty-First Quarterly Dividend
Notice is hereby given that the regular quarterly dividend of One and Three-Quarters Per Cent (1¾%) on the Preferred Capital Stock of the American Woolen Company of record December 20th, 1911, will be paid on the 15th day of January, 1912.
Transfer books for Preferred Stock will be closed at the close of business December 20th, 1911 and will be reopened January 5th, 1912.
Checks will be mailed by the Guaranty Trust Co. of New York.
WM. H. DWELLY, Jr., Treasurer.
Boston, Mass., December 6, 1911.

OFFICE OF THE
LANSTON MONOTYPE MACHINE COMPANY.
PHILADELPHIA, PA.
The Board of Directors has this day declared a quarterly dividend of 1½ per cent on the Capital Stock of this Company, payable on the 20th day of December, 1911, to stockholders of record at the close of business December 13, 1911.
J. SELLERS BANCROFT, Treasurer.
Philadelphia, December 5, 1911.

INVESTOR'S AND STOCKHOLDER'S LISTS
JAS. S. ROBINSON, Ipswich, Mass.
Tel. 28-3 Ipswich

NEW YORK STOCKS AND BONDS

For the Week Ending Thursday Evening, December 7, 1911.

Name.	RANGE FOR WEEK Low	High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911 Lowest		Highest		RANGE FROM JAN., 1879, TO JAN., 1911. Lowest	Highest
Atch. & T. R.R.	104⅞	106⅞	104⅞	13,310	99⅞ Sept 27		116⅜ June 5		1 1-16 1894	152½ 1906
Atch. & Top. pf.	103⅝	103⅞	103⅝	700	100¾ Jan 3		105½ June 12		14 1896	107⅜ 1901
Atch. & Top. 4s.	99	99⅝	99⅛	141,000	92½ Sept 20		99⅝ Nov 13		61 1894	105⅝ 1902
do. adj. 4s....	91¼	91⅜	91¼	4,000	90¾ Mar 29		92½ Jan 26		38 1896	99¾ 1905
At'tic C'st Line.	135	138½	137½	4,700	117 Jan 3		139½ Nov 23		58 1907	170 1910
B. & O. Gold 4s.	96½	96½	96⅝	49,000	97½ Sept 20		99¾ Oct 10		83 1907	106⅝ 1905
B.& O.S. W.3½s.	...	...	90	.....	89½ Sept 29		93 Mar 11		80 1907	96 1898
Balti. & Ohio...	103⅝	103½	103⅝	7,200	93¾ Sept 29		109¾ July 22		9 1897	125⅛ 1905
do. pref.	88¾	88¾	88¾	100	85½ Aug 30		91 Jan 4		67⅛ 1899	100 1905
Brooklyn R. T..	76⅝	77⅜	77	7,500	72 Sept 25		85¾ July 20		18 1896	137 1899
B.R.T.conv't 4s.	84	84⅝	84	65,000	82¾ Oct 2		88¾ Jan 26		66 1907	102½ 1905
Canadian Pac...	236⅝	243	236⅝	37,250	195⅝ Jan 3		247 July 21		33 1895	202⅝ 1910
Canada South...	...	...	68	.....	62 Mar 3		68 May 12		23 1896	97 1903
Cen.of Ga. Con.5s.	109⅛	109⅛	109⅛	12,000	107¼ Jan 13		110 July 26		85 1907	120½ 1911
do. 1st inc....	101	103	103	22,000	95 Nov 11		114⅛ Apr 18		30 1890	102 1910
do. 2d inc.....	100	105	104⅞	34,000	91 Oct 17		108¼ Apr 6		9 1899	101 1910
do. 3d inc.....	100	107	107	90,000	85 Feb 24		107 Dec 6		4 1898	100 1910
Central N. J....	298	298	298	100	260 Sept 16		285 June 3		31 1885	312 1910
Cent'l Pac. 3½s.	...	...	90	.....	90 Nov 3		92 Mar 8		75 1907	91 1910
Ches.O. gen.4½s.	101⅜	101⅞	101⅜	31,000	99⅜ Nov 15		103 May 15		61 1893	111 1905
Chesapeake & O.	73½	74⅜	73½	4,800	68⅝ Sept 25		86⅜ Feb 10		1 1858	133⅞ 1881
Chic. & Alton...	...	...	19	.....	15 Aug 28		31¾ May 23		8¾ 1907	74⅜ 1909
do. pref.	...	...	40	.....	40 Oct 6		53 Jan 27		47 1908	95¼ 1908
Chic. Gr't West.	19½	20¾	19½	900	17¼ Sept 14		25¼ June 5		3⅜ 1897	37⅝ 1909
do. pref. A...	36½	38¼	36½	700	36 Sept 27		49¼ Feb 6		15½ 1908	90⅜ 1901
Chic. M. & St.P.	109⅝	111⅛	109⅝	36,625	105⅝ Oct 4		123⅝ Feb 7		34⅝ 1879	199⅝ 1908
do. pref.	147	147½	147	400	141 Sept 14		155½ June 15		74⅝ 1879	218 1908
Chic. & N. W....	142	145	143	1,700	138½ Sept 22		150⅝ June 12		49⅝ 1879	271½ 1902
do. pref.	...	...	197	.....	197 Aug 30		201½ Aug 9		128 1893	274½ 1902
Chi., St.P. & Om.	...	...	144	.....	139¾ Apr 20		144 June 13		18½ 1885	225 1905
do. pref.	...	...	150	.....	152 Feb 18		152 Feb 18		66 1885	230 1901
Chic. Un. Trac..	2	2	2	100	1⅝ Sept 30		5 June 2		⅝ 1908	33 1902
do. pref.	5	6	5	100	4⅜ Nov 21		7¼ Feb 6		3 1908	60 1902
C.,C.,C. & St. L.	...	...	83	.....	83½ Sept 15		96 Jan 15		19½ 1896	111 1905
do. pref.	96	96	96	100	94½ Aug 22		98 Feb 1		63 1897	134¼ 1902
Colo. & South'n.	47	47	47	100	43 Sept 23		60 Jan 18		4⅝ 1889	63¼ 1908
Col. & So. 1st pf.	76½	76¾	76⅝	200	72 Oct 20		84¾ July 10		35 1899	86 1909
do. 2d pref....	...	...	70	.....	66 Sept 18		75 Aug 8		12½ 1899	84½ 1909
Del. & Hudson..	165¼	168½	165¼	800	159½ Sept 27		175⅜ June 8		33 1879	240¾ 1908
Del., L'ck & W.	...	...	550	.....	505 Sept 25		570 Nov 10		48 1879	630 1909
Den. & Rio G'de	20⅝	22	20¾	3,400	20¾ Dec 7		35 Feb 21		4⅝ 1885	136½ 1880
do. pref.	45½	47¾	45⅝	900	44 Sept 14		74 Feb 21		24 1894	103¼ 1901
Dul.,So.Sh.& Atl	...	...	9	.....	9 Nov 27		15½ May 1		3½ 1896	24 1902
do. pref.	17½	18⅜	17½	350	17½ Dec 7		28⅝ Apr 4		5 1896	46⅝ 1908
Erie 1st gen. 4s.	73⅝	79¼	73⅝	39,000	73½ Jan 3		79⅝ Nov 10		55 1908	95 1905
Erie	30⅜	31⅝	30½	20,350	27¼ Jan 11		38½ June 30		8⅜ 1854	53⅞ 1881
Erie 1st pref....	50⅜	52⅝	51	3,450	46⅝ Jan 13		61½ July 1		15 1893	98 1901
Erie 2d pref.....	42	42	42	100	35 Jan 13		49½ July 3		13 1896	78⅝ 1905
Ev's'le & T. H.	...	...	41	.....	60 Feb 1		88 July 24		30 1897	152 1902
do. pref.	...	...	82½	.....	86 June 5		90 July 24		73 1904	104⅝ 1902
Gr'neB&WdebB.	12½	12⅝	12½	21	11 Sept 25		15¼ Jan 23		3½ 1898	27½ 1902
Gt. Northern pf.	125⅞	127⅝	126½	8,401	119 Sept 25		140 June 8		44½ 1899	348 1906
Hock'g Valley**	125	135	125	200	125 Dec 7		134 Apr 29		22 1899	140 1910
do. pref.	...	...	128	.....	.....		.....		63¾ 1899	101⅝ 1910
Illinois Central..	142½	143	142½	850	122 Jan 3		147 July 20		79⅜ 1879	134½ 1906
Inter-Met (w.i.).	14⅝	15⅜	14⅝	6,500	12½ Sept 25		20⅜ Feb 15		4⅞ 1907	55⅜ 1908
do. pf. (w. i.)	46	48¼	46½	11,500	39⅜ Sept 25		55⅜ Feb 10		14 1907	87⅜ 1906
Iowa Central....	16½	16½	16½	200	15 May 12		22 Sept 8		3 1888	51⅜ 1901
do. pref.	...	...	34	.....	28 Apr 27		39 Sept 8		13 1898	90⅜ 1902
Kan. City & So.	28½	29¼	28½	1,000	25¼ Sept 25		38¾ June 15		7 1900	50¼ 1909
do. pref.	66½	66⅝	66½	200	61¼ Sept 25		70 May 26		27¾ 1900	75¼ 1908
K.C.,Ft.S.&M.pf	...	...	79¾	.....	78 Aug 7		78 May 3		68 1908	88 1902
L'ke E. & West.	...	...	14	.....	10 Sept 25		17 Nov 9		1⅜ 1885	76¼ 1907
do. pref.	...	...	31½	.....	25 Sept 5		40 Jan 13		24 1908	138 1902
Louis. & Nashv.	154⅜	156⅜	155	8,900	136½ Sept 14		160⅝ Nov 24		23 1885	162⅛ 1909
Manh'ttan Elev.	135	135	135	100	131½ Sept 25		142½ July 19		64⅛ 1884	178 1905
Minn. & St. L...	32	33⅛	32	300	21½ Apr 28		35⅛ Nov 9		3¾ 1889	115 1902
do. pref.	57	58½	58	1,550	35 Mar 13		64 Sept 13		7⅜ 1889	127⅜ 1902
M.S.P. & S.S.M.	133	135½	133	1,400	124⅜ Sept 22		152¾ Mar 30		6 1897	164 1908
do. pref.	...	...	97⅞	.....	145⅜ Aug 28		156½ July 21		10 1897	159⅜ 1908
M.,K.&T. 1st 4s.	97⅛	97⅜	97⅛	27,000	87¼ Sept 8		98⅛ Nov 13		50 1893	104⅛ 1905
do. 2d 4s.....	84	84⅞	84	3,000	83¾ Jan 5		88½ Feb 17		27 1893	92¾ 1905
M K. & T. 1st 5s	102	102	102	1,000	97¼ Oct 25		105⅜ July 10		72 1896	114⅛ 1909
Mo., K. & Tex..	29	31¼	29	6,200	27 Sept 25		38¾ June 14		5⅜ 1879	54 1881
do. pref.	66	67⅞	66	850	62⅜ Sept 25		70 Oct 17		12⅜ 1893	78¼ 1909
Missouri Pacific.	33¾	40⅜	38¾	11,400	33¾ Sept 13		68 Feb 15		10 1897	125¼ 1902
N. Y. Central...	104⅜	107⅛	105	13,200	99⅞ Sept 27		115¼ Feb 3		21⅜ 1885	174⅛ 1901
N.Y.,C. & St. L.	53⅝	54	53⅝	200	48 Oct 9		65 Jan 30		9 1896	73½ 1905
do. 1st pref..	96½	98⅛	96½	100	93½ Nov 29		101⅜ Mar 20		6 1885	124⅛ 1902
do. 2d pref....	...	...	82½	.....	82½ Aug 21		90 Jan 30		18 1892	109 1903
N.Y., Ont. & W.	39⅝	40¾	40	1,450	37⅜ Sept 25		46⅞ July 22		6⅜ 1885	64 1905
No.& W.Con. 4s.	90½	90⅝	90½	35,000	90¼ Oct 25		99⅛ Nov 4		74 1898	105 1905
Norfolk & West.	106½	108	108⅜	7,400	99⅝ Sept 25		111¾ Nov 24		⅛ 1896	108⅜ 1910
do. pref.	91	91	91	100	86⅝ Apr 28		91 Nov 29		4¼ 1896	98 1902
N Pac. prior 4s.	96⅝	100⅜	98⅜	51,000	86⅞ Dec 4		102¼ Nov 2		90¼ 1906	100 1998
do. gen. 3s....	69½	69⅝	69⅝	23,000	68 Sept 25		71¼ Aug 4		57 1896	79 1905
North'n Pacific.	115⅝	118⅛	116¼	33,100	49½ Nov 5		127⅜ June 8		11 1897	1000 1901
Pacific Coast....	...	...	95	.....	96 Nov 21		102 Jan 10		34 1888	142 1906
do. 1st pref....	...	...	120	.....	.....		.....		65 1907	105 1910
do. 2d pref....	...	...	101	.....	101 Jan 11		101 Jan 11		50¾ 1900	125 1906
Penn. R. R.....	121⅜	122⅜	121⅞	13,800	118⅜ Sept 25		130¼ Feb 1		97⅛ 1885	170 1902
Peoria & East'n.	...	...	20	.....	.....		.....		2 1895	50 1901
P.,C.,C. & St. L.	96⅞	97⅝	97⅝	10	90¼ Sept 28		100 Jan 17		10⅝ 1894	105¼ 1902
do. pref.	...	...	112	.....	102⅝ Sept 25		112 Feb 17		40 1892	128 1902
Reading gen. 4s.	97⅛	98⅛	98⅛	1	96⅜ Mar 15		98¼ Nov 14		77 1898	104¼ 1997
Reading	134	142	142	97,700	134 Sept 25		161⅞ June 3		17⅜ 1896	117⅛ 1969
do 1st pref...	90	90	90	50	88 Sept 20		92 July 14		11⅜ 1907	83 1908
do. 2d pref. ...	90	90	91	200	90¼ Sept 20		101 May 2		26½ 1907	94⅝ 1909
R'k Island, new	27⅛	28⅜	28⅛	12,700	22⅜ Sept 25		34⅜ June 14		6⅝ 1907	90¼ 1901
do. pref.	47⅝	50	49	2,100	44 Sept 25		68⅜ June 14		9⅜ 1879	120 1887
St L.&S F 2d pf	50	50½	50	6,100	77 Oct 3		83 May 4		4¼ 1879	84½ 1887
St L.&S F 1st pf	66	67½	67½	.....	60 Sept 19		69 July 25		50 1897	110½ 1905
St L.&S F 2d pf	41	41½	41	1,100	26 Apr 21		49½ July 24		12 1897	90½ 1902
St L.&S W 1st 4s	91	92	91	7,400	82⅜ Jan 24		92⅜ Aug 23		4⅝ 1896	103⅜ 1909
do. 2d gen. 4s	...	...	78	.....	78 Jan 9		82½ June 29		26 1896	97 1905
St. L. Southw..	...	...	30	.....	24 Jan 17		34 Feb 4		1 1897	39½ 1901
do. pref.	71	71¾	71	2,000	64½ Jan 9		72 Nov 25		21⅜ 1900	90 1909
St'nd A. Land 5s	81	82½	81½	9,000	74½ Sept 25		83⅜ Nov 24		69⅜ 1906	77⅜ 1910
San Ant. & A. P. 4s	87	87	87	2,000	86 Sept 11		88 Oct 17		45 1896	89½ 1909
So. Pac. col. 4s.	96⅝	97⅛	96	90,500	89⅝ Sept 28		98¼ Nov 2		84¼ 1905	98½ 1905
South'n Pacific..	109⅜	111⅛	110	12,600	104⅜ Sept 25		126⅛ June 26		12 1896	159½ 1909
do. pref.	...	...	97⅝	.....	.....		.....		94⅝ 1909	137 1909

Digitized by Google

NEW YORK STOCKS AND BONDS

For the Week Ending Thursday Evening, December 7, 1911.

Names.	RANGE FOR WEEK		Last Sale	Sales for Week	RANGE FOR YEAR OF 1911				RANGE FROM JAN., 1879, TO JAN., 1911.			
	Low	High			Lowest		Highest		Lowest		Highest	
Southern	29½	30⅝	29	18,300	24⅝	Sept 28	33⅝	July 22	13	1884	62½	1893
do pref.	70½	72	70½	7,200	61¼	Jan 11	75¼	July 20	31½	1884	103	1906
Texas & Pacific	23	24½	23	1,100	22¾	Sept 21	30½	June 9	4¾	1893	72⅝	1881
Third Avenue	3½	6	4¾	13,200	2⅝	Nov 27	26	Mar 2	5½	1910	342	1889
Tol.Rys.& Light	4½	5½	5	1,300	4	Nov 16	8¼	Jan 17	5½	1910	38	1902
Tol., St. L. & W	12⅝	18⅝	15¼	1,700	12⅝	Dec 5	24⅝	Feb 8	10⅝	1901	54⅜	1909
do. pref.	26	42⅝	28	2,650	26	Dec 7	53⅝	Feb 8	22⅝	1908	74¼	1909
Twin City R. T.	105	105	105	400	104	Sept 15	111	Feb 3	9½	1897	129	1902
U.P.cvt. 4s, 1927.	102¼	103⅜	102½	426,000	100	Sept 25	109¾	June 27	73¼	1907	124¼	1909
Union Pacific	170⅞	177⅝	171⅝	123,000	153⅝	Sept 25	192⅝	July 22	3	1896	204⅝	1910
do. pref.	92½	93⅝	93	600	89	Sept 21	98	Nov 23	47	1898	118½	1909
Wabash 1st 5s	106	106	106	49,000	80¾	Aug 28	110	Mar 20	98	1890	121	1902
do. deb. B's	...	...	101	.....	.....		.....		19	1893	101	1909
Wabash	6½	10½	6½	44,000	6½	Dec 5	18¾	Feb 23	3	1885	60	1881
do. pref.	16⅝	24⅝	17	78,100	16⅝	Dec 7	40⅝	Feb 23	9	1884	96¼	1881
West. Md., pref.	81⅝	81⅝	81⅝	100	76	Jan 14	88¼	July 24	67	1910	77	1910
Wheel. & L. E.	4¼	5¾	4¾	1,400	2½	Sept 28	6¼	Feb 3	½	1897	63¾	1887
do. 1st pref.	10½	12½	10½	800	7½	July 22	17¾	Feb 7	2½	1897	80¼	1902
do. 2d pref.	5½	6¾	5½	1,400	3	Sept 6	8	Feb 23	4	1910	42¾	1902
Wis. Central	54⅝	55½	54⅝	100	48	Sept 21	73¼	May 1	4c	1889	64	1910
do. pref.	...	...	88½	.....	.....		.....		50c	1899	91¾	1909
do. 1st 4s	92½	93	92⅝	59,000	82	Aug 28	93¾	July 5	17	1896	96¼	1890
Miscel. St'ks.												
Adams Express	...	...	100	.....	205	Jan 20	243	June 12	97¼	1896	215	1907
Allis Chalmers	2¾	3	2¾	2,500	2	Oct 9	9¾	May 31	4	1907	37⅜	1906
do. pref.	7	12	8	2,600	7	Dec 7	34	Feb 3	14	1906	87¼	1903
Amal. Cop.	60	63⅝	60	65,500	44⅝	Sept 25	71⅝	June 19	33⅜	1900	130	1901
Am. Beet Sugar.	51⅝	54½	52⅝	6,700	29⅝	Jan 12	59¼	Oct 30	9½	1908	49¼	1909
Am. Car & F'd.	52⅜	54⅛	53	3,500	42½	Sept 27	58⅛	July 19	10⅝	1899	76½	1909
do. pref.	116½	116½	116½	200	113	Oct 26	120	May 22	51	1900	124⅝	1909
Amer. Cot. Oil.	44	44¼	44	1,300	41⅝	Nov 2	62⅝	Feb 28	8	1896	79¼	1909
do. pref.	92	92	92	100	92	Nov 29	105½	Mar 21	27¼	1890	107⅞	1909
Amer. Express.	...	...	211	.....	201	Sept 26	245	Mar 27	100	1883	301	1910
Am. H. & L.	...	...	3⅞	.....	3	Oct 9	6	July 21	2¾	1908	37⅜	1899
do. pref.	...	...	17⅜	.....	17¼	Oct 31	26⅝	June 14	10	1907	83½	1899
Am. Ice Sec.	19¼	19¼	19¼	200	16½	Aug 28	25⅜	July 12	8¼	1907	96	1907
Am. Linseed Co.	8¾	9¾	9¼	500	8	Aug 11	13⅜	Feb 17	6	1908	30⅜	1901
do. pref.	27⅜	28⅞	28⅝	400	26¼	Oct 27	34	Feb 14	16½	1907	66	1901
Am. Loco.	34½	36	34½	1,000	24	Sept 29	43¼	May 22	11½	1903	78¼	1906
do. pref.	102⅜	103	102⅜	350	102	Oct 27	110¼	Mar 1	67¼	1903	122¼	1905
Amer. Malt Co.	4½	4½	4½	100	3	Sept 25	5¾	July 11	2½	1907	90⅜	1899
do. pref.	41	42⅜	41	400	31¾	Mar 8	43⅜	Nov 25	14½	1903	59	1909
Am. Smtl. & Ref	69¼	74⅜	69⅝	42,800	56⅜	Sept 25	83⅜	June 15	30	1899	174	1906
do. pref.	102¾	103½	103½	2,900	98⅜	Sept 27	108½	June 15	77¾	1899	137	1907
Am. St'l F'dry.	33⅞	35⅞	33⅞	100	25	Sept 25	52⅛	Feb 9	8½	1904	68⅜	1909
Am. Sugar Ref.	116	118½	116	1,700	112¾	Sept 25	121⅞	June 14	855	1889	133	1899
do. pref.	116⅝	117⅛	117⅛	200	111	Jan 5	119½	Feb 14	66½	1893	143	1905
Am. Tob. pref.	99	105	104⅝	42,100	87	Aug 24	105	Dec 6	60	1907	151¼	1907
Anaconda	36½	38⅝	36⅜	11,500	29	Sept 25	41¾	June 28	125	1907	302⅜	1907
Br'k Un'n Gas.	142¾	143	142¾	300	129	Sept 15	148¼	Nov 10	80	1907	253	1902
Central Leather.	19⅝	21⅜	20	2,700	15⅝	Sept 25	33⅜	Feb 2	11⅜	1907	61⅜	1909
do. pref.	93⅜	93⅜	93⅜	500	91⅝	Nov 4	106	Feb 10	68	1907	111	1909
Chino Copper	22½	23⅜	22½	5,200	16½	Sept 25	25⅜	May 19	2¾	1910	12	1909
Colo. Ind. Se.	...	...	74½	.....	73	Aug 12	79½	Feb 23	35	1907	88½	1906
Colo. F'l & Ir'n.	26	27	26	900	25	Sept 25	36⅜	Feb 6	14	1907	136½	1901
do. pref.	108	108	108	100	106	Oct 23	110¼	Jan 9	30	1907	142½	1901
C.&H.V Co'l&Ir.	...	...	112	.....	4	Feb 9	4	Feb 9	⅝	1896	92¼	1910
Consolid'd Gas.	138	139¾	138	3,200	129	Sept 27	148¾	June 6	67	1897	241¾	1897
Con. Tobacco 4s.	90⅛	90⅝	90⅝	10,000	81¼	Jan 11	91¼	Nov 9	51¼	1908	95⅝	1901
Corn Prod'ts R.	10⅜	11⅝	10⅜	1,300	9⅝	Oct 20	15⅝	May 17	8	1907	28	1906
do. pref.	75	78⅝	76½	1,500	73	Oct 19	85	May 29	46	1907	93¼	1910
Dist. Secur.	31⅛	32⅜	31⅞	400	29	Sept 26	38¼	June 6	19¼	1904	78	1907
Fed. M. & Smlt.	13	15½	13	500	13	Dec 7	26	Feb 16	4⅜	1904	199	1906
do. pref.	37	47½	39¼	1,900	37	Dec 6	66¼	May 19	17	1907	112⅜	1906
Goldfield Con.	4⅝	4½	4⅝	13,700	3½	Oct 18	7⅞	Jan 2	3⅜	1907	10	1910
Internat. Paper.	9⅜	9⅞	9⅜	200	9	Sept 9	13⅜	Feb 3	7½	1907	65¼	1899
do. pref.	46	47¼	46½	600	44⅜	May 15	56⅜	Jan 31	47	1908	96	1899
Int. Harvester.	104½	105⅜	104⅞	2,300	99⅜	Sept 20	129⅜	May 5	52	1908	125⅜	1910
do. pref.	...	...	120¾	.....	115	Sept 22	128¼	May 4	90	1908	129	1910
Inter. Stm. P'mp	32	33½	32½	1,700	22	Oct 31	44	Feb 10	7¾	1907	60	1906
do. pref.	...	...	83	.....	80	Nov 1	90¼	June 15	50	1907	96	1902
Laclede Gas.	101¼	103¾	102¾	1,500	101¼	Sept 25	114⅜	Jan 20	93¼	1910	116¼	1910
Mackay pref.	72⅜	73⅜	72⅜	300	72	Aug 11	77	Mar 7	59	1907	78⅜	1910
Nation'l Biscuit.	138¾	141	138¾	2,060	117¾	Jan 16	143⅝	Nov 14	98	1900	120	1909
do. pref.	127	127⅜	127⅛	200	124	Jan 20	130	Feb 4	78½	1900	120	1909
Nat. En. & St'p.	14	14⅝	14⅜	300	13⅜	Oct 20	22	July 24	6¼	1907	36	1903
do. pref.	96	96⅛	96	200	85	Jan 6	100⅜	July 22	70	1908	98¼	1909
Nat. Lead.	49½	51⅞	49⅝	4,100	42¼	Oct 27	53⅜	Mar 15	110¼	1903	95⅜	1906
do. pref.	...	...	105	.....	104	Sept 22	109⅜	Aug 15	48	1893	115	1899
N.Y. Air Brake	...	...	55	.....	50	Nov 4	76	June 19	14	1898	168¾	1907
North Amer. Co.	72½	73¾	73	700	64	Jan 10	76½	May 22	2¾	1892	134	1902
Pacific Mail.	30⅝	32½	30½	2,600	23¼	Apr 24	33⅜	Nov 21	8½	1893	70	1895
P'ple's G.L.& C.	103¼	105½	103¾	3,400	101¼	Aug 25	109	Jan 19	89	1893	129¾	1899
Pressed St'l Car	33⅝	33¾	33¾	200	25	Sept 25	37⅝	July 20	15⅝	1907	65⅜	1907
do. pref.	...	...	100	.....	91	Sept 22	102⅝	June 16	52½	1907	111⅝	1909
Ry. Stl Spring.	31	32¾	31	400	24⅝	Aug 28	39	June 14	15⅜	1894	63½	1903
do. pref.	98½	102⅝	98½	200	88⅝	Aug 30	102¾	Nov 21	67	1903	109	1909
Rep'b Ir. & St'l	22⅜	23½	22⅜	3,600	18	Oct 27	35¼	Feb 6	5	1904	49½	1909
do. pref.	82	83½	82	1,900	74⅛	Oct 27	99⅜	Mar 14	38⅝	1903	111¼	1909
Sloss-Sh. S. & I.	42½	42¾	42½	100	34	Sept 25	56¼	Feb 6	17½	1900	118½	1905
do. pref.	...	...	112	.....	112	Feb 15	113	Feb 15	59¾	1900	130	1905
T. Pac. Ld. Tr.	89	90	90	500	84	Sept 11	93	Jan 24	5	1898	95	1910
Texas Company.	80	85¼	85	3,700	79	Nov 28	138⅛	Feb 1	124½	1910	144	1910
Underw'd Type.	105½	110¾	109	5,125	63	Mar 29	111	June 26	44	1909	44	1909
Un. Bag & Pap.	4⅞	5¾	4⅞	26	4⅜	Dec 6	9	Feb 10	3⅜	1904	45	1899
do. pref.	51	51	51	175	50¼	Nov 1	59¼	Jan 20	26	1900	89	1899
U.S.Cast IP & F	14⅜	15⅜	15	1,700	11	Sept 27	19	Feb 24	6	1903	53	1906
do. pref.	47½	47½	47½	100	40½	Sept 27	59⅝	Feb 24	22	1903	97⅝	1907
U. S. Express.	84	84	84	110	84	Dec 6	104	Feb 1	35	1896	160	1903
U.S Rlty & Imp	...	...	60	.....	63	Nov 1	79⅜	May 29	26	1907	98¼	1907
U. S. Rubber.	45⅝	46¼	45	5,200	39½	Sept 27	47⅞	Mar 1	7	1903	60⅝	1899
U. S. Rubber pf.	109	109⅝	109	1,900	104	Sept 28	115½	July 7	30½	1903	123½	1909
U. S. Steel.	61⅝	62	62	322,300	59	Oct 27	82¼	Feb 6	8⅜	1904	91	1910
do. pref.	108⅝	109¾	109⅞	5,850	108	Oct 27	120⅞	Feb 4	49¾	1903	125⅜	1910
do. 5s	101¾	101¾	101¾	134,000	100	Sept 29	106¼	May 27	65	1900	106¼	1910
Utah Copper.	49⅞	51⅜	49⅜	23,700	38	Sept 27	52¼	Nov 27	18	1903	67¼	1909
Virg. Car Chem.	52⅜	54	53	3,000	42¼	Sept 25	70⅜	Feb 23	12⅜	1903	72	1901
do. pref.	118	118	118	300	114	Sept 25	128¼	Mar 15	75	1907	133⅜	1902
West. Un'n Tel.	77½	78¼	77⅝	1,800	71⅜	Mar 29	84½	May 24	41	1903	137¾	1881
West. Mfg. Co.	64½	65	65	300	58⅜	Sept 25	79	May 29	20¼	1898	154	1907
do. pref.	...	...	115	.....	110¼	Aug 16	123	Jan 5	43¼	1896	160	1907

* Ex-dividend. ** New. † Assessment paid. ‡ Ex-rights. § Price bid. ‖ Price asked. ¶ Old securities. ‡ Certificates. x Ex-interest. || Par value basis. *** Receipts.

idends have been withheld, owing to the necessity of building up a

LARGE WORKING CAPITAL,

and with the added reason that no common dividends should be paid until and unless there was an absolute certainty of their continuing. With liquid assets of more than $21,000,000, with cash in the bank of more than $1,500,000, it would seem that the working capital, so far as it affects common stock dividends, was now at a point where that stock should have some consideration. As to the continuance of the common dividend when once initiated, the fact that the average earnings available for common stock dividends after depreciation charges have been $1,335,000 during the last five years, and with that average sum and the sum of $680,000 deducted for the payment of common stock dividends an annual average of nearly $700,000 is available for additions to surplus, would suggest that even the payment of 4 per cent on the common per annum would allow the company to still continue increasing its working capital charging off for depreciation and increasing surplus. Whatever decision the directors make regarding the common stock dividend, and it is an even chance either way, it is a fact that the owners of common stock who have held it during a period of years are

BETTER OFF TO-DAY,

as far as assets and securities are concerned, than they would be had the company started paying a common stock dividend at the outset. With the abundant resources at the company's command and the record of earnings, it would seem that this dividend is very near, even though it be not declared this month.

The Charlotte Harbor & Northern Railroad, which is owned by the Agricultural Chemical Company through owning all of its securities, is now for the first time on a money-making basis, just having arrived there, although the last statement showed a deficit. This road in Florida was built from the company's phosphate properties to Charlotte Harbor to give them a more advantageous outlet for their raw material than they had through existing lines. The primary step in building this road was to accommodate the company itself, but as the road passed the phosphate beds of other fertilizer companies, already a volume of freight is assured it. With the growth of the west coast of Florida as a winter resort there is the expectation that the road will share in the business increasing now for other Florida roads taking care of the tourist and winter travelers.

The great increase in the fertilizer business of this company, which is pointed out above, is due to the fact that the agricultural interests throughout the country are largely increasing their use of artificial fertilizer per acre as well as to the demand for fertilizer arising from the "back to the soil" movement which is an actuality. It is an interesting fact that the business of the fertilizer company is

REMARKABLY BETTER

during years of depression in other lines of effort. That is, take what is called a panic year when men are

Digitized by Google

thrown out of employment, that is wage earners, there is a decided movement to the soil beginning with the man who tills an acre or more, because he has time on his hands and the land available, up to the man, who because of depression in his own business which he owns and which has made him a moderate capitalist, goes back to the land, taking up an abandoned or deserted farm and becomes the user of this company's product, and while the individual increases the sales just a little, the mass of such consumers causes the total increase to be large.

The increase in farming operation, that is, the increase in the number of acres tilled, does not then alone account for the increased use of fertilizer and the increased profits of the American Agricultural Chemical Company. That helps, but the large item is the fact that farmers now use twice as much or more fertilizer per acre than they did a few years ago, and this movement is spreading rapidly. The operations of the American Company are not confined to any one section of the country, as they reach from Maine to Florida and to the coast. They have sixty manufacturing and distributing plants supplying the retailers of the product throughout the country. The chemists in the employ of the company advise the agricultural interests as to the formula of the

NECESSARY FERTILIZER

to promote certain crops. And the results of scientific agriculture in any section are largely and quickly recognized not only by the immediately surrounding country, but over a continually increasing area, thus increasing the sales and profits of all of the fertilizer manufacturers. The American Agricultural Chemical Company does not need new business, that is, there is no deficiency in its selling force, as is pointed out by increasing income and profits. It is doing much better than keeping up its property and its fair share of trade, and it is in such a satisfactory financial condition that the dividends on its common stock cannot be much longer delayed. The past and present record of the company not only warrants the 4 per cent on the common now and hereafter, but my prediction is that not many annual 4 per cent dividends will be paid before the same common stockholders who have been asking and with good reason for that recognition, will ask for further profits.

P. De Medici.

Thompson Towle & Company, New York office, 25 Broad street, have opened an unlisted securities department under the management of Carroll H. Dawson, formerly of the firm of Gilbert Elliott & Company.

The Spokane Chapter of the American Institute of Banking will give a benefit performance at the Auditorium theatre, December 12. W. H. White of the Spokane & Eastern Trust Company, has charge. The proceeds will be used to buy additional furniture and books for the club rooms in the Exchange bank building.

WINTERS, CAL.—Articles of incorporation of the Savings Bank of Winters have been filed, capital $25,000.

THOMAS W. WELSH, JR.

The news of the death of Thomas W. Welsh, Jr., the vice-president of the Second National Bank of Pittsburgh, Penn., while he was returning from the Convention at New Orleans came as a distinct shock to the many friends he had in all parts of the country. Although not a robust man, he never impressed one as being of frail physique, and his sudden passing away was entirely unexpected.

Mr. Welsh was by nature a maker of friends. Distinctly of a lovable disposition, he sought and found the qualities in those whom he met that were lovable. In his busy daily life, he had naturally to come in contact with every sort and condition of men, and to see them in all of their varying moods. They came to him when they were enthusiastic and when they were depressed. It was his duty to restrain the undue enthusiasm of the one customer, and to deal considerately with the depressed visitor. For either of these exacting tasks, he proved himself abundantly fitted. To sit as the

DISPASSIONATE ARBITER

as Mr. Welsh had to do, is never an easy undertaking, but his power to do all this, and still to add constantly to his circle of friends, made him the successful banker that he was.

Mr. Welsh was a native of Pittsburgh, and believed in his city. He was one of the first among the bankers there to foresee the possibilities of the place as a reserve centre, and under his tutelage, the Second National bank acquired a line of deposits from other banks, who came to feel a sense of personal relation to it as their reserve agent, that resisted the arguments of rival banks, no matter how persuasively these arguments were voiced. They were getting a service which satisfied them, and they were not going to show ingratitude by turning away. The truth is, they felt that they were getting all for which they might fairly ask.

And yet, Mr. Welsh saw as quite clearly, as did anyone, the necessity of tempering the conduct of any reserve agent

WITH CONSERVATISM.

He would not hold out as bait to prospective customers among the banks of the country any inducements that conservatism could not justify. He set his face resolutely against devices for getting business that more than one reserve agent is willing to try. He felt that business obtained by such inducements is not only not of advantage to the bank which obtains it, but is not lasting. It departs for some other bank just as soon as the lines commence to tighten, and the terms under which it came become more rational. Consequently, it was a steady growth which the Second National Bank obtained, rather than a sensational one, but it was a growth which persisted, and the business which came soon became proof against attack by solicitors of competing banks.

Within the bank he was a cheerful influence. Without being effusive, but rather by force of example, he caused a spirit of cheerfulness to be felt throughout the bank [illegible] it, too, and it will long [illegible] the regrets of many a [illegible]s to Pittsburgh that he can no longer include the hearty grasp of the hand and the kindly smile of Mr. Welsh.

To succeed Mr. Welsh as vice-president, James M. Young, his associate as cashier for several years, has been elected. Mr. Young will continue also as cashier. In addition to the present assistant cashier, Mr. B. A. Patterson, with whose good work in connection with numeral transit systems, many bankers are familiar, George A. Stephenson, and Harry D. Ramsey have been chosen assistant cashiers.

RECLAIMING MARSH LAND.

A statement issued by the Department of Agriculture says: "A great deal of money has been expended for reclaiming tidal lands without obtaining permanent effective results. The failures have been due principally to lack of co-operation among the landowners; to ignorance or disregard of the fact that, unless preventive measures are taken, many marshes will settle to an extent that will render pumping necessary, and to the insufficient size, or poor construction and maintenance of levees, sluices and ditches.

"Upon the efficiency of the drainage ditches and sluices will depend the elevation of the ground-water, and the depth of the water below the ground surface will control the kind of crops that can be raised. Land 1 to 1½ feet above the water-table will furnish good pasturage; 2 to 2½ feet above, good hay and corn fields and 4 to 4½ feet, good wheat fields. In draining and plowing due care should be used not to injure the soil structures.

"Unreclaimed lands worth $1 to $20 per acre will be worth $20 to $100 or more per acre when drained, depending on location, elevation, fertility and development. The cost of reclamation will vary widely, but under average conditions thorough drainage will not exceed $50 to $60 per acre. Besides producing a financial benefit, draining marsh lands destroys the breeding places for mosquitos and reduces the unhealthful conditions that cause malaria, chills and fevers".

ASHTON G. CLAPHAM HONORED.

His Success as a Banker Justifies His Election as a Vice-President of the American Bankers' Association.

The election of Ashton G. Clapham, of the Commercial National Bank of Washington, D. C., as one of the vice-presidents of the American Bankers' Association, is especially appropriate Mr. Clapham is known in Washington and states roundabout as the "banker's banker". He has caused the Commercial National Bank to grow steadily until to-day, it is one of the largest banks in his part of the country.

It is rather, however, because of the excellent service which he gives banks all about Washington, who are his customers, that he has been given the title above stated. He has arranged direct collection facilities over a large territory, and has thus been gaining back for Washington that importance as a reserve and collection centre which Baltimore banks have tried to take away from Washington, with so much success heretofore.

Digitized by Google

The Best Purchases on the Railroad List

As Indicated by the Two Standards of Comparison: of Present Investment Yield on Basis of Current Dividends and Prevailing Market Price, and on Basis of Present Earnings on Prevailing Market Values.

The average net yield of the 50 railroad stocks quoted in the following table was 5.24 per cent on December 6, as compared with 5.24 per cent on November 29, 5.43 per cent on January 4, and with 4.71 per cent on January 2, 1910.

The Wabash Railroad Company, which has been in a bad way financially for years, is to be reorganized. Representatives of the Equitable Trust Company, which is the trustee of the first refunding and extension mortgage are to be in charge of the reorganization, with Kuhn, Loeb & Company as the bankers. It is recognized as a possibility that a receivership may later be deemed advisable, but it is understood to be the belief of the financiers who are to draft the readjustment plan that it will not prove necessary.

Much interest was excited by the announcement that Kuhn, Loeb & Company were to do the financing under the coming reorganization plan, in view of their experience last March with the Missouri Pacific. The firm, however, has a direct interest in the Wabash since 1908, when they made a loan to that company on $8,000,000 Wheeling & Lake Erie notes, guaranteed by the Wabash. It is understood that in their relations with the reorganization committee Kuhn, Loeb & Company are to act simply as bankers.

The Wabash securities reached their high level this year in February, when it was supposed to be settled that Kuhn, Loeb & Company were to have a free hand in modernizing the Missouri Pacific, the common going to 18⅜, the preferred to 40⅜ and the refunding 4s to 71⅝. They declined when that proposed arrangement fell through, but have two or three times meanwhile had periods of activity and sharp advance on reports that the troubles of the road were to be adjusted. On Monday of this week the bonds rose nearly six points, and both bonds and stocks were dealt in heavily. On the news of the reorganization plan, the bonds fell from 55⅜ to 51½, the preferred stock from 22½ to 17⅜ and the common stock from 10 to 6⅜, the lowest in ten years.

The Wabash annual report for the fiscal year ended June 30 last showed a deficit for the year of $402,421 and a balance to the debit of profit and loss of $6,126,934, the latter item comparing with a debit of $2,930,213 a year previously. In commenting upon this poor showing, President Delano said in his report to the stockholders:

"Every investigation of Wabash conditions, and there have been many by both interested and disinterested parties, confirms the statement that the property as it stands has been well maintained, but that it might, if cash were available for needed betterments and improvements, greatly increase its earning capacity and decrease its operating ratio. The Wabash, with its short lines between St. Louis and Kansas City, St. Louis and Detroit, Chicago and Detroit, Chicago and Toledo, Kansas City and Toledo, Kansas City and Detroit, lags behind its competitors both in volume of business and in the cost of doing it, because it has not the adequate facilities. The difficulty is a financial one, and has been beyond the power of the management to remedy."

STOCKS SHOWING BEST INVESTMENT YIELD

Present rank.	Stock.	Present dividend.	Price.	Yield on present price.
1	Toledo, St. L. & W., pref.	4%	42	9.52
2	Chesapeake & Ohio, com.	5%	74	6.76
3	Detroit United	5%	75	6.66
4	B. R. T.	5%	78	6.41
5	St. Paul, com.	7%	110	6.36
6	St. L. & San F., 1st pref.	4%	66	6.06
7	K. C. Southern, pref.	4%	66	6.06
8	M., K. & T., pref.	4%	66	6.06
9	Northern Pacific	7%	118	5.93
10	Baltimore & Ohio, com.	6%	102	5.88
11	Union Pacific, com.	10%	174	5.75
12	Colo. & Southern, 1st pref.	4%	70	5.71
13	Twin City R. T., com.	6%	105	5.71
14	N. Y., N. H. & H.	8%	141	5.67
15	Atchison, com.	6%	106	5.66
16	Lehigh Valley	10%	177	5.65
17	St. Louis S. W., pref.	4%	72	5.55
18	N. Y., C. & St. L., com.	3%	54	5.55
19	Norfolk & Western, com.	6%	108	5.55
20	Great Northern, pref.	7%	127	5.51
21	Southern Pacific, com.	6%	111	5.40
22	Delaware & Hudson	9%	168	5.36
23	C., C., C. & St. L., pref.	5%	94	5.32
24	C., St. P., M. & O., com.	7%	132	5.30
25	P., C., C. & St. L., com.	5%	95	5.26
26	M., St. P. & S. S. M., com.	7%	137	5.11
27	Colo. & Southern, 1st pref.	4%	77	5.19
28	Atlantic Coast Line	7%	137	5.11
29	K. C., F. S. & M., pref.	4%	79	5.06
30	N. Y., O. & W.	2%	40	5.00
31	Pennsylvania	6%	122	4.92
32	Illinois Central	7%	142	4.96
33	Chicago & N. W., com.	7%	143	4.90
34	Western Maryland, pref.	4%	82	4.88
35	Atchison, pref.	5%	104	4.81
36	Buffalo, R. & P., com.	5%	105	4.76
37	St. Louis, pref.	7%	147	4.76
38	M., St. P. & S. S. M., pref.	7%	148	4.73
39	N. Y. Central	5%	106	4.71
40	Baltimore & Ohio, pref.	4%	85	4.70
41	Louisville & Nashville	7%	157	4.46
42	Norfolk & Western, pref.	4%	91	4.39
43	Union Pacific, pref.	4%	92	4.35
44	Canadian Pacific	10%	239	4.18
45	Colo. & Southern, com.	4%	96	4.08
46	Boston & Maine	4%	100	4.00
47	Reading, com.	4%	154	3.90
48	Central of N. J.	13%	349	3.87
49	D., L. & W.	20%	550	3.63
50	Southern Railway, pref.	3%	81	3.82

STOCKS SHOWING BEST EARNINGS

Present rank.	Stock.	Price.	Earning on present price.
1	St. L. & San F., 2d pref.	43	27.70
2	Erie, 1st pref.	52	24.60
3	Detroit United	75	18.25
4	Southern Railway, pref.	71	18.25
5	Hocking Valley, com.	124	16.20
6	M., K. & T., pref.	66	14.75
7	Colo. & Southern, com.	49	13.90
8	Buffalo, R. & P., com.	105	13.75
9	Norfolk & Western, com.	108	11.55
10	Louisville & Nashville	157	11.40
11	Southern Pacific, com.	111	10.90
12	Twin City R. T., com.	105	10.80
13	M., St. P. & S. S. M., com.	133	10.40
14	Atlantic Coast Line	137	9.70
15	Chicago Gt. Western, pref.	39	9.60
16	C., C., C. & St. L., com.	63	9.20
17	N. Y., C. & St. L., com.	54	9.10
18	D. & R. G., pref.	48	9.05
19	Erie, com.	31	9.05
20	B. R. T.	78	8.95
21	Union Pacific, com.	174	8.90
22	Central of N. J.	349	8.25
23	Great Northern, pref.	127	8.20
24	United Rys. Invt., pref.	61	7.80
25	St. L. S. W., pref.	72	7.75
26	Baltimore & Ohio, com.	102	7.75
27	Delaware & Hudson	168	7.60
28	N. Y. Central	106	7.40
29	Canadian Pacific	239	7.25
30	Lehigh Valley	177	7.20
31	Chesapeake & Ohio, com.	74	6.90
32	K. C. Southern, pref.	66	6.50
33	P., C., C. & St. L., com.	95	6.50
34	Northern Pacific	118	6.35
35	Illinois Central	142	5.95
36	Chicago & N. W., com.	143	5.90
37	Atchison, com.	106	5.50
38	Pennsylvania	122	5.40
39	D., L. & W.	550	5.10
40	N. Y., N. H. & H.	141	4.70
41	Western Maryland, pref.	82	4.55
42	C., St. P., M. & O., com.	132	4.15
43	M., K. & T., com.	20	3.60
44	Reading, com.	150	3.15
45	N. Y., O. & W.	40	2.55
46	St. Paul, com.	250	2.50
47	Toledo, St. L. & W., pref.	42	1.80
48	Rock Island, pref.	50	1.65
49	K. C. Southern, com.	20	0.75
50	Boston & Maine	100	0.15

Digitized by Google

UPON PRESENTATION

at the Office of

THE MIDDLESEX BANKING COMPANY

OF MIDDLETOWN, CONN.

DEBENTURES OF Series E16, for $204,000.00, and Series E22, for $188,500.00, maturing January 1st, 1912, WILL BE PAID at par with interest to the date of payment.

5% PROFIT SHARING BONDS

Protected by carefully selected NEW YORK CITY REAL ESTATE

The profit Additions for the past 9 years have averaged over

12% Per Annum

making present Book Value of a $1,000 Bond $2,087.20 after having received $450 in interest

SOLD AT PAR

Denominations, $10 to $1,000 and upwards

Can you afford to overlook this safe investment opportunity?

INTER BOROUGH REALTY COMPANY

(Assets Over $1,105,000.00)

10 WALL STREET, NEW YORK CITY

Special Letter

Devoted to copper situation at home and abroad, and mentioning particularly —Miami, Republic Steel, Ray Central, Live Oak, Inspiration, Giroux, Ray Cons., Porcupines and Tonopahs—mailed free upon request.

"Coppers" and Curb Stocks bought and sold for Cash or Carried on Margin

H. A. BROWN & CO.

Members Boston Curb Exchange

60 State St., Boston — 74 Broadway, New York

6 PER CENT INTEREST PAID

By Coupon on Bonds Secured by Well Selected New York Real Estate.

"We Deal in No Other Securities"

THE DEBENTURE CORPORATION OF NEW YORK

334 Fifth Avenue New York City

A SPLENDID STOCK FARM AT A SACRIFICE

A 1516 ACRE HILL PLANTATION in Jefferson County, Miss., near railroad and parking house with residence containing 11 rooms, also barns, cisterns, cabins, dipping vat for cattle and at least $1500 worth of fencing. Healthy location. Land is well watered with bermuda and Bermuda grass. Land Government land with 40 and 160 acres of bermuda Japanese clover, which grows wild on this property.

Price on $11.00, including all improvements. I have other bargains for investors and farmers.

T. B. K. HOCKSKIN, Box 268, Vicksburg, Miss.

MONATON REALTY INVESTING CORPORATION

Pays

6% COMPOUND INTEREST

On Money Invested in

Its Accumulative Certificates

Running terms of 10, 15 or 20 yr.

Payments may be made annually, semi-annually, quarterly or monthly.

SECURITY

OWNERSHIP OF NEW YORK INCOME PROPERTY

Affording

Immediate returns on investments and Opportunity for increase of valuation.

For Illustrated Booklet, inquire:

Publicity Department

Times Building

Broadway & 42nd Street, New York City

First Mortgage Bonds

For Small Investors

WEEKLY OR MONTHLY PAYMENTS

Government, State and Municipal Issues, also Standard Railroad, Public Service and Industrial Bonds sold in any amount for Cash or on Weekly or Monthly Payments. **Best, Easiest and Safest way to provide for your future.**

Circulars 106 on request; Correspondence invited

Resident Representatives Wanted

FUNDING COMPANY OF AMERICA

40 EXCHANGE PLACE, NEW YORK

6%

A Good Investment

To investigate is the six per cent Realty Bond of the New York Central Realty Company issued in denominations of $1,000, $500, and $100.

It offers a high grade of security, a liberal cash availability and an interest earning of 6%.

WRITE for booklet illustrating the methods of the Company, describing its bonds, their redemptive privileges and advantages over other Realty securities. **Everybody knows us.**

New York Central Realty Co.

Suite 1190, 1328 Broadway, Cor. 34th St., New York City

CAPITAL AND SURPLUS, $1,464,588.34

WANTED

Old Point Comfort Impt. Incomes
Chicago Telephone Co. Stock
Everett Water Co. 5s
Denver Union Water 5s
Springfield (Mo.) Water Co. 5s
Peoria Water Works Co. 4s

H. C. SPILLER & CO.

Specialists in Inactive Bonds

27 STATE STREET BOSTON

GEORGIA FARM LOANS 6%

Net on first mortgage farm loans in the rich belt of Southwest Georgia. Cotton, corn, oats, wheat, hay, peaches, cantaloupes, and other money crops are produced.

Seventeen years' experience without a loss.

EMPIRE LOAN & TRUST CO.
Americus, Ga.

BENNETT'S

INFORMATION AGENCY

INVESTMENT DEPARTMENT

The wisest men in the United States are those who never make a new investment which they consider good, and never get rid of an old investment which they consider bad, until they have made an investigation of the merits of the investment through BENNETT'S INFORMATION AGENCY.

CONGRESSIONAL INFORMATION

We attend to business at the Treasury Department as well as before Congress, the Courts, and all departments of the United States government, through our Washington office, 208 Corcoran Building, and through our staff of Washington correspondents. If you desire any information from Washington, or any business transacted at the Nation Capital, we shall be pleased to perform the desired service for our subscribers.

PROBATE DEPARTMENT

Information respecting probate matters, in any town or city of the United States, is furnished to our subscribers gratuitously if the inquiry is answered through the columns of the INVESTOR, or for $2.00 if the reply is by private letter.

LEGAL DEPARTMENT

Questions answered by prominent attorneys upon any desired subject for $2.00 each.

MERCANTILE DEPARTMENT

A report regarding the standing and reliability of any firm or individual in the United States furnished for $2.00. Our information goes into the character and individuality of members of a firm and its methods of doing business.

MISCELLANEOUS QUESTIONS

Inquiries of any sort answered for $2.00 each. Send for descriptive pamphlet of the agency.

REAL ESTATE DEPARTMENT

A report upon any piece of property in the United States furnished for $2.00.

Conducted by

Frank P. Bennett & Co., Inc.

530 Atlantic Ave., BOSTON.

308 Chestnut St., PHILADELPHIA

2 Rector St., NEW YORK.

Digitized by Google

GENERAL LIBRARY
UNIV. OF MICH.
DEC 18 1911

United States Investor

Copyright 1911, by Frank P. Bennett & Co., Inc.

Volume XXII. BOSTON, NEW YORK AND WASHINGTON, DECEMBER 16, 1911 Number 50

A One-Sided Deal

The offer which a Connecticut bank recently had for the collection of its Canadian items is so unique as to deserve some discussion. Like most banks miles away from the Canadian frontier, this Connecticut bank has found the collection of such Canadian items as it receives no merry pastime. Through New York or Boston, it could collect them by paying exchange, or if it maintains a balance at Albany or Buffalo, it could obtain their collection at par. Neither of these alternatives has appealed to it with much warmth. The payment of exchange annoys it, and it does not care to maintain more than a small balance outside of Boston and New York, because it is not large enough to stand much division of its reserves. It was, therefore, in the proper mood to welcome any one who came to it with a more attractive proposition than either of these. Such a visitor did arrive a few days ago with a proposition that from the standpoint of the Connecticut bank is almost astonishingly liberal. As a matter of fact, the Connecticut bank may fairly question the advantage of the new arrangement to this other bank with which it has now made a deal for the collection of Canadian items. On the theory, however, that it is not required either by national bank act or any other code of law to be its brother's keeper, the Connecticut bank banishes from its mind any feeling of concern for that other bank, and thinks only of the advantage to itself which the new arrangement produces.

All Canada At Par

Here are the terms of the new arrangement: The other bank, which, by the way, is one of those new trust companies, not such a very long distance away from Boston City Hall, that seek much of the collection business which the national banks of Boston have put under the ban, takes the Canadian items from this Connecticut bank and credits them at par. As it probably pays a fairly substantial outlay itself in the process of converting these items into Boston or New York exchange, one's first query is as to the way in which this trust company obtains its own recompense. It isn't assuming the expensive burden of collecting these items for the Connecticut bank from the mere joy of doing this Connecticut bank a favor. It has some way of recouping its loss from these collections.

In the ordinary course of banking, it would be expected to require a balance from the Connecticut bank. It does not do so, and that fact makes its arrangement with the Connecticut bank all the more unusual and difficult of understanding. Neither does it obtain any compensating advantage from the Connecticut bank in the form of a mass of other items to collect on which it can make a profit. The only other items that it obtains from the Connecticut correspondent are notes on various points throughout New England which the Connecticut bank needs to have collected. From such items the Massachusetts trust company is hardly likely to reap such profit as will make its receipt of the Canadian items less of a nuisance, since it has actually agreed to collect these New England notes also at par. The only consideration it obtains from the Connecticut bank is an agreement to remit daily at par on items on that Connecticut bank's own town.

If this isn't about the most one-sided arrangement of which any transit man ever heard, we miss our guess. A swap of all Canada at par and all New England at par for par facilities in one modest Connecticut city looks like paying good dollars for something whose value should be measured in cents. What under the sun, you will ask, ever led the trust company of Massachusetts to offer the Connecticut bank such absurdly generous treatment? Can the Massachusetts bank man have been in his right mind when he made the offer?

The Recompense

It may add to your surprise and perplexity to be told that the Massachusetts man is a rather canny citizen, and isn't given to being worsted in his deals. He had his own reasons for desiring a particularly good connection in this Connecticut town. The price he has paid to obtain it does not seem to him exorbitant. He is making a hard fight to get business from some banks or business men in New York and Philadelphia. He must impress them there with the directness of his facilities for collecting Connecticut points.

He feels that it is worth a good deal to include this Connecticut place in his array of par points. All of the banks in that point make it almost a matter of principle to charge every New York bank from 1-20 to 1-10 of one per cent exchange for every item the New York bank sends. They reason that if the New York banks are to collect a toll on every Connecticut check deposited with them, the Connecticut bank on which the check is drawn should make the New York banks give up their ill-gotten gains. If a New York bank is to charge its depositors one-tenth of one per cent on every Winsted check, for instance, there is no reason why the Winsted bank should give any New York bank a remittance at any less rate than that. **If the Winsted bank is to have among New York bank depositors the reputation of charging toll, it may as well have the profit also.**

Get Business In New York

Under such conditions, those collection banks of Massachusetts or elsewhere which can build up a substantial list of Connecticut par points can not only obtain considerable prestige thereby, but also are able to solicit business in New York with considerable prospect of success. From the smaller banks of New York City they can agree to take New England items, including Connecticut, and collect them directly and expeditiously. They will, of course, exact a balance from these New York customers, but such a balance the New Yorkers do not object to giving.

The mere fact in the case above cited that the Massachusetts bank is a trust company is not of material weight. Even though it were a national bank, it would not be a legal reserve agent for any New York institution. Therefore, it is a matter of utter indifference to these New York banks whether they deal for New England collections with a trust company or a national bank. Take them as a whole, the trust companies of Massachusetts are a pretty strong and sound lot of banks.

The purpose of the Massachusetts

Digitized by Google

Trust Company which has made the offer to collect Canadian items as detailed above, is to get substantial balances from small New York banks. From the earnings of those balances it intends to make good whatever expense it incurs for collecting these Canadian items for this Connecticut bank. Nevertheless, there are plenty of transit men who will still feel that this trust company has made the Connecticut bank a far more liberal offer than it needed to make. They will assert that a cleverer trader would have obtained daily par remittances from the Connecticut bank without promising quite such elaborate agreements in return.

Real Estate Loans

A Vermont national bank writes us that it is turning over in its mind that ancient question whether a national bank ought to be allowed to invest in real estate loans. A letter it has received from the comptroller of the currency has dragged the question forth from the mental pigeon hole, to which the bank had long ago consigned it. Mr. Murray desires to learn this bank's opinion as to the wisdom of permitting national banks to accept real estate as collateral. How extensive a campaign of inquiry Mr. Murray is making along this line, we do not know. On the whole, we are a bit surprised that he is making one at all. If any doubt exists in his mind that a majority of the national banks of the country favor a repeal of those provisions of law which prohibit loans by national banks on real estate, he is going to have that doubt dispelled in a way calculated to open his eyes.

How Banks View Them

The fact is that there are precious few national banks who will reason themselves to a conclusion on this topic along national lines. They are bound to look at the problem in purely local fashion. Perhaps, without their really meaning that it shall be so, their belief that all national banks should or should not be permitted to lend on real estate will vary according as the conditions in their community call for or advise against such loans by themselves. The writer has discussed this very question with an immense number of national banks, and in a surprising number of instances has found them favoring real estate loans for national banks on no better ground than that a rival state bank is making such loans. The trust company across the street can lend upon real estate, and has suffered no ill from so doing. The savings bank down the road lends on real estate, and is thus able to pay 4 per cent upon savings deposits. Each of these institutions competes with this national bank. The desire of the national bank cashier or president to hold his own in competition with these other two institutions leads him to cry out against his enforced abstinence from real estate loans.

The Affirmative

That there are banks in this country which ought to be prohibited from such loans, that real estate loans do not constitute sufficiently quick assets for a commercial bank, are considerations that do not appeal to such bankers. The conditions which confront them in their daily round are what do appeal. And it is because local conditions, since the advent of the trust company, have made many national banks hanker for real estate loans who never had much desire for them before, that we are confident the comptroller will find a vast majority of replies from the national banks to argue strongly for liberalization of the national bank act in this regard.

There is something to be said for the affirmative side of the case, we freely admit. A distinctly commercial bank ought to shun real estate loans as it would shun the promissory notes of a proven bankrupt, but the distinctly commercial bank is becoming a somewhat less numerous factor in the national bank situation. Outside of the largest cities, the disposition of banks to take on savings deposits and other accounts not of the commercial variety is becoming very general. The contention that the investment of such deposits does not require the rejection of real estate loans is a difficult one to combat, and probably cannot be combatted successfully. The essential unliquidness of real estate loans which makes them a highly improper outlet for the funds of a commercial bank does not present serious difficulties when the funds to be invested are like savings funds, infrequently drawn upon, and in a very large number of instances, time rather than demand deposits. Consequently, to the extent that the bank holds savings deposits, it is a likely candidate for authority to lend upon real estate.

Repeal Should Be Conditional

We should hope, however, that before presenting the results of his canvass in any public report, the comptroller would discuss also with the banks what modifications they would make in the rule which would empower national banks to lend on real estate. The figures he collates from the responses he receives may create a profound impression. If the majority among the national banks for alteration in the national bank act is overwhelming, it will sweep Congress completely off its feet. That body is rarely overburdened with intelligence on problems that relate to banking. It most certainly cannot be relied upon to appreciate any arguments for caution in extending the powers of the national banks, if a substantial majority of national banks are enlisted on the other side.

The members of Congress are not going to take the trouble to probe into the matter and seek to discover whether safeguards should surround the proposed new statute unless from among the banks themselves or from some other source the details of these safeguards are suggested. Therefore, the comptroller should seek to learn from each bank what limitation it would have upon the power of the national banks if that power shall be broadened, whether they would restrict them to one portion of their deposits in making real estate loans, and whether they would put even those deposits on a different basis from that which now prevails before changing the laws.

In brief, wouldn't they confine real estate loans to the savings deposits of a national bank? Wouldn't they segregate those deposits and define more closely the relations between banks and savings depostior before permitting loans even of such deposits in this class of security? Unless the comptroller does obtain this information along with the other data for which he has asked, his compilation of figures may be productive of harm. According to our way of thinking, Congress should keep the demand deposits of a bank in loans of the very liquid variety, and it should keep even the savings deposits of the national banks out of the less liquid loans until the national banks are in legal position to require preliminary notice of withdrawal from every savings depositor.

Segregation Necessary

We would go even further than that, and would segregate savings deposits in the national banks absolutely. There is something positively unattractive to us about the idea of having savings depositors in a no more protected condition in a national bank than the checking depositors hold. The best public policy is that which surrounds savings deposits with every reasonable safeguard. Nothing draws

Digitized by Google

hoards out from old stockings and chimney corners like a general feeling the funds are safe in the savings banks of the community. The extent to which the mutual savings banks of New York and Massachusetts have induced deposits by all sorts of elements in the population is almost amazing to people in other parts. In no other part of the world, and at no other type of bank does one find so cosmopolitan a patronage or such extensive a use of banks by those whose incomes are small. From the experience of these banks, it may fairly be concluded that a complete separation of the savings deposits of national banks from those risks of the business to which the checking accounts must naturally be subjected would bring in an increase of deposits that in itself would constitute sufficient justification for such segregation. Even more justification is to be found in the extent to which segregation will prevent loss to savings depositors when national banks fail. Public interest always requires that the blow of a bank failure shall be broken as much as possible for savers. For the savings depositors of a national bank to emerge unscathed from a national bank wreck will do more to encourage saving than scores of lessons on thrift in the public schools can do. The blow which a failure strikes at the thrift of a community is one which legislators should seek to prevent or temper to the largest extent possible.

An Unattractive Argument

And above all things, we should hope that the argument by which one of Vermont's national banks comes to the conclusion that it should be permitted to lend on real estate would not impress any member of Congress. This bank is in competition for savings deposits with a mutual savings bank located in the same town. Without difficulty that mutual savings bank pays 4 per cent interest upon deposits. The national bank must pay the same rate in order to obtain deposits, and it finds some difficulty in doing so. Apparently, it cannot keep its funds steadily occupied at so good a rate on commercial paper alone as it could if it were permitted to lend both on commercial paper and real estate. If it could have access to real estate loans as the savings bank has, its competition with the savings bank would be more to its liking.

When the comptroller of the currency learns from this national bank that it favors a modification of the National Bank Act, he ought to set rather small value upon its expression of opinion. No sound economic

Short Term Investments

Investment bonds and notes issued to mature in from one to five years are favored by many investors as yielding a somewhat better income than long time obligations. In addition, such securities, particularly of the larger issues, usually command a ready market and are less subject to wide fluctuations in price.

We have prepared a booklet giving brief descriptions of the principal issues of such securities, which we will be pleased to furnish on request.

Ask for Booklet S—640

Guaranty Trust Company of New York

28 Nassau Street

Capital and Surplus, - $23,000,000
Deposits - - - - 161,000,000

THE

German National Bank

PITTSBURGH, PA.

Capital and Surplus, - $1,200,000

Can offer you the personal service of officers who regard no account as unworthy their utmost skill.

Portland National Bank

PORTLAND, MAINE

Union Mutual Life Insurance Co. Bldg.

Accounts received on the most liberal terms consistent with sound banking
Collections receive prompt attention.

WM. W. MASON .....President
EDWARD W. COX .....Vice-President
CHAS. G. ALLEN .....Cashier
EDWARD L. PIPER .....Asst. Cashier

Directors:

Fred E. Richards, Charles G. Allen,
Henry B. Cleaves, George F. West,
William W. Mason, George Westcott Beyer,
Lyman M. Cousens, Roswell C. Bradford,
Edward W. Cox.

THE

SEABOARD

National Bank of the City of New York

Capital - - - $1,000,000
Surplus and Profits (Earned) $2,075,000

Accounts Solicited

S. G. BAYNE.....President
S. G. NELSON.....Vice-President
C. C. THOMPSON.....Cashier
W. K. CLEVERLEY.....Assistant Cashier
L. N. DEVAUSNEY.....Assistant Cashier
J. C. EMORY.....Assistant Cashier
O. M. JEFFERDS.....Assistant Cashier

Franklin National Bank

PHILADELPHIA

Capital $1,000,000.00
Surplus and Undivided Profits. 2,736,181.17

INCORPORATED 1900.

OFFICERS:

J. R. McALLISTER, President.
J. A. HARRIS, JR., Vice-President.
E. P. PASSMORE, Cashier. L. H. SHRIGLEY, Assistant Cashier.
J. W. HARDT, Assistant Cashier.
Foreign Exchange Department.
WILLIAM WRIGHT, Manager.

Chartered 1836

GIRARD TRUST CO.

PHILADELPHIA

Capital and Surplus, $10,000,000

OFFICERS

E. B. MORRIS :: :: :: President
W. N. ELY :: :: :: Vice-President
A. A. JACKSON :: :: :: Vice-President
C. J. RHOADS :: :: Vice-Pres. & Treas.
E. S. PAGE :: :: :: Secretary
G. H. STUART, 3d. :: :: :: Asst. Treas.
S. W. MORRIS :: :: Asst. Secretary

OLDEST BANK IN AMERICA
Chartered by Congress, 1781.

The Bank of North America

(NATIONAL BANK)
PHILADELPHIA, PA.

Capital .....$ 1,000,000.00
Surplus 2,250,000.00
Undivided Profits..... 371,000.00
Deposits 15,075,000.00

HARRY G. MICHENER .....President
SAMUEL D. JORDAN.....Cashier
WILLIAM J. MURPHY.....Asst. Cashier
RICHARD S. McKINLEY.....Asst. Cashier
Accounts Solicited
Correspondence Invited

Western National Bank

PHILADELPHIA

Capital - - - - - - - $600,000.00
Surplus and undivided profits - 257,592.67

GEORGE E. SHAW, President
EDWARD J. DURBAN, Vice-President
SIDNEY LABE, Vice-President
E. E. LINDEMUTH, Vice-President
CHARLES F. WIGNALL, Cashier
JOHN BAUMGARTNER, Asst. Cashier

A conservatively managed bank invites your correspondence.

CAPITAL, SURPLUS AND PROFITS
$3,300,000

THE NATIONAL BANK
of the
REPUBLIC
OF CHICAGO

offers to conservative bankers its facilities developed and perfected by twenty years of close personal relations with correspondents in all parts of the country.

JOHN A. LYNCH, President,
W. T. FENTON, Vice-President,
R. M. McKINNEY, Cashier,
O. H. SWAN, Assistant Cashier,
JAMES M. HURST, Assistant Cashier,
WM. R. LAVINIA, Assistant Cashier,
W. H. HURLEY, Assistant Cashier.

Digitized by Google

UNION EXCHANGE NATIONAL BANK, NEW YORK
CLEARING HOUSE No. 100
CAPITAL AND SURPLUS $2,000,000 Organized 1903 DEPOSITS $10,000,000
SITUATED IN THE NEW COMMERCIAL AND MANUFACTURING DISTRICT, 5th AVE. AND 21st STREET
Banks that can handle to advantage the items payable in their locality are invited to correspond with us

considerations have entered into the forming of this opinion, no spirit of regard for the welfare of the national banking system. Instead, self interest has been the one potent consideration. It is a self interest to which Congress ought to be chary about catering. While Congress may fairly entertain a strong desire to put the national banks in position to compete as keenly as possible with the trust companies and other joint stock banks of state charter, it most certainly ought not to assist the national banks with no better motive than that of helping them in their competition with mutual savings banks. Congress should have the same zealous friendship for the mutual savings bank that the legislatures which created them should have. For it to have any other attitude toward the mutual banks is distinctly to its discredit.

There are plenty of sound arguments for taking down the bars which exclude the national banks from real estate loans. Not the least of such arguments is the chance that such a change of law would lead interior national banks to invest more of their funds at home in midseason, and send less of them to the New York reserve agent to get 2 per cent interest. A desire to help the national bank in competition with the mutual savings bank is not, however, one which Congress or any other law-making body should hold.

WASHINGTON BANKERS PROTEST.

Bankers in some of the smaller towns of Washington state are protesting against a ruling by J. H. Shively, insurance commissioner of Washington, which says: "If a company does not employ agents as ordinarily understood, but does have in the various communities where its patrons reside persons authorized to accept or collect premiums, such collectors are deemed agents within the meaning of the law and are required to obtain the regular state license for each company which they so represent".

In most of the smaller towns of the state the banks act as collecting agents for mutual and semi-mutual fire, life and other insurance companies, whose premiums are paid at monthly or other stated intervals. One bank may represent a half-dozen such companies. Under this ruling, the bank must procure a regular agent's license and pay the state $2 per annum for each authorized company represented or $100 for license for unauthorized companies.

The Guaranty Trust Company of New York has granted a bonus of 10 per cent on the salaries of all its employes. This constitutes a substantial and welcome Christmas gift.

SUCCESSFUL CONNECTICUT BANK.

The Torrington National Bank recently celebrated the twelfth anniversary of its establishment. Its rapid growth and prosperity has made it in this comparatively short period the largest National Bank in Litchfield county. The institution opened for business in temporary quarters in the Beers' Block on Main street, December 12, 1899, and the first day's deposits amounted to $5,583.97, most of which belonged to a single depositor. The most sanguine expectations of the new institution are realized to-day, with its deposits amounting to $1,370,126.93 owned by 4,000 depositors. On October 22, 1900, the bank took possession of its quarters in its new building on Water street, where it is now located..

The present officers of the bank are as follows: President, John F. Alvord; vice-president, F. F. Fuessenich; cashier, Hosea Mann; assistant cashier, John H. Seaton; teller, Frank M. Baldwin; directors, John F. Alvord, F. F. Fuessenich, R. S. Keefer, Charles H. Alvord, S. C. Workman, Frank M. Travis and Hosea Mann.

HARRIMAN NATIONAL BANK.

The stockholders of the Harriman National Bank of New York will vote at the annual meeting next month on a resolution to increase the capital stock from $200,000 to $500,000. This institution began business on May 4, 1906, as the Night and Day Bank, its policy being to keep its doors open the entire twenty-four hours of every business day. Four years later the working hours were cut down to sixteen a day, the bank being closed from midnight until 8 A. M., and these hours are still maintained.

THE FOURTH NATIONAL BANK
OF THE CITY OF NEW YORK
THE specialized organization of this Bank provides a thoroughly equipped Department for the purchase and sale of high class stocks and bonds for the account of customers. Orders are promptly and carefully executed.
JAMES G. CANNON, President
SAMUEL S. CAMPBELL, V. President
CHARLES H. PATTERSON, V. Pres.
DANIEL J. ROGERS, Cashier
E. W. DAVENPORT, Asst. Cashier
CHARLES E. MEEK, Asst. Cashier
CAPITAL and SURPLUS $10,000,000

The National Park Bank
OF NEW YORK
Organized 1856.
Capital ..... $ 5,000,000.00
Surplus and profits 12,990,021.06
Deposits, Dec. 5, 1911..... 105,428,130.19

NATIONAL METROPOLITAN BANK
OF WASHINGTON, D. C.
Oldest National Bank in the District of Columbia
GEO. W. WHITE - - - President
CUNO H. RUDOLPH - - Vice-President
O. H. P. JOHNSON - - - Vice-President
GEORGE O. WALSON - - - Cashier
J. GALES MOORE - - - - Assistant Cashier

Atlantic National Bank, Providence, R. I.
Direct connections with every Town in R. I.
SEND US YOUR COLLECTIONS. MINIMUM RATES.

FIRST NATIONAL BANK
EUCLID AVENUE CLEVELAND
CAPITAL $2,500,000 Surplus and Profits $1,250,000
ACCOUNTS OF BANKS AND BANKERS, MERCHANTS AND CORPORATIONS, SOLICITED
SPECIAL ATTENTION TO COLLECTIONS
DEPOSITS = = = = = $25,000,000

Planters National Bank RICHMOND VA.
ORGANIZED 1865.
Capital $300,000 Surplus and Profits (earned) $1,160,000
Deposits $5,500,000
SUPERIOR FACILITIES FOR COLLECTING VIRGINIA ITEMS.

Digitized by Google

Mellon National Bank, Pittsburgh, Pa.

"The Bank of perfect service" invites your Pittsburgh business.

CAPITAL $6,000,000 RESOURCES OVER $49,000,000

Western Pacific Begins To Make Good

It Has the Roadbed, the Territory and the Connections for Earning More Than Its Keep and for Swelling the Earnings of Its Connecting Road—With Figures for Only Four Months of Operations Available, It Is Showing Satisfactory Headway and Profits.

The Western Pacific has its standing among investors yet to establish, but if ever a road began operations under favorable auspices the Western Pacific may fairly be said to be that road. Not until July 1, last, did it cease to be operated upon construction account, and for only four months has it been operated on its own account. Nevertheless, the returns from those four months are promising enough to give those who financed the road a feeling of satisfaction and of confidence as they look forward to its future operations.

Our readers are sufficiently familiar with

THIS AMBITIOUS UNDERTAKING

to make unnecessary at this time any lengthy description of the property or extended repetition of its history. A brief summary will suffice. The Western Pacific operates a line extending from Salt Lake City to San Francisco. The distance between these two points is about 925 miles, but the Western Pacific is not an isolated undertaking. It is the last length of a complete system of railroad which now connects St. Louis with the Pacific coast by its own rails without a single hiatus. Separate corporations theoretically, or at least so far as names are concerned, the Missouri Pacific, the Denver and Rio Grande, and the Western Pacific are actually one and the same system. Whatever works out for the good of one of them is bound to act in greater or less measure to the advantage also of the other two. Hence, unlike most new railroad enterprises, the Western Pacific has working for it the organizations of two long established roads, who are impelled

BY SELF INTEREST

to labor for the benefit of this newest member of their triumvirate.

To have this condition in its favor makes its beginning unusually auspicious for a Pacific road. The coast bound traffic which the other two roads can obtain for it, especially that large west bound traffic which emanates from St. Louis, gives it such a line of business at the outset as the builders of most of its predecessors among the Trans-continental railroads would have given worlds to possess. Those same builders would have given much also to have enjoyed a tithe of the advantages which the Western Pacific has had in its construction. Without Federal Government aid, without any of those land grants and other subsidies which other roads built to connect the East with the Pacific have enjoyed, the Western Pacific yet was able to accomplish many things which its predecessors were denied.

Take the benefit the engineers had during the road's construction, for instance. Upon the experiences of those who had built the earlier roads across the Rockies, they were

ABLE TO DRAW HEAVILY.

They have been building, too, in a day when future operating and overhead expenses can be anticipated and eliminated as never before. Building materials at hand to-day allow for permanent construction. The heavy costs of replacement and depreciation, which in the building of the earlier western and to-the-coast railroads

CAPITAL $1,000,000.00 SURPLUS $2,000,000.00

Second National Bank

OF

PITTSBURGH, PENN'A.

HENRY C. BUGHMAN, President
WILLIAM McCONWAY, Vice President
THOMAS W. WELSH, JR., Vice President
JAMES M. YOUNG, Cashier
BROWN A. PATTERSON, Ass't. Cashier

THE

Chatham and Phenix National Bank

NEW YORK

Condensed Report of Condition as rendered to Comptroller of Currency at the close of business Dec. 5, 1911

RESOURCES.

Loans and Discounts	$14,665,846.12
United States Bonds	951,000.00
Other Stocks and Bonds	891,569.33
Banking House	180,000.00
Cash and Exchange	7,313,265.52
	$24,001,680.97

LIABILITIES.

Capital	$ 2,250,000.00
Surplus and Undivided Profits	1,232,056.09
Circulation	788,397.50
DEPOSITS	19,731,228.38
	$24,001,680.97

MARINE NATIONAL BANK BUFFALO

Capital and Surplus Earnings, - - - $3,500,000.00
Resources, - - - - - - - - - $34,900,000.00

Accounts of Banks, Corporations and Individuals Invited
Collections Given careful and prompt attention.

The Merchants National Bank Indianapolis Indiana

ESTABLISHED 1865

CAPITAL $1,000,000 SURPLUS FUND AND PROFITS, $900,000

Superior facilities for handling items on Indianapolis and State of Indiana.

New York State National Bank

ALBANY, N. Y.

Capital, $500,000 Deposits, $13,000,000 Surplus, $500,000

LEDYARD COGSWELL, President
LEDYARD COGSWELL, JR., 2nd Vice President LAURENCE H. HENDRICKS, Cashier
GEORGE A. WHITE, Asst. Cashier.

OVER 800 BANK DEPOSITORS IN THE UNITED STATES.

FIRSTNATIONAL BANK, Denver

Capital and Surplus .....$2,000,000.00 Resources $26,125,124.89

OLDEST BANK IN COLORADO.

A. V. HUNTER, President
THOMAS KEELY, Vice President
F. G. MOFFAT, Vice President
GERALD HUGHES, Vice President
C. S. HAUGHWOUT, Cashier
J. C. HOUSTON, Asst. Cashier
F. J. DENISON, Asst. Cashier
D. R. PLATT, Asst. Cashier
G. M. HAUK, Auditor

Digitized by

were made inevitable by light construction, wood trestle bridges, and lack of capital, will never be duplicated on the Western Pacific. On it are fine steel and concrete bridges, trestles and culverts, and a road built to last the greatest number of years with the least wear and tear, a road which calls for the minimum amount of money for upkeep and replacement.

Then there is the matter of grades. Past experiences in railroading over the mountains to the coast have pointed out the dollars and cents loss in steep grades and hard curves; and in building the Western Pacific, the set rule was that nowhere should the grade be greater than one per cent, that is, no more than 52 feet in a mile. As a matter of fact, for 80 per cent of its length westbound the heaviest grade is only .4 of 1 per cent or about 20 feet, to the mile. Contrast this with 242 feet per mile as the maximum grade on the Canadian Pacific, 116 feet on the Great Northern and the same on the Northern Pacific and Central Pacific, 106 feet on the Oregon Short Line, and 175 feet on the Santa Fe.

Westbound, the total ascent in feet overcome on the Western Pacific is 5,076. On the Canadian Pacific, it is over 16,000, on the Great Northern over 15,000, on the Northern Pacific and Union Pacific over 17,000 and on the Santa Fe over 33,000. This figured out in load carrying possibilities over the various roads is wholly in favor of the Western Pacific, it being stated that this road will be able to haul over the summit of its line with one locomotive as heavy a train as the easiest other existing line handles with three locomotives. That is, these figures show that the Western Pacific can move an equal amount of freight traffic

AT A LOWER COST

than any other Pacific bound road.

On these across the mountain roads, freedom from snow is a considerable item. The traffic of roads reaching the coast has been blockaded for days at a time by snowstorms not worse than the average. One Western railroad maintains more than forty miles of snow sheds which cost $75,000 a mile, and to this figure for initial cost must be added the cost of maintenance and fire prevention during the summer months; a not inconsiderable item. The Western Pacific route through Feather River Canyon and the Beckwourth Pass, has relieved it of much expense from this source.

It is interesting to remember that until the Western Pacific outlined that as its right of way, and for many years it had been argued that no railroad could go through the

FEATHER RIVER CANYON

owing to its curves, grades and the rise of water in flood seasons. By utilizing this pass as it has, however, the Western Pacific has secured its low grade and lack of total ascent to be overcome. The Feather River Canyon and the Beckwourth Pass have brought the road away from the great depth of snow and throughout the whole line, the costs which will arise from keeping the tracks clear from snow, the cost of operating snow plows and the loss from traffic delayed, have been reduced so that in comparison with its nearest neighbor, the cost of snow fighting on the Western Pacific is wholly nominal. The Western Pacific is fairly to be pointed out, therefore, as a marvel of engineering construction in lack of grade, in permanency and in low upkeep.

Its profitable conduct depends, of

REPORT OF THE CONDITION OF

THE MERCANTILE NATIONAL BANK

of the City of New York at the close of business Dec. 5th, 1911:

RESOURCES.

Loans and discounts		$12,945,709.25
Overdrafts, secured and unsecured.		2,222.32
U. S. bonds to secure circulation		200,000.00
U. S. bonds to secure U. S. deposits		1,000.00
Bonds, securities, &c		523,410.59
Due from National banks		1,088,054.41
Due from State banks and bankers		299,190.40
Checks and other cash items	$70,316.80	
Exchanges for Clearing House	694,260.00	
Notes of other National banks	250.00	
Specie	1,797,031.75	
Legal tender notes	874,000.00	
Redemption fund with U. S. Treasurer (5% of circulation)	15,000.00	
Due from U. S. Treasurer, other than 5% redemption fund	26,000.00	
		3,480,680.35
Total		$18,640,277.62

LIABILITIES.

Capital stock paid in		$3,000,000.00
Surplus fund		2,000,000.00
Undivided profits, less expenses and taxes paid		754,472.62
Reserved for taxes		53,461.59
National banknotes outstanding		300,000.00
Dividends unpaid		3,100.50
Due to other National banks	$2,775,671.49	
Due to State banks and bankers	461,697.07	
Due to trust companies and savings banks	1,731,890.64	
Individual deposits subject to check	7,232,067.10	
Demand certificates of deposit	19,239.03	
Certified checks	305,244.49	
Cashier's checks outstanding	2,393.05	
U. S. deposits	1,000.00	
		12,529,262.87
Total		$18,640,277.62

State of New York, County of New York, ss.:

I, EMIL KLEIN, Cashier of the above-named bank, do solemnly swear that the above statement is true to the best of my knowledge and belief.

EMIL KLEIN, Cashier.

Subscribed and sworn to before me this 7th day of December, 1911. ALBERT B. CORY, Notary Public.

Correct—Attest:

WILLIS G. NASH,
C. H. IMHOFF,
WILLIAM SKINNER,
} Directors.

[No. 2270]

REPORT OF THE CONDITION OF

THE CHASE NATIONAL BANK OF THE CITY OF NEW YORK,

at New York, in the State of New York, at the close of business, December 5th, 1911:

RESOURCES.

Loans and discounts		$54,607,078.19
U. S. bonds to secure circulation		1,000,000.00
U. S. bonds to secure U. S. deposits		1,000.00
U. S bonds on hand		975,000.00
Premiums on U. S. bonds		243,340.69
Bonds, securities, &c		24,624,787.53
Bonds loaned		850,000.00
Due from National banks (not reserve agents)	$4,480,416.37	
Due from State and private banks and bankers, trust companies and savings banks	3,063,980.29	
Checks and other cash items	278,157.49	
Exchanges for Clearing House	12,144,296.09	
Notes of other National banks	254,700.00	
Fractional paper currency, nickels and cents	2,227.40	
Lawful money reserve in bank, viz.:		
Specie	14,224,996.80	
Legal-tender notes	2,728,057.00	
		39,977,432.44
Redemption fund with U. S. Treasurer (5 per cent of circulation)		50,000.00
Due from U. S Treasurer		175,000.00
Total		$121,303,628.15

LIABILITIES.

Capital stock paid in		$5,000,000.00
Surplus fund		5,000,000.00
Undivided profits, less expenses and taxes paid		3,704,496.76
National bank notes outstanding		998,197.50
Due to other National banks	$36,096,732.60	
Due to State and private banks and bankers	10,375,140.10	
Due to trust companies and savings banks	28,699,758.94	
Individual deposits subject to check	27,220,841.76	
Demand certificates of deposit	37.16	
Certified checks	2,142,287.27	
Cashier's checks outstanding	2,620,496.06	
		106,554,933.89
United States deposits		1,000.00
Reserved for taxes		50,000.00
Total		$121,303,628.15

State of New York, County of New York, ss.:

I, H. M. Conkey, Cashier of the above-named bank, do solemnly swear that the above statement is true to the best of my knowledge and belief. H. M. CONKEY, Cashier.

Subscribed and sworn to before me this 8th day of December, 1911.

GEORGE E. SCHOEPPS.

Notary Public, County of New York, No. 2,085.

Commission expires March 30, 1912.

Correct—Attest:

GEO. F. BAKER,
A. BARTON HEPBURN,
J. I. WATERBURY,
} Directors.

The National Nassau Bank of New York

OFFICERS

EDWARD EARL, President

J. CHRISTY BELL, Vice-President
JOHN MUNRO, Vice-President
W. B. NOBLE, Cashier

H. P. STURR, Asst. Cashier.
N. D. ALLING, Asst. Cashier
R. M. BAILEY, Asst. Cashier

Statement of Condition at the Close of Business December 5, 1911

RESOURCES

Loans and Discounts	$9,647,490.67
Real Estate	55,0 6.08
U. S. Bonds to secure circulation	100,000.00
Other Stocks and Bonds	24 [illegible] .00
Due from Banks and Bankers	1,5[illegible] .45
Foreign Exchange	10[illegible] 13
Exchanges for next day's clearings	465,573.79
Cash in Vault	2,451,350.75
Redemption Fund with U. S. Treasurer	5,000.00
Due from U. S. Treasurer	54,000.00
	$14,473,429.65

LIABILITIES

Capital Stock	$500,000.00
Surplus and Undivided Profits	6,[illegible]76.41
Circulation	97,200.00
Reserved for Taxes	10,000.00
Cashier's Checks	202,888.76
Deposits	13,040,684.48
	$14,473,429.65

DIRECTORS:

J. CHRISTY BELL,
SAM[illegible]D
HENRY C. MILLER
JOHN MUNRO
EDWARD EARL
HARRY BRONNER
RICHARD YOUNG

Digitized by Google

course, upon freight largely and secondarily upon passenger traffic. Its strongest claim on freight assured lies in its connection with the Denver & Rio Grande Railroads, and with the Missouri Pacific. Although the Denver & Rio Grande has been looked upon for a long time as

THE MOST SUCCESSFUL

of the Gould roads, it has depended a great deal upon shipments received from the Missouri Pacific, and it is well understood that in the past the connections between the Denver & Rio Grande and the Missouri Pacific have worked out most largely to the profit of the Missouri Pacific. The latter road has been taking from the former more than it has been giving. Things look more promising now. The president of the Denver & Rio Grande is considered by railroad men and investors as the right man in the right place, and doing everything for his property that he can. He has been tied down in a great measure by Missouri Pacific, but now that road has had its change of management and policy. Its present condition is not flattering, but the new management are putting earnings back into the property and have outlined a policy of rebuilding and rejuvenating. Its effects are being already noted and it will bring the

ROAD TO THE FRONT

in the next few years. In the building up of the Missouri Pacific the Denver & Rio Grande will profit.

The Missouri Pacific serves the richest section of the country west from St. Louis to Colorado. With its connections north and south, it serves a great portion of the country rich in agriculture, manufacturing and mining and is now in every direction working up business for the Denver & Rio Grande. The Denver & Rio Grande covers Colorado like the dew, joining the Missouri Pacific at Pueblo and the Western Pacific at Salt Lake City. The three roads then extend from St. Louis to San Francisco offering interchange of traffic with great possibilities of profit for all of them in the aggressive canvas for shipments.

Add to the through freight traffic originated on the Missouri Pacific and the Denver & Rio Grande, which will be routed over the Western Pacific, the natural share of through business from Salt Lake City from other lines, and the Western Pacific has at hand a freight traffic already built up.

The Western Pacific

MUST, OF COURSE, INITIATE

in its own territory the freight traffic which will make its largest profit, and should be able to do so. Aside from its romantic aspect, the '49'ers and discovery of gold, California is best known as a great garden spot, and for its immense shipments of fruit, a most profitable freight. The intensive agricultural methods of California growers are well-known. A great share in the present freight profits from handling the shipments of California agricultural and fruit products is bound to come to the Western Pacific, because in the past complaints have always been that existing railroad equipment has not been able

TO HANDLE EXPEDITIOUSLY

all of this product. And the steady growth of this class of traffic seems to be assured, for besides supplying the eastern and central markets of this country, California is beginning to export its products to other countries in increasing quantities.

Where the nature of the country allows it, freight and population follow the railroad just as certainly as trade follows the flag. The Western Pacific opens up to agriculture fertile lands not yet subjected to the freight creating certainty of intensive agriculture. As the road runs north in California, it opens up the great mining, cattle and timber sections of the state, and it is estimated that of timber alone, there are 100,000,000 car loads in the country tributary to the Western Pacific, for which that road offers the only outlet. The manufacturing industries of San Francisco, Oakland, Stockton and Sacramento, are no small items and the Western Pacific serves them. A large portion of the

RICHEST MINING FIELDS

of California are on the line of this railroad.

Across Nevada, the road runs in practically a straight line. Nevada is perhaps as famous for what has not been done in that state as for what has been accomplished. That is, the recent past in Nevada, has not made freight history, but its richness in mineral products is acknowledged and irrigation has proved that the soil in Nevada is as rich as any cultivated. A Federal Government irrigation project is reclaiming about a third of a million acres and on that project the commencement of a prosperous agricultural community has already sprung up, which awaits duplication elsewhere throughout the state, dependent only upon railroad service which the Western Pacific now offers. In Nevada, particularly, will the value of the country be realized upon and anticipated.

The freight traffic, then, of the Western Pacific while at present dependent to a considerable extent upon that originating in Salt Lake City and on the Missouri Pacific and Denver & Rio Grande, as well as that originating in California, is not limited to those sources. It will undoubtedly have its greatest growth in the expansion of the country contiguous to the line of road. That is, there will not only be the through freight, but the freight along the line as the country will, by development, increase both the shipment out of products grown and manufactured, and the shipment in of goods and materials needed.

The future of the Western Pacific is

NOT BOUND UP

in the Missouri Pacific, although the general belief is that that road is now in the right hands, while a future assured for Missouri Pacific promises much for the Western Pacific, the Western Pacific has the growth of the whole Pacific coast to draw on, and particularly the increase in shipping and transportation at San Francisco. We are increasing our imports from the far East, and increasing our exports in that direction, and in both imports and exports, the Western Pacific can look for its share of business.

Of course, little can be done in the way of comparing the Western Pacific with existing or competing railroads. It is pointed out above that in excellence of road bed and cost of traffic the new road has an advantage over the other roads crossing the mountains to the coast. There are practically no figures available yet, however, to show what the Western

BOSTON SAFE DEPOSIT AND TRUST COMPANY

100 Franklin Street

YEARS AGO valuables were considered protected when concealed in secret places.

YESTERDAY it was deemed expedient to place valuables in a safe at the office or at home.

TODAY a box in a Safe Deposit Vault like ours is a Business necessity.

BOXES at from $10 (ample for most needs) to $350 per year.

SEND FOR SAFE DEPOSIT BOOKLET

Fourth Street NATIONAL BANK

Philadelphia, December 5, 1911.

RESOURCES

Loans and Discounts	$38,762,969.70
Due from Banks	7,168,163.04
Exchanges for Clearing House	1,909,759.16
Cash and Reserve	11,680,924.08
	$59,521,815.98

LIABILITIES

Capital Stock	$3,000,000.00
Surplus and Net Profits	6,464,026.62
Circulation	2,959,700.00
Deposits	47,098,089.36
	$59,521,815.98

R. J. CLARK, Cashier

Digitized by Google

Pacific can do. It has only been operating on its own account since the first of July of this year. For the four months from July 1 to October 31,

ITS GROSS EARNINGS

were $1,990,069.

The net earnings available for interest were $480,277. The interest on the first mortgage bonds, which are the only bonds about which the public are concerned, the second mortgage bonds being owned by the Denver & Rio Grande, for the same period amounted to $833,000, or $352,723 more than the earnings. Considering the fact that these are the result of four months' operation of a new transcontinental line, with its business-getting facilities not yet established, this statement may be regarded as entirely satisfactory. The gross earnings are at the rate of approximately $6,000,000 annually, which is more than $6,500 per mile of main line, a good showing, indeed, in comparison with other trans-continental roads of well-established business.

The capitalization of the Western Pacific consists of $50,000,000 first mortgage 5 per cent bonds and $25,000,000 second mortgage 5 per cent bonds. All of the latter are owned by the Denver & Rio Grande Railroad. There is $75,000,000 of capital stock, authorized and issued, of which $50,000,000 is owned by the Denver & Rio Grande Railroad.

The first mortgage bonds of the Western Pacific are quoted at 90. The Denver & Rio Grande Railroad covenants to make up semi-annually

ANY DEFICIT

in the earnings of the Western Pacific to the extent of its operating and maintenance expenses and taxes and any deficit in the interest on the bonds as well as certain installments due upon its sinking fund. These bonds then are backed by the property itself, representing an expenditure far greater than the face value of the bonds (in fact, the road has expended on its property over $70,000,000), by the expectations of the company, by the satisfactory earnings of its first four months of operation, by the nature of the country it serves and its certain growth, and by the pledge of the Denver & Rio Grande Railroad. Selling at 90, paying 5 per cent, the yield is 5.56, which, in itself, is indicative of the investing public's attitude toward these bonds, as 5½ per cent is not too high where the item of safety is largely concerned, and much too low where there is any considerable element of speculation. The bonds are bound to sell up to par in the near future,, as the earnings of the road increase through the development of traffic, and of the country which it serves. P. De Medici.

MARINE NATIONAL BANK.

The statement of condition of the Marine National Bank, of Buffalo, at the close of business December 5, 1911, must be a source of gratification to its officers. When the last comptroller's call was issued September 1 the bank had resources of $33,000,000. Now it has assumed the amount of $34,903,049.

VERMONT BANKERS' CONVENTION.

At a meeting of the executive council of the Vermont State Bankers' Association held at Burlington, December 6, it was decided to hold the next annual convention February 22, 1912, at Montpelier. An interesting programme is promised and the convention will undoubtedly be one of the most important in the history of the association. Prominent speakers from abroad will be in attendance, and the election of officers for the ensuing year will occur at that time.

The Vermont State Bankers' Association is growing in strength and popularity and is accomplishing excellent results. The officers are as follows: President, F. H. Farrington, Brandon, vice-president Rutland Savings Bank; vice-president, A. G. Eaton, Montpelier, cashier First National Bank; secretary, F. R. Dickerman, Bristol, cashier First National Bank; treasurer, D. L. Wells, Orwell, cashier First National Bank.

SAFE DEPOSIT.

One of the most attractive and interesting booklets on the subject of the value of safe deposit boxes to holders of valuable papers is being sent out by the Boston Safe Deposit & Trust Company, and is free for the asking. This banking institution is one of the strongest trust companies in the country, and has had a very prosperous career. On a capitalization of $1,000,000, it shows to-day surplus (all earned) of $2,000,000 and undivided profits of $700,000, a total of $2,700,000. This has all been done without absorbing any other institution. The company owns a ten-story building, one of the finest in the country for its size, and occupies the first high floor, mezzanine (or balcony) floor, and and three basements, where it is prepared to transact business in a most satisfactory and economical manner.

CHARLES H. HUTTIG.

It was a source of considerable sorrow to the bankers who attended the convention at New Orleans that the chairman of the executive council, Charles H. Huttig, was not able to be present. In his absence, he was elected vice-president of the association. His many friends will be glad to learn, therefore, that Mr. Huttig is convalescing steadily in New York, and that when the weather permits, he is now able to spend most of the day out of doors. It will be a welcome day to all when he can be back once more at his desk in the Third National Bank, at St. Louis

SEALED PROPOSALS

will be received by J. E. Franks, Borough Clerk, Bridgeville, Pa., until 8 p. m., Dec. 19, for the purchase of $23,000.00, 4½ per cent, 30 year Refunding bonds, dated Aug. 15, 1911.

Bonds are of $1,000.00 denomination and mature in 30 years.

Interest payable semi-annually at the First National Bank, Bridgeville, Pa.

All bids must be accompanied by a certified check for $500.00 payable to the Borough Treasurer, and the price bid to include the bonds furnished by the purchaser.

The Borough council issues the right to reject any or all bids.

FINANCIAL STATEMENT

Last assessed valuation	$1,251,080.00
Real Value (estimated)	1,500,000.00
Bonded debt (inc. this issue).	66,000.00
Sinking Fund	6,579.09
Tax Rate per $1,000.00, $6.00	
Population 1911, (estimate) 2,500.	

THE
AMERICAN AUDIT COMPANY
100 BROADWAY, NEW YORK
Independent Examinations Made of Banks, Trust Companies and Corporations
Modern Accounting Methods Introduced
BRANCHES
NEW YORK, (Waldorf-Astoria) 33d St. and 5th Ave.
CHICAGO, Marquette Building
WASHINGTON, Colorado Building
PHILADELPHIA, Bellevue-Stratford
SAN FRANCISCO, Western Metropolis Bank Bldg.
MILWAUKEE, Plankinton Bank Building
BOSTON, Exchange Building
ATLANTA, Fourth National Bank Bldg.
RICHMOND, American Nat'l B'k Bldg.
BALTIMORE, Keyser Building
NEW ORLEANS, Maison Blanche
LONDON, E. C., 50 Gresham Street, Bank

FREDERICK S. HOLMES
Vault Engineer
2 RECTOR STREET, NEW YORK

Ambursen Hydraulic Construction Company
Engineer-Constructors
88 PEARL ST., BOSTON
165 BROADWAY, NEW YORK
495 DORCHESTER ST. W., MONTREAL
Our experience is of value to you because it is gained in the successful building of 67 dams to date (Nov. 1, 1911), of all heights up to 150' and having an aggregate length of over 4¼ miles. We have inaugurated a system of bi-monthly Bulletins on pungent engineering topics as viewed from the Bankers' standpoint. Send us your name for our mailing list.

Digitized by Google

Philadelphia Trust Companies

Are the Smaller Ones Making It a City of "Porch Fronts, Rubber Plants and Mortgages"?—The City Has Had Too Much New Construction and Loans Have Had a Good Deal to Do With It.

The trust company situation in Philadelphia will bear watching, as the oft-repeated statement that there are too many small companies there, and that too many of these are not in a sufficiently liquid condition, because of their extended loans on real estate, are founded on a substantial basis of fact.

No one, however, should get the idea from this premise that the situation is extremely critical, or that a widespread smash is impending. Such is far from the case, as with a due amount of conservatism exercised, there is absolutely no danger. This is not an attempt at calamity howling, and in taking up the subject for consideration, we are but

REPEATING THE OPINIONS

of well-posted and conservative men, thoroughly in touch with the financial interests of the city.

Of course, a good deal of this talk began not long ago, following the difficulties of the Tradesmen's Trust, the examination of which revealed the fact that the assets of this company were not as liquid as is desirable in an institution of this sort, but even before this happened, the generous number of trust companies and state banks in Philadelphia was a matter of general comment.

Philadelphia covers an enormous territory, it is true, and has a large and growing population, but even at that, it is a question of 33 national banks and 64 trust companies, and state banks are not quite enough to adequately serve the population. Many well-posted factors are not at all backward about stating that in their opinion there are now altogether too many small trust companies there, and that it is time

TO CALL A HALT.

Even some of the smallest companies, and they are the ones who would most naturally be opposed to this line of argument, frankly admit that they do not believe it would be possible to interest much capital in the formation of new trust companies in Philadelphia to-day.

To decide whether or not there are too many small trust companies in the city to-day, it is necessary to first consider the conditions which led to the formation of such a large number. Ostensibly, there was either an actual or an apparent need for each one, and the point to consider is, how large a proportion of these concerns were

ACTUALLY NEEDED,

and how many of them only seemed to be needed?

Philadelphia is made up of so many small boroughs, once independent organizations, and still intensely local that other considerations than mere extent of territory, doubtless brought about the organization of more than one trust company. The people of some of the outlying districts decided that they needed a local institution not only for matters of mere convenience, but also because of a local pride which has never been entirely wiped out in spite of the fact that the incorporation of many of these localities into the city is a matter of ancient history by this time. Manayunk may be part of Philadelphia, but it is none the less Manayunk, for all that, and preserves still not only many a local tradition and custom entirely different from anything else in any other part of the city, but also a local pride in Manayunk as Manayunk and not as a part of Philadelphia, that will die very hard. The same holds true of Kensington and other sections of the city. Then, of course, the isolation of some of these districts from the large financial institutions is no small item to be considered.

But leaving these considerations aside, it is apparent that Philadelphia's real estate boom has had

MORE TO DO

with the formation of many of these companies than anything else. Philadelphia is justly called the "City of Homes", but to properly understand this, it is necessary to know that West Philadelphia, where a large percentage of the recent building has been going on has been aptly described as "the city of porch fronts, rubber plants and mortgages". This is especially pithy in regard to the mortgages.

Philadelphia has had so much room to grow that until recently the apartment house and the flat have not been needed. Instead, the typical Philadelphia house is a two-story brick affair with a "porch front". Sometimes these are built in long rows, extending the entire length of a block, sometimes in pairs, with a narrow alley way in between, (these being known as twin houses). The more pretentious ones are three stories in height, but the two-story affairs are the most common, as they are the ones which best suit the requirements and pocket-books of the average renter or buyer. Rents start around $15 for the cheaper two-story "row houses", and run up to anything you want to pay, when the more elaborate three-story twins are considered. All of these houses have modern improvements. As this style of house can be thrown up very quickly and cheaply, and as a builder can get the maximum number of dwellings on a given plot of ground by building in this style, the temptation to overbuild has been strong, and there is no question but that many a builder

HAS GIVEN AWAY

to this temptation. Similarly, many a trust company, misled by the "boom", has been tempted to lend more money than is wise on these speculative operations.

The houses described sell from $2,000 to $3,000 apiece, up to many thousands. What the trust companies and similar institutions will not lend on these operations, the building and loan societies, with which the city is flooded, take care of, the result being that in Philadelphia you need the minimum of money to "own" a home. A few hundred down, and convenient monthly payment "same as rent", and there you are. The result is that the majority of renters come about as near owning their own homes as the so-called owners.

Just now, however, Philadelphia is

UNDERGOING A REACTION.

In the first place, the people have become educated to the wiles of the real estate operator, and they do not bite so easily at the "own your own home" bait. In the second place, a good many are finding that the much condemned apartments have their advantages after all, and the number of these buildings is increasing at a rapid rate. Again, just because there has been a demand in certain sections for new houses, because of extended or improved transit facilities, houses have been built by the hundreds in other localities where there are no such extensions or improvements on a chance that they would come shortly, and most of these houses are lying idle and depreciating in value. Furthermore, as the two-story porch front houses with their flat tin roofs are not the coolest possible dwellings in Philadelphia's none too cool summer, there has been a phenomenal rush to the suburbs, in many of which a slightly increased rent and car fare guarantee, if nothing else, a few comfortable nights. This rush to the suburbs has been almost entirely left out of consideration by many writers on the subject, but it is a

VERY IMPORTANT FACTOR.

Doubts as to the extent of this suburban rush can be quickly dispelled by a short visit to Collingswood, N. J., across the river and many similar suburbs, which have had a mushroom growth in the past five years, and where, by paying only about $15 a year more car fare, you can buy or rent just as easily and as cheaply as in the city, and get a lot 50 by 150 into the bargain. Furthermore, most of the houses being built over there, as well as most of those in the suburbs on the Pennsylvania side, are at least, two and one-half stories in height, which insures

COOLER BED ROOMS,

anyway.

Doubt as to the collapse of the real estate boom in the city will be answered by the "For Sale" and "For Rent" signs, with which the city is literally plastered. A well-posted banker is said to have recently estimated that within a radius of a mile from 60th and Market streets, there are fully 5,000 vacant houses. If anything, we should say the estimate was too conservative. The exact number is immaterial, as the most prejudiced observer should need by the testimony of his eyes to be convinced.

Philadelphia is a great town for the moving and storage companies, and they all do a rushing business. The over building has brought about a decrease in rents, or an increase in the value given for the same rent, which the renters themselves have been quick to appreciate. The writer remembers when you had to pay pretty

Digitized by Google

close to $30 a month in most localities to get steam heat. This was only four years ago, but

FIVE DOLLARS LESS

will get it for you to-day.

The following quotations from advertisements clipped from recent issues of the daily press, illustrate better than anything else can the efforts needed to rent or sell property in Philadelphia to-day:

"All leases dated January 1, with immediate possession."

"Rent 15 days free."

"One month free."

"$16 to $20 per month, reduced from $20 and $23."

"One month rent free. The most beautiful two-story dwellings in Germantown."

"Partial free railroad transportation for one year or one month free to those renting this month."

"Price $4,500, $200 cash, balance monthly."

"Fifty houses positively must be sold at any sacrifice. Will be sold $1,125 each; we can arrange mortgages of $1,000 each on them."

These tell the stocy. This is most assuredly competition free and unrestrained if none exists anywhere else in the country. For $21 a month, the renter can now get steam heat, electric light and laundry tubs. Four years ago, $23 a month was considered a bargain for a house with hot air heat, instead of steam, and gas instead of electric light As an inducement to the renter, one month's rent is

GIVEN FREE,

November leases are dated January 1, with immediate possession, and even partial free railroad transportation for one year is offered.

If you prefer to buy, you can pay $1,125 for some houses on which the sellers offer to arrange mortgages of $1,000; $500 cash "buys" houses renting for $30 a month; and even if you only have $100 ready cash, you can go out and buy a home with more ease than you could buy a necktie.

The same state of affairs prevails in some of the best-known suburbs. In one about twelve miles from the city, the writer was offered any quantity of houses selling in the neighborhood of $5,000 for a cash payment of $500. In another town, only six miles from the city, he was offered a $5,800 house ($6,000 was the figure first quoted, but it dropped $200 as soon as he appeared interested) for a cash payment of $500, although they wanted $800 if they could get it. However, they were perfectly willing to put the deal through on $500 cash. He could have bought another $4,800 house by paying $500 cash, carrying a first mortgage of about $2,300, a second mortgage of about $700, and arranging to take care of the

BALANCE BY NOTES.

Philadelphia and its environs is certainly an easy locality in which to "buy" a home, if you care to buy that way.

But what has this to do with the trust companies? A great deal, for the trust companies, especially some of the smaller ones who can least afford to take the risk, have altogether too much to do with it.

The following interesting table, showing the condition of Philadelphia trust companies, has recently been published in some of the local papers:

	Nov. 6, 1911.	Nov. 9, 1910.
Resources	579,547,118	549,613,591
Capital	43,117,622	44,406,716
Surplus	82,137,122	79,367,137
Deposits	377,901,166	352,196,823
Trust funds	737,783,296	557,191,359
Trust funds uninvested	11,391,675	10,636,481
Loans on bonds and mortgages	$9,332,135	$9,222,341
Bonds, stocks, etc.	231,757,079	217,405,533
Mortgages and judgments of record	39,497,275	38,572,533

It certainly is encouraging to note the growth in trust company resources in the face of so much adverse criticism, but one thing this table does not show is very important. While there has been no startling growth in the total amount of loans on real estate by the trust companies of the city, and while the total number of these loans, as compared with the total resources of all the companies, is reassuringly small, it is to be remembered that a very large proportion of these resources belong to

THE STRONGER COMPANIES.

These companies either do very little lending on real estate, relying mainly on trust funds for their profits, or else what lending they do along this line is done only on the very best property in the city, and on a conservative margin. This throws a large proportion of real estate business over on the shoulders of the smaller companies, and one has only to glance at their statements to find the proof of this assertion.

At some future time, it may be possible to discuss in minute detail the exact percentage of this sort of business done by each company, but for the present, it is enough to note briefly the loans made on real estate by some of the companies in proportion to their total resources. If trust company statements, as given to the public, were more explicit, it might be possible to get closer to the facts, and avoid doing any injustice, but at least, a rough idea can be gained from the following.

UNDER RESOURCES

in all trust company statements are at least two items which bear upon real estate loans. The first of these is "Loans secured by bonds and mortgages", and the second, "Mortgages and Judgments of Record". From this it is impossible to tell just how much is out on bonds, and how much on mortgages, but by adding the two items mentioned together, a result is arrived at from which some conclusions can be drawn.

One company with total resources of $957,929, lists under "Mortgages and Judgments of Record", $589,664. It also calls attention to "Other Real Estate" to the amount of $111,324. This probably means the banking house, but leaving this out, and considering only the amount loaned on mortgages and judgments of record, we find that it equals over 61 per cent of the total resources.

Another with total resources of $5,572,512 has loaned on these two items $2,105,139, or 37 per cent of the total resources; another has 32 per cent of its total resources out on loans of this character, and another with total resources of $1,306,014, lists $486,975 under the two items considered, or 37 per cent.

These have been taken at random from the recent statements of 64 companies in the city, and it is enough to show that the smaller trust companies are doing a big business on real esate loans, which is not particularly reprehensible in itself, but which, in view of the conditions already discussed in detail, are

QUITE HEAVY ENOUGH.

This does not mean, either, that the real estate on which all this money is loaned is not good, but it is a pretty sure thing that if it came to a close rub, but a very small portion of it would be a really quick asset.

P. De Medici.

PHILADELPHIA CLEARING HOUSE.

The Weekly Statements Are Henceforth to Appear in a New Form.

The Philadelphia Clearing House has planned to make certain changes in the form of its weekly statements, to the end that these statements may be clearer to the general public; also to the end that they may conform more closely to the rules for computation of statements which the office of the comptroller of the currency enjoins.

For instance, in computing the amount of reserve required, the banks are henceforth to figure their deposits, with all notes of other national banks and amounts due by the United States Treasurer deducted. In making the returns of net deposits to the comptroller these items have always been deducted by the national banks, but they have not hitherto been deducted in the statements to the clearing house.

The clearing house also provides that hereafter the item "Loans and Discounts" will be entitled "Loans, Discounts and Investments" and the item "Due to Banks" will no longer appear. Instead "Deposits" will be given under two heads, "Bank Deposits" and "Individual Deposits".

OLD NATIONAL OF SPOKANE.

The Old National Bank of Spokane has received from the comptroller of the currency a renewal of its charter. This is the second national bank founded in Spokane to be honored in this manner. The Traders' National Bank was granted a renewal about two years ago. The inquiry and investigation preceding the renewal of the charter of a national bank is said by local bankers to be as rigid as that which accompanies the original grant. The renewal authorizes the bank to have succession until the close of business on November 28, 1931.

SPOKANE, WASH.—Friends of W. D. Vincent, cashier of the Old National Bank, are highly pleased over his appointment as the far western member of the committee of seven to aid in the agricultural educational campaign of the American Banker's Association.

BARKER, N. Y.—The Somerset National Bank, capitalized at $25,000, has been organized by J. O'Malley, W. A. Sawyer, J. L. Dickinson, F. M. Bradley, W. G. Sprague.

Digitized by Google

Power Plant For Lehigh Coal

The Lehigh Coal & Navigation Company, the Oldest Anthracite Coal Company in the United States, Proposes to Convert its Profitless Culm into Electric Power Which Can be Sold.

Prominent among the events of the week in the Philadelphia stock market was the announcement that the Lehigh Coal & Navigation Company is to construct an enormous electrical generating station at Hauto, in Carbon County, Pa., about six miles west of Mauch Chunk. It is reported that the plant will be on such a stupendous scale as to be exceeded in size only by that of the company whose power is generated by the waters of Niagara. In short, if the proposed plans are carried out, it will be the second in size to any plant of the kind in the eastern section of the country.

The project first took form last spring, and as the management has in the meanwhile gone very thoroughly over the field, several

TENTATIVE POWER CONTRACTS

have already been closed, seeming to assure the success of the enterprise in advance. Official announcement of the adoption of the plans was first made after a meeting of the board of directors on Monday of this week, and the few details thus far given out have aroused widespread interest. The directors have already authorized a first 30,000-kilowatt capacity segment, but the completed plant is expected to be more than three times as large, with a 100,000-kilowatt capacity.

By far the most important part of the announcement, however, is that to the effect that the proposed plant "will be of great benefit to the company, in that great quantities of culm can be utilized in the steam plant in operating the turbine engines for making power".

This means, in brief, that a considerable proportion of the anthracite produced, which is of such a nature that it can scarcely bear transportation charges, will be turned into power right at the company's mines, for the location of the plant named above places it right in the midst of

THE MINING REGION.

The Lehigh Coal & Navigation Company, having been incorporated in 1822, is the oldest of all of the anthracite coal mining companies, and stands next to the Reading in quantities of unmined coal. The richness of its deposits are, therefore, proverbial, but rich as it is in mineral wealth the construction and successful operation of a plant of this nature means that there would be practically no necessity of drawing on the mines to any extent for marketable coal to be used for power supply. It is said that the extensive culm banks will furnish fuel for several years to come, thus effecting a saving which it will be difficult for any other company to so easily apply.

According to recent statistics, there was mined during the year 1910 by the company from fee lands, by lessees from fee lands and by lessees of the Alliance Coal Mining Company, 3,849,855 tons of coal, but in addition, there was mined and used by the company and its tenants and the tenants of the Alliance Coal Company for power purposes in connection with mining operations during that year 409,083 tons, making the total production for the year 4,258,938 tons. Figures giving the amount used for power purposes during other years are not at hand at this writing, but undoubtedly the amount used bears about the same relation to the to . production, and is an item

NOT TO BE IGNORED.

But, of course, a plant of this magnitude will furnish many times the power needed for mere mining operations, and while no specific informa-

Kidder, Peabody & Co.
115 Devonshire St.
Boston
56 Wall Street
New York
INVESTMENT SECURITIES
FOREIGN EXCHANGE
LETTERS OF CREDIT
Agents and Attorneys for
Baring Brothers & Co., Ltd.
LONDON

Dial Cash Register, Pay-As-You-Enter Car, Eastern Mills Stocks, Hocking Valley Products Co., bought and sold.
C. W. GILMOR, 50 Broad St., N. Y.
Wire connections to all markets

Hodenpyl, Hardy & Co.
BANKERS
7 Wall Street, New York
6% PREFERRED STOCKS A SPECIALTY

BODELL & CO.
PROVIDENCE, RHODE ISLAND
Boston Office, 35 Congress St.
Bonds and Preferred Stocks of Proven Value

GEO. D. COOK & CO.
BANKERS
71 BROADWAY, NEW YORK
We make a Specialty of
Mexican Government and State Bonds

McCOY & COMPANY
Municipal and Corporation Bonds
181 LA SALLE STREET
CHICAGO

Boody, McLellan & Co.
111 BROADWAY, NEW YORK
MEMBERS OF NEW YORK STOCK EXCHANGE
Orders Executed for Investment or on Margin

We Have For Sale
Seattle Judgment and Condemnation Fund 6% Warrants.
WM. D. PERKINS & CO., Bankers
No. 211 Cherry St., Seattle, Wash.
Established 1893
Oldest Bond House In Washington.

DOMINION BOND COMPANY
LIMITED
MONTREAL TORONTO OTTAWA
LONDON, ENGLAND
Dealers in HIGH-GRADE CANADIAN BONDS
List on Application

5% BONDS
Guaranteed by
National Light Heat and Power Co.
A. H. BICKMORE & CO.,
30 PINE ST., NEW YORK

6% Timber Bonds
Carrying With Them An Exceptionally Attractive Feature
American Finance & Securities Co.
5 Nassau Street New York

H. C. Gibbs & Co.
Gas and Electric Light Bonds
To yield 5% to 5 1-2%
60 State Street BOSTON

CIRCULAR ON MISCELLANEOUS UNLISTED MILL AND MANUFACTURING SECURITIES
SENT UPON REQUEST
HORNBLOWER & WEEKS, 60 Congress St., Boston

tion has as yet been given out along this line, it is reported that the company intends to bid for power contracts as far south as Philadelphia, in which case it would

BECOME A COMPETITOR

of the Philadelphia Electric Company. Should there be anything in this report, an interesting situation would be created, as, to quote off-hand a recent remark of a newspaper paragrapher, "President McCall, of the Philadelphia Electric Company, says that his company enjoys a complete monopoly. Few corporations have found such a position a source of misery". Of course, this is the merest speculation at the present time, but is interesting in connection with the talk bearing on the relations of the Philadelphia Electric Company and the now broken down political machine of the city.

However, it is known that the plans of the Lehigh Navigation Company in regard to this power plant are very comprehensive, and it is said that the management expects to offer such inducements to the cement and slate regions, the silk manufacturing plants, and to

ALL OTHER MANUFACTURERS

in that thriving section that they may find it more economical to buy their power from the Lehigh Navigation Company's plant than to produce their own.

Towns named as likely to be supplied are Scranton, Wilkesbarre, Bethlehem, Allentown, Easton, Portland, Bangor, Slatington, Mahanoy City, Hazleton, Shenandoah, Catasauqua, Ashland and Tamaqua, all having large manufacturing establishments of a varied character. Certainly, if the Lehigh Company does go out after the business of all or any of the towns named a limitless field is offered.

The Lehigh Coal & Navigation Company has mines in both the Nesquehoning and the Panther Creek Valleys which are connected by a tunnel. Through this the coal from the Panther Creek Valley is sent for shipment. The power plant which now supplies is at Lansford. The location for the new plant is said to be ideal in all respects since ample water supply is easily available and no extremely difficult feats of engineering will be involved in its construction.

THE COST

of the new plant will be in the neighborhood of $3,000,000 and will be built, owned and operated through the Lehigh Navigation Electric Company. This company will be organized for this specific purpose and will be controlled absolutely by the Lehigh Coal & Navigation Company. It will be some months before the work will require any great amount of capital and the project will be financed entirely on bonds rather than by stock allotment. The management displays its wisdom by financing the undertaking upon capital bearing a low rate of interest, instead of upon stock paying an annual dividend of 8 per cent, which is the rate being paid by the company upon its stock at present. It has been reported in some quarters that the funds needed will be raised by the sale of Lehigh Navigation general mortgage bonds, but this, we are informed on good authority, is incorrect, and instead of this collateral trust 4½s will be used, running probably for ten years, or for a short time, anyway, and these will be secured by deposit of the company's 4½ per cent general mortgage bonds, and bonds issued on the power plant will also be deposited, it is said. In this way, the company

WOULD BE REIMBURSED

for money advanced from the treasury for construction, and the bonds held until the power company becomes independent and a demand for its securities has been established on their own merits.

In addition to the properties mentioned thus far, the Lehigh Coal & Navigation Company owns the canal from Coalport to Easton, Pa., a distance of 48 miles, and leases the Delaware Division Canal, 60 miles in length. The company owns the Lehigh & Susquehanna Railroad running from Union Junction, Pa., to Phillipsburg, N. J., which together with branches covers 165 miles and leases for 999 years the Nesquehoning Valley Railroad and other small lines aggregating 41 miles.

THE RAILROADS ARE LEASED

to the Central Railroad of New Jersey for 999 years, dating from 1871, at rentals of one-third the gross earnings, with a guaranteed minimum of $1,414,400. This company and the Central Railroad of New Jersey jointly guarantee $1,062,000 of bonds of the Lehigh & Hudson River Railway Company in which each have a large interest. In May, 1904, control of the Lehigh & New England Railroad was acquired.

Against the property, the statement of December 31, 1910, gave $20,915,083 of bonds of various descriptions. Three of the earlier issues matured some years ago, but were extended to 1914 with interest reduced from 6 to 4½ per cent, in one instance, and from 6 to 4 per cent in the other two cases.

THE CAPITAL STOCK,

including recent stock allotments, is $26,557,950, par $50. In 1904, a majority of the stock was deposited in a voting trust to continue until 1910. This has been extended until 1915. The trustees have the power to sell the stock at not less than $175 per share. The dividend record is a good one, 4½ per cent having been paid in 1894, and since that time, dividends of various percentages have been declared reaching 9 per cent in 1909, when 8 per cent regular and 1 per cent extra was declared. From 1895 to 1899 the rate was 4 per cent, but ever since then it has been 5 per cent or more. The company also has the "melon cutting" habit in the form of making stock allotments, etc.

The stock and

TRUST CERTIFICATES

are selling on the Philadelphia stock exchange around 90, and while with the 8 per cent dividend rate now prevailing this gives a yield of only about 4½ per cent, it offers an attractive proposition for those who demand conservatism in their investments and is generally conceded to be one of the best on the local list to put away and keep. The stock has sold as high as 131½, and at the present price, in view of the general excellence of the properties of the company, and taking into account the power plant plans discussed at the opening of this article, it presents attractive possibilities for the future.

P. DE MEDICI.

American Industrials Co.
Broad Exchange Building, New York
INVESTMENT SECURITIES.
6% Twenty Year First Mortgage Gold Bonds.
7 Preferred Stocks.
8% Preferred Stocks.

Baker, Ayling & Co.
50 Congress street, Boston
INVESTMENT BONDS
Philadelphia Office, Land Title Building

TAX EXEMPT STOCKS
List Mailed on Application
311 Main St., **W. F. CROSBY** Telephone 4090
WORCESTER, MASS.

YOUR INVESTMENT SHOULD EARN YOU MORE MONEY
Boston Real Estate Carefully Selected and Scientifically Managed
The United States Investor in its issue of Sept. 16, 1911, says of this company "Both the preferred stock and the bonds are well worthy of the consideration of our readers."
Address for prospectus and other information
COMMONWEALTH REALTY COMPANY, Chas. E. Jeffrey, Prest.
Room 407, 53 State St., Boston.

6% NON-TAXABLE TRUST CERTIFICATES With Participation in the Large Profits of Real Estate Development. Secured by Income Property. Send for Booklet
GREATER BOSTON REALTY TRUST, 28 School Street, Boston

Digitized by Google

BOSTON REAL ESTATE TRUSTS.

The Need of These in Boston—The Good Done Boston by Them—Two of the More Prominent—Popularity of the Securities Among Trustees.

Real estate trusts have been the butt of more or less unfriendly criticism lately, and in fact, attemps have been made to have a law passed prohibiting not only this, but every form of voluntary organizations, organized or doing business in Massachusetts. These attempts are without reason, and such a law would be one of the worst things possible for Massachusetts. As pointed out in a recent article, corporations cannot deal in real estate under Massachusetts laws, individuals singly either cannot deal in modern city real estate, because of thier inability to furnish the needed capital, or will not, and the only way left is the real estate trust form of ownership and management. How many individuals could, if thy would, erect such buildings as the Hotels Touraine, Somerset and Bellevue, or the Tremont, Oliver, Bromfield and Board of Trade Buildings, or the Boston Storage Warehouse? There are few, indeed, who could

BUILD AND MAINTAIN

any of these buildings, and it is to be doubted if any of those who could would sink millions into one property. The real estate trusts of Boston have made possible the erection of all the principal hotels of Boston, its warehouses, its apartment houses and its department stores. Taking hotels, for example—there is but one large hotel in Boston, the Parker House, which is not owned by trusts. Large and growing cities demand buildings and developments, which under the circumstances can be built by real estate trusts alone. Would Boston be better off without them? Whether or not it would be a wise policy for Massachusetts to follow the lead of other states in allowing corporations to deal in real estate is a matter open to argument, but it is certain that with the laws now in force and other conditions as they are, it would be ruinous to the growth of Boston to have a law prohibiting the existence and doing business of real estate trusts.

Two of the more prominent of the Boston trusts are the Boston Real Estate Trust and the Municipal Real Estate Trust. The former began business May 1, 1886, and is the oldest and most successful of Boston real estate trusts. It has over $9,000,000 of capital invested in business properties all over the city, with an assessed valuation of over ten and a half millions. Out of the 1,500 or more stockholders, there are about 1,200 women, children and charities, and hardly a trustee can be found in Boston who has not one or more shares of this trust in his keeping.

From the first, the Boston Real Estate Trust has been very successful. The trustees have always been

GOOD BUSINESS MEN,

with a marked degree of foresight and conservatism, as is shown in the payment of an annual dividend of 4½ per cent since the first. Besides this annual 4½ per cent, valuable rights have been given to the stockholders at different times, after a considerable surplus had been laid by. An item, considered pertinent in reference to the prospective value of the securities of this company is the fact that the properties are so widely scattered that it is almost impossible for the city or private capital to make any city improvement without affecting some one of the various properties and thereby enhancing their value. The risk attached to these securities is small too, due again to the same fact that the properties are so scattered that in case of a deterioration of one, the others are not affected. The rise and decline in values of properties works out about even, with whatever margin there is generally on the credit side. Five trustees are needed to look after the management of these properties, and those now holding the trusteeship stand very high, both in real estate and financial circles in Boston. The Municipal Real Estate Trust was patterned after the Boston Real Estate Trust, and both have

MANY FEATURES IN COMMON.

The policy of having the properties as scattered as possible, has been wisely followed by the trustees of this trust, and their stock is held by about the same percentage of women and children as the older trust.

The Municipal Real Estate Trust started April 1, 1896, and during its fifteen and a half years of existence has never failed to pay an annual dividend of 4 per cent, beside paying extra dividends at intervals, and laying by a good surplus. One of the properties owned at one time was at the corner of Washington and Winter streets, which was taken over by the city at the time the subway was built, and it is instances like this by which the wisdom of the policy of having the properties scattered is shown. The securities of this trust are selling on a 3.92 per cent basis, as against 3.81 per cent of the Boston Real Estate Trust. Good real estate trust securities are among the safest for investment purposes. Unlike the stock market, the real estate market does not fluctuate from day to day, and neither is it affected by the same conditions of labor troubles, foreign war scares and the like. Of course, it cannot be expected to remain stationary with neither ups nor downs, but must move more or less. However, it is about one of the most stable of the markets, and the confidence placed in the securities by trustees and others show that the securities are rapidly coming into their own.

BANK ITEMS.

CENTRAL SQUARE, N. Y.—The First National Bank has been chartered with a capital of $25,000. Henry D. Coville, president; Henry C. Low, vice-president, and Roger L. Jones, cashier.

RUPERT, IDAHO.—The Rupert State Bank changed hands last week, the new purchaser being L. P. Nelson, formerly cashier of the Potlatch State Bank at Potlatch, Idaho. Mr. Nelson purchased the interests of J. S. McQuiston, cashier, and his son, R. W. McQuiston, assistant cashier. Mr. Nelson will assume charge of the bank at once.

OUR INQUIRY SERVICE.

Our Opinions Valuable.

430 W. 116th St.
New York, Dec. 13, 1911.

ED. UNITED STATES INVESTOR:

Accept my thanks for your clear and lengthy opinions which will be valuable to me.

Yours truly,
(Miss) IRENE BURDSALL.

We Give Prompt Attention.

Portland, Conn., Aug. 8, 1911.

ED. UNITED STATES INVESTOR:

I thank you for the copy of your report, duly received, also for your prompt attention to my other requests for information about various companies by your New York house as well as by your Boston office.

Yours truly,
F. GILDERSLEEVE.
First National Bank.

A Great Paper.

7 Fairfield St.
Salem, Mass., Feb. 7, 1911.

ED. UNITED STATES INVESTOR:

Enclosed please find check for five dollars ($5) to cover my subscription to the United States Investor to February 4, 1912. You have a great paper. Do not know how I could get along without it.

Yours very truly,
GEORGE B. CURWEN.

Exactly What Was Desired.

1961 W. Market St.
Pottsville, Pa., Aug. 26, 1911.

ED. UNITED STATES INVESTOR:

Enclosed fine post office money order for $2 to cover enclosed bill. I beg to state that the information covers exactly what was desired and shall bear you in mind if another similar occasion arises.

Respectfully yours,
THOS. B. DREHER.

FINANCIAL INQUIRY.

Continental Bankers' Corporation.

21336. (Bay City, Mich.) Will you be kind enough to make report on the Continental Bankers' Corporation. I would like to know whether you would recommend them as a concern worthy of the confidence of the community.

Ans.: This company has an authorized capital of $1,000,000, of which amount the company claims $500,000 is outstanding, but of which only a small percentage has been paid in. The business of the company will be that of brokers, handling stocks, bonds and other securities on a commission basis.

We are not strongly enough impressed with either the resources or the personnel of this company to be willing to recommend it to our subscribers.

Stability of Earnings

The operation of several Public Utility corporations by a single management reduces the operating cost because of the numerous economies that can be effected. This means larger and more stable net earnings than could be secured were the same properties operated separately.

With stability of earnings assured and ample property securing the bonds, the only other element desired is a satisfactory return on the investment. This is supplied in the high-grade bonds of Public Utility corporations that we control and operate and which we offer to conservative investors.

Write for Circular

Meikleham & Dinsmore
ENGINEERS AND BANKERS

137 Chestnut St., Phila. | 25 BROAD ST., NEW YORK | 60 State St., Boston

Assets Realization Company
Capital $10,000,000

Purchases Estates in Liquidation at any point in the United States

NEW YORK PHILADELPHIA CHICAGO

Municipal Bond Sales

MUNICIPALITY.	Date of sale.	Classification of bonds.	Amount.	Rate of interest. Per cent.	Maturity.	Sale price.	Purchaser.	Income basis.
Malden, Mass.	Dec. 2	Water	12,000	4	1931	106.779	Merrill, Oldham & Co., Boston	3.671
Malden, Mass.	Dec. 2	Drainage	11,000	4	1941	106.779	Merrill, Oldham & Co., Boston	3.571
New Bedford, Mass.	Nov. 22	City	28,000	4	*3 1-6	101.479	Blodget & Co., Boston	3.685
Hadley, Mass.	Nov. 27	Refunding	3,000	4	**1-18	99.346	Estabrook & Co., Boston	3.74
South Portland, Me.	Nov. 29	Funding	25,000	4	*1905	101.81	E. M. Farnsworth & Co., Boston	3.79
Baltimore, Md.	Dec. 4	Paving	1,000	4	1951	102	Marshall, Winchester	3.90
Cincinnati, Ohio, Sch. Dist.	Dec. 4	Building	300,000	4	1951	101.775	Well, Roth & Co., Central Trust & Safe Deposit Co., Cincinnati	3.912
Baltimore, Md.	Dec. 4	Paving	20,000	4	1951	101.50	G. H. Steinbrenner	3.925
Baltimore, Md.	Dec. 4	Paving	1,500	4	1951	101.75	H. A. Orrick	3.962
Rockingham County, N. H.	Dec. 2	Jail	20,000	4	**11-14	100.281	N. W. Harris & Co., Boston	3.973
Baltimore, Md.	Dec. 4	Paving	32,000	4	1951	101.50	Baltimore Life Ins. Co.	3.975
Baltimore, Md.	Dec. 4	Paving	20,000	4	1951	101.50	Cowen, Leach & Co.	3.975
Baltimore, Md.	Dec. 4	Paving	10,000	4	1951	101.50	Townsend, Scott & Sons.	3.975
Baltimore, Md.	Dec. 4	Paving	11,000	4	1951	101.50	Eaton, Weeks & Co.	3.975
Baltimore, Md.	Dec. 4	Paving	234,500	4	1951	101.58	Mercantile Trust & Deposit Co.	3.951
Bloomfield, N. J.	Nov. 20	Park	70,000	4	1941	par	Alfred Dodd, Bloomfield	4
Newark, N. J.	Nov. 20	Sewer	1,120,000	4	1940-50	par	Local banks	4
Springfield, Ohio	Nov. 28	Sewer	12,562	4½	1931	100.28	A. E. Ash & Co., Cincinnati	4.04
Wellsville, Ohio	Dec. 4	Refunding	18,000	6%	1921	100.83	Provident S. B. & T. Co., Cincinnati	4.05
Niles, Ohio	Nov. 25	Elec. light ext.	8,000	6%	**11-17	104.33	Provident S. B. & T. Co., Cincinnati	4.085
Akron, Ohio	Nov. 25	Public imp.	8,000	5%	1911	101.20	First Second Nat. Bank, Akron	4.10
Akron, Ohio	Nov. 25	Paving	2,500	5%	*3½	101.50	First Second Nat. Bank, Akron	4.10
Akron, Ohio	Nov. 25	Paving	6,000	5%	1915	101.50	First Second Nat. Bank, Akron	4.10
Akron, Ohio	Nov. 25	Public imp.	22,000	5%	*3½	101.50	First Second Nat. Bank, Akron	4.10
Hamilton, Ohio	Nov. 29	Sewer	1,000	5%	**1-10	107.80	E. J. Seaman, Hamilton	4.12
Hamilton, Ohio	Nov. 29	Street imp.	41,000	5%	**1-10	101.50	Well, Roth & Co., Cincinnati	4.15
Akron, Ohio	Nov. 25	Paving	31,500	5%	*3½	100.1	Stacy & Braun	4.17
Akron, Ohio	Nov. 25	Street repair	1,000	5%	*3½	100.45	Stacy & Braun	4.17
Akron, Ohio	Nov. 25	Paving	28,500	5%	*3½	100.1	Stacy & Braun	4.17
Akron, Ohio	Nov. 25	Paving	17,000	5%	*3½	100.1	Stacy & Braun	4.17
Akron, Ohio	Nov. 25	Paving	11,000	5%	*3½	100.1	Stacy & Braun	4.17
Akron, Ohio	Nov. 25	Paving	11,000	5%	*3½	100.1	Stacy & Braun	4.17
Akron, Ohio	Nov. 25	Paving	1,000	5%	*3½	100.1	Stacy & Braun	4.17
Akron, Ohio	Nov. 25	Paving	11,000	5%	*3½	100.1	Stacy & Braun	4.17
Delaware, Ohio	Dec. 1	Sewer imp.	3,000	5%	*3½	100.55	Seasongood & Mayer, Cincinnati	4.176
Delaware, Ohio	Dec. 1	Sewer imp.	3,000	5%	*3½	100.55	Seasongood & Mayer, Cincinnati	4.176
Cleveland Heights, Ohio	Dec. 1	Road improv.	25,000	5%	*3½	100.6	Well, Roth & Co., Cincinnati	4.286
Coshocton, Ohio	Nov. 20	Water supply	20,000	5%	*3½	100.1	Well, Roth & Co., Cincinnati	4.187
Reading, Ohio	Nov. 28	School imp.	1,000	5%	**1-10	100.850	Provident S. B. & T. Co., Cincinnati	4.20
Marysville, Ohio	Dec. 1	Refunding	4,000	5%	**1-10	102.64	Well, Roth & Co., Cincinnati	4.225
Cleveland Heights, Ohio	Dec. 1	Road improv.	25,000	5%	*3½	100.1	Seasongood & Mayer, Cincinnati	4.258
New Rochelle, N. Y.	Dec. 1	Street improv.	50,000	4½	*3½	101.13	Harris, Forbes & Co., New York	4.23
New Rochelle, N. Y.	Dec. 1	Street improv.	50,000	4½	*3½	101.13	Harris, Forbes & Co., New York	4.23
Greenburgh, N. Y., School Dist. No. 1	Dec. 1	Building	100,000	4½	*3½	101.125	Harris, Forbes & Co., New York	4.25
Marysville, Ohio	Dec. 1	Street imp.	1,000	5%	*3½	100.1	Seasongood & Mayer, Cincinnati	4.264
New Phila., Ohio	Nov. 25	Refunding	10,000	5%	**1-10	102.64	Well, Roth & Co., Cincinnati	4.270
Marysville, Ohio	Dec. 1	Street imp.	1,000	5%	*3½	100.1	Seasongood & Mayer, Cincinnati	4.30
Marysville, Ohio	Dec. 1	Sidewalk imp.	1,000	5%	*3½	100.1	Seasongood & Mayer, Cincinnati	4.30
Norwood, Ohio	Dec. 1	Sewer imp.	4,000	5%	*3½	100.55	Seasongood & Mayer, Cincinnati	4.373
Dennison, Ohio	Dec. 1	Sewer imp.	3,000	5%	*3½	100.55	Seasongood & Mayer, Cincinnati	4.373
Dennison, Ohio No. 2	Dec. 1	Sewer imp.	3,000	5%	*3½	100.55	Seasongood & Mayer, Cincinnati	4.373
Hamilton, Ohio	Nov. 25	Sewer	3,000	5%	*3½	100.1	Seasongood & Mayer, Cincinnati	4.30
Hamilton, Ohio	Nov. 25	Sewer	3,000	5%	*3½	100.1	Seasongood & Mayer, Cincinnati	4.30
Marysville, Ohio	Nov. 25	Water	10,000	5%	*3½	100.1	Seasongood & Mayer, Cincinnati	4.30
Akron, Ohio	Nov. 25	Paving	1,000	5%	*3½	100.1	Seasongood & Mayer, Cincinnati	4.30
Akron, Ohio	Nov. 25	Paving	1,000	5%	*3½	100.1	Seasongood & Mayer, Cincinnati	4.30
Akron, Ohio	Nov. 25	Paving	1,000	5%	*3½	100.1	Seasongood & Mayer, Cincinnati	4.30
Akron, Ohio	Nov. 25	Paving	1,000	5%	*3½	100.1	Seasongood & Mayer, Cincinnati	4.30
Canton, Ohio, County Col. Rec. and Sup. Dist.	Dec. 1	Building	100,000	4½	*3½	101.1	Harris, Forbes & Co., New York	4.193
Huntington, N. Y.	Nov. 21	Road	10,000	4½	1941	100.43	Harris, Forbes & Co., New York	4.188
Benton County, Wash., Dists. Sch. Dist.	Nov. 18	Building	10,000	6%	1921	par	Local banks	6
Marysville, Ohio	Dec. 1	Sewer & drain	1,000	5%	**1-10	102.64	Well, Roth & Co., Cincinnati	4.30
New Hartford, N. Y.	Nov. 15	Improvement	1,000	5%	*3½	100.1	Seasongood & Mayer, Cincinnati	4.30
Glen Ridge, N. J.	Nov. 20	Road	10,000	4½	1941	100.43	Harris, Forbes & Co., New York	4.188
Bristol, Conn.	Dec. 1	Sewer	1,000	5%	*3½	100.1	Seasongood & Mayer, Cincinnati	4.30
Bristol, Ill.	Dec. 1	Water	1,000	5%	*3½	100.1	Seasongood & Mayer, Cincinnati	4.30
West Hampton Dist. Sch. Dist. No. 15	Nov. 15	Building	1,000	5%	*3½	100.1	Seasongood & Mayer, Cincinnati	4.308
Sauk Rapids, Minn.	Dec. 1	Sewer & drain	1,000	5%	**1-10	102.64	Well, Roth & Co., Cincinnati	4.301
Marion, Ohio	Nov. 28	Sewer	1,000	5%	*3½	100.1	Seasongood & Mayer, Cincinnati	4.30
Akron, Ohio	Dec. 2	Water	1,000	5%	*3½	100.1	Seasongood & Mayer, Cincinnati	4.30
Bristol, Conn.	Nov. 28	Water	1,000	5%	*3½	100.1	Seasongood & Mayer, Cincinnati	4.30
Marion County, Ohio	Nov. 27	Bridge	1,000	5%	*3½	100.1	Seasongood & Mayer, Cincinnati	4.30
Norwood, Ohio	Nov. 27	Sewer	1,000	5%	*3½	100.1	Seasongood & Mayer, Cincinnati	4.30
Wyoming, Ohio	Dec. 1	Sewer	1,000	5%	*3½	100.1	Seasongood & Mayer, Cincinnati	4.30
Cheviot, Ohio	Dec. 1	Sewer	1,000	5%	*3½	100.1	Seasongood & Mayer, Cincinnati	4.30
Kingston, S. C.	Nov. 11	School	1,000	5%	*3½	100.1	Seasongood & Mayer, Cincinnati	4.30
Simpsonville, S. C.	Nov. 11	School	1,000	5%	*3½	100.1	Seasongood & Mayer, Cincinnati	4.30
Marion County, Ohio	Dec. 1	Bridge	1,000	5%	*3½	100.1	Seasongood & Mayer, Cincinnati	4.30
New Hartford, N. Y.	Dec. 1	Improvement	1,000	5%	*3½	100.1	Seasongood & Mayer, Cincinnati	4.30
Sharpsburg Sch. Dist. No. 1	Dec. 1	Building	1,000	5%	*3½	100.1	E. C. Baker, New Hartford	4.30
St. Louis, Mo.	Nov. 27	Bridge	1,000	5%	*3½	100.1	Seasongood & Mayer, Cincinnati	4.30
Stafford, Mass.	Nov. 27	Improvement	1,000	5%	*3½	100.1	Seasongood & Mayer, Cincinnati	4.30
Buffalo, N. Y.	Dec. 1	Sewer	1,000	5%	*3½	100.1	Seasongood & Mayer, Cincinnati	4.30
Buffalo, N. Y.	Dec. 1	Sewer	1,000	5%	*3½	100.1	Seasongood & Mayer, Cincinnati	4.30
Buffalo, N. Y.	Dec. 1	Sewer	1,000	5%	*3½	100.1	Seasongood & Mayer, Cincinnati	4.30
Cass County, Ill.	Dec. 1	Bridge	1,000	5%	*3½	100.1	Seasongood & Mayer, Cincinnati	4.30
Concordia Parish La. S. D.	Dec. 1	School	1,000	5%	*3½	100.1	Seasongood & Mayer, Cincinnati	4.30
Natchitoches Parish La. S. D.	Dec. 1	School	1,000	5%	*3½	100.1	Seasongood & Mayer, Cincinnati	4.30
New Preston, Ct. Sch. Dist.	Dec. 1	School	1,000	5%	*3½	100.1	Seasongood & Mayer, Cincinnati	4.30
New Portland, N. Y.	Dec. 1	Improvement	1,000	5%	*3½	100.1	Seasongood & Mayer, Cincinnati	4.30
Prescott, Ark.	Dec. 1	Sewer	1,000	5%	*3½	100.1	Seasongood & Mayer, Cincinnati	4.30
Red Springs, N. C.	Dec. 1	Water & sewer	1,000	5%	*3½	100.1	Robinson-Humphrey Co., Atlanta	4.30
Rochester, N. Y.	Dec. 1	Sewer	1,000	5%	*3½	100.1	Seasongood & Mayer, Cincinnati	4.30
Waltham, Mass.	Dec. 1	Improvement	1,000	5%	*3½	100.1	Seasongood & Mayer, Cincinnati	4.30

* Year average ** Year serial † Year optional

Digitized by Google

FINANCIAL INQUIRY.

S. W. Straus & Co. Bonds.

21385. (Chicago.) I have been a reader of your publication on "Investments" and write to you for such information as you would give as to the reliability of S. W. Straus & Company, mortgage bankers, and also, are their first mortgage bonds as safe as they are advertised?

21386. (Scranton, Pa.) Do you consider the first mortgage real estate bonds of S. W. Straus & Company, bankers, of Chicago, a good investment? What is the reputation of the house?

Ans: We have made very thorough inquiry regarding S. W. Straus & Company, Incorporated, and find that they are highly regarded by the banks of Chicago, and by some of the best national banks of New York City. The firm has been in existence for several years, and from all indications, its business has made substantial and satisfactory progress. We understand that S. W. Straus & Company are worth several hundred thousand dollars.

The officers are men of unquestioned reputation and ability in their line. They are thoroughly posted on the real estate business.

Our impression of their bonds would be favorable, and while we do not know what special issue of bonds you most care to know about, we believe this firm would use their best judgment with any loan and with the issuing of securities in connection with it. We understand that never since 1882, when the firm began the business of making and selling loans on the highest class of Chicago real estate, has any person lost a single dollar of either principal or interest. Their fixed rule, they state, is never to loan more than fifty per cent of the actual value of any property, whether in connection with straight mortgage loans or bond issues. In order to make their bonds convertible, it is their custom to repurchase securities from clients when requested at par and accrued interest, minus only the handling charge of one per cent. They further state that they have never failed to repurchase from clients when requested to do so, even when the requests have come during times of general business depression or panic.

MUNICIPAL SHORT TERM LOANS.

ROCHESTER, N. Y.—Bond & Goodwin, of New York, were awarded an issue of 8 months' water notes to the amount of $569,000 at 4½ per cent and $11 premium.

WALTHAM, MASS.—Estabrook & Company, of Boston, have been awarded a 4 months' loan to the amount of $25,000 at 3.21 per cent discount and premium of $1. Other bidders were: Bond & Goodwin (85 cts. prem.), 3.25; Curtis & Sanger (37 cts. prem.), 3.34; Old Colony Trust Company, 3.34; R. L. Day & Company, 3.34; N. W. Harris & Company, 3.36; Perry, Coffin & Burr, 3.475; Loring, Tolman & Tupper, 3.59, and Blake Bros. & Company, 3.73.

PROPOSAL FOR BONDS.

BRIDGEVILLE, PA.—J. E. Franks, borough clerk, will receive sealed bids until December 19, for $23,000 4½ per cent 30-year refunding bonds, dated August 15, 1911. Each bid must be accompanied by certified check for $500, payable to the borough treasurer and the purchaser must furnish the bonds. The borough has an estimated 1911 population of 2,500, has an assessed valuation of $1,251,080 and an estimated real value of $1,500,000. The bonded debt, including this issue, will be $66,000.

City and Town Treasurers

The Old Colony Trust Company is one of the largest and strongest banking institutions in the country. Its tremendous resources and its strong position in the confidence of the public make our services in the preparation and certification of Municipal Bonds of unusual value to city and town treasurers.

Our plan for handling this work is the safest and most systematic that experience can suggest, and it is so economical that the entire cost is within the means of the smallest municipality.

It affords absolute protection not only to the issuing community and its officials but also to the banker and investor. It has already been adopted by many cities and towns throughout the country and has the unqualified endorsement of all bond dealers.

The marked preference shown by investors for bonds issued under our plan has resulted in a distinct enhancement of their market value. *Kindly send for descriptive pamphlet.*

OLD COLONY TRUST COMPANY

COURT STREET BOSTON TEMPLE PLACE

Bond Certification

Modern conditions make the registration and certification of municipal and corporate obligations desirable and convenient. We have a department maintained exclusively for this purpose.

First National Bank of Boston
70 Federal Street

COPPER RANGE CONSOLIDATED COMPANY

At a meeting of the Board of Directors of the COPPER RANGE CONSOLIDATED COMPANY held this day, a dividend of 50c. per share, being Dividend No. 32, was declared, payable on Monday, January 1st, 1912, to Stockholders of record at the close of business on Saturday, December 9th, 1911.

FREDERIC STANWOOD, Treasurer.

Boston, December 4th, 1911.

BANK ITEMS.

CHADRON, NEB.—Chadron National Bank, capital $50,000, has been organized by F. B. Carley, C. H. Bisping, R. Hood, W. Braddock and C. G. Elmore.

CLARKSBURG, OHIO.—Clarksburg Commercial Bank is the title of the new bank being organized at this place by Charles W. Still and others. Capital, $25,000.

SHARON, KAN.—The State Bank of Sharon has been incorporated with a capital stock of $10,000 by J. E. Krouth, L. B. Krouth, of Morland, and L. L. Chamberlain, of Hackberry.

LITTLE FALLS, WASH.—The Little Falls State Bank, capital $10,000, has been incorporated by W. R. Dilley, R. H. Campbell, W. C. Krog.

R. Insinger, manager of the Northwestern & Pacific Hypotheekbank, of Spokane, is attending the 19th annual session of the National Irrigation Congress. He is chairman of the board of governors.

SEALED PROPOSALS

will be received by O. C. Funderburk, County Judge, at Palestine, Texas, until January 1st, 12 M. for $150,000 5% 40-20 Road District Bonds dated January 1, 1912. Certified check for $1000 required with bids.

THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY.

New York, December 5, 1911.

The Board of Directors has declared a semi-annual dividend (being dividend No. 77) on the PREFERRED STOCK of this Company of TWO DOLLARS AND FIFTY CENTS ($2.50) per share, payable February 1, 1912, out of surplus net income, to holders of said PREFERRED STOCK as registered on the books of the Company at the close of business on December 29, 1911. The books will not be closed. Dividend cheques will be mailed to holders of PREFERRED STOCK who file suitable orders therefor at this office.

C. K. COOPER, Assistant Treasurer.
5 Nassau Street, New York City.

OFFICE OF THE LANSTON MONOTYPE MACHINE COMPANY.

PHILADELPHIA, PA.

The Board of Directors has this day declared a quarterly dividend of 1¾ per cent on the Capital Stock of this Company, payable on the 30th day of December, 1911, to stockholders of record at the close of business December 23, 1911.

J. SELLERS BANCROFT, Treasurer.
Philadelphia, December 5, 1911.

ISLAND CREEK COAL COMPANY PREFERRED STOCK DIVIDEND

The Directors of the Island Creek Coal Company have declared the regular quarterly dividend of $1.50 per share upon the preferred capital stock of this Company, payable January 1, 1912, to stockholders of record at the close of business December 16, 1911.

F. W. BATCHELDER, Treasurer.

MASSACHUSETTS ELECTRIC COMPANIES.

A dividend of Two Dollars ($2) per share has been declared payable on January 1, 1912, to Preferred Shareholders of record at the close of business December 2nd, 1911.

J. H. GOODSPEED, Treasurer.
Boston, November 22nd, 1911.

United States Investor

Published Every Saturday Morning by

FRANK P. BENNETT & CO., Inc.

SUBSCRIPTION RATES

$5.00 per annum in United States and Mexico; $6.50 per annum in Canada.

$7.00 per annum in England, the Continent, Australia and Countries in the Postal Union.

$10.00 per annum for Investor and Inactive Securities Supplement, including privilege of inserting quotations in the Supplement.

ADVERTISING RATES

Twenty-five cents per agate line. There are fourteen agate lines to the inch.

PUBLICATION OFFICE,

220 Atlantic Avenue, Boston.

NEW YORK OFFICE,

2 Rector Street, New York.

JOSEPH L. BARKER, Manager.

Washington Office, 208 Corcoran Building; Philadelphia Office, 308 Chestnut Street.

Entered at the Post Office at Boston, Mass., as second class matter.

If the New York, New Haven & Hartford Railroad is not always a lucky suitor for legislation at the hand of Massachusetts, it certainly is a persistent one. Repeated rejections of its petitions leave it with ardor unquenched and with enthusiasm undampened. If one legislature applies the paternal boot, so to speak, to the unwelcome suppliant and metaphorically slams the door behind the ejected guest, the advent of the next legislature finds the railroad waiting once more, cap in hand, to bid it a cheerful good morning. Since legislatures and popular opinion are quite as fickle as the human objects of a suitor's affections are sometimes reputed to be, while corporations have a deserved reputation for determination, the prospect would seem to be that eventually what the New Haven Railroad desires it is going to get. Candor compels the statement that to date the set-backs it has had in Massachusetts have been but temporary, and its victories have been substantial.

It desires now to be permitted to enlarge the section of Massachusetts within which it may own and operate electric railways. The attitude of Massachusetts toward New Haven ownership of Massachusetts trolley lines has been marked by no uniformity of policy. One group of people will tell you this attitude has been progressive, while another group will insist that it has retrograded. Originally, it forbade the New Haven to own a single mile of Massachusetts trolleys. The day when the Massachusetts Supreme Court directed the New Haven to dispossess itself of the lines it had bought contrary to Massachusetts law, there was considerable public rejoicing in Massachusetts. There was a feeling that this decision meant a new triumph for democracy and there were those who asserted that the court had stayed the progress of an octopus whose hunger for Massachusetts trolleys could not have been satiated without disaster to Massachusetts' best interests. Within a very brief space of time, however, the legislature confessed itself convinced that within at least one portion of Massachusetts, the Berkshires, the admission of the octopus was on the whole to be desired. To that portion, therefore, entrance was granted.

The railroad would now enlarge its domain. It desires to be allowed to acquire lines as far east as Worcester, including the lines centreing about Springfield. The next legislature will be asked to grant it this power. There is plenty of room for honest difference of opinion as to whether permission should be given. It cannot be denied, on the one hand, that the behavior of the New Haven during its brief ownership of the Berkshire lines has gone far to overcome such prejudice as there may have been against it in those parts. New construction has proceeded apace and good service has been given on lines already existing. Over against this fact, however, the antagonists of the New Haven may fairly set the unquestioned fact that the territory both about Springfield and about Worcester is promising enough to entice independent capital to develop the systems there. The argument for permitting the New Haven to win the Berkshire lines was that no more capital from independent sources could be induced to venture into that rather unproductive field. The New Haven stood willing to make the venture. Perhaps there was a crying necessity, therefore, for its advent there. The necessity for its coming into control of the trolleys about Worcester and Springfield was by no means so apparent, and there is fair room for doubt that any such necessity exists.

BRUCE WYMAN TO THE RESCUE.

Before the Economic Club of Boston, the other night, Professor Bruce Wyman, of Harvard, Samuel Untermyer and Assistant Attorney-General Denison discussed the Sherman Law. It is no disparagement of the other two speakers to say that Professor Wyman's discussion was by long odds the most attractive and at the same time the most helpful. His disclaimer at the outset of skill as an economist was shown by the address itself to be a piece of unwarranted self-depreciation, for his analysis of the trust problem and his suggestions for its treatment were economic for the most part, and only incidentally legal. He gave a new demonstration of the fact which many men of sense are beginning to discover that among the ranks of college professors are to be found to-day a very considerable number of men whose advice may well be taken on our big political problems. They bring to such discussions a wholesale lack of bias, an almost astonishing amount of information, and some well worked out programmes for constructive action.

At the outset he took issue squarely with the popular notion that a monopoly is always artificial. He asserts with positiveness that there are numerous industries in which monopoly is made inevitable by natural law, and that any law which would undertake to force competition in any industry where nature decrees monopoly can never accomplish anything affirmative. Among the existing trusts he would apparently include both the Standard Oil Company and the United States Steel Corporation as within this category. On the other hand, he declares that there are monopolies in this country which have no economic justification, which have built up their power by savage tactics in predatory commercial warfare. For these he sees no possible legal defense, and uses some of the strongest language in his vocabulary to denounce them.

He declares that it is to the disgrace of this land that it did not see sooner that many business policies which were not harmful in days of free competition are deadly if allowed to a monopoly. He cites, for instance, such actions as refusal to sell retailers who buy of a rival, or the making by the trust of a lower price in certain localities where incipient competition is appearing than it exacts in other places. These practices were, of course, not discovered by the trusts. They are as old as the hills and have been used for generations. The friends of the trusts have sought to justify use of them at their hands just because the practices are not new to them. The fallacious nature of such arguments, however, is so apparent that Professor Wyman cannot understand why our law makers have not acted emphatically long ago.

There is something refreshing and altogether promising about so rational an analysis as this. Professor Wyman's division of the trusts into those that are natural and those that are artificial is greatly to be preferred to that division which so many make into good trusts and bad trusts. Especially is his method to be preferred if dissolution under a receivership is to be the punishment for the bad trusts. By bad trusts one generally means those which have been too inconsiderate in their treatment of rivals and customers, and obviously, it

Digitized by Google

is not unreasonable to argue that some of these bad trusts are to be found in industries where nature determinedly favors monopoly. Consequently, a decree of dissolution in such cases is economically unsound and not in the public interest. What is needed in these instances is elimination of the bad management, or regulation of their activities. Any other treatment of the matter means the undoing to a considerable extent of work that has been of benefit to the community.

But how determine which monopolies are natural and which artificial? Even when the public has acquired Professor Wyman's more sensible view, and is willing to allow natural trusts to exist, while proceeding vigorously to assail the unnatural ones, how is it to know the mere man-made creature which is to be its prey, when it finds it in the company of those nature-made creatures whom it is merely to tame, not destroy? Professor Wyman believes himself that in the common law is to be found power enough to cope with the situation, but is also man of the world enough to realize that our people are in no mood to leave the whole situation to be straightened out without some comprehensive and spectacular action by Congress. He, therefore, proposes an Interstate Trade Commission modeled on the lines of the Interstate Commerce Commission, and in another column we discuss his suggestion.

A TRADE COMMISSION.

Antagonism to the idea of an Interstate Trade Commission, such as Professor Wyman suggested to the Economic Club, of Boston, the other night, will probably take the form of objection to some of the powers he would confer upon the body rather than to the creation of the body itself. Since E. H. Gary made public profession of his conversion to a belief in governmental regulation of trusts, there has been a rather general scramble among the lesser fry of trust magnates to show their orthodoxy on the same subject. Hence, the country is quite ready for some sort of Federal commission to supervise and regulate the giant aggregations of capital.

We suspect there will be rather less general disposition to acquiesce in the giving of quite such broad powers to the commission as Professor Wyman would give it. Specifically, these powers would include: 1. The licensing of all concerns doing more than a stated volume of business. 2. The annual receipt of public reports from each such concern comprising data as to their earnings and as to their capitalization. 3. Power to investigate reporting concerns. 4. Power to regulate concerns having a substantial control over their market. 5. Power to give relief against extortionate charges and to fix charges for the future. 6. Power to pass upon issues of securities. The last two powers are going to be more grudgingly accorded by the trusts to the supervising commission than are the first four. There is little new about those first four powers, for they do not involve giving any Federal body much more authority than some Federal body or other now possesses.

One can hardly expect the men who control the trusts, however, to submit gracefully to a regulation of their issues of securities and for them to submit to a regulation of the prices they charge, except a regulation of the most general nature, is almost beyond human credulity to expect. If the truth be told, the friends of the trusts will not be without sound economic argument for dreading and even resenting the intervention of a public commission in the matter of price making.

The fixing of charges for a concern's output is not a science but an art. Prices cannot be worked out by general formulas, but must come to some extent from the intuitions of the price maker. Not only is it by no means certain that the Interstate Trade Commission will be composed of men who possess the proper intuitions, but the probability is that the enormous number of complaints which will come before these men will prevent them from having opportunity to acquire a proper sense of proportion in any case. Let us make a little more clear what we mean by reference to a bit of Massachusetts experience under conditions that are not entirely without analogy.

The Commonwealth of Massachusetts long ago placed the issue of stocks and bonds by its railroad companies under commission control. It vested in the commission the power of initiation in fixing the price at which the new stock or bonds should be issued. Practical experience with this law demonstrated its need of amendment. The commissions were honest enough, and sought sincerely to fix the figure rightly. The cause of their failure was not lack of intelligence or of proper principle on their part, but an inevitable lack of daily contact with the money market and with the market for securities. They could not appreciate properly just what the attitude of the public would be toward these securities and what the public would be willing to pay. The state, therefore, found it advisable to transfer the initiative in the matter of price fixing on the new stock or bonds to the directors of the corporation. They are in position to gauge with intelligence the popular feeling toward their stock and to determine the price at which sufficient new money for development of the property can be economically obtained. They were no more sincere, nor, in general, no more intelligent than the commissioners had been. What they had was a far more sensitive understanding of the money market from daily contact with it. They did not fix upon the price for the new stock by rule but by intuition.

What we fear about the Interstate Trade Commission is that it will try to fix prices which the trusts may charge by some sort of general rule. Even Professor Wyman intimates as much. He seems to look with favor upon "price regulation upon the basis of the amount of the investment". This language is rather vague, but if it means what we think it does we would have the commission limit the earnings of a trust to a certain fraction of the investment which the trust has in its business. The trouble with this sort of principle is that such a general rule kills the incentive to excellence. It fails to make proper allowance for the skill, or lack of skill, of the management.

Let the Standard Oil Company, for example, or United States Steel Corporation understand that, no matter how hard its management may try to improve its facilities, the net earnings cannot increase, and its desire to introduce economies will be much diminished. Even though its costs of production shall be made to fall by the introduction of economies, its involuntary obedience to the commission's general rule will prohibit it from acquiring any advantage therefrom. Since it will be limited in its profits to a certain per cent of the investment it has in its plant, it will have to give all the benefit from the diminished cost to the consumer.

If it be demurred against this argument that the commission may fairly be relied upon to make its basis of permitted profit less rigid than this, the query may fairly be raised, by way of rejoinder, whether the public would permit them to be elastic in the matter. Whatever the commission does will have to be done in the open. The public will stand for no star chamber methods, especially if those methods are to result in action favorable in any way to the corporation. The commission will have no small task to satisfy the public that it is allowing the corporation a better profit only because by its skill that corporation has reduced its costs and

Digitized by Google

should be allowed recompense for its skill.

The public is likely to be as skeptical as it has been when some one has argued that the Standard Oil Company has been the means of keeping down prices of refined oil. The public has always answered that natural conditions in the crude oil market have been the real cause of the lower price at which refined oil now sells. We do not look to see the public any more reasonable on this subject than it is now. We look rather to see it force an Interstate Trade Commission to base its findings on general rules so simple and, therefore, so rigid that the public will understand and approve them. Such considerations are what make us doubtful whether Professor Wyman's proposed Interstate Trade Commission should be given large power in the matter of price regulation.

REDEEMING BANK NOTES.

The Department at Washington Which Destroys Unfit Bank Notes a Busy Place.

One of the most interesting places and one which attracts the attention of the many thousands of visitors who journey to the capital of the nation on their pleasure trips and in order to see with their own eyes just how Uncle Sam manages his great workshop, is the Redemption Agency at the Treasury Department. Here our visitor is almost sure to linger for a while on his tour of inspection.

At first glance he beholds a perfect regiment of young lady clerks intent upon the great task which is before them. There is good reason for the diligence and carefulness noted in every action of these clerks. From morning until the gong sounds the welcomed message that their nerve-racking labors are at an end for the day, these clerks are counting and assorting an enormous amount of worn-out or mutilated or

OTHERWISE UNFIT

national bank notes.

During the counting of this currency, which averages daily over a million and a half dollars, they have to be on their guard each minute. It is their duty to inspect each bank note which passes through their hands. Any mistake through inattention on their part would very likely injure their standing as expert counters. If a note should be missed when the last count is made by the agent representing the bank of issue, the clerk responsible is called upon to make good the amount of the note found missing out of her own pocket.

Since the establishment of the national banking system, the amount of worn-out or mutilated currency received for redemption has increased nearly every year. The records show that during the year ended October 31, 1909, $374,326,133.50 of mutilated or otherwise unfit bank notes, leaving out the fit notes that were returned to the banks of issue and which would represent about one-fifth of this amount, was destroyed at the redemption division. During 1910, $395,591,353 was counted, assorted and destroyed. During the year ended October 31, 1911, worn-out currency amounting

TO $445,650,422.50

was placed in the macerater and ground to a pulp. This pulp, by the way, does not go to waste. It is sold by the government to manufacturers of paper at the rate of $40 per ton, and a goodly portion of it is sold to makers of various kinds of souvenirs. The greatest increase over any previous year in the amount of notes received for redemption occurred during the year ended October 31, 1875, when the notes received and destroyed, not counting the fit notes, amounted to $137,697,696, against $49,939,741 received during the year ended October 31, 1874.

The amount of national bank notes received for redemption during one month of the present year would almost equal the amount received during the whole twelve months of the year 1900, so great has been the increase in the number of notes received during the past ten years. In 1900 the amount received and destroyed was $71,065,968 and during the year 1910 the amount received was $395,591,353, or an increase of $324,525,785 over the year 1900. During the year ended October, 1911, mutilated currency, including fit notes in this case, to the amount of $570,318,442.50, was received at the Redemption Agency.

Looking over the records in the Redemption Division we find the amounts received for redemption during the present year

BY MONTHS.

During January, $64,785,436 was received; February, $46,524,453; March, $49,353,908; April, $51,487,162; May, $54,006,009; June, $60,321,441; July, $54,003,825; August, $49,174,135; September, $40,026,992, and in October, $41,248,347. The greatest amount of currency received and destroyed on any one day during the year ending October 31, 1911, was on August 7, when currency to the amount of $2,430,045 was counted and placed in the macerater for destruction. The daily destruction of mutilated notes of our national banks would easily average over $1,500,000.

Each day this currency is placed in the macerater and new circulating notes equal to the amount destroyed are returned to the various banks of issue. The law requires that all mutilated notes issued by any banking association shall be macerated in the presence of four persons, one representing the secretary of the treasury, one the comptroller of the currency, one the treasurer of the United States and one the National Banking Association, from which the currency was received. Each day of the year, barring Sundays and other holidays, these witnesses are on hand to see to it that not one note of the many millions escapes the keen knives of the macerater.

There is very little

IF ANY FLUCTUATION

in the amount of notes received for redemption during the year. It may be that a smaller amount is sometimes received during the summer months, owing to the slackening of business and to the fact that the notes are not circulating as freely as they do during the busy season.

During the period from November 1, 1910, to October 31, 1911, New York City, as usual, forwarded the greatest amount of national bank notes received for redemption. This city furnished about one-third of the entire amount of notes received for redemption during the period just mentioned, or $286,806,088. Chicago came next, forwarding for redemption, $71,138,000. Boston forwarded $38,682,008; Philadelphia, $37,152,011; and St. Louis, Cincinnati, Baltimore and New Orleans are also classed among the big forwarders of notes for redemption.

That there is

SOME LITTLE EXPENSE

to the government in the redemption of national bank notes is shown by the figures on this subject for the fiscal year 1911, which will appear in the next issue of the comptroller's report. These figures show that the expense incurred in the redemption of national bank notes during the fiscal year 1911 amounted to $443,380.12, or an average rate for each $1,000 redeemed of $0.-81977.

Before All Else

there is found in every Union Mutual Policy the first and strongest Purpose of Life Insurance.

Protection

Clear, Faithful Reasonable Contracts. Ask for Particulars.

Union Mutual Life Insurance Co
Portland, Maine

Fred E. Richards, President.

JANUARY 1, 1911
Insurance in force more than $140,000,000
ASSETS - $36,827,078.03
LIABILITIES 33,371,841.25
SURPLUS - $ 2,955,237.78
1910 MOST PROSPEROUS IN HISTORY OF THE COMPANY

HARTFORD LIFE INSURANCE CO.

Chartered 1866 Hartford, Conn.

OFFERS SPLENDID OPPORTUNITIES UNDER DIRECT CONTRACTS.
All Forms of Policies.

THE BOSTON MUTUAL LIFE INSURANCE COMPANY
141 MILK STREET, BOSTON, MASS.

HERBERT O. EDGERTON, Pres. FRANK H. VIELE, Sec'y and Treas.
A corporation operating under the stringent Insurance Law of Massachusetts.
All desirable forms of up-to-date policy contracts issued.
All weekly premium policies in full immediate benefit.
CORRESPONDENCE SOLICITED

Digitized by Google

THREE PREFERRED STOCKS.

A Comparison of American Car & Foundry, American Smelting & Refining and Virginia-Carolina Chemical—Virginia-Carolina Most Attractive.

An inquirer writes, "Would you consider the following preferred stocks good investments, and to which do you give the preference: American Car & Foundry, American Smelting & Refining, and Virginia-Carolina Chemical?"

All three of these preferred issues are selling at the present time well below the high records of the past, and it is safe to assume that they are not wanting in speculative opportunities and possibilities, while in the case of each, a substantial degree of investment value is reflected in past earning performances. So far as net dividend return is concerned, American Smelting & Refining preferred, a 7 per cent issue at 102, would yield 6.86 per cent. American Car & Foundry preferred also pays 7 per cent, but is quoted at 116, the yield in this case being 6.04 per cent. Virginia-Carolina Chemical preferred, an 8 per cent issue, nets 6.78 per cent at its present quoted price of 118.

FROM THESE FIGURES,

it will be seen that there is little to choose between Smelters preferred and Virginia-Carolina preferred, while Car & Foundry preferred is a poor third. Whatever slight advantage may appear at first glance to lie with the Smelter's issue, is counterbalanced by the company's apparent vulnerability in the direction of anti-trust prosecution, to say nothing of the effect of unpleasant notoriety on other grounds, as shown by the fact that in March last, a suit was filed by the government in the United States District Court at Denver to recover from the Carbon Coal and Coke Company, a subsidiary, 1,280 acres, embracing eight claims, at Cokedale, which it is alleged were obtained through fraudulent means by dummy entries. Again, in July last, suit was filed against the parent company for $2,500,000 damages for alleged conspiracy and fraud in acquiring 2,415 acres of coal land.

To turn to the other

TWO INDUSTRIAL ISSUES

mentioned, it will be seen that the prices are practically identical, despite the fact that Virginia-Carolina preferred pays 8 per cent per annum, as against 7 per cent for Car & Foundry preferred. Both issues are receiving all that they are entitled to in the way of dividends, both are preferred as to assets, as well as to dividend payments, and both have a long and unbroken record in the maintenance of their present rates, Car & Foundry preferred having paid 7 per cent per annum since organization in 1899, while Virginia-Carolina preferred has not failed to contribute its 8 per cent yearly dividend in any year since 1896. The last named issue, however, has one advantage, in that it is a cumulative issue, while Car & Foundry preferred is not. Inasmuch as a default in preferred dividends in either case appears a rather remote probability,

THIS ADVANTAGE

is thus far mainly one of sentiment.

In the last four years, the American Car & Foundry Company has earned an average of 16.81 per cent on its preferred shares, while in the case of the Virginia-Carolina Chemical Company, the yearly average for the same period has been 17.76 per cent. In this respect, therefore, there seems to be but little to choose. Car & Foundry preferred has sold as high as 124¾, that level having been touched two years ago, so that the issue is now eight or nine points below its high record. In the case of Virginia-Carolina preferred the difference is greater, for the stock is now selling some 17 points below the high level reached in 1902, and 11 points below

THE BEST PRICE

of 1910.

Both companies have suffered from unfavorable operating conditions during the last year or so. The American Car & Foundry Company, in common with other railway supply corporations, has been feeling the effects of a lack of orders from the carriers, but the latter are now ordering equipment with a noticeably greater degree of freedom, and it is, therefore, reasonable to suppose that the company's business will show a decided turn for the better from this time on. The Virginia-Carolina Chemical Company was affected in its last fiscal year by the difficulties attending the operations of its important subsidiary, the Southern Cotton Oil Company. Conditions in this respect are now greatly changed for the better, owing to last season's record cotton crop, and in this quarter, too, it is quite logical to expect that the close of the current fiscal year will witness a marked change for the better in earnings. Considering the substantially larger yield and accompanying greater possibilities in the way of speculative profits, with the very satisfactory element of investment stability, we are inclined to favor the preferred shares of the Virginia-Carolina Chemical Company as the most attractive of the three stocks named, considering them, of course, in the light of a business man's investment.

TUNICA, MISS.—The Planters Bank is organizing here with $20,000 capital, John R. Terry and L. D. Butt are interested. W. H. Powell will be cashier.

Digitized by Google

FINANCIAL INQUIRIES.

Rutherford Rubber Co.

21373. (Buffalo, N. Y.) Please advise what information you have regarding the Rutherford Rubber Company, of Rutherford, N. J. Also advise what you consider the preferred stock to be worth and if there is a market for same.

Ans.: The Rutherford Rubber Company of Rutherford, New Jersey, presented the following statement on September 1, 1911: Cash and accounts receivable, $128,-139.08; finished stock on hand, $36,764.55; crude rubber and other materials, $37,-456.44; accounts and bills payable, $88,-577.16. According to a statement published in these columns in March, 1910, there was a real estate mortgage on this plant of $30,000. During the past year, $10,000 has been paid on this mortgage, reducing it to $20,000.

The volume of business for 1911 will total about $600,000. We understand that the business for 1911 has been much more satisfactory than for 1910, for the reason that quite a large portion of it has been with the stockholders of the United Motors Company, who are entitled to buy tires from the Rubber Company at a discount, and who pay cash with the order in every case. There are at present about 1,200 such stockholders, and during the season of 1911, their purchases of tires from the Rubber Company, approximated about $5,000 per week.

The company reports that it is adding daily to the number of stockholders, and expects to have two thousand or more by spring, when the tire buying season really begins. Judging from last season's experience, these two thousand stockholders will buy, during the six months from May to November, about half a million dollars worth of tires and tubes.

The company reports that during 1911, it has greatly strengthened jobbing connections, and has recently made a contract with an export house for 10,000 tires for delivery during 1912, and that its business for the next 12 months promises to be

DOUBLE THE PRESENT CAPACITY

of its mill. It is preparing, to at once enlarge the mill and install additional equipment at a cost of about $75,000. Its present capacity is 125 tires and 400 tubes per day, and with the additional equipment this will be increased to 480 tires and 1,200 tubes per day.

About 90 per cent of the stock is held by the United Motors Company, and we do not know of any recent sale of the stock, or of any offering. The United Motors Company is, however, offering preferred stock at par for the purpose of securing additional capital to enlarge the Rutherford plant. This is 7 per cent cumulative and participating stock.

The company estimates, based on present export and jobbing contracts already on hand, and the buying power of 2,000 stockholders, that it will be able to market 60,000 to 75,000 tires and from 120,000 to 200,000 tubes during 1912, a volume of business in excess of $2,500,000 on which the net profit is estimated at 10 per cent.

As there is only $900,000 of United Motors preferred stock outstanding, if these expectations are realized, there would seem to be little doubt that the company can pay its 7 per cent preferred dividend, with perhaps some additional participating dividends. This is, of course, based on the assumption that the estimate of 1912 business will be realized, but the evidence of the success of the plan of selling direct to stockholders in 1911, seems to afford a reasonable basis for the expectation of the company's officers.

Montray Realty Co.

21369 (Lynchburg, Va.) Please advise me as to standing of the Montray Realty Company, 200 Fifth avenue, New York, and also as to value of lots 7 and 8, block 12, of the Shanmont estate, Long Island.

Ans.: The Montray Realty Company is a successor to the real estate firm of Dumont & Company, E. R. Dumont being its head and president. It is incorporated with a paid-in capital of $10,000, and reports a surplus of about five times that amount. Although seemingly not occupying a very prominent place in the local real estate development field, the company is favorably spoken of by those with whom it has had dealings, who express the opinion that it may be counted upon to fulfill its obligations.

The company has acquired under contract a tract of land near the north shore of Long Island, three miles from Port Jefferson, and is engaged in the development of same. Lots have been sold all the way from $48 to $150 each, the outside figure representing corners. You do not state the section which contains the lots in which you are interested, but the chances are that they are held at from $90 to $95 each. This does not, of course, represent of necessity the price at which they could be disposed of in the present depressed condition of the realty market. A hold of five years, however, is likely to add materially to the value of these lots.

American Caramel.

21378. (New York City.) Please inform me as to the present market value of American Caramel securities.

Ans.: Current bid and asked quotations for these securities among New York dealers in unlisted securities are as follows: Common stock, 20-35; preferred stock, 90-95, and 6 per cent bonds, 100-103½.

MINING INQUIRIES.

United States Smelting, Refining & Mining Company.

21382. (Jonesboro, Me.) Kindly give what information you can regarding the United States Smelting, Refining & Mining Company, Inc., in Maine.

Ans.: An exhaustive statement of the organization and resources of the United States Smelting, Refining & Mining Company will be found in the United States Investor for November 12, 1910, which we refer you to.

To-day the preferred stock of this company is generally regarded as a good, reasonable investment for careful investors. Perhaps its strongest point is that the product of this company comprises four metals gold, silver, copper and lead. If the market demand is small in one metal there is likely to be a larger demand for some of the other metals, thus equalizing the company's earnings.

The par value of this stock is $50, and during the present year, the highest point reached was 45½, the lowest, 45¼. To-day the stock is quoted in the market at 47¾, and the indications are for a slightly better price. Quarterly dividends at the annual rate of 7 per cent on preferred are regularly paid and the common stock receives 4 per cent per annum. This year, besides paying these dividends, the roads at their Centennial Eureka mines have been rebuilt thoroughly.

This company's property in Pachuca, Mexico, is now treating 32,000 tons of ore per month as compared with an average of 18,000 tons last year. This increase was brought about by practically doubling the size of the company's two mills, and they should soon be treating 36,000 tons monthly.

The company's silver output from Mexico will increase this year from about 6,000,000 ounces per annum to between 9,-000,000 and 10,000,000 ounces, an increase that is particularly desirable at this time, because of an advance of four cents per ounce in the price of silver.

An advance in the price of silver is of greater importance to the company than an advance in the price of copper, for whereas the United States Smelting, Refining & Mining Company has an annual production of about 25,000,000 pounds copper, upon which its net profits are about $1,000,000 per annum, it now has an annual production of about 10,000,000 ounces of silver, upon which the profit should be about 25 cents per ounce, or $2,500,000. The balance of its earnings are derived from the production of gold and lead.

The production of the company was divided as follows in 1910: Silver, 41 per per cent; copper, 26 per cent; gold, 17 per cent, and lead, 16 per cent.

Richland Lead & Zinc Mines Co.

21380. (Jonesboro, Me.) Kindly give what information you can regarding the Richland Lead & Zinc Mines Company, E. Farrington Draper, treasurer, of Boston.

Ans.: We are unable to advise you with reference to this company or E. Farrington Draper, the treasurer. The company is unknown to us. We have been in communication with various people who deal in mining stock at Boston, none of whom know anything of this company. We are not able to locate E. Farrington Draper.

Ohio Copper.

21388. (New York City.) Kindly give me what information you may have of the Ohio Copper Company.

Ans.: Ohio Copper is selling on the New York curb at about $1 per share, or 10 per cent of par, partly on account of the depressed metal conditions, which are now being dissipated, and partly because of the fact that the Ohio is a Heinze proposition, and the financial community is not slow to forget that in the past Heinze management has been symonymous with manipulation. At present market quotations, however, we believe that the stock is speculatively attractive, though, of course it is not an investment. The company owns a valuable property and mills site at Bingham, Utah, this property being equipped with a concentrating plant. The latter has been materially improved during the current year with the result that the average extraction is much higher than it was. Operations are being actively carried on at the present time, and the capacity of the mill is being increased. The plant will have an ultimate capacity of from 3,000 to 3,500 tons daily, and when this capacity is approximately obtained, according to present well-founded hopes, the company should be in a position to inaugurate dividends on its $12,392,700 stock outstanding of an authorized issue of $15,-000,000. Of course, the advancing tendency of the copper market should improve these prospects materially.

ELLENSBURG, WASH.—The Farmer's Bank of Ellensburg has moved into its $40,000 home. The bank was established in 1906, and has had a rapid growth. The officers are: James Ramsey, president; R. Lee Barnes, first vice-president; S. P. Whipple, second vice-president; J. C. Sterling, cashier, and W. L. Burch, assistant cashier.

Financial Summary of the Week

Allis-Chalmers Co.—Plans for the protection of the holders of the common and preferred stock of the Allis-Chalmers Company as well as for the protection of that company's bondholders, are now being made by prominent representatives of these shareholders, and it is expected that separate committees will be formed for this purpose if the company decides to default on its interest payments, which fall due on January 2. The company's authorized common stock totals $25,000,000, of which $19,820,000 is outstanding, and its authorized preferred stock amounts to $25,000,000, of which $16,150,000 is outstanding.

American Can Co.—Earnings of the company for the year to the end of the present month will show an increase of approximately 10 per cent over a year ago, according to reliable information. Part of the increase, however, is due to the fact that during the year, several subsidiary companies were absorbed and the entire earnings of these companies will be included in the next annual report of the American Can Company.

American Woolen Co.—The American Woolen Company has just declared its 51st consecutive quarterly dividend on its preferred stock, equivalent to $89.25 per share, payable to original holder, making the aggregate dividends $24,500,000

Canadian Pacific Ry. Co.—The Canadian Pacific Railway announces an issue of $18,000,000 of new common stock, which will be offered to shareholders at 150. This is part of the $20,000,000 authorized some time ago by shareholders and now in the company's treasury. The new issue will bring the total amount of stock in the hands of the public up to $138,000,000. Payments for the new shares will extend over a long period. With the rights on the new issue valued at approximately $8 a share, the Canadian Pacific will have paid $53 a share in scrip since 1902. The present issue is at 150, as against 125 on the amount previously authorized. Total stock capital is now about $20,000 per mile.

Childs Co.—Stockholders of the Childs Company have been called to a special meeting December 28, the same day as the annual meeting, to vote on an increase of the common stock from $3,000,000 to $4,000,000.

Copper Market.—Copper Producers' Association's statement shows that on November 30, there were total stocks of copper on hand in this country of 111,785,188 pounds, or 23,212,454 less than a month before. The total stocks are the lowest since the end of February, last year, when they were 107,187,992 pounds. Production during November was 111,876,601 pounds, which is 6,348,841 pounds less than the outturn the previous month and the smallest since last February. It was less than was expected by the trade. Domestic deliveries were 68,039,776 pounds, an increase of 3,971,469 pounds, or the largest since January, last year. Exports were the largest since June at 67,049,279 pounds, an increase of 6,964,930 pounds. Since the publication of this statement, there has been good buying of the copper metal. One large selling agency reports sales of several million pounds on a basis of 13⅜ and 13½ cents since last week. With the copper stocks in this country representing less than a month's consumption, producers feel that no difficulty will be experienced in holding the metal at 13½ cents.

Dennison Mfg. Co.—The Dennison Manufacturing Co. has been reincorporated in Massachusetts with an increased capitalization of $2,000,000 first preferred cumulative 8 per cent stock, which will be given to the stockholders of the old corporation. Extra surplus is to be reinvested in the business, and an industrial partnership stock will be issued against it which will be divided among the principal employes in proportion with their salaries.

First National Bank, N. Y.—Through declaration of the regular disbursement of 7 per cent on the bank stock, 3 per cent on the shares of the First Security Company and 10 per cent extra, shareholders of the First National Bank will receive 50 per cent in dividends this year, as against 40 in 1910. The First National paid 20 per cent from 1902 to 1905, and 100 per cent per annum previously for many years. In December, 1905, dividend was increased to 25 per cent per annum and 5 per cent extra was also paid. In 1906, the dividend was increased to 32 per cent yearly. In May, 1908, after the formation of the First National Security Company, a dividend of 100 per cent was paid; in 1909, 32 per cent, and in 1910, 32 per cent and 8 per cent extra. The First National Security Company was formed to hold the securities owned by the First National, and it is possible that an appreciation in its holding was a factor in the declaration of the extra dividend.

Goldfield Consolidated Mines Co.—Contrary to general expectations, Goldfield Consolidated declared an extra dividend of 20 cents a share in addition to the regular quarterly of 30 cents. The company barely has earned its $2 a share dividend in the past year, and opinion was unanimous in the mining financial circles that the end of the "regular and extra" period had been reached. The maintenance of the 30-cent dividend, however, had been looked for.

Houston Oil Co.—Directors of the Houston Oil Company have announced the following plan of readjustment: The capital stock will consist of $8,824,200 preferred stock; $3,882,648 accrued dividend certificates; $6,250,000 issue of timber certificates and $20,000,000 common stock. Common stockholders will have the privilege of paying 50 cents cash for each share or contributing 5 per cent of their holdings to the company. The company has gross obligation of $39,341,668.

International & Great Northern Ry.—The directors have elected Frank Jay Gould, chairman of the board; Thomas J. Freeman, president; George H. Taylor, first vice-president; Henry Martin, second vice-president, and Alfred R. Howard, secretary and treasurer. This company was recently reorganized, and taken out of receivers' hands. For September, the road earned operating income of $383,323, compared with $352,593 in September, last year. For the quarter ended September 30, operating income was $623,478, against $601,183 in the same period last year.

Massachusetts Electric Companies.—The annual report of Massachusetts Electric for the year ended September 30, 1911, shows continued expansion in the operations of the subsidiary companies, gross earnings, net earnings and the balance available for dividends attaining new record proportions. As the fiscal year of the operating companies now ends on June 30, instead of September 30, the results of operations cover the 12 months ending on the former date, and for that period gross earnings were $8,881,520, an increase of $329,571, while the balance available for dividends was $1,485,637, an increase of $77,920. The balance after dividends was $316,547, an increase of $39,391.

Mergenthaler Linotype Co.—This company has declared a regular quarterly dividend of 3½ per cent, and an extra dividend of 3½ per cent, making 15 per cent for the year, payable December 30, to stock of record December 9. A year ago 5 per cent extra was declared, making 15 per cent for the year, but this year extra dividends of one-half of one per cent were declared with each of the first three quarterly dividends, making dividends for 1911 equal those of recent years.

New York, Ontario & Western Ry.—Details of New York Central's purchase of the New York, Ontario & Western were set forth in a petition to the Public Service Commission for permission to purchase the road. The Central has asked permission to issue $13,108,392 of fifty-year debenture bonds, bearing interest of $583,332 a year, or at the rate of about 4.45 per cent. These bonds are to be given to the New Haven in payment for the 22 shares of preferred and 291,600 shares of common stock of the Ontario & Western. Ontario & Western's dividend is declared annually and action will not again be taken until next July. While present indications point to a deficit in the current fiscal year, Ontario has a comfortably large profit and loss surplus and it is quite likely that any possible deficit will be made up out of this surplus.

Nipissing Mines Co.—Nipissing Mines Company has declared the usual quarterly dividend of 5 per cent, and the customary extra dividend of 2½ per cent; both are payable on January 20 to stock of December 30. The financial statement issued with the dividend declaration shows as of December 9: Cash on hand, $872,661; ore in transit, $144,934; ore ready for shipment, $403,885; total, $1,421,480. The dividend calls for the disbursement of approximately $450,000.

Norfolk & Western Ry.—In the first four months of the current fiscal year, the Norfolk & Western Railway earned a surplus of $3,335,100, available for dividends, equal to a trifle over 4 per cent on the $71,429,000 common stock outstanding after making due allowance for 4 per cent dividends on the adjustment preferred stock for the period. Annual common dividend requirements at the present 6 per cent rate call for the disbursement of $4,465,700, and the company has to earn a surplus of but $1,743,700 after charges in the eight months yet to be reported to show a full year's dividend on both the preferred and common issues.

Rubber Goods Manufacturing Co.—The quarterly dividend on the common stock of the Rubber Goods Manufacturing Company has been raised from 2 per cent to 3 per cent, making the 1911 disbursements on this issue 8 per cent. This stock received a 2 per cent dividend in March, a one per cent dividend in June and a 2 per cent dividend in September. The 8 per cent paid this year is the largest amount ever disbursed on this stock. In 1908, the total dividend payments amounted to 4 per cent, and in 1909 and 1910, to only one per cent. The United States Rubber Company which holds all, except $200,000 of the United Rubber Goods Company's $16,941,700 of common stock and $5,413,000 of the latter company's $10,351,400 of 7 per cent cumulative preferred stock, will be the principal gainer by the increased dividend payment on the Rubber Goods' common issue.

Seaboard Co.—Seaboard Air Line Ry. Co.—Stockholders of the Seaboard Company will hold a special meeting January 5, to ratify the dissolution of the corporation, which has been decided upon by the directors. The Seaboard Air Line Railway Company shares held in the treasury of the Seaboard Company, will be distributed on the basis of 1.03 shares of railway common stock to the holder of one share of Seaboard Company stock. The preferred railway company stock will be distributed on the basis of 1 1-3 shares of preferred of the holder of each share of Seaboard Company second preferred stock. First preferred stockholders will receive the proceeds from all the company's other assets, which it is estimated will provide par for each share of outstanding first preferred.

Studebaker Corporation.—Net profits of

MONATON

REALTY INVESTING

CORPORATION

Pays

6% COMPOUND INTEREST

On Money Invested in

Its Accumulative Certificates
Running terms of 10, 15 or 20 yr.

Payments may be made annually, semi-annually, quarterly or monthly.

SECURITY

OWNERSHIP OF NEW YORK INCOME PROPERTY

Affording

Immediate returns on investments and Opportunity for increase of valuation.

For Illustrated Booklet, inquire:

Publicity Department

Times Building

Broadway & 42nd Street,
New York City

Digitized by Google

the Studebaker Corporation for the current year it is thought, will be approximately $4,000,000. This surpasses even predictions made earlier in the year when it was estimated that the company would earn about $3,500,000. The Studebaker Corporation was organized in the latter part of February, with a capital of $45,000,000, of which $15,000,000 is 7 per cent cumulative preferred stock and the balance common stock. No dividends can be paid on the common stock until there shall have first been accumulated and set apart as a "special surplus account" at least the sum of $1,000,000 and not more than 6 per cent may be paid in any one year until there shall have been $2,500,000 appropriated for this fund.

Toledo, St. Louis & Western R. R. Co.—The last fiscal year, the Clover Leaf had a surplus of $72,797 from which to pay dividends on the preferred stock, amounting to $398,104. It carried a deficit of $325,206 to its profit and loss account. Between July 1 and October 31, its balance for fixed charges has decreased $105,474, or about 30 per cent. Still it goes on paying preferred dividends.

United Fruit Co.—The prospects of the company for 1912, promise even larger profits than shown in the fiscal year ended September 30, when 17.4 per cent was earned on the stock. An official remarks that the company can make enough profit on the fruit and sugar branches of its business to give away its vegetable products in the shape of plums from time to time.

Virginia Ry. & Power Co.—The directors of the Virginia Railway & Power Company have declared a dividend of 2½ per cent on the preferred stock for the six months ending December 31, payable January 8, to stockholders of record at the close of business, December 16.

Wabash R. R. Co.—There were definite rumors in Wall street this week that the reorganization committee of the Wabash had decided to pay the interest on the refunding and extension 4s on January 1, and that a large amount of money has been deposited with a trust company for that purpose. About $825,000 will be required. Beyond that, it cannot be learned that the committee has made additional plans with respect to the company's finances.

Western Electric Co.—Last year, in addition to the regular quarterly dividend of 2 per cent, the directors declared an extra dividend of 2 per cent in December, and there is every reason to believe that the company will do as well by its shareholders this year, as it is in a position to make such an extra distribution.

MINING INQUIRY.

Mining Stocks.

21371. (Philadelphia, Pa.) Kindly give me your opinion whether to sell or to hold for higher prices the following stocks. The price I state will be what they have cost me per share, deducting the dividends up to date: Mines Company of America, per share, $6; La Rose of Cobalt, per share, $5.50, Crown Reserve, per share, $2.75; Beaver, per share, 37 cents; Temiskaming, per share, 72 cents, and Son Toy, per share, 95 cents.

Ans.: Generally speaking, present market conditions are scarcely such as to warrant your selling these mining stocks, which are more than likely to show a good appreciation in value providing that you are willing to hold for a time. Exception to this statement might be made in the case of San Toy, for in this case you would probably do better to dispose of your shares at the best prices payable, and to re-invest in some other direction where there seems to be a better chance for early recoveries.

Mines Company of America, recently cut its dividend rate from 9 to 6 per cent per annum, not because such a step was absolutely necessary, but because the management deemed it advisable to pursue a conservative course in limiting dividend payments while acquiring additional properties. The company is apparently in good shape and the stock is certainly worth holding.

In the case of Temiskaming, the recent action of the directors in passing the dividend came as a decided surprise to the majority of market observers, and there is a tendency to attribute the step largely to a manipulative campaign on the part of the insiders. The official reason for the passing of the dividend is that the Temiskaming Company needs to conserve its capital resources in connection with the purchase and development of the North Dome property, which was recently acquired. We do not believe it would be wise to take a loss on this stock.

La Rose is one of the best of the silver stocks, and we see no reason for selling it at current quotations, especially as announcement of

A SPECIAL DIVIDEND

is likely to be made in the near future. It is stated that the outlook from a financial as well as a physical point of view, is better at this time than for any other year in the company's history.

There is a very general feeling among those who are in touch with conditions in the Cobalt Camp that it would be wise to take profit on any decided recovery in Beaver. Reports have been current to the effect that developments at the lower level have not been altogether favorable, and while it might be well to wait for a recovery from the present quoted price of 41 cents per share, an exchange of this issue for some of the other Cobalt stocks might prove profitable, especially as a sale of beaver even at the present price would give you a profit.

As in the case of La Rose, we see no apparent reason why you should sell your Crown Reserve at current prices. This company is apparently being managed in a very conservative way, and a substantial surplus is understood to have been accumulated in spite of the fact that the company has continued to pay 5 per cent monthly. This encouraging showing has been made in the face of a very liberal writing off policy, and the cost of renewals and additions to the plant during the past two years has been charged to revenues rather than to the capital account.

BUTTE CENTRAL.

The directors of the Butte Central Copper Company have given instructions to proceed with the erection of a concentrator with a capacity of 100 tons per day. The concentrator will be erected under the direction of its engineer, Mr. John Rothwell, of Denver, who has been engaged for that purpose and also to act as superintendent of the plant after it is in operation. It is expected to have the plant in operation by the spring. Superintendent McConnell estimates that the company has 1,000,000 tons of ore available, which will average $8 per ton. His estimate of the cost of mining and treatment is $2 per ton. The stock of this company has been very active on the Boston curb lately.

FOR

Oil and Gas Land Leases

WRITE

C. W. DEMING

Tulsa, Okla.

FOR HIGH GRADE OIL STOCKS

EQUITY BOND & SECURITY CO.

37 WALL STREET, NEW YORK CITY

TINTICS AND OTHER UTAH STOCKS

Write for reports and for Weekly Market Letter.

WM. H. TIBBALS, Salt Lake, Utah.

EMNAHA COLD MINING COMPANY

Incorporated under the laws of the State of Idaho. Capitalization, $500,000, divided into 500,000 shares. Par value $1.00 per share. Of which 200,000 shares have been placed in the Treasury, for the development of the property.

This Company owns and controls nine claims on Battle Creek, Imnaha, Willowa Co., Ore., on which there are three well defined parallel veins, carrying very rich gold quarts. A limited amount of the shares of the stock have been sold.

For full particulars, address

JOHN SENNETT, Treasurer

79 Milk Street, Room 602 Boston, Mass.

Nevada-Utah Mines and Smelters Corporation

No. 100 Broadway, New York.

December 9th, 1911.

TO THE STOCKHOLDERS OF THE
NEVADA-UTAH MINES & SMELTERS CORPORATION

Plans have been completed for a readjustment of the affairs of this Company, approved by your Board of Directors, by a majority of the creditors and by stockholders owning a large number of shares. These plans call for the organization of a New Company, shares of the capital stock of which will be issued in exchange for the stock of this Company deposited by stockholders who subscribe to the First Mortgage, Collateral, Convertible Bonds to be issued by the New Company in order to provide funds for the development and improvement of the mining properties and for the payment of the indebtedness of this Company. A syndicate is being formed by Mr. T. Gross, New York Manager of the Hirsch Syndicate, Ltd., of London, for underwriting a substantial amount of these Bonds, the Syndicate agreeing to offer the Bonds to the stockholders of this Company pro rata before disposing of the same to other persons. Mr. Willard V. King, President of The Columbia Trust Company, Mr. William J. Palmer, of Tripler & Company, and Mr. L. Vogelstein, of L. Vogelstein & Company, all of New York City, have consented to act as a nominating committee to select the personnel of the management of the New Company and its first Board of Directors. Arrangements are being made with Mr. Allen H. Rogers, a well-known mining engineer of New York, to take full charge of the development work on the properties.

An original of the Plan of Readjustment will be filed with The Columbia Trust Company, No. 135 Broadway, New York City, and copies will be mailed to stockholders in due course. Notice of the filing of the Plan will be published in this newspaper, and it is requested that stockholders, who do not receive a copy of the Plan within a few days after the publication of said notice, communicate with the office of this Company, giving their correct present addresses. By order of the Board of Directors, the transfer books of this Company will be closed from December 23d, 1911, to February 5th, 1912.

Yours very truly,

ROBERT G. MEAD, President.

Digitized by Google

Past The 13-Cent Mark

Copper Metal Market Maintains Its Show of Strength, and Selling Agencies Quote 13¼ Cents—An Active Demand, Presaging a Further Cut in Surplus Stocks, the Moving Factor—No Accumulation Apparent Abroad—New Production Versus Growing Consumption—A Two-Sided Point of View—Companies Which Make a Sixty Per Cent Profit on Thirteen-Cent Copper—The Braden Report Indicates Costs Under 7½ Cents Per Pound, With a Further Reduction Possible—An Estimate of Profits.

The latest copper boom, at first looked upon in many quarters as little more than a joke, is attaining to the dignity of a stern reality in the minds of many consumers who were inclined to believe that for at least six months to come they would be able to secure sufficient red metal for their requirements at a price under 12¾ cents per pound. Indeed, the present buoyancy of the market is proving something of a surprise to the sellers themselves who a few weeks ago were inclined to look up to the 13-cent level as representing the probable limits of any upward movement in the near future. As a matter of fact, the larger agencies have now altered this viewpoint to the extent of holding the metal well above this level, and some of them have been holding electrolytic at 13¼ cents. This is

THE HIGHEST POINT

which the market has touched for many months, and it is not surprising, therefore, that those who are identified with the producing and selling end of the market are feeling jubilant.

The predictions of a 15-cent market within the next year or two, which were looked upon with some little skepticism earlier in the year, now appear relatively conservative when one considers that there has been an advance of over 1 cent per pound in the holding price of the metal within a period extending over only a few weeks. The most satisfactory feature of this situation is to be found in the fact that the strengthening of the market price is based upon an actual improvement in the consuming demand. Domestic consumers seem to have been under the impression that foreign copper shipments, which have been of very substantial proportions for months past, even when the local demand had dwindled to a depressing extent, was due to manipulative efforts on the part of selling agencies.

MANIPULATION SUSPECTED.

In other words, there seems to be a fairly general belief that much of the copper sent to Europe had been laid away for future use, and would be readily accessible for future requirements. This viewpoint has undergone considerable modification, and the consumers are coming to believe that the trans-Atlantic shipments have served to reflect with considerable accuracy the actual consuming requirements of Germany, France and other European countries. At the beginning of the year surplus stocks in this country and abroad were in excess of 280,000,000 pounds, whereas at the present time they are about 25,000,000 pounds below that figure. The report of the Copper Producers' Association for the current month is expected to reflect the purchasing movement that has been under way for the past few weeks, and if the figures actually reported show as substantial a shrinkage in surplus copper as it is generally expected they will do, it is but natural to expect that the 13¼-cent quotation for the metal to which I have already referred, will approximate more closely the point at which the bulk of the business is being transacted. At the present time, so far as I can learn, most of the business passing is put through at 13¼ cents.

THE BONE OF CONTENTION.

The chief bone of contention, at the present time, between buyers and sellers has to do with the probable effect upon the future course of the metal market of the new production which is to come into the field in 1912 and 1913. Consumers point to this new production as a safety valve insuring them against any spectacular advance in quoted prices. They say that with an increased production of 500,000,000 pounds, such as may be looked for when the various big low cost properties now under development are producing at capacity, will act as an efficient preventative of any endeavor to advance metal prices to any such fictitious level as was seen in 1907. Why, these consumers ask, should there be any desire for higher prices on the part of producers who, according to their own statements, can turn out copper at 8 cents per pound or less, and who, therefore, can make a profit of something like 60 per cent on a 13-cent market? The success attained by the Anaconda management in reducing costs from 10 to 9 cents per pound within the last four years is also pointed out by these consumers as a reason why there should be no attempt made to force the price of the metal very far beyond its present level. Doubtless, this point of view would carry no appeal to others of the deep vein propositions which find a 13-cent market rather unsatisfactory from a profit-producing standpoint, but to whom 15 or even 14 cent copper would mean

AN ERA OF PROSPERITY.

The other side of the question is pointed out by the producers and the selling agencies who say, in the first place, that the recent advance has not been forced, but is the logical result of an expansion in the demand. They also say that the consumers are selecting extreme examples to support their argument, for Utah Copper's 7½ per cent costs, and the 1 cent per pound reduction in Anaconda's producing expenses represent the extreme of progress in that direction. As to the new production, they say that according to all apearances it will be fully taken care of by increased consumption requirements, even taking into consideration the fact that with the metal above 14 cents a considerable number of copper properties which have been lying dormant for some time past would be stirred into activity once more.

THE BRADEN REPORT.

As an example of what may be expected from some of the newer copper properties, the detailed and very interesting report of Pope Yeatman, consulting engineer of the Braden Copper Company, upon that property is illuminating. According to this report, on an average assay of 2.7 per cent copper, a mill extraction of 65 per cent and smelter extraction of 95 per cent, a yield of 33⅓ pounds of copper to each ton of ore, an average ratio of concentration of 9 into 1, and an average price per pound for copper of 12½ cents, the cost would be less than 7½ cents per pound. The estimated cost in detail for the different branches of operation and treatment are as follows:

	Per ton Ore
Mining	$0.700
Transport to mill	.100
Milling	.500
Smelting at $5 per ton concentrates (9 into 1)	.550
Converting at $6 per ton blister	.134
Refining at $15 per ton blister	.251
Freight at $12 per ton blister	.301
Commission, etc.	.043
	$2.479

Cost per pound copper	7.400 cents
Profit per pound copper	5.100 cents
Profit per ton ore	$1.708 cents.

It is thought that leaching and electrolytic precipitation may reduce the cost per pound of copper by one-half to three-quarters of a cent, but this will require additions to the plant, which will not, however, be recommended before a thorough working test on a large scale is made on the ground, with a plant for that purpose now in course of erection.

Allowing a production of 3,000 tons per day, and 360 working days in the year, the total tonnage treated would amount to 1,080,000 tons. A yield of 33.5 pounds of copper per ton ore at a cost of 7.40 cents per pound, and copper at a price of 12.50 cents would give an annual profit of $1,844,640. For each cent increase in the price of copper there would result an increase in the profit of about 19.6 per cent.

Until the bonds are converted into shares, the profits to be divided among the shareholders are estimated as follows:

Annual profit as shown above		$1,844,640.00
Interest on $4,000,000 bonds at 6%	$240,000.00	
Interest on $3,000,000 bonds at 7%	210,000.00	
		450,000.00
Balance to be paid on shares		$1,394,640.00

With 1,200,000 shares issued the profits per share will amount to $1.16, or 23.2 per cent interest on the par value.

With all bonds paid off and allowing for an issued capital of 2,800,000 shares, the annual profit per share would be at the rate of $0.658 or on the par value of the stock, 13.1 per cent. These figures allow for depreciation, which would be taken up in the costs, but not for amortization. They support the estimates made by me in these columns some months ago as to the possibilities of this Chilean property.

P. De Medici.

Digitized by Google

The Best Purchases on the Industrial List

As Indicated by the Two Standards of Comparison: of Present Investment Yield on Basis of Current Dividends and Prevailing Market Price, and on Basis of Present Earnings on Prevailing Market Values

The average net yield of the 50 industrial stocks quoted in the following table was 6.48 per cent on December 12, as compared with 6.39 per cent on December 5, 6.30 per cent on January 3, and 5.76 per cent on January 2, 1910.

The advance in steel prices and the official report of a substantial increase in the tonnage of unfinished business on the books of the Steel Trust have had a stimulating influence this past week, not only upon the shares of that particular company, but upon practically the entire industrial share list as well. With the steel industry showing a recovery from the depression into which it has fallen of late, and with the copper situation showing a steady improvement which is evidently founded upon an actual change for the better in fundamental conditions, two weak spots are evidently being eliminated from the situation. With steel business on the increase to the accompaniment of advancing prices, the outlook for those independents which have been having a hard time of it for the last few months will be materially improved, and it goes without saying that the position of the shares of the United States Steel Corporation will also be changed for the better. In the same way the maintenance of a steady demand for copper with prices strong and becoming more so with each succeeding week means a great deal to the producing mines of the country. It makes a great deal of difference, particularly to the high-cost properties, whether copper is selling at 12½ cents per pound or 1 cent above that figure, and with the conditions now prevailing, some of the companies which are having great difficulty in earning present dividends, in cases where they are earning anything at all, will find the problem greatly simplified while the companies which have been prosperous despite the low metal prices will, of course, have their evidences of prosperity materially increased under this new order of affairs. Greene-Cananea is expected to show the results of better operating conditions, lower costs and higher selling prices by beginning dividends in the near future at the annual rate of 40 or 50 cents per share. It is expected that the annual report for the current year will show earnings of about 60 or 65 cents per share, and at the present time, the company is probably earning about 75 cents per share.

Further manipulation of Underwood Typewriter common has been in evidence in this market, and that stock has again shown some of its characteristically rapid movements. This condition of affairs has stimulated rumors of an early increase in the present 4 per cent dividend rate. It is provided in the company's articles of incorporation that no greater dividend than 4 per cent shall be paid on the common, until there has been laid aside a capital reserve fund of $1,000,000. Last year, the company laid aside $142,406 for this reserve fund out of earnings, so that if this rate were maintained, the company would not be in a position to pay more than 4 per cent on the common for six or seven years to come.

Stocks	Present dividend	Price	Yield on present price	Present rank	Stocks	Price	Earnings per share	Year ended
Am. Malt Corp., pref.	4%	42	9.52	1	Inter. Mere. Marine, pref.	47	11.15	Dec. 31, 1910
Am. Beet Sugar, com.	5%	54	9.25	2	[illegible]	43	14.35	Jun. 30, 1910
U. S. Rubber, com.	2%	47	5.31	3	Bethlehem Steel, pref.	85	17.15	Dec. 31, 1910
Republic I. & S., pref.	6%	84	7.14	4	[illegible]	61	20.70	Mar. 31, 1911
United Dry Goods, com.	6%	68	8.82	5	Westinghouse, com.	47	20.10	Mar. 31, 1911
Am. Woolen, pref.	7	88	7.95	6	[illegible]	35	20.00	Dec. 31, 1911
U. S. Rubber 2d pref.	8	75	10.66	7	[illegible]	75	15.00	Dec. 31, 1911
Union Bag & Paper, pref.	4	61	6.54	8	[illegible]	71	16.87	Dec. 31, 1910
U. S. Steel, com.	1%	63	2.38	9	Pressed Steel Car, com.	47	14.00	Dec. 31, 1910
General Electric, pref.	7%	14	7.14	10	[illegible]	47	17.00	Dec. 31, 1910
U. S. Ind. Alcohol, pref.	6	87	6.90	11	Steel Foundries, com.	13	11.40	Dec. 31, 1910
Nat. Biscuit, com.	7	95	7.37	12	[illegible]	15	17.00	Dec. 31, 1910
U. S. Realty & Imp.	7	99	7.07	13	[illegible]	41	17.4	Aug. 31, 1911
Inter. Steam Pump, pref.	6	87	6.90	14	[illegible]	14	13.30	Oct. 31, 1910
Pressed Steel Car, pref.	7%	102	7.35	15	[illegible]	14	14.4	Apr. 30, 1911
Va.-Carolina Chem., pref.	7	97	7.21	16	[illegible]	14	14.65	Jan. 30, 1911
Am. Locomotive, pref.	7	100	6.80	17	[illegible]	7	14.00	Dec. 30, 1911
Am. Steel & Wire, pref.	7	100	7.00	18	[illegible]	97	14.8	Dec. 31, 1910
[illegible]	7	100	6.71	19	[illegible]	40	11.50	Jun. 30, 1911
[illegible]	7	104	6.73	20	[illegible]	14	11.50	Dec. 31, 1910
Va.-Carolina Chem., pref.	8	119	6.72	21	[illegible]	24	10.85	Jan. 31, 1911
National Lead, pref.	7	99	7.07	22	[illegible]	24	70.4	Dec. 31, 1911
Corn Prod. Rfg., pref.	7	99	7.07	23	[illegible]	24	20.4	Oct. 31, 1911 (6 mos.)
Am. Cotton Oil, pref.	7	97	7.21	24	[illegible]	61	9.70	Sept. 30, 1911 (9 mos.)
[illegible]	7	100	7.00	25	[illegible]	181	9.64	Sept. 30, 1911
[illegible]	7	96	6.46	26	[illegible]	8	9.50	Dec. 31, 1911
[illegible]	7	99	7.07	27	[illegible]	1	9.00	Jun. 30, 1911
[illegible]	7	100	7.00	28	[illegible]	77	9.00	Oct. 28, 1911
[illegible]	7	100	7.00	29	United Dry Goods, com.	55	9.64	Dec. 15, 1911 (6 mos.)
[illegible]	7	100	7.00	30	[illegible]	79	9.62	Sept. 30, 1911
Wes. [illegible] pref.	7	100	7.00	31	[illegible]	7	9.50	Apr. 30, 1911
[illegible]	7	100	7.00	32	[illegible]	50	8.87	Dec. 31, 1910
Am. Sugar, pref.	7	100	7.00	33	[illegible]	105	8.45	Dec. 31, 1910
Am. Beet Sugar, pref.	7	100	7.00	34	[illegible]	34	8.00	Dec. 31, 1910
[illegible]	7	100	7.00	35	[illegible]	34	7.75	May 31, 1911
Am. Car & Fdy., pref.	7	100	7.00	36	[illegible]	34	7.00	Dec. 31, 1910
Am. [illegible]	7	100	7.00	37	[illegible]	95	7.10	Jan. 31, 1911
Inter. Harvester, pref.	7	100	7.00	38	Am. Tel. & Tel.	4	6.5	Sep. 30, 1911 (9 mos.)
Am. [illegible] & Tel.	8%	120	7.08	39	[illegible]	8	6.2	Jun. 31, 1911
Va.-Carolina Chem., com.	6	94	6.38	40	[illegible]	8	6	Dec. 31, 1910
Am. Can, pref.	7	91	7.69	41	[illegible]	17	5.5	Apr. 30, 1911
Am. Steel & Wire, com.	40	73	5.48	42	[illegible]	7	5.15	Sep. 30, 1911 (9 mos.)
[illegible]	40	100	4.00	43	[illegible]	7	5.05	Dec. 31, 1910
Sears, Roebuck, com.	8	110	7.27	44	Tennessee Copper	7	4.95	Dec. 31, 1910
Inter. Harvester, com.	7	97	7.21	45	Va.-Carolina Chem.	34	4.80	May 31, 1911
Inter. Steam Pump, pref.	6	87	6.90	46	[illegible]	7	4.85	Dec. 31, 1910
[illegible]	7	100	7.00	47	[illegible]	7	4.80	Nov. 30, 1910
Western Union	7	100	7.00	48	[illegible]	41	4.84	Dec. 31, 1910
Underwood Typewriter	8	110	7.27	49	[illegible]	47	4.70	Mar. 31, 1911
[illegible]	7	98	7.14	50	[illegible]	7	4.80	Aug. 31, 1911
Amalgamated Copper	66	66	6.06	4	Inter. Steam Pump, com.	24	2.25	Jan. 31, 1911 (3 mos.)

Digitized by Google

The Hawley Policy

A Virtual Admission of the Failure of the Old Plan of Dividend Prodigality Seen in Recent Increases in Maintenance Accounts—Increased Operating Expenses, Which Consumed Gross Expansion, Largely Due to Improvement of Rolling Stock—An Unreasonable Attempt to Blame Labor and Federal Bodies For Decline in Net Earnings—Is Mr. Hawley Ashamed to Confess a Change of Policy?—A Heavy Burden For the "Clover Leaf", Which Needs the Pruning Knife Itself.

The hilly road which the Chicago & Alton has been traveling for many in need of more brilliant illumination years is one which at present stands than it has been receiving for some time past, but the light cast by the recently submitted annual report covering operations for the last fiscal year indicates that the road is moving along on the lower level, gathering its strength in readiness for another climb to higher altitudes at some future date. Present conditions, in fact, are strikingly suggestive of a repetition of the history of twelve years ago, just after control had been secured by the late E. H. Harriman and associates. Previous to this, under the old Blackstone management, there had been various outward evidences of prosperity, the Alton having been carried through the depression of 1893-1897 with such apparent success that the old high rate of dividends had been maintained, while in other directions cuts seemed to be the rule rather than the exception.

RECONSTRUCTIVE OPERATIONS.

The examination of the property by the Harriman party uncovered the fact that the road had been "skinned" for the sake of maintaining dividends and establishing high quotations for the stock, which had been widely coveted by investors. There was found a decided need of new equipment, of reconstruction, and of almost everything else that goes toward the making of a really fine railroad property. The rebuilding operations, involving a heavy issue of new securities, was entered upon most courageously by the new interests, and ere long results became evident in more satisfactory operating ability.

About six years ago, a

STRUGGLE FOR CONTROL

became imminent as a result of the activity of the Rock Island crowd, but the timely formation of a voting trust averted this ending to what was regarded as a "coup" of the Rock Island interests. The Toledo, St. Louis & Western bought the Alton from the Rock Island later on, giving its interest-bearing bonds in exchange. Prior to that time, Mr. Harriman had made the remark on the witness stand in the Interstate Commerce Commission's investigation of the Union Pacific system that the Rock Island was "carrying the bag", so now the bag has been passed into the hands of the Clover Leaf.

A HEAVY BURDEN.

Moreover, it is proving a heavy bag for the Clover Leaf to carry. The latter road in making the purchase in 1907 issued collateral trust 4s, series "A", for Alton preferred stock par for par, and collateral trust 4s, series "B", bearing 2 per cent interest to July, 1912, and 4 per cent thereafter, at the rate of $35 in bonds for $100 of Alton common stock. This arrangement looked very sweet from the Clover Leaf end of the vista as long as both classes of Alton stock were paying 4 per cent dividends, but the "bargain" began to take on a less attractive appearance when the Alton common dividend was passed in August 10, and the passing of the preferred dividend last July changed a misfortune into a calamity, not only to the individual shareholders, but to the controlling company and its own stockholders as well. Since that time, the Clover Leaf has been staggering along under a load of dividend obligations which should have been lifted months ago.

PROFITING BY EXPERIENCE.

Since that time, however, the Alton has been moving along "unhonored and unsung", under a liberal maintenance policy, which, as I have said, reminds me emphatically of that earlier reconstruction policy followed with such success by the Harriman interests. Even though the material benefits of that policy have been largely wiped out by the later prodigality in the form of over-reaching anxiety to pay dividends, the example set by that earlier regime has proved a guide toward better things at a time when some such incentive was sorely needed.

THE INCOME ACCOUNT

for the year ended June 30, 1911, compares as follows:

		Increase.
Average miles of road operated during the year	1,025.11	2.00
Operating revenue.		
Transportation revenue	$14,480,404.18	$1,234,162.68
Revenue from operation other than transportation	112,114.90	*118.58
Total operating revenue	$14,592,519.08	$1,234,044.10
Operating expenses	$10,446,635.83	$1,604,429.48
Taxes	422,604.40	*24,829.45
Total operating expenses and taxes	$10,869,240.23	$1,781,599.03
Net operating revenue	$3,723,278.85	*$547,554.93
Income from investments	1,704.92	*1,203.08
Total	$3,724,983.77	*$548,758.01
Operating income:		
Hire of equipment—balance	$541,083.68	$115,913.36
Rentals—balance	137,417.41	*61,572.64
Sundry interest—balance	9,778.84	*19,342.81
Operation of dining car service	26,879.56	9,409.99
Total	$715,101.21	$245,238.48
Total income	$3,009,882.56	*$794,116.49
Deductions from income:		
Interest on funded debt outstanding in the hands of the public	$2,543,972.94	$5,581.70
Dividends on stocks of subsidiary lines	241,024.00	.01
Discounts on securities written off	67,411.44	24,815.19
Total	$2,852,408.38	$120,396.90
Surplus	$157,474.18	*$914,513.39

Application of surplus. Dividends on stocks of Chicago & Alton Railroad Co.		
Prior lien and participating stock, 2%	$67,508.00	*$95,172.00
Non-cumulative preferred stock, 2%	390,880.00	*390,880.00
Common stock		*90,856.00
Total dividends	$408,468.00	*$816,908.00
Balance, deficit	$250,991.82	$97,605.39

* Decrease.

The previous surplus of the company amounted to $256,522, so that after deducting the foregoing deficit for the 12 months, there was a profit and loss balance of $5,530. Adding to this amount miscellaneous net credits totalling $39,061, brought the total profit and loss balance on June 30 last up to $44,591.

The earnings and expenses in detail and the principal traffic statistics for the year ended June 30, 1911, compare as follows:

Gross earnings—	1911.	1910.
Freight	$9,215,172	$8,145,347
Passenger	4,265,988	4,136,505
Mail	248,374	248,163
Express	464,861	427,776
Miscellaneous	396,124	400,504
Total	$14,592,519	$13,358,475
Operating expenses—		
M. W. & S.	$1,739,917	$1,496,485
Maintenance of equip.	2,385,398	1,492,703
Traffic	494,685	470,092
Transportation	5,005,474	4,707,685
General expenses	410,562	382,242
Total	$10,446,636	$8,640,207
Traffic statistics—		
Average mile oper.	1,025.11	998.00
Passengers carried	2,751,436	3,833,022
Passengers carried 1 mile	216,375,657	215,496,870
Av. rate per pass. per mile.	1.97c	1.89c
Tons freight carried	9,434,610	8,511,682
Tons freight carried 1 mile	*1,559,339	*1,383,210
Av. rate per ton per mile.	0.60c	0.586c

* 000 omitted.

A BRAVE START

toward better things is seen in the above income account in the increase of over $1,200,000 in gross, but everywhere beyond that point the depressing influence of that gain of $1,800,000 and more in operating expenses is seen. In attempting an explanation of this increase, President Shonts seems disposed to lay the responsibility for the cutting off of dividends on the shoulders of the employes of the road in their wage demands when he says:

"The operations for the year have felt the full effect of the higher rates of wages paid, and improved working conditions granted in meeting the demands of labor, and with the constantly increasing requirements of state and federal laws and administrative boards, the necessity for a proportionate advance in rates of transportation to compensate such increased costs is still prominently before your management.

"The average rate per ton per mile in 1901 was 0.723 cents, in the year 1911, 0.606 cents. The ratio of operating expenses and taxes to gross operating revenue in 1901 was 65.50, in 1911, 74.47.

"Notwithstanding very substantial increases have been granted to employes generally, the unrest in labor circles, and the competition of labor crafts in various sections of the country as to which can make the best arrangements still exists, and their demands are constantly before us, in some form. It is a question how your management shall meet the increased expense due to increased wages and other causes, and at the same time serve the public in the manner demanded and expected, and also maintain the property in the way it should

Digitized by Google

be kept, unless proportionate advances can be obtained in rate of transportation to offset the increase in cost of operation. No business can be conducted to best results if its managers are prevented from deciding what they will pay for material needed in prosecuting it and what they will receive for its product. Labor organizations seek to control the cost of railroad operations, and government officials determine the income derived from the operations."

OTHER DIFFICULTIES.

"Government by commission" also receives attention at the hands of Mr. Shonts in the following words:

"In addition to the foregoing, many operating difficulties were encountered during the year due to the activity of state and Federal commissions and the conditions of service stipulated in agreements with various labor unions, including commissions with supervisory powers direct, which resulted in increased cost of operation.

"To illustrate: Federal legislation and the requirements of state executives relating to safety devices and the hours of service of train operators, dispatchers and switchmen, has very materially increased operating costs."

Now, unreasonable labor demands and "pernicious activity" on the part of various regulating and investigating bodies are doubtless to blame in part for many of the ills to which the railroads have been subject in the past three or four years, but Mr. Shonts seems to be in altogether too much of a hurry to shift the responsibility to the shoulders of employes on the inside and investigators without. Like the officials of other roads, he has jumped at the opportunity of using these bodies as convenient scapegoats, trusting to want of powers of observation among his auditors to make his arguments appear plausible, as, indeed, they do appear at first glance.

A MISLEADING ARGUMENT.

A study of the preceding table of operating expenses shows that maintenance of way and structures was $243,132 greater than in 1910, while maintenance of equipment increased $902,295, making a total increase in the maintenance account of $1,145,727. In other words, nearly two-thirds of the increase in operating expenses is accounted for by greater liberality in the maintenance account.

The amount expended per mile of road operated during the last fiscal year for maintenance of way and structures was $1,697, and the average cost for repairs to locomotives was $3,891; per passenger car, $923, and per freight car, $71. President Shonts says that while the year's expenditures for maintenance of equipment have been unusually heavy, further expenditures are necessary to bring the equipment up to a desired condition, and with this end in view there has been a continuation of these heavy expenditures since the close of the fiscal year. It is the policy of the management to continue these expenditures as fast as conditions will permit, in order to bring all classes of equipment to a high state of efficiency.

WHY BEFOG THE ISSUE?

Now, there is nothing in this policy to be ashamed of, although the

(Continued on page 2226.)

BOSTON STOCKS AND BONDS

For the Week Ending Thursday Evening, December 14, 1911.

Names. Railroads.	RANGE FOR WEEK Low	High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911 Lowest		Highest		RANGE FROM JAN., 1879, TO JAN., 1911. Lowest	Highest
Boston & Albany	221	222	221	107	219 Sept		236 Feb 15		129 1879	*280 1899
Boston Elevated	129⅝	130	130	341	124½ Oct	3	130⅝ Aug	2	53⅝ 1886	130 1901
Boston & Maine	100	100⅛	100	135	96½ Oct	30	122⅛ Feb	15	106⅝ 1879	230 1887
do. pref.	144	144	144	2	142½ Nov	9	154 June	6	134⅝ 1891	190 1902
Cent. Verm't 4s	90	90	90	4 000	82½ Sept	20	92 Mar	27	75 1904	96⅛ 1899
C. B. & Q. Jt. 4s	96⅝	96⅝	96⅝	24,000	95½ Jan	5	98⅝ June	2	82½ 1907	102 1906
Chic. June. R...	...	...	158	.....	158 Apr	29	165 Aug	23	50 1893	183 1904
do. 5s	...	...	101⅜	.....	101¼ Sept	23	103 Aug	24	89¾ 1891	116 1899
Fitchburg pref..	127	127	127	30	125 Oct	25	130 Jan	9	63½ 1879	148 1905
K.C.,Ft.S.&M.6s	...	...	115	.....	115 Mar	22	117¾ Nov	17	76 1895	128 1902
K.C.M.&B.new5s	...	..	92	.....	91 Oct	27	93½ Jan	3	125⅝ 1894	§102 1896
do. inc. 5s....	...	...	88	.....	87½ Oct	27	102½ Nov	4	8 1895	104 1909
N.Y., N.H. & H.	138	138⅝	138	475	128¾ Sept	14	151⅜ Feb	22	127 1900	279 1899
Old Colony.....	188	188½	188	21	183 Mar	15	190 Nov	22	96 1879	221 1898
Rutland pref....	35	35	35	4	32 Jan	26	45 Aug	4	6¼ 1879	125¼ 1902
West End.....	86	87½	87½	116	85 Oct	4	95 Feb	6	42 1894	102 1905
do. pref.	102½	102½	102	1	100 Sept	26	105 June	22	75 1888	118½ 1901
Miscellane's.										
Am. Agri. Chem.	54	59⅜	59⅜	5,284	46½ Oct	6	60½ May	18	8 1903	59¾ 1909
do. pref.	103	103⅜	103½	400	99 Jan	6	106⅛ Mar	1	66½ 1903	105 1910
Am. Pneu. Ser...	4	5	4½	675	3½ Oct	7	6½ Jan	21	3 1903	20 1906
do. pref.	14⅜	16⅝	16	2,967	12¾ Sept	1	19¼ Jan	21	9¾ 1903	46 1906
Am. Tel. & Tel.	138	140	139½	6,179	131¾ Aug	30	153¾ Jan	6	88 1907	186 1902
do. 4s	90	90⅝	90⅝	61,000	89¼ Mar	22	92 May	23	71 1907	101½ 1901
do. cons. 4s...	...	...	111½	.....	104 Aug	25	111¾ June	19	80¾ 1908	107⅝ 1900
Am. Woolen.....	26½	26⅝	26	50	26½ Dec	14	36¼ Mar	20	7¾ 1903	48 1906
do. pref.	87⅝	89	89	355	85¼ Oct	27	96½ June	15	66 1903	110⅝ 1906
B. & Wor. Elec.	...	...	12	.....	6 Feb	15	13 July	7	6 1910	39½ 1906
do. pref.	...	...	36	.....	23½ Jan	27	38 July	1	35 1910	90 1906
Cumberl'd Tele..	156½	157	157	4 94	148 Jan	19	158 June	2	98½ 1907	152½ 1910
Dom. Coal 6s....	...	...	97¾	.....	90 Jan	4	98¾ Sept	22	80 1908	101½ 1905
E Boston Land.	9⅝	11¼	10¼	1,770	7¼ Nov	22	12 May	1	2¾ 1893	18⅞ 1909
Edis. Elec. Ill..	290	292	292	67	275 Sept	9	294 Oct	30	10 1893	310 1908
Gen'l Elec. Co..	152	154	154	341	142 Sept	22	167⅝ May	29	30¼ 1896	230½ 1901
Mass. Elec.....	21½	22	22	58	16 Apr	24	24 June	3	6½ 1907	46⅞ 1902
Mass. pref.....	81½	84	84	531	83¾ Jan	9	96 Nov	22	37 1907	99 1902
Mass. Gas.....	96	96¾	96¼	770	87⅜ Sept	28	98⅜ Aug	4	30 1903	91½ 1910
do. pref.	96	96⅜	96	367	91½ Apr	13	98⅝ Nov	15	74½ 1903	97 1910
Mergenthaler ...	221	221	221	50	211 Jan	3	254 July	31	118⅝ 1897	226 1910
N. E. Cot. Y'n.	165	165	165	162	163 Nov	20	179 Mar	14	40 1908	125 1909
do. pref.	...	...	101	.....	101 Nov	21	116½ Mar	15	24⅜ 1903	118 1909
do. 5s	99½	99½	99½	10,000	99 Nov	22	103 June	20	83 1908	105⅝ 1901
N. E. Telephone.	150	150½	149¾	718	137 Jan	17	165½ Dec	11	78⅝ 1879	270 1906
Portland Elec...	...	...	72⅜	.....	62⅝ July	29	72⅜ Nov	18	.....	.....
Pullman Car....	167	170⅝	167	110	153 Sept	25	183 Jan	30	6⅜ 1901	231½ 1886
Reece But. H...	13	13⅝	13⅜	25	12 Jan	5	16⅜ May	22	7½ 1884	163 1901
Torr'g'n Co.CL.A	30½	31	31	3	29 Nov	17	36 Jan	7	18 1905	37 1910
do. pref.	66	71	71	67	57 Sept	6	71 Dec	14	30 1907	25 1909
U'ted Fruit Co..	180	184	183½	30	179½ Dec	4	197 Nov	28	73 1901	200 1910
U'ted Fruit 4½s.	96½	96⅝	96⅝	6 50	96½ Nov	8	97½ Jan	6	86 1910	97½ 1910
Un Shoe Mac'y.	41	42	41¾	2,638	40⅜ Aug	28	58⅞ Feb	18	§28 1900	96½ 1905
do. pref.	27⅝	28½	28	1,163	26¾ Sept	22	29½ Mar	7	22 1900	39½ 1905
West. Tel. & T..	...	...	27½	.....	15 Sept	26	27½ Nov	8	4 1908	23½ 1902
do. pref.	...	...	104¾	.....	89 Jan	27	107⅝ Nov	9	50 1907	106½ 1902
do. 5s	107⅛	107⅛	107⅛	1 500	98¾ Jan	3	100½ Nov	13	74 1907	106¼ 1902
Mining.										
Adventure	4⅜	5⅛	5⅛	770	4 Oct	9	7½ May	18	‡.62½ 1907	33 1901
Allouez	21	28	28	920	21 Aug	26	32 Jan	5	9c 1894	74½ 1907
Amalgamated ..	65⅜	67⅛	65	16,611	44½ Sept	25	71½ June	26	33⅜ 1910	123½ 1899
Am. Zinc.....	24⅜	25⅜	25	2,400	19⅝ Oct	5	30⅝ June	14	5 1903	67 1899
Arizona Com....	20	20	20	600	10 Nov	22	18⅜ June	14	7⅜ 1907	51⅝ 1909
Bos. & Corbin..	4½	5	5⅛	2,500	3⅝ Aug	24	15½ June	6	6 1907	25 1908
Butte Bal'kl'n..	5⅝	6	4⅝	1,050	3¾ Aug	29	6⅜ Jan	4	4½ 1910	18¼ 1910
Butte Coalition..	16⅜	16⅝	16	4 100	14 Sept	26	20½ May	24	10 1907	42 1906
Calumet & Ariz.	75	76½	76½	5,045	45 Sept	27	83 June	14	44⅜ 1910	198 1907
Calum & Hecla.	390	415	415	340	260 Sept	26	545 Jan	4	124 1884	§400 1907
Centennial	11½	11	11	2	8 Sept	27	16 Jan	3	10c 1898	61 1899
Copper Range...	49	50½	50½	4,400	46½ Sept	25	65⅝ Feb	2	27 1903	105 1907
Daly-West	3⅞	4	4	3	3 Feb	15	6½ June	21	3½ 1910	56 1902
East Butte.....	13⅛	13	12⅞	9,332	8⅜ Aug	26	14⅜ June	26	3½ 1908	18¼ 1907
Elm River.....	...	...	15	.....	.10 July	24	30 Jan	6	.05 1910	7 1907
Franklin	9⅞	10¼	10⅛	4 455	5½ Aug	24	14 June	14	4 1879	30 1899
Giroux	3⅝	3⅝	3⅝	5,150	3⅜ Sept	26	8¼ Feb	6	2⅜ 1907	13⅜ 1901
Granby	30	33⅛	33	600	26 Aug	25	43½ June	21	20 1910	151 1907
Greene Cananea.	7⅛	8 7-16	8⅛	7,000	5 5-16 Feb	9	9½ Nov	25	5 1907	18 1907
Hancock, Con...	25⅝	27	26¾	2,215	17 Sept	26	30¾ June	19	1⅜ 1907	36 1910
Helvetia	1	1⅜	1	17	.75 Nov	1	2 Mar	4	1⅜ 1910	23 1909
Isl'd C'k Coal**	50⅜	4.75	4.75	3	29¼ May	9	47⅜ Dec	14	30⅜ 1910	53⅜ 1910
do. pref.** ...	82	82	82	729	82½ Sept	25	91 June	13	84½ 1910	90¾ 1910
Isle Royale.....	15⅜	15⅝	15⅜	3 709	11⅛ Aug	24	22 Dec	14	5¼ 1903	75 1899
Kerr Lake.....	2 11-16	2 13-16	2⅝	600	2⅜ Dec	6	7¾ Jan	23	6 1910	35 1907
Keweenaw	1.50	1.55	1.50	7,850	1.50 Dec	5	3⅝ June	14	2½ 1909	7⅞ 1906
La Salle.....	3½	3⅝	3½	1,000	3 Oct	31	6 Jan	3	3 1908	23¾ 1906
Lake Copper....	21½	26½	25½	5,540	21¾ Aug	28	40 June	13	4 1907	94¼ 1910
Mass. Cons.....	7	7⅜	7⅜	800	4½ Aug	25	10 June	19	2¾ 1908	37⅝ 1907
Miami	21½	21	21	975	16⅞ Oct	3	22 Dec	14	4⅜ 1908	29 1910
Michigan	...	...	2¼	.....	1¾ Nov	17	4½ May	6	2 1900	24½ 1907
Mohawk	44	49	49	215	36 Apr	24	53 June	15	11½ 1901	§97 1907
Nev. Cons.....	17⅜	19	19	1,550	15 Sept	25	21⅜ June	15	6½ 1907	39 1906
New Arcadian..	2⅜	2⅜	2⅜	1,411	2 Sept	29	4⅜ May	17	61 1905	§95½ 1899
Nipissing	7 7-16	7 7-16	7 7-16	1,000	2¼ Nov	22	11½ Feb	17	5 1906	33⅜ 1906
North Butte.....	25	26⅝	26⅜	14,000	20 Sept	25	36 June	13	18¼ 1910	120 1907
North Lake.....	7⅝	7⅞	7	1,400	3⅜ Aug	21	9⅜ June	3	4½ 1909	11⅜ 1908
Old Dominion...	44½	45⅜	45½	7,500	34⅜ Sept	25	49 June	19	9½ 1904	66⅜ 1908
Osceola	96	102	101	475	81 Sept	22	124 Jan	4	7½ 1889	181 1907
Parrot	11⅜	12	12	200	7⅞ Sept	22	13¼ May	22	5⅜ 1907	72½ 1899
Quincy	53½	56	56	385	55 Sept	22	74 July	24	10 1879	190 1899
Ray Consol'ted..	14⅜	16⅝	16⅝	4,405	12 Sept	25	18⅜ Jan	3	7½ 1908	27½ 1909
Santa Fe.....	1	1⅛	1	50	.75 Apr	26	1⅝ June	13	1 1903	22 1899
Shannon	9	10⅜	10	1,775	7 Oct	9	12⅜ Feb	6	2½ 1904	24⅜ 1907
Superior Copper.	35	36⅜	35½	2,750	30 Oct	30	54½ June	14	7 1907	68¼ 1910
Sup. & Boston..	3⅝	4	3⅝	400	2 Oct	23	8¼ June	15	1⅝ 1908	1⅝ 1908
Tamarack	55	58½	57½	625	50 Sept	26	82 Jan	3	45⅜ 1910	§83 1901
Tennessee	...	...	24½	.....	24⅞ Aug	9	43½ June	12	9½ 1901	55½ 1907
Trinity	5⅜	5⅜	5⅜	974	5⅜ Oct	5	7⅛ Dec	14	3⅜ 1904	42½ 1907
U. S. Smelting..	34½	36¼	36	3,494	29⅜ Sept	25	40⅜ June	14	24⅜ 1907	70 1907
do. pref.	47½	48⅜	48	1,068	45¾ Oct	10	49½ June	26	27⅜ 1907	54½ 1909
Utah Cons.....	14	17½	17	1,600	9½ Jan	20	20 June	26	12¾ 1910	§79 1907
Utah Apex.....	2⅛	...	2⅛	700	2 Oct	3	3¼ June	15	1⅝ 1907	10¼ 1906
Victoria	3½	...	3⅜	90	1 Aug	19	2⅜ Nov	10	1 1900	12 1901
Winona	...	...	2	400	1 Oct	28	3¼ Feb	6	1 1902	22 1899
Wolverine	...	...	...	99	75 Nov	2	122 Feb	10	78c 1898	200 1907

* Ex-dividend ** Temporary ‡ Rights off. § Auction. ¶ Old securities. ▪ Old stock.

Digitized by Google

Hold Greene Cananea!

Advice to a Vermont Banker—A Wonderful Record of Progress Since the 1907 Boom Blew Up—Cutting Costs From 18 Cents Per Pound to 9 Cents—The Finishing Touches on a Campaign of Reconstruction—The Decrease in Working Capital Explained—Current Estimates Point to 1911 Earnings of About 65 Cents Per Share—How About the Dividend Outlook?—Effects of Lower Costs, Increased Production and a Better Selling Price For the Metal.

A member of the United States Investor staff, on his return from a trip to Vermont, brings back with him an inquiry from the cashier of a national bank in that state regarding the Greene-Cananea Copper Company, its present condition and future prospects. There are many stockholders of this company who are prone to measure success in corporate affairs only by its surface manifestation of dividends paid. Of course, this is ordinarily an evidence of prosperity, but assuming that the management has something more in view than immediate stock market results, it is, after all, one of the last proofs of well-being to show its head. So, in the case of the Greene Cananea, there are doubtless a considerable number of shareholders who hung on to stock purchased at a much higher level, simply because they dislike to take a loss, as all of us do.

For these stockholders, there is much to be said that is encouraging, for reasons which I will give at some length in the course of this article, and not only would it be

UNWISE TO UNLOAD

at this time, in my opinion, but present prospects are such as to justify an addition to the number of shareholders. True, the present market valuation of 7⅜ is a long way from the 1907 high record mark of 25, but the latter figure, it should be recalled, was very largely due to general market inflation just as the present price is a direct reflection of depression, which, however, is fast yielding ground before the advancing metal market. A comparison of the results of recent years shows that the Greene-Cananea has made remarkable progress in fighting to keep its head above the flood of depressing elements in the red metal situation within the last four years or more, its record of success in this direction being in some respects, at least, even more unusual than that of the new Anaconda, itself a remarkable proof of the good that may be accomplished by progressive methods of mining and treatment.

The Greene-Cananea Company began business five years ago at a time when copper was selling close to the 20-cents-per-pound mark, and a few months before the copper boom overrode the crest of the hill and began a descent both long and steep. That the

PROPERTIES WERE VALUABLE

under such conditions as then prevailed was a fact, the truth of which was accepted without question, but the ensuing collapse in metal prices to a point not far from 12 cents per pound necessitated a new point of view, as it did all through the copper producing world.

Incorporated in December, 1906, the company authorized $60,000,000 worth of capital stock and set aside $50,000,000 of this amount for the purpose of acquiring the outstanding capital stock of the Greene Consolidated Copper Company, and the Cananea Central Copper Company, on a basis of one and one-half shares of Greene-Cananea stock for each share of Greene Consolidated, and one and two-thirds shares of this company's stock for each share of Cananea Central. Through these subsidiaries, it now owns about 20,000 acres near Cananea, state of Sonora, Mexico. That there was something more than suspicion as a foundation for doubts as to the company's ability to succeed under the changed operating conditions was shown later on, when it developed that between August 1, 1906, and November 6, 1907, the Greene Consolidated produced over 58,000,000 pounds of the red metal at an estimated cost of 18 cents per pound. A shut-down of a mining property is always

A COSTLY PROCEEDING,

but it required no gift of second sight to see that with producing costs five cents per pound above the then current market price of the metal, some-

PHILADELPHIA STOCKS

For the Week Ending Wednesday Evening, December 13, 1911.

Names.	RANGE FOR WEEK Low	RANGE FOR WEEK High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911 Lowest		RANGE FOR YEAR OF 1911 Highest		RANGE FROM JAN., 1879, TO JAN., 1911. Lowest		RANGE FROM JAN., 1879, TO JAN., 1911. Highest	
Amer. Cement..	7	7	7	35	5	Nov 27	17⅛	Jan 4	6¼	1905	46	1909
Amer. Railways.	45½	45⅛	45½	146	42	Jan 10	46⅛	Nov 27	21½	1900	56⅝	1902
Bell Telephone..	...	...	116½	.....	.....		.....		45	1907	124⅝	1906
Cambria Steel...	43½	44⅝	44½	1,459	40⅝	Sept 22	68⅝	Feb 18	13⅛	1909	49⅝	1909
do. Iron	44	44½	44	50	43	Oct 2	46	Mar 27	43	1907	138	1882
Elec. Co. of Am.	11⅞	12⅛	12	4[illegible]	11½	Oct 2	12½	Jan 14	5⅝	1902	25	1899
Elec. Storage....	53½	55½	54½	2,063	48½	Jan 3	56⅝	June 1	15	1894	194	1899
Gen'l Asphalt...	29½	33⅛	33½	1,422	25¼	Aug 25	39½	Oct 22	3	1907	34⅝	1910
do. pref.	70¼	73⅝	72¼	742	68	Aug 28	83⅞	Jan 30	11	1906	84⅛	1910
Hunt. & B. T...	...	...	5	.....	5	Oct 31	8	June 19	7	1910	42	1898
do. pref.	14	11	14	60	14	Dec 9	27	Feb 1	7⅜	1880	59⅜	1902
Lake Sup. Corp.	26	27⅜	27⅜	2,[illegible]3	21½	Sept 26	31⅜	Feb 4	3⅝	1908	33⅜	1909
Lehigh Valley...	87 13-16	89⅛	89 1-16	2[illegible]5	76	Sept 12	90½	Feb 3	17½	1897	121½	1910
Lehigh Navig'n.	89⅝	91	91	224	*84½	Sept 12	93½	July 29	35	1896	131½	1904
Marsden	...	...	1⅜	.....	.....		.....		⅝	1907	25⅝	1899
Penn. Steel.....	...	...	60	.....	.....		.....		5	1894	300	1841
do. pref.	102½	102½	102½	30	100½	Nov 9	108¾	Apr 17	10	1897	117½	1906
Phila. Co.....	52½	53⅜	52⅝	210	48¼	Sept 21	59¾	June 5	33⅜	1907	65½	1906
do. pref.	43⅜	44⅜	43⅝	190	42	Oct 18	45	Feb 8	24	1909	52	1906
Phil. Elec.....	15⅝	16	15⅝	1,600	15⅜	Dec 8	18	July 17	2	1900	16⅝	1910
Phil. Rap Trans	23⅞	23½	23	441	16⅝	Apr 1	24½	Aug 4	12	1907	37⅞	1909
Phil. Traction...	84½	84⅜	84½	500	82	Oct 12	87½	July 14	5	1895	102½	1906
Tonopah Min'g..	6 15-16	7 1-16	7	804	5 3-16	Aug 23	8⅝	Jan 17	3 3-16	1907	21⅝	1906
United Gas Imp.	85⅞	86¼	86¼	2,356	84¼	Sept 29	89⅜	Jan 9	50	1893	175	1899
Union Traction..	50⅝	52½	51½	3,620	43	Jan 4	59⅜	Dec 4	5⅝	1897	65¼	1906
Warwick Steel..	10½	10⅝	10½	100	9¾	Jan 10	11⅝	Feb 28	2½	1903	18	1899
W'stm'el'd Co'l.	...	...	78	.....	78	Nov 14	91½	Mar 30	65½	1879	114	1906

* Ex-dividend. † Trust certificates. ** Temporary certificates.

CHICAGO STOCKS

For the Week Ending Wednesday Evening, December 13, 1911.

Names.	WEEK FOR RANGE Low	WEEK FOR RANGE High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911 Lowest		RANGE FOR YEAR OF 1911 Highest		RANGE FROM JAN., 1879, TO JAN., 1911. Lowest		RANGE FROM JAN., 1879, TO JAN., 1911. Highest	
Am. Can.....	10⅜	11⅜	11	900	8⅜	Jan 27	12½	May 23	2⅜	1908	31½	1901
do. pref.	90¼	91½	91½	965	76⅛	Jan 7	93	Dec 2	25¼	1902	86	1910
Am. Radiator...	...	...	300	.....	265	Jan 9	300	Nov 10	30	1900	260½	1910
do. pref.	...	...	133	.....	126½	Mar 9	133	Nov 28	98	1899	136	1900
Am. Shipbldg...	...	...	48	.....	48	Dec 1	79	Feb 6	19	1904	84½	1910
do. pref.	...	...	106½	.....	100¼	Jan 16	113	May 18	82	1904	112	1910
Chic. City Ry...	...	...	190	.....	185	Mar 23	198	Apr 29	140	1906	476	1892
Chic. Pneu. T'l.	46	47¼	47¼	360	39¼	Sept 22	55¼	Feb 22	18	1904	107½	1902
Chic. Subway...	...	...	⅝	.....	¼	Nov 14	⅝	Mar 1	2⅛	1910	87⅝	1905
Chic. Telephone.	137½	139¼	139	2,390	115	Jan 23	141½	Nov 27	95	1907	286	1901
C'm'nw'th Edis.	132	135½	135½	1,313	113	Jan 26	137¾	July 15	77	1907	128	1910
Diamond Match.	105	109	108	653	90	Jan 10	110⅜	Nov 28	82¼	1910	163	1892
Kan. City Light	...	...	20⅜	.....	15	Sept 26	25	May 23	20	1910	65½	1906
do. pref.	50	50	50	50	39	Sept 26	72½	Feb 25	68	1908	98½	1906
Met. El.....	...	...	21	.....	19½	Feb 1	28⅝	June 23	12	1899	43	1902
do. pref.	...	...	70	.....	64	Mar 16	**76	July 17	32	1909	93½	1901
Nat. Carbon.....	101½	104	103	151	100	Sept 12	120	June 3	15	1899	145	1910
do. pref.	118	118	118	20	106⅜	Aug 23	120	Nov 21	72	1900	126	1909
No. West. El...	...	...	29½	.....	20½	Apr 27	29½	June 20	13⅜	1908	85	1901
do. pref.	...	...	68½	.....	60	Mar 1	67	Mar 30	44	1904	97	1901
Quaker Oats.....	208	208	207	10	185	Mar 17	199	Dec 4	25½	1904	186	1910
do pref.	105½	105½	105½	110	102½	Feb 8	107½	July 24	73	1903	109½	1905
So. Side El.....	...	...	29¼	.....	28	Feb 16	50	June 20	40¼	1897	199	1901
Streets' Car.....	7	8	7	100	7	Dec 7	13¼	Feb 28	10⅜	1910	54½	1909
do. pref.	...	...	38	.....	38	Nov 21	50	Aug 11	40	1910	111¼	1906
Swift & Co.....	101¼	101½	101½	413	97⅜	Sept 25	104	June 9	75½	1907	177¼	1902
Un. Box Board..	1	1⅜	1⅛	4,475	1	Dec 11	7	Jan 5	⅛	1908	17½	1902
do. pref.	...	...	7⅜	.....	.....		.....		1⅜	1908	71	1909
Western Stone..	14½	15½	15½	30	14	Dec 4	34⅜	Jan 30	14	1908	80	1909

* Ex-dividend. † New. ** Receipts. ‡ Assessment paid.

Digitized by Google

Notice to Stockholders
W. L. Douglas Shoe Co.
7% Preferred Stock

The transfer books of the Company will close December 15, 1911. The semi-annual dividend of 3½% will be paid January 1, 1912, to all stockholders of record December 15, 1911.

W. L. DOUGLAS SHOE CO.,
Brockton, Mass.
H. L. TINKHAM, Treas.

OFFICE OF
THE UNITED GAS IMPROVEMENT COMPANY.

N. W. Corner Broad and Arch Streets,
Philadelphia, December 12 1911.

The Directors have this day declared a quarterly Dividend of two per cent (2.00) per share, payable January 15, 1912, to stockholders of record at the close of business December 15, 1911.

Checks will be mailed.

LEWIS LUDLOW, Treasurer.

United Shoe Machinery Corporation

The Directors of this Corporation have declared a quarterly dividend of [illegible] per share on the Preferred capital stock, and a dividend of [illegible] per share on the Common capital stock, both payable January 2d, 1912, to stockholders of record at the close of business December 16th, 1911.

L. A. COOLIDGE, Treasurer.

NEW YORK CENTRAL & HUDSON RIVER RAILROAD COMPANY

New York, December 14th, 1911.

A quarterly Dividend of ONE AND ONE QUARTER PER CENT (1¼%) on the capital stock of this Company has been declared payable on Monday, January 15th, 1912, at the office of the Treasurer, to stockholders of record at the close of business on Wednesday, December 20th, 1911.

EDWARD J. ROSSITER, Treasurer.

UNITED FRUIT COMPANY

Dividend No. 50

A quarterly dividend of two per cent on the capital stock of this Company has been declared, payable January 15, 1912, at the office of the Treasurer, 131 State Street, Boston. Transfer books will close at noon December 20th, 1911.

CHARLES A. HOWARD, Treasurer.

NEW ENGLAND TELEPHONE AND TELEGRAPH COMPANY.

[illegible]

NIPE BAY COMPANY

PREFERRED STOCK.

A dividend of one per cent on the preferred [illegible]

[illegible]

RIO PLATA MINING COMPANY

[illegible]

at 3 P. M., Monday, December 18, 1911.

[illegible]

DIVIDEND NOTICE.

[illegible]

C. J. CURTIS, Treasurer.

NEW YORK STOCKS AND BONDS

For the Week Ending Thursday Evening, December 14, 1911.

Names.	RANGE FOR WEEK Low	RANGE FOR WEEK High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911 Lowest		RANGE FOR YEAR OF 1911 Highest		RANGE FROM JAN., 1879, TO JAN., 1911. Lowest	RANGE FROM JAN., 1879, TO JAN., 1911. Highest
Atch. & T. R.R.	[illegible]	[illegible]	[illegible]	[illegible]	99⅞	Sept 27	116⅝	June 5	1 1-16	1894 152½ 1894
Atch. & Top. pf.	[illegible]	[illegible]	[illegible]	[illegible]	100⅝	Jan 3	105½	June 12	14	1896 107½ 1901
Atch. & Top. 4s.	[illegible]	[illegible]	[illegible]	[illegible]	92⅛	Sept 20	99⅝	Nov 13	61	1894 105½ 1902
do. adj. 4s.....	[illegible]	[illegible]	[illegible]	[illegible]	90⅝	Mar 29	92½	Jan 28	38	1896 [illegible] 1905
Atlic C'st Line.	[illegible]	[illegible]	[illegible]	[illegible]	117	Jan 3	1781	Nov 23	55	1907 170 1905
B. & O. Gold 4s	[illegible]	[illegible]	[illegible]	[illegible]	97½	Sept 30	99¾	Oct 10	83	1907 103¾ 1905
B.& O.S. W.3½s.	[illegible]	[illegible]	[illegible]	[illegible]	89½	Sept 29	91	Mar 11	80	1907 96 1908
Balti. & Ohio...	[illegible]	[illegible]	[illegible]	[illegible]	93⅝	Sept 29	106⅝	July 22	9	1897 [illegible] 1906
do pref.	[illegible]	[illegible]	[illegible]	[illegible]	86½	Aug 30	91	Jan 4	67⅛	1858 109 1905
Brooklyn R. T..	[illegible]	[illegible]	[illegible]	[illegible]	72	Sept 2	83⅝	July 29	18	1896 137 1899
B.R.T.cons't 4s.	[illegible]	[illegible]	[illegible]	[illegible]	83⅜	Oct 2	93⅜	Jan 26	56	1905 102¼ 1905
Canadian Pac...	[illegible]	[illegible]	[illegible]	[illegible]	196⅝	Jan 3	247	July 21	33	1886 [illegible] 1910
Canada South...	[illegible]	[illegible]	[illegible]	[illegible]	62	Mar 3	68	May 12	23	1894 97 1902
Cen of Ga Con.5s.	[illegible]	[illegible]	[illegible]	[illegible]	107¼	Jan 13	110	Dec 11	85	1907 120¾ 1991
do. 1st inc....					95	Nov 11	114¾	Apr 18	30	1896 102 1902
do. 2d inc.....					91	Oct 17	106⅝	Apr 5	9	1899 101 1910
do. 3d inc.....	[illegible]	[illegible]	[illegible]	[illegible]	85	Feb 24	107	Dec 11	4	1896 100 1910
Central N. J....	[illegible]	[illegible]	[illegible]	[illegible]	260	Sept 16	285	June 3	81	1886 212 1910
Cent'l Pac. 3½s.	[illegible]	[illegible]	[illegible]	[illegible]	90	Nov 3	92	Mar 8	75	1907 91 1910
Ches.O. gen 4½s.	[illegible]	[illegible]	[illegible]	[illegible]	104⅜	May 15	102	May 15	88	1890 111 1905
Chesapeake & O.	[illegible]	[illegible]	[illegible]	[illegible]	60⅝	Sept 25	68⅜	Feb 10	1	1888 123⅝ 1881
Chic. & Alton....	[illegible]	[illegible]	[illegible]	[illegible]	35	Aug 28	51⅜	May 23	8⅝	1907 74¾ 1899
do. pref.					40	Oct 6	52	Jan 27	47	1900 85⅜ 1908
Chic. G't West.	[illegible]	[illegible]	[illegible]	[illegible]	17⅜	Sept 14	25¼	June 5	3⅝	1897 37⅝ 1900
do pref. A...	[illegible]	[illegible]	[illegible]	[illegible]	46	Sept 27	63⅛	Feb 8	15	1900 90½ 1901
Chic M. & St.P.	[illegible]	[illegible]	[illegible]	[illegible]	107¾	Oct 4	153½	Feb 7	34⅝	1879 199⅝ 1906
do. pref.	[illegible]	[illegible]	[illegible]	[illegible]	141	Sept 14	180½	June 15	74⅞	1879 218 1906
Chic. & N. W....	[illegible]	[illegible]	[illegible]	[illegible]	138½	Sept 22	170½	June 12	49⅞	1879 271½ 1902
do pref.					197	Aug 3	201½	Aug 9	128	1893 274½ 1902
Chi.,St.P. & Om					139½	Apr 20	144	June 12	18½	1886 225 1905
do. pref					152	Feb 15	152	Feb 18	66	1887 230 1906
Chic. Un. Trac..					1¾	Sept 29	5	June 2	⅝	1908 23 1902
do. pref.	[illegible]	[illegible]	[illegible]	[illegible]	43½	Nov 27	71¾	Feb 6	3	1908 60 1902
C.,C.,C. & St. L.					48⅝	Sept 1	66	Jan 15	19½	1896 111 1905
do pref					94½	Aug 22	98	Feb 1	63	1887 124⅜ 1902
Colo & South'n.	[illegible]	[illegible]	[illegible]	[illegible]	41	Sept 23	64	Jan 18	4⅝	1889 69⅜ 1906
Col & So. 1st pf.	[illegible]	[illegible]	[illegible]	[illegible]	82	Oct 21	84⅜	July 10	35	1899 95 1909
do. 2d pref....					66	Sept 18	73	Aug 8	13¾	1889 64½ 1909
Del & Hudson...	[illegible]	[illegible]	[illegible]	[illegible]	170½	Sept 27	177½	June 8	23	1879 240⅜ 1908
Del., L'ck & W.					166	Sept 25	191	Nov 10	48	1879 [illegible] 1909
Den & Rio G'de	[illegible]	[illegible]	[illegible]	[illegible]	14⅜	Dec 7	32	Feb 21	4⅝	1885 [illegible] 1930
do. pref.	[illegible]	[illegible]	[illegible]	[illegible]	47⅛	Dec 7	74	Feb 21	24	1894 [illegible] 1901
Det. So Sh & Atl					8	Nov 2	15½	May 1	2½	1895 24 1902
do pref					14⅜	Dec 11	28⅝	Apr 4	6	1896 46⅝ 1908
Erie 1st gen. 4s	[illegible]	[illegible]	[illegible]	[illegible]	69⅛	Jan 3	79⅜	Nov 15	55	1908 95 1997
Erie	[illegible]	[illegible]	[illegible]	[illegible]	27⅛	Jan 11	38⅝	June 30	3⅜	1894 52⅜ 1881
Erie 1st pref....	[illegible]	[illegible]	[illegible]	[illegible]	43⅝	Jan 12	61½	July 1	15	1893 56 1881
Erie 2d pref.....	[illegible]	[illegible]	[illegible]	[illegible]	31	Jan 13	45½	July 3	13	1896 78⅜ 1905
Evans & T. H.					60	Feb 3	88	July 24	30	1895 152 1892
do. pref.						June 7	94	July 24	72	1900 104⅜ 1902
Grand&W.ideB.	[illegible]	[illegible]	[illegible]	[illegible]	11	Sept 2	17⅜	Jun 28	3½	1898 27½ 1903
Gt Northern pf.	[illegible]	[illegible]	[illegible]	[illegible]	114	Sept 29	140	June 8	44½	1899 348 1906
Hock'g Valley**							114	Apr 29	22	1896 140 1910
do pref									53½	1899 101¾ 1910
Illinois Central..	[illegible]	[illegible]	[illegible]	[illegible]	142	Jan 3	147	July 10	79⅞	1879 164½ 1906
Inter-Met cw 4s	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Sept 27	20⅜	Feb 17	4⅞	1907 [illegible] 1956
do. pf. (w. i.)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Sept 27	56⅜	Feb 10	14	1907 [illegible] 1956
Iowa Central.....					3	May 1	7	Sept 8	2	1885 51⅜ 1402
do. pref.					8	Apr 3	21	Sept 8	12	1898 [illegible] 1902
Kan City & So.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Sept 27	[illegible]	June 17	7	1900 [illegible] 1909
do. pref					[illegible]	Sept 27	[illegible]	May 24	27½	1900 [illegible] 1909
K. Ft S.&M pf					23	Apr 3	31	May 1	5	1901 [illegible] 1902
Lake E. & West					[illegible]	Sept 27	[illegible]	Nov 9	[illegible]	1887 [illegible] 1901
do. pref.					[illegible]	Sept 27	[illegible]	Dec 11	14	1900 [illegible] 1902
Louis & Nashv	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Sept 14	146	Nov 11	22	1885 [illegible] 1909
Manhattan Elev.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Sept 2	142	Jan 19	80½	1884 [illegible] 1909
Minn. & St. L...					[illegible]	Apr 28	[illegible]	Nov 6	31½	1889 [illegible] 1902
do pref					75	Mar 31	[illegible]	Sept 13	7⅝	1886 [illegible] 1902
M S P & S S.M.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Sept 27	[illegible]	Mar 31	6	1887 [illegible] 1908
do. pref	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Sept 27	[illegible]	Dec 21	10	1887 [illegible] 1908
M. K. & T. 1st 4s	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Sept 27	[illegible]	Jan 1	50	1893 [illegible] 1905
do. 2d 4s	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Sept 27	[illegible]	Jan 1	27	1893 [illegible] 1905
M K & T 1st 5s	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Oct 27	[illegible]	Jan 1	[illegible]	1896 [illegible] 1909
Mo., K. & Tex..	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Sept 27	[illegible]	Jan 1	[illegible]	1879 [illegible] 1901
do. pref.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Sept 27	[illegible]	Jan 1	13¾	1887 [illegible] 1909
Missouri Pacific	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Sept 27	[illegible]	Jan 1	10	1887 [illegible] 1902
N. Y. Central..	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Sept 27	[illegible]	Feb 1	73⅜	1887 [illegible] 1901
N.Y.,C. & St. L.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	1892 [illegible] 1907
do 1st pref	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Mar 31	4	1895 124½ 1902
do. 2d pref....	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	1892 [illegible] 1902
N.Y. Out. & W.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	July 31	68⅜	1885 64 1906
N. Y. & West'n 4s	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	74	1898 [illegible] 1907
Norfolk & West	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	⅛	1892 [illegible] 1910
do. pref	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	4½	1896 [illegible] 1909
N. Y. pow. 4s....	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Nov [illegible]	[illegible]	[illegible] [illegible] 1949
N. Y. con. 3½s....	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1907
Northern Pac.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	June 11	[illegible]	[illegible] [illegible] 1907
Ontario	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Jan [illegible]	34	1886 [illegible] 1906
Pacific Coast	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	65	1887 [illegible] 1910
do 1st pref	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1910
do 2d pref	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1910
Peo. & East'n	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1902
do. pref	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1902
Pere Marq. 4s	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1956
Pere Marq. pf. 5s	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1956
Phila. & Read'g	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1903
do 1st pref	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1903
do 2d pref	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1903
Pitts. & L. E.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1905
do. pref.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1905
Pressed Steel	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1909
do pref	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1909
Reading	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1909
do 1st pref	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1909
do 2d pref	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1909
Rep. I. & St. L.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1908
do. pref.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1908
Rock Island Co.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1909
do. pref.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1909
Rock Island 4s	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1909
do. 1st pref	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1909
do. 2d pref	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1909
Rock Isl. & Pac.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1909
do. pref.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1909
St. L. & S. F.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1909
do. 1st pref.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1909
do. 2d pref.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1909
St. L. S. W.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1909
do. pref.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1909
Seaboard Air L.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1909
do. pref.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1909
Southern Pac.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1909
Southern Ry.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1909
do. pref.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1909
Tenn. C. & I.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1909
Texas & Pacific	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1909
Third Avenue	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1909
Tol. St. L. & W.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1909
do. pref.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1909
Twin City R.T.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1909
Union Pacific	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1909
do. pref.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1909
U. S. Rubber....	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1909
do. 1st pref	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1909
do. 2d pref	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1909
U. S. Steel.....	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1909
do. pref.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1909
Utah Copper....	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1909
Va.-Car. Chem.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1909
do. pref.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1909
Wabash	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1909
do. pref.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1909
do. pref. "B"	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1909
Western Md.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1909
do. 1st pref	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1909
do. 2d pref	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1909
Wheel. & L. E.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1909
do. pref.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1909
Wisconsin Cent.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1909
do. pref.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1909
Wells, F. & Co.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1909
Western Union	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] [illegible] 1909

Digitized by Google

NEW YORK STOCKS AND BONDS

For the Week Ending Thursday Evening, December 14, 1911.

Names.	RANGE FOR WEEK Low	RANGE FOR WEEK High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911 Lowest		RANGE FOR YEAR OF 1911 Highest		RANGE FROM JAN., 1879, TO JAN., 1911. Lowest		RANGE FROM JAN., 1879, TO JAN., 1911. Highest	
Southern	28½	30¼	29¾	14,8 0	24⅝	Sept 29	32¾	July 22	12	1894	1252	1892
do. pref.	70	71¾	71¾	1,200	61¾	Jan 11	75¼	July 20	112	1894	103	1906
Texas & Pacific.	22½	23½	23⅝	1,800	22¾	Sept 21	109½	June 9	4⅝	1883	72⅝	1881
Third Avenue...	4½	7	6¾	20,20	2⅝	Nov 27	20	Mar 2	5½	1910	242	1889
Tol.Rya.& Light	4	4⅜	4⅜	500	4	Dec 11	8½	Jan 17	5½	1910	38	1902
Tol., St. L. & W	15⅝	15⅞	15⅝	2,500	12⅝	Dec 5	24⅝	Feb 8	10⅝	1901	54⅛	1909
do. pref.	37⅜	39⅜	38⅜	2,200	36	Dec 7	53⅞	Feb 8	22⅝	1903	74⅛	1909
Twin City R. T.	105	105	105	200	104	Sept 15	111	Feb 3	9½	1897	129	1902
U.P.cvt. 4s, 1927.	101¾	103½	103¼	619,000	100	Sept 25	109¾	June 27	78¼	1907	124¼	1909
Union Pacific....	169¾	175½	174	468,5 0	153¾	Sept 25	192⅜	July 22	3	1896	204⅜	1910
do. pref.	93⅞	93¾	93	800	89	Sept 21	98	Nov 23	47	1898	118½	1909
Wabash 1st 5s...	104¾	105	104¾	21,00	99¼	Aug 28	110	Mar 29	93	1890	121	1902
do. deb. B's...	....	....	101	.....					19	1893	101	1909
Wabash	7⅞	7⅞	7⅞	14,5 0	5⅝	Dec 8	18⅝	Feb 21	2	1895	60	1881
do. pref.	16⅝	19	17⅝	15,3 0	16⅝	Dec 9	40⅝	Feb 21	9	1884	96¼	1881
West. Md., pref.	83	83	83	100	75	Jan 14	89¾	July 24	67	1910	77	1910
Wheel. & L. E.	4¼	4½	4¼	400	2½	Sept 21	6¼	Feb 3	½	1897	63¾	1887
do. 1st pref..	....	....	10½	.....	7½	July 22	17⅜	Feb 3	3⅝	1897	80¼	1892
do. 2d pref....	....	....	5½	.....	3	Sept 5	8	Feb 22	4	1910	42⅜	1902
Wis. Central....	....	....	54¾	.....	48	Sept 21	72¼	May 1	40	1899	64	1910
do. pref.	....	....	89½	.....					80c	1899	91¾	1909
do. 1st 4s....	92¾	92¾	92¾	9,000	92	Aug 28	96¾	July 5	67	1896	99½	1899
Miscel. St'ks.												
Adams Express.	....	....	100	.....	235	Jan 20	243	June 13	97¼	1898	216	1907
Allis Chalmers..	1⅞	2¼	2¼	3,600	1⅜	Dec 11	9⅜	May 31	4	1907	27⅜	1906
do. pref.	8½	9	8½	700	7	Dec 7	34	Feb 3	14	1908	87¼	1903
Amal. Cop.....	58⅝	65¼	65	139,500	44⅝	Sept 25	71⅝	June 19	33⅝	1909	130	1911
Am. Beet Sugar.	51⅝	54⅝	54½	6,300	35⅝	Jan 12	69¾	Oct 20	9½	1908	49¼	1909
Am. Car & F'd.	52	54⅝	54½	5,900	42½	Sept 27	58¼	July 19	10⅝	1899	76¼	1904
do. pref.	117	117	117	100	113	Oct 25	120	May 22	61	1899	124⅝	1909
Amer. Cot. Oil..	44	44¾	44⅜	1 14	41⅜	Nov 2	62⅜	Feb 28	8	1896	79½	1909
do. pref.	92½	92½	92½	200	92	Nov 29	106½	Mar 21	37⅛	1890	107⅜	1900
Amer. Express..	....	....	211	.....	201	Sept 25	245	Mar 27	100	1893	301	1910
Am. H. & L....	3½	3⅝	3½	400	3	Oct 9	5	July 21	2¼	1903	37⅝	1899
do. pref.	21	21	21	100	17¼	Oct 31	36⅝	June 14	10	1907	83½	1899
Am. Ice Sec.....	19¼	19¼	19¼	200	16½	Aug 28	25⅜	July 12	3⅛	1907	96	1907
Am. Linseed Co.	9⅝	9⅞	9⅝	700	8	Aug 11	12⅝	Feb 17	5	1903	30⅜	1901
do. pref.	29½	31½	31	1,4 0	26⅛	Oct 27	34	Feb 14	16½	1907	66	1901
Am. Loco.....	37	37½	37	700	31	Sept 20	43¼	May 22	11½	1903	78½	1906
do. pref.	....	....	102⅝	.....	102	Oct 27	110⅝	Mar 1	67½	1903	122½	1905
Amer. Malt Co..	4¼	4¾	4¾	300	3	Sept 25	5⅜	July 11	2¼	1907	90⅜	1888
do. pref.	....	....	41	.....	31½	Mar 8	43⅜	Nov 25	14½	1903	59	1909
Am. Smtl. & Ref	68⅝	74½	73¾	53,20	56⅝	Sept 25	83⅞	June 15	30	1899	174	1905
do. pref.	102⅞	104½	104½	900	98⅝	Sept 27	108¼	June 15	77½	1899	137	1905
Am. St'l F'dry..	33	33½	33½	700	25	Sept 25	52¼	Feb 9	3½	1904	66⅜	1909
Am. Sugar Ref.	114½	115¾	115¾	2,3 0	112¾	Sept 27	121¾	June 14	85	1899	182	1899
do. pref.	....	....	117¾	.....	111	Jan 5	119½	Feb 14	96⅛	1893	143	1905
Am. Tob. pref..	103½	103½	103½	17,600	97	Aug 24	105	Dec 6	60	1907	151½	1902
Anaconda|||	36⅛	39⅝	39	15,4 0	29	Sept 27	41⅛	June 20	1125	1907	302⅜	1907
Br'k Un'n Gas..	....	....	142½	.....	129	Sept 15	148¼	Nov 10	80	1907	253	1902
Central Leather.	19⅞	21¾	21	2,900	18⅝	Sept 25	32⅜	Feb 2	11⅜	1907	51⅝	1909
do. pref.	91⅜	94	91⅝	450	91⅜	Dec 14	105	Feb 10	68	1907	111	1909
Chino Copper....	23	23⅞	23⅞	7,400	16½	Sept 25	35⅜	May 19	2¾	1910	13	1908
Colo. Ind. 5s....	72	73	73	24,000	72	Dec 13	79½	Feb 23	35	1907	83¼	1906
Colo. F'l & Ir'n.	25¾	29	28⅜	2,400	25	Sept 25	36⅝	Feb 6	14	1907	136¼	1901
do. pref.	110	110	110	100	106	Oct 27	110½	Jan 9	30	1907	142½	1901
C.&H.V.Co'l&Ir.	....	....	112	.....	4	Feb 9	4	Feb 9	⅝	1896	92¼	1910
Consolid't'd Gas.	136¼	139½	139¾	5,250	127	Sept 27	148¼	June 6	67	1907	241¾	1897
Con. Tobacco 4s.	90⅜	91⅝	91¼	6,000	81¾	Jan 11	91⅝	Dec 12	51¼	1908	86⅝	1904
Corn Prod'ts R.	10⅝	11⅝	11	1,400	9⅝	Oct 20	16⅝	May 17	3	1907	28	1906
do. pref.	75½	85½	85½	900	73	Oct 19	85	May 29	46	1907	98⅛	1909
Dist. Secur.....	31	31⅞	31⅞	1,750	29	Sept 25	38⅜	June 6	19½	1904	78	1907
Fed. M. & Smlt.	12⅝	13⅝	13⅝	100	13	Dec 7	38	Feb 18	48⅜	1904	199	1906
do. pref.	39	42	42	400	37	Dec 6	66⅛	May 19	47	1907	112⅜	1906
Goldfield Con....	4⅝	5	5	27,700	3⅜	Oct 18	7⅜	Jan 2	3⅜	1907	10	1910
Internat Paper.	9½	10	10	900	9	Sept 9	13⅜	Feb 3	7½	1907	68¼	1899
do. pref.	46	46¾	46½	500	44⅜	May 16	56⅜	Jan 21	47	1909	96	1898
Int. Harvester..	104½	107⅜	107⅜	3,215	99¼	Sept 20	129⅜	May 5	53	1908	125⅜	1910
do. pref.	....	....	120¾	.....	115	Sept 22	125¼	May 4	99	1908	129	1910
Inter. Stm. P'mp	32	34¼	33½	1,700	28	Oct 31	44	Feb 10	7⅜	1907	60	1906
do. pref.	83½	83½	83½	200	80	Nov 1	90½	June 12	50	1907	95	1902
Laclede Gas.....	103¼	105	105	1,700	101¼	Sept 25	114½	Jan 20	98¼	1910	116¼	1910
Mackay pref.....	....	....	72¾	.....	72	Aug 11	77	Mar 7	50	1907	78⅜	1910
Nation'l Biscuit.	137½	139¾	139	2,600	117¾	Jan 18	143¾	Nov 14	33	1900	120	1909
do. pref.	127⅜	127⅜	127⅜	100	124	Jan 20	130	Feb 4	79½	1900	140	1909
Nat. En. & St'p.	13⅜	13⅝	13⅜	100	12⅜	Dec 8	22	July 24	6½	1907	38	1903
do. pref.	95¼	95¼	95¼	100	85	Jan 6	100⅝	July 22	70	1908	99¼	1909
Nat Lead.....	44⅝	52⅝	52	6,400	42½	Oct 27	58⅝	Mar 15	810¼	1903	95⅜	1906
do. pref.	104⅞	108	101	250	104	Sept 22	109¾	Aug 15	48	1903	115	1899
N.Y. Air Brake	54½	56	56	300	50	Nov 9	78	June 19	14	1898	168⅜	1907
North Amer. Co.	72⅜	73½	73½	1,700	64	Jan 10	78¼	May 22	2⅜	1902	134	1902
Pacific Mail.....	30½	31⅜	31½	1,900	23¾	Apr 24	33⅜	Nov 21	8½	1893	70	1896
P'ple's G.L.& C.	103¼	104¼	103⅝	2,200	101½	Aug 25	109	Jan 19	85	1893	129¼	1899
Pressed St'l Car	32	34	33¾	1,000	25	Sept 25	37⅝	July 20	15⅝	1907	65⅜	1902
do. pref.	....	....	100	.....	91	Sept 22	102⅜	June 16	52½	1907	111⅜	1909
Ry. Stl. Spring.	31	32	32	400	24⅝	Aug 28	39	June 14	15⅜	1894	63¼	1907
do. pref.	....	....	98½	.....	88⅝	Aug 30	102⅜	Nov 23	67	1903	109	1909
Rep'b Ir & St'l	22⅝	25¼	25	5,200	19	Oct 27	35¼	Feb 6	5	1904	49¼	1909
do. pref.	81	85⅜	85½	6,300	74½	Oct 27	90⅜	Mar 14	38⅜	1903	111¼	1909
Sloss-Sh. S. & I.	39	42	42	900	34	Sept 25	56¼	Feb 8	17½	1900	116¼	1907
do. pref.	....	....	112	.....	112	Feb 15	112	Feb 15	69¾	1900	120	1905
T. Pac. Ld. Tr.	89	89	89	100	84	Sept 11	93	Jan 24	5	1898	85	1910
Texas Company.	85	89½	88	2,000	79	Nov 28	136½	Feb 1	134½	1910	144	1910
Underw'd Type..	106¼	106⅞	106¼	1,725	63	Mar 29	111	June 26	44	1909	44	1909
Un. Bag & Pap	4⅞	4⅞	4⅝	400	4⅜	Dec 12	9	Feb 10	2⅜	1904	45	1899
do pref.	....	....	51	.....	50¼	Nov 1	59¼	Jan 30	26	1900	89	1899
U.S.Cast IP & F	14⅜	15	14⅜	320	11	Sept 27	19	Feb 24	6	1907	53	1904
do. pref.	48	50	49⅜	670	40¼	Sept 25	59⅞	Feb 24	22	1903	97⅜	1906
U. S. Express....	....	....	84	.....	84	Dec 6	104	Feb 1	35	1898	160	1902
U.S.R'lty & Imp	68	69	68⅝	1,200	63	Nov 17	79⅜	May 29	36	1907	98¼	1905
U. S. Rubber....	45⅝	48	47⅝	10,200	39½	Sept 25	48	Dec 14	7	1903	60⅝	1897
U. S. Rubber pf.	109	110	109⅝	1,100	104	Sept 25	115½	July 7	39½	1903	122½	1909
U. S. Steel.....	67½	68	66⅞	884,984	50	Oct 27	82¼	Feb 6	9⅝	1904	81	1910
do. pref.	108⅝	111¾	111	14,76	102	Oct 27	120¾	Feb 4	49⅝	1903	126¾	1910
do. 5s	101⅝	101⅞	101¾	198,000	100	Sept 25	106⅛	May 27	65	1909	106½	1910
Utah Copper.....	49⅜	53¼	52⅝	325,800	38	Sept 27	53¼	Dec 14	13	1907	67¼	1909
Virg. Car. Chem.	52½	54½	54½	4,300	43¼	Sept 27	70⅜	Feb 28	12⅜	1907	72	1901
do. pref.	....	....	118	.....	114	Sept 25	128¼	Mar 15	75	1907	133¾	1902
West. Un'n Tel.	77½	80	79¼	13,100	73⅜	Mar 20	84½	May 29	41	1908	177⅜	1881
West. Mfg. Co..	64	66¼	66¼	1,800	58⅝	Sept 25	79	May 29	30¼	1898	154	1907
do. pref.	....	....	115	.....	110¼	Aug 16	122	Jan 5	48¼	1896	160	1907

* Ex-dividend. ** New. † Assessment paid. ‡ Ex-rights. § Price bid. ‖ Price asked. ¶ Old securities. ‖ Certificates. x Ex-interest. ‖‖ Par value basis. *** Receipts.

thing had to give way, and in this case, the "giving way" process involved a suspension of production from November, 1907, to July, 1908. At this time, the output of ore was resumed under conditions, as was shown a little later on, which indicated a wonderful record of activity and progress in other directions during the eight months' period, for during the six months from July 1 to December 8, 1908, the Greene-Consolidated produced 18,600,000 pounds at a cost, exclusive of construction, of 10½ cents. If any copper producer has shown a more speedy and more successful attempt to trim sail in the face of adverse winds, I do not know it. In 1909, all subsidiary companies of the Greene-Cananea produced 1,061,536 tons, yielding 44,547,689 pounds of copper at a total cost of 11.9 cents.

A REMARKABLE SHOWING.

It is evident, then, that the Colekyan interests have accomplished wonderful results with the high cost Greene properties.

The net earnings of the Greene-Cananea Copper Company, for 1910, gained $82,191, or 7.44 per cent over the net for 1909. When compared with 1908, the second year of the company's operations, the gross earnings in 1910—$5,592,052—show a gain of 130.4 per cent, while the net earnings of $1,184,750 were 95.4 per cent above those for 1908. After deducting appreciation, the net profits for 1910 were $500,653, a decrease of 7.9 per cent from the 1909 profits, and comparing with a $214,140 deficit in 1908. The 1910 deduction for appreciation was $684,097, which compares with $558,452 in 1910.

Total earnings, net earnings, depreciation expenditures and net profits for the past three years compare as follows:

Year.	Tot. earn.	Net earn.	Deprec.	Net profits
1910	$5,592,050	$1,184,750	$684,097	$500,653
1909	5,360,858	1,102,559	558,452	544,107
1908	2,427,275	606,305	*820,446	†214,140

* Sundry expenditures. † Deficit.

PRODUCTION INCREASED.

Total production of fine copper for the year of 45,680,145 pounds was an increase of 1,132,456 pounds over the previous year. The total costs of this output averaged 11.514 cents per pound, against 11.6403 in 1909. Total cost of refining and beneficiating increased from an average of $5.549 per ton for 825,929 tons treated in 1909, to $5.765 per ton for 792,956 tons treated in 1910. The increase in the latter item was entirely due to a depreciation charge of 86 cents per ton. Yield per ton of ore beneficiated came to 46.58 pounds, as against 44.12 the preceding year.

Working capital of December 31, 1910, shows a decrease from the previous year of $1,977,585, from $4,719,012 to $2,741,437. This reduction is due to a decrease in "notes receivable" of $2,320,053, most of which resulted from the transfer of $2,318,008 in notes of W. C. Greene from current to deferred assets "on account of the uncertainty of their collection." There were no other changes in the current capital account from the previous year.

Current assets, current liabilities

Digitized by Google

and net current assets for the past three years were as follows:

	1910.	1909.	1908.
Current assets	$4,331,354	*$6,250,686	*$6,729,678
Current liabilities	1,589,917	1,531,674	1,425,500
Net cur. assets	2,741,437	4,719,013	5,304,178

* Includes $2,318,008 in notes of W. C. Greene.

THE STRIKING PROGRESS

made has involved a policy of reconstruction and rehabilitation generally, which has consumed three years' time, and about $3,500,000 of cash. This campaign is now practically completed, however, which means a considerable saving in production expenses. The construction expenses in 1910 amounted to about 1½ cents per pound of copper produced, so that actual costs with this item eliminated were about 10 cents. Since the beginning of the present year, further progress has been noted, and now costs are down to about 9 cents, beyond which point it is hardly to be expected there will be any very material saving. Based on production of 4,000,000 pounds per month, with copper at 12½ cents, Greene-Cananea's earnings are approximately $1,680,000 a year, or about 65 cents per share.

With the copper market well above the 13-cent mark, as it now is, the 1912 showing ought to be much better than this, as the company will probably be able to sell a larger production at a greater per pound profit. The latest estimates of 1911 production place it at about the 4,000,000 pounds monthly level above referred to, as there has been

A CONSIDERABLE INCREASE

in this direction in the last few months, during which time the ore has shown a tendency to run higher, not only in copper contents, but in gold and silver values as well.

At present writing, comparative strength is to be seen in the position of the stock, despite a feeling of disappointment entertained in some quarters over the failure of the directors to begin dividend payments. For the past four months, rumors of such a disbursement have been current, and as metal values advance, the prospects of such action grow correspondingly brighter. With earnings of 65 cents per share, a semi-annual payment of 20 cents per share, that is, 1 per cent on par, would appear conservative, but I understand that the management is desirous of obtaining more data on present operations and the property, working under the improved conditions, which now exist. Dividends of 40 cents per share would call for the disbursement of $1,000,000 per annum, and such profits would necessitate the company's earning about 2½ cents per pound on its present production, which it could do very easily with costs maintained at 9½ cents. As a matter of fact, costs of less than 9 cents per pound and earnings, based on the ultimate capacity of the reduction plants, of $1.25 per share, do not strike me as being unreasonably optimistic anticipations. Therefore, Greene-Cananea at 7½ is, I believe, a good speculative purchase, and is certainly a very good thing for present owners to stick by, for the chances seem to favor a return to stockholders before the year 1912 grows very old.

P. De Medici.

INDIANAPOLIS BANK CHANGES.

When the National City Bank of Indianapolis was formed, by the consolidation of the Union National Bank and the Columbia National Bank of that same city, Ross H. Wallace, who had been for two years cashier of the Union National Bank, was selected to be a vice-president of the new consolidated institution. It is now announced that on January 1 Mr. Wallace will leave the National City Bank to become secretary of the Union Trust Company of Indianapolis.

Connection with the Union Trust Company will be no new experience for him. For four years before going to the Union National Bank he was connected with that company, latterly as assistant secretary. Charles S. McBride, whom Mr. Wallace is to succeed at the trust company, will become treasurer of the trust company, and H. M. Foltz, who has been vice-president as well as treasurer of the trust company, will continue to be the vice-president of the company.

BIRMINGHAM CHAPTER.

The younger bankers of Birmingham, Alabama, have organized Birmingham Chapter, of the American Institute of Banking, the first meeting for formal organization having occurred on November 17.

For president of the new organization, Mr. Otto Mooney, of the Traders' National Bank, has been selected. The other officers are: Vice-president, R. A. L. Wilkes, of the First National Bank; secretary, Frank Stevens, of the American Trust and Savings Bank; treasurer, William Moore, of the Jefferson County Savings Bank.

The chapter starts off with much enthusiasm. Over 100 members have been enrolled, including men from Ensley, Bessemer and other nearby points in Alabama. The purpose of the founders is to engage at once in those sorts of activities which have proven so satisfactory at the longer established chapters.

Study classes will be at once begun, and Mr. A. Leo Oberdorfer, a prominent member of the Birmingham Bar, has consented to take charge of these classes.

GUARANTY TRUST COMPANY.

The Guaranty Trust Company of New York makes the official announcement through its trust department that as trustee for the Metropolitan Street Railway Company General Mortgage and Collateral Trust 5 per cent bonds due in 1997, the trust company holds a fund which has reached substantial proportions and which represents the accumulation of dividends received upon stocks held in pledge under the mortgage, since such dividends became payable to the trustee by reason of the railway company's default in payment of interest on the bonds. In accordance with the provisions of the mortgage securing said bonds, this fund will be distributed to the bondholders entitled thereto in connection with the termination of the trustee's duties under said mortgage.

THE HAWLEY POLICY.

(Continued from page 2222.)

Shonts-Hawley management may well feel that its earlier over-liberality in dividend payments is a matter to regret, to say the least. Can it be that these gentlemen hate to admit the failure of that reckless policy, and are trying to lay the blame where it does not belong? It would appear so, at all events. The important point, however, is that they have seemingly come to see the error of their way, and are remedying matters in a somewhat Spartan manner. By keeping these maintenance allowances at the level of the previous year, the Alton management might have continued its dividend payments on the preferred stock, at least, and perhaps on the common as well, without showing a deficit. That this was not done is something for which the "stickers" among the shareholders may well be glad, for, if persisted in, this conservative policy is bound to yield results which in time, I doubt not, will be reflected in the resumption of dividend payments. However, a little more time is needed to show how lasting this conversion of the Hawley-Shonts management toward an un-building policy is likely to be, in view of the maintenance of that slow suicidal performance by the same party in maintaining the payment of unearned dividends on "Clover Leaf" preferred.

P. De Medici.

NEVADA-UTAH COMPANY.

Owing to the affairs of the Nevada-Utah Company being in the hands of a receiver, the stockholders are facing a readjustment necessary to save their property and make it of value. At the outset the efforts of the company were not wholly devoted to the proper development of the mines, but when the present readjustment is completed, the security holders will have the knowledge that their money will be spent for the benefit of the property, and that the possibilities of the Pioche mines will be developed within a reasonable time. The company has not produced any appreciable quantity of metals or ores during these last years.

While we are not in a position to give the exact terms of the readjustment we understand that the Nevada-Utah stockholders will be given an opportunity to subscribe for new securities, consisting of first mortgage, convertible bonds and common stock, which will be issued by a new company to be known as the Consolidated Nevada-Utah Company.

GAS SECURITIES.

A statement recently issued by Census Director Durand, of the Department of Commerce and Labor at Washington, D. C., illustrates the growing attractiveness of gas securities as a profitable and conservative investment. The earnings of a corporation supplying a public necessity such as gas or electricity are steadily increasing. Complete and accurate information concerning any outstanding securities will be furnished without cost by White & Company, Bankers, New York City.

Digitized by Google

The Best Purchases on the Railroad List

As Indicated by the Two Standards of Comparison: of Present Investment Yield on Basis of Current Dividends and Prevailing Market Price, and on Basis of Present Earnings on Prevailing Market Values.

The average net yield of the 50 railroad stocks quoted in the following table was 5.45 per cent on December 13, as compared with 5.24 per cent on December 6, 5.43 per cent on January 4, and with 4.71 per cent on January 2, 1910.

The development of a climax in the affairs of the Wabasn has apparently served to clear the air in the railroad situation, for there is very conclusive evidence of a better feeling toward issues of this class. Not the least important influence in bringing about this change in sentiment has been the report of the Hadley commission, which Wall street is disposed to look upon with favor as a bullish argument, and with reason, since the commission has departed somewhat from the precedent established by other investigating bodies and has made recommendations which generally favor the railroads.

It is evident that business is holding up very well with the majority of American railroads, and it is doubly encouraging to note that this condition of affairs applies to roads in various sections of the country, particularly as far as gross earning results are concerned. It is true, of course, that some roads are still showing an abnormally high ratio of operating expense, and, as a consequence, a comparatively indifferent showing of net earnings. Some roads, such as the Chicago & Alton, are forced into a policy of liberal maintenance, because they have been too prodigal in the direction of dividend payment in the past at the expense of the up-keep of the property, and are now forced to pay the piper. Still others, of which the Atchison is a very conspicuous example, are maintaining their properties upon an exceptionally liberal basis, preparing apparently for the rush of business which they anticipate as a development of the comparatively near future. It is significant, too, that some of the roads whose operating heads have spoken most pessimistically regarding the growing tendency of operating expenses are the very ones which are pursuing a very liberal policy of improvement and maintenance, not because of actual necessity, but on account of an evident desire to strengthen the property for future requirements, even though such a policy may result in an emphatic reduction in the earnings available for dividend payments. For that reason, it is unwise to attempt to determine a road's ability as a dividend payer simply by the earnings of a few months, as the skeleton figures presented in the monthly reports may have a tendency to befog the real situation to some extent. In other directions, however, the reported earnings of recent months serve as a very accurate reflection of actual conditions. This is especially true in the case of the Toledo, St. Louis & Western, which is paying on its preferred stock dividends which are not being earned. The directors are scheduled to take action on the dividend question this week, and if they omit the regular quarterly declaration, they will scarcely be criticised for failure to take such action. Rather the chief ground for criticism against them is that they have insisted upon paying dividends for which there is little or no justification.

STOCKS SHOWING BEST INVESTMENT YIELD

Present rank.	Stock	Present dividend	Price.	Yield on present price.
1	Toledo St. L. & W., pref	4%	40	10.00
2	Cincinnati & Ohio, com	5%	74	6.76
3	Denver, Central	5%	75	6.66
4	[illegible]	5%	77	6.49
5	St. Paul, com	7%	111	6.30
6	M., K. & T., pref	4%	64	6.25
7	St. L. & San F., 1st pref	4%	66	6.06
8	K. C. Southern	4%	66	6.06
9	Northern Pacific	7%	118	5.93
10	Baltimore & Ohio, com	6%	102	5.88
11	N. Y., N. H. & H.	9%	158	5.80
12	Union Pacific, com	10%	174	5.75
13	Colo. & Southern, 2d pref	4%	70	5.71
14	Twin City R. T., com	6%	105	5.71
15	Delaware & Hudson, com	6%	106	5.66
16	Lehigh Valley	7%	127	5.65
17	St. Louis S. W., pref	4%	71	5.63
18	N. Y. C. & St. L., com	3%	64	5.55
19	Lehigh & Western, com	6%	108	5.55
20	Great Northern, pref	7%	128	5.47
21	Southern Pacific, com	6%	112	5.36
22	Delaware & Hudson	8%	148	5.40
23	C., C., C. & St. L., pref	5%	96	5.26
24	P., C., C. & St. L., com	5%	95	5.26
25	M., St. P. & S. S. M., com	7%	133	5.26
26	Colo. & Southern, 1st pref	4%	77	5.19
27	C., St. P., M. & O., com	7%	137	5.11
28	Atlantic Coast Line	7%	137	5.11
29	K. C., F. S. & M., pref	4%	79	5.06
30	N. Y., O. & W.	2%	46	5.00
31	Chicago & N. W., com	7%	142	4.92
32	Pennsylvania	6%	122	4.92
33	Illinois Central	7%	143	4.90
34	Western Maryland, pref	4%	82	4.82
35	Atchison, pref	5%	104	4.81
36	Buffalo R. & P., com	5%	105	4.76
37	St. Paul, pref	7%	147	4.76
38	M., St. P. & S. S. M., pref	7%	148	4.73
39	N. Y. Central	5%	106	4.71
40	Baltimore & Ohio, pref	4%	89	4.49
41	Louisville & Nashville	7%	157	4.46
42	Norfolk & Western, pref	4%	91	4.40
43	Union Pacific, pref	4%	92	4.20
44	Colo. & Southern, com	2%	47	4.25
45	Canadian Pacific	10%	240	4.17
46	Boston & Maine	4%	100	4.00
47	Reading, com	6%	150	4.00
48	Central of New Jersey	12%	305	3.93
49	D., L. & W.	20%	550	3.63
50	Southern Railway, pref	2%	71	2.82

STOCKS SHOWING BEST EARNINGS

Present rank.	Stock.	Price.	Earning on present price.
1	St. L. & San F., 2d pref	42	28.49
2	Erie, 1st pref	52	24.60
3	Detroit United	73	18.25
4	Southern Railway, pref	71	18.25
5	M., K. & T., pref	84	15.20
6	Colo. & Southern, com	87	14.50
7	Buffalo, R. & P., com	105	13.75
8	Norfolk & Western, com	108	11.55
9	Louisville & Nashville	157	11.40
10	Southern Pacific, com	112	10.80
11	Twin City R. T., com	105	10.80
12	M., St. P. & S. S. M., com	133	10.40
13	Chicago Gt. Western, pref	78	9.80
14	Atlantic Coast Line	137	9.70
15	C., C., C. & St. L., com	93	9.20
16	N. Y., C. & St. L., com	64	9.10
17	Erie, com	31	9.05
18	B. R. T.	77	9.05
19	Union Pacific, com	174	8.90
20	Central of N. J.	305	8.80
21	Rocking Valley, com	124	8.70
22	Great Northern, pref	128	8.20
23	D. & R. G., pref	45	8.05
24	St. Louis S. W., pref	71	7.80
25	Baltimore & Ohio, com	102	7.75
26	United Railways Invt., pref	60	7.50
27	Delaware & Hudson	168	7.60
28	N. Y. Central	106	7.40
29	Canadian Pacific	240	7.20
30	Lehigh Valley	127	7.20
31	Chesapeake & Ohio, com	74	6.90
32	K. C. Southern, pref	66	6.50
33	P., C., C. & St. L., com	95	6.50
34	Northern Pacific	118	6.35
35	Illinois Central	113	5.95
36	Chicago & N. W., com	142	5.85
37	Atchison, com	106	5.50
38	Pennsylvania	122	5.40
39	D., L. & W.	550	5.10
40	N. Y., N. H. & H.	158	4.85
41	Western Maryland, pref	83	4.50
42	C., St. P., M. & O., com	135	4.00
43	M., K. & T., com	30	3.90
44	Reading, com	150	3.15
45	N. Y., O. & W.	46	2.55
46	St. Paul, com	111	2.25
47	Toledo, St. L. & W., pref	40	1.85
48	Rock Island, pref	47	1.80
49	K. C. Southern, com	28	0.75
50	Boston & Maine	100	0.45

Digitized by Google

UPON PRESENTATION

at the Office of

THE MIDDLESEX BANKING COMPANY

OF MIDDLETOWN, CONN.

DEBENTURES OF Series E16, for $204,000.00, and Series E22, for $188,500.00, maturing January 1st, 1912, WILL BE PAID at par with interest to the date of payment.

Special Letter

Devoted to copper situation at home and abroad, and mentioning particularly —Miami, Republic Steel, Ray Central, Live Oak, Inspiration, Giroux, Ray Cons., Porcupines and Tonopahs—mailed free upon request.

"Coppers" and Curb Stocks bought and sold for Cash or Carried on Margin

H. A. BROWN & CO.

Members Boston Curb Exchange

60 State St., Boston — 74 Broadway, New York

WANTED

Butte Water Co. 5s, 1921
Peoria Water Works Co. 4s
Mich., Lake Superior Pwr. Rcts.
Austin, Texas, 4s
Glens Falls Gas & Elec. Co. 5s
Everett Water Co. 5s

H. C. SPILLER & CO.

Specialists in Inactive Bonds

27 STATE STREET BOSTON

6 PER CENT INTEREST PAID

By Coupon on Bonds Secured by Well Selected New York Real Estate.

"We Deal in No Other Securities"

THE DEBENTURE CORPORATION OF NEW YORK

334 Fifth Avenue New York City

A SPLENDID STOCK FARM AT A SACRIFICE

A 1516 ACRE HILL PLANTATION in Jefferson County, Miss., near railroad and packing house, with residence containing 11 rooms, also barns, cisterns, cabins, dipping vat for cattle and at least $1000 worth of fencing. Healthy location. Land is well seeded with lespedeza and Bermuda grass. Read Government Bulletin 441 and learn value of lespedeza (Japanese clover), which grows wild on this property.

Price on $15,000, including all improvements. I have other bargains for investors and farmers.

T. S. K. HOUSKEN, Box 268, Vicksburg, Miss.

GEORGIA FARM LOANS 6%

Net on first mortgage farm loans in the rich belt of Southwest Georgia. Cotton, corn, oats, wheat, hay, peaches, cantaloupes, and other money crops are produced.

Seventeen years' experience without a loss.

EMPIRE LOAN & TRUST CO.
Americus, Ga.

6% BONDS

Certainty Adaptability Convertibility

NO element of an investment approaches in importance that of *certainty*—certainty that it will conserve and return principal intact, and pay the contract rate of interest. A-R-E 6's have done this for nearly a quarter of a century.

¶ They are adaptable, being issued to return interest on current funds or to provide for saving surplus earnings, returning the latter with interest compounded at 6%.

¶ Their *cash convertibility* safeguards the investor against temporary financial need.

¶ This Company is engaged solely in the business of investment and operation in New York real estate, a stable and profitable investment field, and offers its 6% Gold Bonds in these forms:

6% COUPON BONDS

For those who wish to invest $100 or more

6% ACCUMULATIVE BONDS

For those who wish to save $25 or more a year

Descriptive Booklets and map of New York showing location of properties sent on request.

AMERICAN REAL ESTATE COMPANY

Capital and Surplus, $2,011,247.80
Founded 1888 Assets $23,026,999.87

Room 502, 527 Fifth Avenue, New York

First Mortgage Bonds

For Small Investors

WEEKLY OR MONTHLY PAYMENTS

Government, State and Municipal Issues, also Standard Railroad, Public Service and Industrial Bonds sold in any amount for Cash or on Weekly or Monthly Payments. Best, Easiest and Safest way to provide for your future.

Circulars 104 on request; Correspondence invited

Resident Representatives Wanted

FUNDING COMPANY OF AMERICA

40 EXCHANGE PLACE, NEW YORK

6% NEW YORK CENTRAL REALTY BONDS

A Good Investment

To investigate is the six per cent Realty Bond of the New York Central Realty Company issued in denominations of $1,000, $500, and $100.

It offers a high grade of security, a liberal cash availability and an interest earning of 6%.

WRITE for booklet illustrating the methods of the Company, describing its bonds, their redemptive privileges and advantages over other Realty securities. Everybody knows us.

New York Central Realty Co.

Suite 1190, 1328 Broadway, New York City
CAPITAL AND SURPLUS $4,568,34

BENNETT'S

INFORMATION AGENCY

INVESTMENT DEPARTMENT

The wisest men in the United States are those who never make a new investment which they consider good, and never get rid of an old investment which they consider bad, until they have made an investigation of the merits of the investment through BENNETT'S INFORMATION AGENCY.

CONGRESSIONAL INFORMATION

We attend to business at the Treasury Department as well as before Congress, the Courts, and all departments of the United States government, through our Washington office, 208 Corcoran Building, and through our staff of Washington correspondents. If you desire any information from Washington, or any business transacted at the Nation Capital, we shall be pleased to perform the desired service for our subscribers.

PROBATE DEPARTMENT

Information respecting probate matters, in any town or city of the United States, is furnished to our subscribers gratuitously if the inquiry is answered through the columns of the INVESTOR, or for $2.00 if the reply is by private letter.

LEGAL DEPARTMENT

Questions answered by prominent attorneys upon any desired subject for $2.00 each.

MERCANTILE DEPARTMENT

A report regarding the standing and reliability of any firm or individual in the United States furnished for $2.00. Our information goes into the character and individuality of members of a firm and its methods of doing business.

MISCELLANEOUS QUESTIONS

Inquiries of any sort answered for $2.00 each. Send for descriptive pamphlet of the agency.

REAL ESTATE DEPARTMENT

A report upon any piece of property in the United States furnished for $2.00.

Conducted by

Frank P. Bennett & Co., Inc.

530 Atlantic Ave., BOSTON.

308 Chestnut St., PHILADELPHIA.

2 Rector St., NEW YORK.

Digitized by Google

GENERAL LIBRARY,
UNIV. OF MICH.
DEC 26 1911

United States Investor

Copyright 1911, by Frank P. Bennett & Co., Inc.

Volume XXII. BOSTON, NEW YORK AND WASHINGTON, DECEMBER 23 1911 Number 51

A Piece of Evidence

The other day, a trust company located near enough to the civic centre of Boston to escape classification as a rural bank, declared its regular semi-annual dividend of three per cent. To the ordinary observer there was nothing unique about this occurrence. The company is one of modest size, and this rate which it paid is no unusual rate for a bank. Indeed, the stockholders of any bank have a right to expect dividends at the rate of at least six per cent per annum, since banking is hazardous enough a business to warrant a return of all of six per cent on money risked in it. What was worthy of note about the occurrence was that the declaration and payment of this dividend constituted one more contribution to a mass of evidence which should shed some light on one of the problems of check collection.

One of the essential facts in the case is that this trust company is not orthodox among the Boston banks on this subject of the conversion of checks on distant points into cash. It is neither amenable to the disciplinary measures which the Boston Clearing House can apply to its members who violate its code of charges for collection nor does it regard that code with the reverent awe which characterizes discussion of it by some Boston bankers. On the contrary, it is somewhat disposed to regard that code as unwarranted. It does not even hang its head with shame when it confesses that it even regards that code as creating one of its chief opportunities for doing business. For it flouts the code absolutely, makes rules of its own for the collection of out-of-town checks, seeks accounts far and wide right among the customers of the other banks and collects the world at par for customers whose balances warrant so liberal a policy.

Truly, it is a heretic indeed and that the fates allow it to continue to draw the breath of life and even to make a substantial profit out of its business must seem to the awe-struck observers who behold the prosperity to indicate that these same fates are not attending properly to their business. What right has a bank of modest size to succeed when it disregards all of the sage counsel and all the accumulated wisdom of those who framed the Boston rules for collection charges?

Boston Collection Charges

But enough of levity. In all seriousness, it may fairly be said that the success of some of the modest suburban banks about Boston has been somewhat of a surprise to some of the officials of the big Boston banks. We will not be so uncharitable as to add that the success of these suburban brethren has disappointed these in-town bankers, or if we do, will temper the statement by suggesting that their disappointment has been an agreeable one. In-town bankers have asserted all along that the policy of these banks relative to collections is a mistaken one, that it cannot prove to be a source of profit to banks which follow it.

They have been absolutely sincere whenever they have said this. You cannot lead your average Boston banker to believe and you certainly cannot force him to admit that such accounts as the clearing house members have lost because of the clearing house rules imposing check collection charges can possibly be desirable accounts for anyone who takes them subject to a less charge or to no charge at all. Whenever you ask a big Boston banker whether he does not have moments when he covets those balances which have gone from New England country banks to the reserve banks of Philadelphia or Albany in order to obtain free check collection, he always declares that his feelings toward these erstwhile deposits of his own savor in no wise of covetousness. On the other hand, if you are to take what he says as literally true, he regards these accounts in the light of a good riddance and confidently expects the Philadelphia banks eventually to become heartily sick of their bargain.

Philadelphia Banks Not Victimized

Now for the sake of absolute truth it must be admitted that not all of the New England accounts which the Philadelphia banks have obtained have proven desirable accessions to their business. The Philadelphia banks tacitly admitted this when they adopted their new rules last August. The need of deferring interest on checks on distant points which Philadelphia banks felt arose to no small extent from the lack of profit, and, in some cases, from the actual loss which they were meeting from New England country bank accounts.

When those new Philadelphia rules first went into effect, and some of the New England banks protested loudly, a portion of them withdrew their accounts from Philadelphia banks and transferred them to reserve agents in other cities. At that time, the writer had the privilege of examing the analyses which the Philadelphia banks had made of these dissatisfied accounts. In almost every instance those customers who left Philadelphia banks had been a source of loss to the Philadelphia institutions.

The Boston banks are well rid of accounts like those, and no Philadelphia bank can cordially regret that the new Philadelphia rules nave expelled some business of this nature. That all of the business which went from New England country banks to Philadelphia and Albany, because of the Boston rules, belongs in the same category as these accounts, is not true, however. From the country bankers of New England many desirable accounts have been obtained by the Philadelphia banks. This repeated analyses definitely prove.

Aggressive Outskirt Banks

What the Philadelphia banks have been able to do as competitors with the Boston banks for country bank balances, the trust company discussed in the first paragraph above and some other energetic banks on the outskirts of the city have been able to do among mercantile accounts as competitors with the Boston banks. Against such accounts the same clearing house charges apply and are endured with about the same ill grace by the depositor. Use of a Philadelphia bank to relieve a merchant of Boston of these exchange charges is obviously not so feasible an expedient for him as it is for the country bank. He does not have the ways of working off Philadelphia exchange that a bank has.

His need, therefore, is for some institution nearer at hand, and these

Digitized by Google

outskirt banks and trust companies can afford him the very facilities he desires. They in their turn have been aggressive in searching for business men whom they can serve. They not only entice custom by agreeing to collect out-of-town items at par for depositors, but they make it easy for anyone in all Boston to patronize them. They establish an arrangement by which their customers can deposit and cash checks at some central point in the city. Usually, the agency which these outskirt banks engage for affording this convenience to customers is some bank in the heart of the city where this outskirt bank maintains its reserve deposit.

As a result, one frequently finds a big Boston bank, which obeys the clearing-house rules itself to the letter, and which cherishes the belief that such rules are highly desirable, acting as a place of deposit and an agency for the cashing of checks for customers of some one of these modest outskirt banks which believe in and act upon a totally different principle. Meantime, this big bank's own business solicitors will be asserting with emphasis on every side, and especially out in the country, that there is no money in handling an account which includes any appreciable volume of checks on distant points, except under the Boston Clearing House scheme of charges.

Make Money on Collections

The prosperity of this trust company mentioned above, which pays 3 per cent dividends regularly each half year shakes one's faith in that argument. The trust company in question not only has a substantial volume of accounts of Boston business men and others who wish to avoid the clearhouse charges, but its reports show that nearly 25 per cent of its deposits consist of balances from other banks. It is collecting for them, as well as for Boston business men. In other respects, too, it is an iconoclast. As if these balances did not put it sufficiently to the test, it is holding savings deposits of several hundred thousand dollars. The legal necessity of investing these under the Massachusetts law for savings deposits coupled with the equally cogent need of making some profit on these accounts for the stockholders, presents a problem with which any bank finds much perplexity in coping.

At such an institution, with its mass of savings deposits subject to Massachusetts laws, with nearly a quarter of its other deposits consisting of deposits from other banks, and with a substantial mass of collection accounts from merchants, anyone who holds the ultra-conservative notion about the Boston Clearing House collection charges would hardly look for a great deal of prosperity. According to that one's way of thinking, this trust company simply cannot make money. And yet it does, for its continued payments of 6 per cent dividends so demonstrate.

Comparison With Other Banks

These dividends do not constitute the sole measure of the company's profit. In addition to its dividends, it has earned enough each half year to be able to make a substantial addition to its surplus. For instance, between November 10, 1910, and December 5, 1911, it added to surplus an amount equal to very nearly 6 per cent. Its earnings, then, for the period covered were very nearly 12 per cent. If comparison be made of this profit from its business with the profits which the other banks of Boston reaped, the trust company has reason to take pride in the showing that it makes.

Of course, in such comparison, one should take into account the respective stockholders' investments. A bank which pays 6 per cent per annum on its capital, but has a surplus approximately equal to the capital is really paying the stockholders only about 3 per cent per annum on what they have at risk in the business. The bank's surplus is just as much their investment as is the capital. If surplus be added to capital in the case of this trust company, its earnings for the period above considered, 12 per cent on the capital, are found to equal considerably over 9 per cent on the stockholders' actual investment. The number of banks in Boston which make a better showing than that are few in number, even among the clearing house banks which must eschew the collection business to which this trust company caters, and for which these clearing house banks profess such skeptical regard. Of course, the point of this whole matter is that this trust company and those other outskirt banks handle this collection business with a great deal of skill, and perhaps the very fact that their businesses are of modest proportions is somewhat of a factor in producing their success.

How It Is Done

If you desire an opinion on the subject, one might suggest that the reason for the success of this company with accounts which the larger banks view with small enthusiasm lies in part in the very fact that it is small. There is nothing unique in a small bank being able to make its loans yield more profit proportionally than do the loans of a big bank. A big bank is frequently surfeited with funds. Lacking good borrowing demand from its mercantile and manufacturing customers, it is driven into making loans upon collateral which are less lucrative. The average return upon all its employed funds will, therefore, be less substantial than if it were able to find a market for all of its funds on commercial paper. The little bank, on the other hand, is generally able to keep its funds steadily employed on loans to business men. It does not have such a mass of funds that its officers are at a loss at any time to know what to do with them. It is able, also, because of its smallness, to know its customers with a thoroughness which permits it safely to make loans to some men whom the big banks would have neither the time nor, perhaps, the inclination to know thoroughly.

Just as the banks of Pittsburgh are able to pay three per cent upon deposits because funds in that city are so steadily employed at good rates and do not violate any principle of conservatism in so doing, so a small bank in the neighborhood of Boston can take on collections which the big banks do not fancy and can make money while so doing. They do not find these accounts any less expensive than the big banks do, but the larger gross earnings of the same accounts in these small banks permit proportionably larger running expenses. Those who follow the illuminating figures on bank earnings which this paper publishes five times each year have frequently been impressed with the better yield pro rata which the funds of the small banks of our reserve cities show at almost every period than the funds of the big banks succeed in producing.

Very likely, too, one factor in the situation which works to the advantage of the trust company whose profits we have been discussing is the fact that it is a trust company. It is not required to maintain so large a reserve of unproductive cash as are the national banks. From this condition it obtains some of the profits out of which to extinguish the extra expensiveness of collection accounts.

A New York Experience

Speaking of the exchange charges, the recent experience of one of the national banks in an up-state banking centre of New York is interesting. This bank is one of those institutions which means never to remit to any

Digitized by Google

IF YOU HAVE NO CORRESPONDENT
IN CINCINNATI
WE WILL WELCOME THE OPPORTUNITY OF PROVING TO YOU THE BENEFITS WHICH WILL ACCRUE FROM FORMING A CONNECTION WITH US.
RESOURCES
TWENTY-FIVE MILLION DOLLARS
And every facility for the satisfactory handling of Bank Accounts.
THE FIFTH-THIRD NATL BANK CINTI O

bank outside its own city except with a deduction of exchange. Some of our readers who are familiar with the interior banks of New York will confirm the statement that this bank was not unlike a very considerable number of New York up-state banks in its obstinancy. When it comes to being able to boast about the extent to which a bank's profits from exchange meet the operating expenses of the institution, the banks of the interior of New York state are not obliged to be modest. Very likely, none of them can truthfully assert, as some southern and western banks do, that their profits from exchange pay all of the bills and leave all of the income from discounts as sheer profit to the bank, but they can tell some pretty tall stories about exchange profits that prove upon investigation to be absolutely truthful.

Among the customers of the bank we are considering has been and very likely still is a substantial knitting mill. To all appearances this mill was one of the bank's satisfied customers as well as one of its best depositors. Not until the other day did anything occur to indicate any other condition. Then one of the executive officers of this mill laid before the officers of the bank a complaint he had just received from his broker in New York.

Preferred Stockholders Complain

It appears that this broker has been placing some preferred stock among investors for the knitting mill. The mill has been very profitable, and desiring to enlarge its business, has prepared an issue of preferred stock which has merit enough to attract stockholders from among the most careful buyers of industrial securities. Naturally, a New York City broker was called in to help dispose of the stock, since none of the officers of the mill had any facilities for raising capital in this fashion. When the first dividend date came, the broker found that the check he received for his dividends on such shares as he had underwritten and not yet sold was drawn upon this bank in its own town which the mill patronizes. This disturbed the broker because he knew it meant that investors to whom he had sold this preferred stock would discover that their dividend checks were not worth par. When they deposited these checks on the up-state bank in their New York bank they would find exchange deducted from them. Because of the exchange charging policy of the bank on which the checks were drawn, the security buyers in many other places than New York City would also find themselves shorn of a small portion of their dividends.

The broker wrote to the treasurer of the mill that he must dress his securities as attractively as he would dress a box of underwear. Unattractive packing of his knit goods product would certainly lose him customers, and he could hardly expect that his securities would go as freely as they might unless they, too, were given every element of attractiveness which could be given. He must maintain a

THE
OLD NATIONAL BANK
OF SPOKANE
OFFERS ITS CORRESPONDENTS
Better Banking Service
The Largest Number of direct connections of any bank in the Inland Empire.
Send us your Washington, Oregon, Idaho and Montana Items.

Chase National Bank
NEW YORK
Capital .....$ 5,000,000
Surplus and Profits (earned)... 8,382,871
Deposits 118,548,760
A. BARTON HEPBURN, Chairman of the Board
ALBERT H. WIGGIN, President
SAMUEL H. MILLER, Vice-President
HENRY M. CONKEY, Cashier
CHARLES C. SLADE, Ass't Cashier
EDWIN A. LEE, Ass't Cashier
WILLIAM E. PURDY, Ass't Cashier
ALFRED C. ANDREWS, Ass't Cashier
DIRECTORS
Henry W. Cannon
James J. Hill — George F. Baker
Grant B. Schley — Albert H. Wiggin
A. Barton Hepburn — George F. Baker, Jr.
John I. Waterbury — Francis L. Hine
FOREIGN EXCHANGE DEPARTMENT

Ladd & Tilton Bank
PORTLAND, OREGON.
Established 1859.
Capital $1,000,000.
Surplus & Undivided Profits $700,000
OFFICERS
W. M. LADD, President
EDWARD COOKINGHAM, Vice Pres.
W. H. DUNCKLEY, Cashier
ROBERT S. HOWARD, Asst. Cashier
J. W. LADD, Asst. Cashier
WALTER M. COOK, Asst. Cashier
DIRECTORS:
EDWARD COOKINGHAM — J. WESLEY LADD
WILLIAM M. LADD — S. B. LINTHICUM
HENRY L. CORBETT — FREDERIC B. PRATT
CHARLES E. LADD — THEODORE B. WILCOX

Franklin National Bank
PHILADELPHIA
Capital $1,000,000.00
Surplus and Undivided Profits. 2,730,181.17
INCORPORATED 1900.
OFFICERS:
J. R. McALLISTER, President.
J. A. HARRIS, JR., Vice-President.
E. P. PASSMORE, Cashier. — L. H. SHRIGLEY, Assistant Cashier.
J. W. HARDT, Assistant Cashier.
Foreign Exchange Department.
WILLIAM WRIGHT, Manager.

OLDEST BANK IN AMERICA
Chartered by Congress, 1781.
The Bank of North America
(NATIONAL BANK)
PHILADELPHIA, PA.
Capital .....$ 1,000,000
Surplus and Undivided Profits. 2,736,000
Deposits 15,200,000
HARRY G. MICHENER.....President
SAMUEL D. JORDAN.....Cashier
WILLIAM J. MURPHY.....Asst. Cashier
RICHARD S. McKINLEY.....Asst. Cashier
Accounts Solicited
Correspondence Invited

Portland National Bank
PORTLAND, MAINE
Union Mutual Life Insurance Co. Bldg.
Accounts received on the most liberal terms consistent with sound banking.
Collections receive prompt attention.
WM. W. MASON .....President
EDWARD W. COX .....Vice-President
CHAS. G. ALLEN .....Cashier
EDWARD L. PIPER .....Asst. Cashier
Directors:
Fred E. Richards, Charles G. Allen,
Henry B. Cleaves, George F. West,
William W. Mason, George Westcott Bayer,
Lyman M. Cousens, Roswell C. Bradford,
Edward W. Cox.

THE
People's State Bank
DETROIT, MICH.
Capital, $1,500,000.00
Surplus, 1,500,000.00
Collections a specialty
Correspondence Invited

The National Park Bank
OF NEW YORK
Organized 1856.
Capital .....$ 5,000,000.00
Surplus and profits 12,990,021.06
Deposits, Dec. 5, 1911.....105,428,130.19

Digitized by Google

THE NATIONAL CITY BANK OF CHICAGO

CAPITAL :: :: $2,000,000.00
SURPLUS & PROFITS 500,000.00
RESOURCES :: :: $29,300,000.00

United States Depository — *Accounts of Banks and Bankers solicited. Correspondence invited.* — Organized 1907

balance at some New York bank from which to pay his dividend checks.

Whether he has done so or not is not a matter of record, but it is certain that jolts like these are what do more to bring country banks to a liberal policy in the matter of exchange charges than almost any other influence. Of course, nothing that the up-state bank can do would lead New York City banks to accept checks drawn on it at par. New York preferred stockholders must endure an exchange charge on their dividend checks unless this knitting company opens an account either at a New York City bank or at some of the few banks outside New York which are on that city's very limited optional list. If the up-state bank, however, retreats from its former stubborn position on the matter of exchange charges and agrees to remit to banks outside its own city at par, it is likely to advantage in so doing. This knitting mill, in such an event, will have only to keep enough money in New York City to meet the dividend checks of a portion of its preferred stockholders, namely, those who patronize the New York City banks. The other preferred stockholders will be quite content to continue to receive dividend checks drawn on the knitting company's local bank when once it has become willing to remit at par.

The Way Out

CUMBERLAND TEL. & TEL. CO.

This company, which is one of the largest and most prosperous subsidiaries of the American Telephone & Telegraph Company, owns and controls the entire Bell Telephone business in Kentucky, Tennessee, Mississippi and Louisiana, besides part of Illinois and Indiana, serving over 400,000 square miles. It has had a remarkable growth since its inception in 1883, and its subscribers exceed over 200,000. Its gross revenue for 1910 was nearly $7,000,000, and its net revenue for the same period nearly $2,500,000. The company is paying dividends at the rate of 8 per cent per annum, and has paid at this rate for the last three years. The 25-year, 5 per cent gold bonds of this company, whose net earnings are three times its interest charges, furnish an attractive and conservative investment. They are offered elsewhere in this issue by George H. Burr & Company, 35 Wall street.

DIAMOND NATIONAL BANK.

The Diamond National Bank, of Pittsburgh, whose cashier, D. C. Wills, has a very wide acquaintance both within the American Institute of Banking, of which he is one of the "old guard", and within the American Bankers' Association, has found it necessary to add to its quarters, and has moved its bookkeeping department from its first floor to the mezzanine floor of its building. It has been found necessary to use for the purpose what was formerly the director's room. In connection with the new arrangements the writing telegraph system has been installed in the bank to connect the departments.

COX GOES TO NEW YORK.

Mr. Raymond B. Cox, who has been for years with the First National Bank of Baltimore, Maryland, latterly as auditor, has resigned his connection with that bank. He has been chosen assistant to the president of the Fourth National Bank, New York City, James G. Cannon, and his friends will congratulate him upon his selection for so useful and honorable a post. Mr. Cox is president of the American Institute of Banking.

IRVING PARK, ILL.—The Irving Park National Bank has been organized with a capital of $100,000. V. R. Lincks, J. A. Wadhams, J. B. Farnsworth, B. R. Castle, R. N. Ballou and G. S. Foster, are interested.

PROPOSAL FOR BONDS.

TWISP, WASH.—Bids will be received by F. E. Selner, town clerk, until February 15, for $9,500 six per cent $100 20-year coupon bonds. No bids will be received for less than face value of the bonds.

CLAREMORE, OKLA.—The National Bank of Claremore has been chartered with a capital of $50,000. Earle G. Barless, president; W. F. Hays, vice-president; G. D. Davis, cashier; G. O. Hayless assistant cashier.

THE FOURTH NATIONAL BANK
OF THE CITY OF NEW YORK

THE specialized organization of this Bank provides a thoroughly equipped Department for the purchase and sale of high class stocks and bonds for the account of customers. Orders are promptly and carefully executed.

JAMES G. CANNON, President
SAMUEL S. CAMPBELL, V. President
CHARLES H. PATTERSON, V. Pres.
DANIEL J. ROGERS, Cashier
E. W. DAVENPORT, Asst. Cashier
CHARLES E. MEEK, Asst. Cashier

CAPITAL and SURPLUS $10,000,000

RUEL W. POOR, President
JAMES McCUTCHEON, Vice-President — ARTHUR W. SNOW, Cashier
W. L. DOUGLASS, Second Vice-President — RALPH T. THORN, Asst. Cashier

The Garfield National Bank
OF NEW YORK CITY

Capital and Surplus - - - $2,000,000

Offers to Banks, Bankers, Corporations and Firms the services of a thoroughly equipped and conservatively managed bank.

YOUR BUSINESS SOLICITED

METACOMET NATIONAL BANK
OF FALL RIVER, MASS.

Capital, $750,000 — Surplus and Undivided Profits, $333,000

SIMEON B. CHASE, President
MILTON REED, Vice-President — CHARLES B. COOK, Cashier

Special attention given to the handling and collecting of cotton drafts, sent direct from the South

THE DEXTER HORTON NATIONAL BANK of Seattle maintains a department organized for the especial care of the accounts of banks and bankers. Our officers will be pleased to correspond with bankers contemplating the establishment of relations in the Pacific Northwest. CAPITAL & SURPLUS $1,440,000

NATIONAL BANK 3rd OF ST. LOUIS

CAPITAL $2,000,000
SURPLUS $2,000,000
DEPOSITS $35,000,000

NATIONAL BANK 3rd OF ST. LOUIS

Philadelphia Trust Funds

Reports of Many Small Trust Companies Indicate That They Are Doing Practically Nothing in This Line.

From the statements made by the Philadelphia trust companies to the State Commissioner of Banking on November 6, of this year, some interesting information may be gleaned when the figures are compared with those submitted on November 9, 1910. Considering the most encouraging feature first, there is an increase in the holdings of trust funds to the tune of more than $86,000,000, the aggregate on November 6, 1911, being $737,783,296, against $551,191,359 for November 9, 1910. This is

A GOOD SIGN.

While it is true that Philadelphia has recently attracted some adverse comment because of its sufficiency of trust companies, to put it mildly, and while the fact that far too many of the smaller concerns have yielded much too easily to the lure of a real estate boom, now admitted by all conservative and well-posted factors to be on the wane, has also called for a note of warning, it is also true that no city in the country is more justly famed for the high calibre of its leading trust company organizations. These, indeed, are "trust" companies in the most exact sense of the term, and while we do not intend to imply by this that no trust company can be considered wholly good unless it restricts its business entirely to the handling of trust funds, it is at least certain that this is one of the

PRINCIPAL FUNCTIONS

of the trust company in its relation to the community.

Examining this significant total of over $700,000,000 trust funds, we find that the Pennsylvania Company for Insurance on Lives and Granting Annuities (the writer being of Yankee extraction and not writing on a "space" contract, wishes with all due respect to the institution named that it would authorize some terse abbreviation of this imposing title) leads with $175,359,421. The Fidelity Trust is second with total trust funds of $158,775,933, and the Girard Trust a close third with $125,519,937. These three companies are the only ones to get up in the hundreds of millions, and are the leaders by a wide margin. Their closest competitor is the Philadelphia Trust, Safe Deposit and Insurance Company, with $88,750,645.

NEXT IN THE ORDER

named comes the Provident Life and Trust, with over $55,000,000; the Real Estate Trust, with more than $25,000,000; the Land Title and Trust, with about $20,000,000; the Guarantee Trust and Safe Deposit, with more than $17,000,000; the Commonwealth Title Insurance and Trust, with $13,939,835, and the Real Estate Title Insurance and Trust, with $11,961,753. This ends the list of those whose trust funds run into eight figures or more.

Out of the total trust funds, of $737,783,296, three of the ten companies named, the Pennsylvania Company; the Fidelity Trust and the Girard Trust—hold $459,654,691, or about 62 per cent. The total held by the ten companies named is $692,492,026, or 95 per cent.

That the business done by the remainder of the 51 companies, who report to the examiner as handling trust funds,

IS INSIGNIFICANT

by comparison goes without saying. Out of 70 Philadelphia financial institutions sending in returns to the bank examiner, five are state banks—the American Bank, the Bank of Commerce, the Fox Chase Bank, the North Penn Bank and the Ridge Avenue Bank. There are also six savings fund companies, namely, the Beneficial, the

THE
Chatham and Phenix
National Bank
NEW YORK

Capital and Surplus
$3,000,000

All business under direct supervision of the officers.

LOUIS G. KAUFMAN, President.

GEO. M. HARD, Chairman of the Board
F. J. HEANEY, Vice-President.
W. H. STRAWN, Vice-President.
A. M. BULL, Vice-President.
BERT L. HASKINS, Cashier.
H. L. CADMUS, Assistant Cashier.
N. P. GATLING, Assistant Cashier.
W. B. BOICE, Assistant Cashier.
H. C. HOOLEY, Assistant Cashier.

Your Account Solicited.

The MECHANICS and METALS NATIONAL BANK
OF THE CITY OF NEW YORK

OFFICERS

GATES W. McGARRAH, President
ALEXANDER E. ORR, Vice-Pres.
NICHOLAS F. PALMER, Vice-Pres.
FREDERIC W. ALLEN, Vice-Pres.
FRANK O. ROE, Vice-Pres.
WALTER F. ALBERTSEN, Vice-Pres.
JOSEPH S. HOUSE, Cash.
ROBERT U. GRAFF, Ass't Cash.
JOHN ROBINSON, Ass't Cash.
CHARLES E. MILLER, Asst. Cash.

Capital, Surplus and Undivided Profits, $14,000,000

The Commercial National Bank OF WASHINGTON D. C.

Capital $500,000 Surplus and Undivided Profits $296,000

ASHTON G. CLAPHAM, President
ELDRIDGE E. JORDAN, First Vice-pres N. H. SHEA, Second Vice-pres.
T. K. SANDS, Third Vice-president
JOHN POOLE, Cashier HERBERT V. HUNT, Asst. Cashier.

FIDELITY TRUST CO. TACOMA, WASHINGTON

CAPITAL AND SURPLUS, $900,000

General Banking

Oldest Trust Company in the State of Washington.

CITIZENS NATIONAL BANK BALTIMORE MD.

CAPITAL, $1,000,000 SURPLUS, $2,000,000

Digitized by Google

First Penny Savings, the Philadelphia Savings Fund, the Savings Fund Society of Germantown, the Starr Savings Bank, and the Western Savings Fund. In addition to these, the Finance Company, of Pennsylvania; the Philadelphia Company for Guaranteeing Mortgages (this company does not receive money on deposit); the Pennsylvania Warehousing and Safe Deposit, which does receive money on deposit and does practically a banking business, also send in returns. No one of these, however,

HAS ANYTHING

to do with the handling of trust funds, and subtracting these fourteen companies from the total of 70, leaves 56 concerns authorized to handle trust funds, of which 51 report on this item.

No returns under this heading are made by the Excelsior Trust, the Federal Trust, the Haddington Title and Trust, Mutual Trust, or Wayne Junction Trust. The Empire Title and Trust reports only $675, of which $550 is invested, and $125 uninvested; the Franklin Trust but $876, of which $708 is invested, and the balance uninvested; the Northwestern Trust, $200, all uninvested; the Pelham Trust, $782, of which $750 is invested, while the remainder report totals varying all the way from $1,522 for the Peoples Trust, to $8,567,361 for the Northern Trust.

Furthermore, looking back to last year, and comparing the returns then made with those under consideration now, it will be seen that the relations of the various companies to this phase of trust company activity have not greatly changed. A year ago, the Pennsylvania Company, the Fidelity, and the Girard held $393,851,876 out of the grand total of $557,191,359, or about 70 per cent. While the percentage is not quite so high this year, for

THESE THREE COMPANIES

the difference is rather insignificant in view of the large increase in trust funds mentioned at the opening of this article.

The following table will show that in the main, the companies which were at the foot of the list last year, or out of it altogether, still hold about the same relative position, although there are some noteworthy increases to offset some of the declines.

TOTAL TRUST FUNDS HELD, NOVEMBER, 1911, AND NOVEMBER, 1910.

Name of company.	Total trust funds, November 6, 1911.	Total trust funds, November 9, 1910.
Aldine Trust	$47,831	$19,577
Belmont Trust	39,812	35,296
Central Trust & Savings	1,200,815	1,078,413
Chelten Trust	211,962	177,176
Colonial Trust	2,442,068	211,160
Columbia Ave. Trust	427,780	447,235
Commercial Trust	2,578,345	1,207,101
Commonwealth Title Ins. & T. Co.	13,979,805	12,530,437
Continental Title & Trust	547,241	485,559
Empire Title & Trust	675	650
Equitable Trust	3,665,412	3,068,427
Excelsior Trust	.....	.....
Fairmount Savings Trust	22,939	9,979
Federal Trust	.....	.....
Fidelity Trust	158,775,930	116,960,219
First Mortgage Guarantee	27,953	9,568
Frankford Trust	417,582	416,477
Franklin Trust	876	2,053
German-American T. & T. Co.	567,842	529,294
Germantown Trust	6,128,518	5,527,095
Girard Trust	125,519,397	110,441,641
Girard Ave. T. & T. Co.	14,545	9,811
Guarantee Trust & Safe Deposit	17,269,209	17,095,019
Hamilton Trust	117,982	37,633
Holmesburg Trust	3,631	379
Independence Trust	268,229	3,929
Industrial Trust	302,106	299,013
Integrity Title Ins. & Trust	788,749	446,321
Kensington Trust	3,445	780
Land Title & Trust	20,271,597	17,979,291
Logan Trust	162,365	131,182
Manayunk Trust	896,725	8 6 9 3
Market St. Title & Trust	9,048	1,491
Merchants Trust	*	846,871
Mortgage Trust of Penna.	7,500	7,500
Mutual Trust	.....	.....
North Phila. Trust	14,643	23,547
Northern Trust	8,567,361	8,634,367
Northwestern Trust	200	947
Pelham Trust	782	.....
Penna. Co.	175,359,471	166,419 916
Peoples Trust	1,522	1,707
Phila. Mortgage & Trust	121,513	121,513
Phila. Trust, Safe Dep. & Ins. Co.	88,750,645	89,117,314
Provident Life & Trust	65,135,768	50,965,863
Real Estate Title Ins. & Trust	11,961,753	11,966,009
Real Estate Trust	35,458,558	35,919,440
Republic Trust	36,247	3,9 8
Rittenhouse Trust	10,243	18,472
Tacony Trust	2,150,235	2,273,06
Tradesmens Trust	**	16 9 6
Trust Co. of N. America	6,128,322	5,963 9 2
Union Trust *	.....	1,253 894
United Security Life Ins. Trust	995,753	921,251
Wayne Junction Trust	.....	.....
West End Trust	2,408,965	2 959,497
West Phila. Title & Trust	1,358,273	1,277 15
Merchants Union Trust *	1,692,305	.....

* Merchants Trust & Union Trust have combined under the title Merchants Union Trust.
** Tradesmen's Trust in liquidation.

Among these are the jumps of the Colonial Trust from $211,160 in 1910, to $2,442,068 in 1911; the Germantown Trust from $5,529,095 to $6,128,518; the Hamilton from $37,633 to $117,982, the Independence from $3,929 to $268,229, etc. The increases made by most of the larger concerns are too apparent to need mention.

The business of handling trust funds is, therefore, slightly

BETTER DIVIDED

than it was, but there is a long road to travel before there will be anything like an equal division. Just why the distribution is so unequal, it is hard to tell. Perhaps, it is because the bulk of the business naturally gravitates towards the larger companies which make a specialty of it just as a ball of snow gathers more snow as it is rolled along. On the other hand, perhaps it is because the companies who do little or nothing in this line have never made any very strenuous efforts to get it. Possibly, a combination of both reasons will furnish the explanation.

Anyway, the fact remains that a large proportion of the trust companies in the city of Philadelphia do more in the lines of general banking and loans on real estate than they do in the handling of trust funds. Perhaps, also, this is one more link in the chain of evidence that is rapidly accumulating in favor of the argument against the large number of trust companies in the city.

P. De Medici.

TO HOLDERS OF

First Refunding and Extensions Mortgage Bonds of the

WABASH RAILROAD COMPANY

THE UNDERSIGNED, AS A COMMITTEE, ARE CONDUCTING, AS EXPEDITIOUSLY AS POSSIBLE, AN INVESTIGATION OF THE FINANCIAL CONDITION AND REQUIREMENTS OF THE WABASH RAILROAD COMPANY AND OF THE PHYSICAL CONDITION AND REQUIREMENTS OF ITS PROPERTIES, WITH THE OBJECT OF FORMULATING AND CARRYING OUT, IN CO-OPERATION WITH MESSRS. KUHN, LOEB & CO., BANKERS, SUCH MEASURES AS MAY SEEM TO BE BEST ADAPTED TO THE SITUATION AND TO MEET THE WANTS AND DEVELOP THE POSSIBILITIES OF THE PROPERTIES.

In view of the appointment of receivers for the Wabash Company, and to the end that all proper and desirable co-operation on the part of the Bondholders may be secured, the Committee requests the holders of First Refunding and Extensions Mortgage Bonds to deposit their bonds with The Equitable Trust Company of New York, No. 15 Nassau Street, New York City, which has been appointed Depositary, and which will issue Certificates of Deposit therefor under an agreement of deposit now in course of preparation, which, when prepared, will be lodged with the Trust Company.

Arrangements have been made with the Bankers to advance to the Committee the funds necessary to enable it to advance to depositors of bonds the interest maturing on January 1st, 1912, in case the same should not be paid by the Company.

Application will be made in due course to list the Certificates of Deposit on the New York Stock Exchange.

NEW YORK, December 18, 1911.

ROBERT GOELET,
EDWIN HAWLEY,
THOMAS H. HUBBARD,
ALVIN W. KRECH,
ROBERT FLEMING,
WINSLOW S. PIERCE, Chairman Committee

MURRAY, PRENTICE & HOWLAND,
PIERCE & GREER,
Counsel.

H. R. WINTHROP, Secretary.

THE EQUITABLE TRUST COMPANY OF NEW YORK,
Depositary.

One Shoe Maker's Story

With Only One Thousand Dollars of Capital, and the Aid of the United Shoe Machinery Company, He Makes $27,000 Profit in 15 Months, and is Now Head of a Concern Regularly Employing 350 Hands.

Down in one of the suburbs of Lynn is a shoe manufacturer, who views the activities of the Federal government against the United Shoe Machinery Company with pronounced disapproval. He frankly confesses that self interest plays no small part in his attitude, but his self interest is purely that of the customer of the company. He is quite without financial interest in the company itself, and has no friends in its management for whose prosperity he is apprehensive.

HIS BEGINNING

in the shoe industry was distinctly humble. He was a boy at the time, and was seeking employment in the shops of his native city, Lynn, because he needed to be earning something. The ambition to rise came afterward, when he had seen his mates progress to foremanships, and had discovered his employers acquiring prosperity.

Within that industry, the young man of slender means appears still to have that chance to become an employer himself eventually, which has almost, if not quite, departed from other lines of business. There were his own employers, for instance. When he began working for them, each of the several partners in the firm had been just as much a workman in the shop as were any of their wage earners. One partner did shoe-cutting, another took charge of the machines in one of the rooms, a third did the bookkeeping and made some of the sales. Within a few years one of them had become a foremost citizen of Lynn, and still another going into business for himself and making an advertised shoe, had become one of the best known shoe makers in this country.

Looking about him, he saw that other cases just like these were numerous. He tried to understand why this should be possible in shoe making when he knew that very few of the same sort of opportunities for advancement are being accorded young men in other kinds of manufacturing. When he talked with his friends in these other lines, they told him that what hampered them was their

LACK OF CAPITAL.

They could not afford to buy the great quantities of machinery which an independent venture in their trade would require. If only raw material had to be bought and pay rolls met, they might have dared to make the try. And then it was that he felt he had discovered why his employers and other young men in the shoe industry had won out so handsomely. They had had no friends to back them with wealth, nor inherited means upon which to draw. Their skill as manufacturers was not superior to that of many clever men whom he knew. It was not superior to his own. It was because they had been free from the necessity of having to invest capital in great quantities of shoe machinery. The United Shoe Machinery Company had stood ready to

TIE UP ITS CAPITAL

in machinery for them.

For five years, he turned his analysis of the situation over in his mind. What reason was there why he should not become a shoe manufacturer also?

During these five years, while he had other interests, while he went inconsiderately into politics, and became active in social affairs, he had a secret with himself, and that was a determination, steadily becoming stronger, that he would some day present himself in the office of the United Shoe Machinery Company, with money enough to convince them that they might well

HELP HIM GET STARTED

in business.

Yet, at the end of the five years, it was a much less sanguine young man who was cherishing this hope than he had been a half decade back. His savings had not accumulated so rapidly as he might have wished. A single thousand dollars was all that he had in cash, outside of his home, which he naturally preferred not to mortgage. By this time, he had let one of his shop associates into the great secret, and had enlisted his aid, but the whole amount his associate could contribute to the enterprise was only $500. A less resolute young man might by this time have abandoned the whole notion as an idle vision, but this one concluded that he would better learn now, fairly and squarely, just what the United Shoe Machinery Company would require of him and just

HOW HARD A LOT

he had ahead.

At that time, it was the policy of the company to require an initial payment of $300, as well as a monthly royalty on each of the expensive pieces of machinery which he would need. That policy has now been changed, and no initial payment is exacted. There is one policy, however, which prevailed then, and to which the company adheres still. It has in charge of its principal offices, and Lynn is one of this number, a manager vested with authority to tell applicants for machinery at once just what the company will do, and shrewd also, at judging the men who come to him.

The Lynn manager, on this occasion acted on strict business principles. His visitor was absolutely without friends at court, and had, as we have seen, very modest resources. If he had to make the required initial deposits on machines, at least $600 of his small resources would be taken from him at once. What he and his prospective partner would have left was a pretty small capital for starting a shoe factory. In almost any other line of manufacturing in the world the young foreman would have been thought a

FIT SUBJECT FOR DETENTION

for thinking that he could begin business on such a pittance. Nevertheless, the young foreman went out of the United Shoe Machinery Company's Lynn office not only with a promise that he should have the machines he desired, but with a further promise that he need pay but $100 down on them, and the balance as he could afford to make payments.

It would take too much space to relate the history of the steps by which this manufacturer has become

REASONABLY PROSPEROUS.

He has not been without his black days. He had to begin business with few hands, and his tiny capital was swallowed up quickly. He had then to develop an ability to borrow a few thousand dollars more, although the whole amount he borrowed in the days when he was still an experiment as a manufacturer, was really very small. To-day, he employs in the neighborhood of 350 hands, and has a reputation for keeping steadily busy when many other manufacturers have almost idle plants.

Of course, his skill has been an important asset for him. Early in his career as an independent manufacturer, he worked out a shoe of novel nature, which netted him

$27,000 OF PROFIT

by the time he had been an independent manufacturer only 15 months. But he states with the utmost frankness that he could not have worked out these notions of his, which have made him exceptional profits and kept his factory steadily busy, if at every stage he had not had the United Shoe Machinery Company to look to as an ally. When he has needed to put in a few more machines, they have responded at once to his needs. When his days have been black, they have never siezed upon the moment to make things uncomfortable for him. Indeed, he declares, they have frequently waived their plain rights in their dealings with him, and have been more considerate than almost any other concern with whom he has ever had dealings in his life.

He can shed a good deal of light, from his own experience, upon that much discussed feature of United Shoe Machinery policy, its leases. There is the provision of the lease, for instance, that the

ROYALTY SHALL BE PAID

on the 15th of each month. You would think from the terms of the lease that failure on the part of a patron to pay on that day would bring down upon his head the fearful wrath of the United Shoe Machinery Company. As a matter of fact, he has more than once delayed his payment until a more convenient moment, and has never received even a reminder from the company. There is another provision in the lease as to the activity of the machines. Unless a manufacturer uses his machines sufficiently to yield the company a certain minimum of royalty, the penalty is the

Digitized by Google

withdrawal of the machines from the factory.

He tells me that he has had machines of theirs idle in his factory for months, and they did not take them out. It cannot be alleged that their reason in this instance has been the substantial nature of his business. He finds that the other manufacturers whom he knows have had the same experience as he, and he knows also that the company was

JUST AS CONSIDERATE

in this regard when he was a small factor as it is now.

One is hardly surprised to find this manufacturer a staunch defendant of the United Shoe Machinery Company whenever he hears it assailed. He says without reservation that his friendly regard for it is born purely of self-interest. He has no friends in its organization whom he desires to protect from public disapproval and no investment in the company upon which he looks for dividends. He likes its policies because those policies have been good for him and for no other reason. Let it not be supposed that so canny a man as he thinks the company has been liberal with him and is liberal with others because it is a benevolent institution, with the golden rule for its by-laws, and saints for its executive heads. He knows perfectly well that their attitude toward him has sprung entirely from their belief that it is good business policy to treat him and others as they do.

I am inclined to think that just at this juncture the story of his career throws valuable light upon a much discussed topic, the question whether the United Shoe Machinery Company is a desirable institution and one that deserves a more friendly attitude on the part of the public and public officials toward it.

P. De Medici.

THE WABASH TANGLE.

For the year ending June 30, 1911, the Wabash failed to earn interest on its bonds by over $400,000, and this fiscal year running farther behind, a friendly receivership was brought about by the Westinghouse Air Brake Company, a creditor. The receivers are President Delano and Vice-President Pryor of the Wabash, and Henry J. Bixby, of the American Car & Foundry Company. This trio of receivers, made up two to one as it is of Wabash officials, cannot help but be friendly to the management and powers that be. A friendly protective committee, friendly, that is, to the management, has been formed, headed by Winslow S. Pierce, and with a majority of members from the directorate of the Wabash. This committee is advertising for and receiving the deposits of the bonds with its depository, the Equitable Trust Company, and announces that it is now making an investigation of Wabash affairs, the financial condition and requirements of the company, the condition and requirements of the property with the idea of forwarding in conjunction with Kuhn, Loeb those measures which the present condition of the Wabash demands, and for the future development of its possibilities.

This is avowedly the administration committed, and although the recent change of management was by many people looked upon as a kicking out of the control of George Gould, still, it is a fact that the change was made with the willing consent of Mr. Gould; therefore, the Equitable Trust Committee is the only simon-pure Gould committee. And the committee being largely made up, as it is, of directors of the Wabash, including old directors who have never been anti-Gould, there is some question among owners of the bonds as to the desirability from their standpoint of depositing the securities with the committee, and giving to them in effect permission to go as far as they like in any direction, even though it be to work for the continuance of those policies which have put the Wabash in the position it now occupies. In any event, the duplication on the committee of the Wabash directors not recognized as strongly anti-Gould has evoked the thought that if as directors they could not save the Wabash, how much more

ARE THEY QUALIFIED

to save the bondholders individually and collectively as a protective committee?

It is more or less generally believed that George Gould got out from under his Wabash securities months ago at the highest quotation, and that the Gould family are pretty much free of direct interest in the Wabash, except as they are interested through the large ownership of Wabash by the Missouri Pacific. The Equitable-Kuhn-Loeb committee, then is the administration or friendly one, and does not represent the independent bondholders. This is the Gould committee. This committee advertises that they will advance the $800,000 necessary to meet interest on January 1, provided it is not paid by the company.

An opposition committee was named Wednesday, headed by James N. Wallace, of the Central Trust Company. This committee calls attention to the fact that the members of it own and represent large amounts of the funding and extension bonds, and that none of the members are connected in any way with the present management of the Wabash, under which the receivership has been brought about. This committee also offers to advance to bondholders the interest due on January 1, if not paid by the company, and points out, as the Equitable or Gould committee does not, that this advance will be

(Continued on page 2266.)

Cumberland Telephone & Telegraph Co.

25 Year 5% Gold Bonds.

Dated Jan. 1, 1912. Due Jan. 1, 1937
Interest Payable Semi-Annually.

Denominations, $500 and $1,000

The growth of the Company since its inception in 1883 has been remarkable. For each of the past 28 years of this period the number of subscribers, gross revenue, and net earnings show an increase over the previous year.
Dividends have been as follows: From 1892 to 1897, 4%; 1898, 5%; 1899, 6%; 1900 to 1908, 7%; from October 1st, 1908, to date, 8%.
Over 50% of the outstanding capital stock of the Cumberland Tel. & Tel. Co., is owned by the Amer. Tel. & Tel. Co.

Net earnings of three times the interest charges, the high character of the security and the certainty of a broad market, indicate that this new issue should command a substantial premium.

Price to Yield Over 5%

Descriptive Circular on Request.

George H. Burr & Co.

35 Wall Street NEW YORK — 35 Congress Street BOSTON
Chicago Phila. St. Louis San Francisco

THE
AMERICAN AUDIT COMPANY
100 BROADWAY, NEW YORK

Independent Examinations Made of Banks, Trust Companies and Corporations

Modern Accounting Methods Introduced

BRANCHES
NEW YORK, (Waldorf-Astoria) 33d St and 5th Ave.
CHICAGO, Marquette Building
WASHINGTON, Colorado Building
PHILADELPHIA, Bellevue-Stratford
SAN FRANCISCO, Western Metropolis Bank Bldg.
MILWAUKEE, Plankinton Bank Building
BOSTON, Exchange Building
ATLANTA, Fourth National Bank Bldg.
RICHMOND, American Nat'l B'k Bldg.
BALTIMORE, Keyser Building
NEW ORLEANS, Maison Blanche
LONDON, E. C., 50 Gresham Street, Bank

FREDERICK S. HOLMES
Vault Engineer
2 RECTOR STREET, NEW YORK

Ambursen Hydraulic Construction Company
Engineer-Constructors
88 PEARL ST., BOSTON
165 BROADWAY, NEW YORK — 405 DORCHESTER ST. W., MONTREAL

Our experience is of value to you because it is gained in the successful building of 67 dams to date (Nov. 1, 1911), of all heights up to 150' and having an aggregate length of over 4½ miles. We have inaugurated a system of bi-monthly Bulletins on pungent engineering topics as viewed from the Bankers' standpoint. Send us your name for our mailing list.

Digitized by Google

General Motors 6% Notes

Company Has $1,740 in Quick Assets Back of Each $1,000 of Notes—Net Income Five Times Interest Requirements—Annual Production Capacity 68,000 Automobiles.

The inquiry of a Vermont subscriber answered below is as follows:

St. Johnsbury, Vt., Dec. 11, 1911.
ED UNITED STATES INVESTOR:

Will you kindly inform me what you think of General Motors Company first lien 6 per cent notes selling now around 98 as a safe investment? I would also be glad to know something about the company, that is, where they are located and the class of goods they handle. F. W. T.

The General Motors Company was incorporated in September, 1908, in New Jersey, as a holding company. It owns the entire $100,000 capital stock of the General Motors Company of Michigan and a controlling interest, in most cases the entire capital stock, of its 23 constituent companies manufacturing automobiles and automobile parts and supplies as well as motor trucks. The best-known companies comprising the organization include the Buick Motor Car Company, of Flint, Mich.; the Cadilac Motor Company, of Detroit; the Elmore Manufacturing Company, of Clyde, Ohio; the Oakland Motor Car Company, of Pontiac, Mich.; the Olds Motor Works, of Lansing, Mich.; the Welsh Motor Car Company and the Rapid Motor Vehicle Company, both of Pontiac, Mich., and the Reliance Motor Truck Company, of Owosso, Mich., the two latter making motor trucks and the former making pleasure vehicles. The company also owns the General Motors Export Company, which, as its name implies, has been recently formed to take care of the export business of the company, and the General Motors Truck Company, which is a selling organization to distribute the total output of the company, so far as motor commercial vehicles are concerned.

The various makes of pleasure vehicles included in the company's product embrace a range of automobiles through low, medium and high price cars. The annual

CAR MANUFACTURING CAPACITY

of the combined group is about 70,000 motor vehicles, including both pleasure and commercial types. The authorized capital stock consists of $20,000,000 7 per cent cumulative preferred and $40,000,000 common, par for both classes being 100. There is something over $18,000,000 of the preferred outsanding, of which a little better than $3,500,000 is held by subsidiary companies and about $19,900,000 common issued, of which better than $4,000,000 is held by subsidiary companies. The majority of the outstanding preferred and common stock is held by a voting trust, against which certificates have been issued, and on which preferred 7 per cent has been paid at the rate of 3½ per cent semi-annually from April 1, 1909. There are authorized $20,000,000 6 per cent first lien five-year sinking fund gold notes due October 1, 1915, of which $15,000,000 have been issued. These are subject to redemption as a whole, or in part, through a sinking fund, on any interest date at 102½. These are secured by a first mortgage upon all lands, plants, equipments, etc., which the company owns or shall hereafter acquire. And, in addition, by the pledge of the shares of capital stock constituting the entire interest of the General Motors Company in subsidiary companies. An annual cash sinking fund is provided payable on or before October 1 each year, to the extent of a million and a half in 1911 and the same amount in 1912, $2,000,000 in 1913 and $2,000,000 in 1914, to be used to retire the notes through purchase at not exceeding 102½ and interest, or by drawing at that price. A total of $1,526,000 of the notes has been acquired and cancelled, leaving now outstanding $13,450,000.

The last report of the General Motors Company is for the ten months ending July 31 last, and a report covering that shortened period is due to the fact that the company's fiscal year has been changed to end July 31. The income of the General Motors Company for these ten months, after deducting operating expenses including maintenance and depreciation, taxes, etc., was $4,066,251. Deducting ten months' interest on General Motors Company 6 per cent notes, or $750,000, leaves a balance of $3,316,251. Deducting $506,226 for 3½ per cent paid on preferred and an additional $335,848 for four months' proportion of 3½ per cent paid October 1 on the preferred leaves undivided profit for the ten months of $2,474,177. There was a

PROFIT AND LOSS SURPLUS

July 31, of $1,240,175, after applying to the reduction of inventory of October 1, 1910, $2,000,000. The net profits of all the plants in which the General Motors Company is interested, most of which it owns outright, and a controlling interest in the rest, with the exception of two smaller companies in which its interest is less than 50 per cent, for the ten months were $4,447,146, after deducting $725,227 for depreciation of plants and equipment, in addition to ordinary expenses required to maintain the plants in good operating condition.

The net income of $4,066,251 of the General Motors Company is that company's proportion of the net profits of all of the companies which it controls or in which it has an interest. Aside from these 6 per cent notes, the only other indebtedness of the company or its subsidiary companies on July 31, 1911, consisted of current accounts payable of $2,143,847, these being the normal obligations for payrolls and merchandise incident to the business carried on by the company. In fact, the note issue was largely for the purpose of bringing these accounts to a minimum and allowing the company to pay for all merchandise promptly and take all cash discounts. The net working capital of the General Motors Company, as shown by the July 31 balance sheet amounted to $23,065,358. The gross earnings of the General Motors Company of $4,066,000 for ten months is at the rate of $4,879,500 for a full year. The interest in the $14,000,000 of notes outstanding calls for $840,000 a year, or about 16 per cent of the gross. Or, in other words, the General Motors Company receive from the producing companies income to the extent of better than 5.8 times the requirements of the $14,000,000 of 6 per cent notes. And the undivided profits for the ten months considered in the last report, after the payment of preferred dividend and deduction for four months' proportion of preferred dividend paid October 1, 1911, amount to more than three times the note requirements.

It is recorded above that over $725,000 was marked off for depreciation of plants and equipment for the ten months in review, that is, at the rate of nearly $900,000 for twelve months on a plant carried in

THE LAST BALANCE SHEET

at something over $17,630,000, or marking off for the year at the rate of about 5 per cent. In the last balance sheet is shown cash of over $4,000,000, as against $15,000,000 last year, the larger amount last year being the proceeds of the note sales. Against this is the liability item of accounts payable, this year $2,700,000 and last year $14,000,000, the larger sum of last year being taken care of by the receipts from the five-year note issue. This year under assets the inventories show $17,300,000, against $19,800,000 last year. Here is shown the marking off of $2,000,000 above referred to. As before pointed out, the company has a working capital of over $23,000,000, that is, the company has in net quick assets $1,740 for every $1,000 of notes owed. From the above features you will see that the General Motors Company is earning far beyond the interest requirements in which you are interested, and that there is a conservative management is shown in the way it takes care of depreciation and the effort made to scale down as much as possible the assets items.

Of course, under the heading of assets is shown a good will value of over $7,000,000, representing excess of appraised value over book value of stock of subsidiary companies owned. For the year ending October 1, 1910, a good-will value of nearly $15,000,000 was recorded. The item of good will, of course, in this case represents figures necessary for balancing the books, and while a growing and prosperous corporation has a good will value which may be a great big cashable asset in certain instances, still it is a condition which represents most value as it becomes smallest for bookkeeping purposes. The financial condition of the General Motors Company, however, seems to show that they are

WELL PROVIDED WITH CASH

and working capital, and that upon the maturity of note issue in 1915 a sinking fund will take care of about half of it in cash, so that upon maturity, if it is necessary to refund the balance by another note issue, it can be done not only on terms more advantageous to the Motors Company, but at that time, the balance sheet of the company may be minus the good will item and further enlarged mark-off made on quick assets, inventories, etc.

If you own General Motors notes I

Digitized by Google

TO THE HOLDERS OF

TOLEDO TRACTION COMPANY

Consolidated First Mortgage Bonds, Due January 1, 1912

TOLEDO CONSOLIDATED STREET RAILWAY COMPANY

Consolidated First Mortgage Bonds, Due January 1, 1912

TOLEDO ELECTRIC STREET RAILWAY COMPANY

First Mortgage Bonds, Due February 1, 1912

THE TOLEDO RAILWAYS AND LIGHT COMPANY HAS ARRANGED WITH BLAIR & CO. FOR AN EXTENTION OF THE TIME OF PAYMENT OF THE ABOVE MENTIONED BONDS OF THE TOLEDO TRACTION COMPANY TO JANUARY 1, 1913, WITH INTEREST AT THE RATE OF SIX PER CENT. PER ANNUM, PAYABLE SEMI-ANNUALLY, SUBJECT TO REDEMPTION AT THE OPTION OF THIS COMPANY ON JULY 1, 1912, ON THIRTY DAYS' NOTICE. Holders of the said bonds desiring to avail themselves of the privilege of so extending their bonds, must present same (ex-coupon due January 1, 1912), at the office of Blair & Co. on or before December 28, 1911, for the purpose of having affixed thereto the Extension Certificate.

THE COMPANY HAS ALSO ARRANGED FOR AN EXCHANGE OF THE BONDS OF THE TOLEDO CONSOLIDATED STREET RAILWAY COMPANY AND THE TOLEDO ELECTRIC STREET RAILWAY COMPANY FOR EXTENDED BONDS OF THE TOLEDO TRACTION COMPANY. Holders of bonds of the Toledo Consolidated Street Railway Company desiring to avail themselves of the privilege of exchanging their bonds for such extended bonds of the Toledo Traction Company must present same (ex-coupon due January 1, 1912), for such purpose at the office of Blair & Co. on or before December 28, 1911. Holders of the said bonds of the Toledo Electric Street Railway, desiring to avail themselves of the privilege of exchanging their bonds for such extended bonds of the Toledo Traction Company, must present the same (with coupon due February 1, 1912), for such purpose at the office of Blair & Co. on or before January 28, 1912, interest to be adjusted to date of exchange.

Holders of the said bonds of the Toledo Consolidated Street Railway Company and of the Toledo Traction Company who do not desire to avail themselves of the above privileges will receive par for their bonds upon delivery of the same on or after January 1, 1912, to said Blair & Co.

Holders of the said bonds of the Toledo Electric Street Railway Company who do not desire to avail themselves of the above privileges will receive par for their bonds upon delivery of the same on or after February 1, 1912, to said Blair & Co.

Copies of the Extension Agreement, stating the terms of the extension and other details, may be obtained at the Company's office or from Blair & Co.

Dated Toledo, Ohio, December 15, 1911.

THE TOLEDO RAILWAYS AND LIGHT COMPANY,
By FRANK R. COATS, President.

Referring to the foregoing Notice, we are now prepared to receive deposits of the aforesaid bonds for exchange and extension. Holders of such bonds desiring to avail themselves of the privilege should deposit the same promptly at our office. Depositing Bondholders will receive receipts exchangeable for extended bonds, as soon as the Extension Certificate and Coupons can be attached thereto.

The privileges as to the bonds of the **Toledo Consolidated Street Railway Company** and the **Toledo Traction Company** will terminate on **December 28, 1911.** The privileges as to the bonds of the **Toledo Electric Street Railway Company** will terminate on **January 28, 1912.** All bonds of the **Toledo Consolidated Street Railway Company** and all bonds of the **Toledo Traction Company,** the holders of which do not wish to avail themselves of the above-mentioned privileges, will be purchased by us at par, on or after **January 1, 1912.** All bonds of the **Toledo Electric Street Railway Company,** the holders of which do not wish to avail themselves of the above mentioned privileges, will be purchased by us, at par, on or after **February 1, 1912.**

ESTABROOK & CO.
15 State St., Boston, Mass.

believe that you need have no fear as to their security and that they will be paid off in full at 102½ on or before date of maturity. The security back of them seems to be ample when they are considered not as a seasoned investment, but as an investment coupled with a mild and moderate speculative aspect. If you do not own these notes, but contemplate purchasing them, you must take into account the following: namely, that they will cost you about 98, and paying 6 per cent will yield 6.12, which is a yield above the strict investment basis. You must also bear in mind that they cannot show any great rise to make you any large profit, because as they are callable at 102½, they cannot go above that figure, and also that they have only four more years to run, which means that at the end of that time you will have to again place your money. Now, if you are interested more in reasonable certainty of your principal, rather than absolute certainty, and are also looking for the opportunity of profit,

YOU CAN DO BETTER

than these 6 per cent notes. And I am not suggesting here that these notes come in the absolutely certain class, which they do not, for that certainty only goes with high-class government and railroad bonds and certain stocks, for, as a matter of fact, these 6 per cent notes have nothing in addition back of them, nor are they backed up by a record of earnings better than can be shown by many industrial company's preferred stocks.

Another consideration is that there you are up in Vermont, and seemingly from your letter, know no more about the General Motors Company or the automobile business, in general, than does the average man and investor. If you want a [illegible]ment security, why not [illegible] of the New England industrials, some of the old-established long-time dividend payers like the best-considered textile mill stocks which sell to yield about 4 per cent, the Pacific Mills, or the Lawrence Manufacturing Company, for instance, the United States Finishing Company, or many similar securities. If you want a reasonably safe investment, why not consider American Woolen preferred, selling now at 89, paying 7 per cent, and yielding at the rate of 7.87. Of course, there is the element of speculation in American Woolen preferred, due to the prospect of tariff revision, for one reason, but in that respect, you can take into account that the American Woolen preferred has earned and paid its 7 per cent, with the exception of one year in which conditions were particularly sub-average, and that while it has paid 7 per cent on the preferred annually since incorporation in 1899, it earned 14½ per cent on the preferred in 1909

and nearly 10 per cent in 1910. Also that it has quick assets back of the preferred of about $80 per share and a total surplus of over $11,000,000.

I believe that the prices at which American Woolen Company's products have been selling, consequently, its profits, have discounted anything in the way of tariff revision effect, and if this has not been discounted to the fullest extent it has to a great extent. Here you will have to balance the risk against the greater yield, or consider New England Cotton Yarn preferred, which pays 6 per cent, and is selling at about 101, to yield 5.94. Of course, the yield on the General Motors 6 per cent notes is a little better than that, but not much better when it is taken into account that the New England Cotton Yarn preferred offers a permanent investment without the necessity of re-investing again in four years, as would be necessary with the Motors notes.

I mention these New England corporations, because they are right

IN YOUR OWN TERRITORY,

and further because the automobile industry is to a great extent in its infancy, although we are building up besides the domestic business a considerable export trade. The General Motors Company is making a large line of low and medium-priced pleasure cars, and is producing most extensively along the lines of largest consumption, that is, the average man looks for the medium-priced cars. An official of the company says that the export business is growing rapidly, and that they are exporting to practically every country in the world, and that in countries where automobiles are not largely manufactured, South America, for instance, 80 per cent of the automobiles in use are American products. This seems indicative of what the foreign market offers.

In reading over your letter again, I cannot believe that your use of the word "investment" is to be given its general meaning, the purchase of seasoned securities, because you know that 6 per cent is too high for a strict investment. I take it, then, that you want reasonable security with an opportunity of profit. American Woolen offers the reasonable security with the chance of profit which the 6 per cent notes do not offer. Cotton Yarn preferred offers about the same yield, and the opportunity for long-time investment with a market when you want to sell. To yield from 5 to 5½ per cent there are any number of industrial and railroad bonds which would rank ahead of these motor company notes and give the advantage of a longer time investment and greater marketability with at least equal security and longer earning records.

P. De Medici.

MUNICIPAL SHORT TERM LOANS.

ROCHESTER, N. Y.—The 8 months' loans were awarded as follows: Monroe County Savings Bank, $100,000 at 4 per cent; Monroe County Savings Bank, $200,000 at 4.15 per cent, and Union Trust Company, New York, $100,000 at 4.20 per cent.

DUBUQUE, IOWA.—The city has borrowed $16,000 from local banks to take up part of an issue of $26,500 bonds falling due December 1, 1911. The 5½ per cent refunding bonds to the amount of $16,000 offered on November 22, were withdrawn from the market.

PROPOSAL FOR BONDS.

PORT ARTHUR, TEXAS.—L. D. Heckman, city clerk, will receive sealed bids until January 12, for $100,000 5 per cent $1,000 street improvement bonds, dated October 10, 1911, and maturing October 10, 1951. The city reserves the right to redeem the first $25,000 on or after five years, the next $25,000 on or after ten years, the next $25,000 on or after 15 years and the last $25,000 on or after twenty years. Each bid must be accompanied by certified check for $5,000 on a Port Arthur bank and will be received subject to approval, and certificate of the bonds by the state attorney-general when presented to him for that purpose, but otherwise no bid conditioned on the legality will be considered.

CANADA.—The Royal Bank of Canada will increase its capital by $2,000,000, issuing 20,000 shares at $210 a share. The issue will be made at the rate of one share of new stock for about four of old. This will bring the capital of the bank up to $8,300,000.

NEW YORK, N. Y.—The board of Directors of the Bankers Trust Company of New York, has declared a dividend of 6 per cent, for the quarter ending December 31, 1911; and an extra dividend of 6 per cent. The dividends will be payable on January 2, 1912, to stockholders of record at the close of business, December 26, 1911.

Kidder, Peabody & Co.
115 Devonshire St.
Boston
56 Wall Street
New York
INVESTMENT SECURITIES
FOREIGN EXCHANGE
LETTERS OF CREDIT
Agents and Attorneys for
Baring Brothers & Co., Ltd.
LONDON

Dial Cash Register, Pay-As-You-Enter Car, Eastern Mills Stocks, Hocking Valley Products Co., bought and sold.
C. W. GILMOR, 50 Broad St., N. Y.
Wire connections to all markets

Hodenpyl, Hardy & Co.
BANKERS
7 Wall Street, New York
6% PREFERRED STOCKS A SPECIALTY

BODELL & CO.
PROVIDENCE, RHODE ISLAND
Boston Office, 35 Congress St.
Bonds and Preferred Stocks of Proven Value

Geo. D. Cook & Co.
BANKERS
71 BROADWAY, NEW YORK
We make a Specialty of
Mexican Government and State Bonds

McCoy & Company
Municipal and Corporation Bonds
181 LA SALLE STREET
CHICAGO

Boody, McLellan & Co.
111 BROADWAY, NEW YORK
MEMBERS OF NEW YORK STOCK EXCHANGE
Orders Executed for Investment or on Margin

We Have For Sale
Seattle Judgment and Condemnation Fund 6% Warrants.
WM. D. PERKINS & CO., Bankers
No. 211 Cherry St., Seattle, Wash.
Established 1893
Oldest Bond House in Washington.

DOMINION BOND COMPANY
LIMITED
MONTREAL TORONTO OTTAWA
LONDON, ENGLAND
Dealers in HIGH-GRADE CANADIAN BONDS
List on Application

5% BONDS
Guaranteed by
National Light Heat and Power Co.
A. H. BICKMORE & CO.,
30 PINE ST., NEW YORK

6% Timber Bonds
Carrying With Them An
Exceptionally Attractive Feature
American Finance & Securities Co.
5 Nassau Street New York

H. C. Gibbs & Co.
Gas and Electric Light Bonds
To yield 5% to 5 1-2%
60 State Street BOSTON

CIRCULAR ON MISCELLANEOUS UNLISTED MILL AND MANUFACTURING SECURITIES
SENT UPON REQUEST
HORNBLOWER & WEEKS, 60 Congress St., Boston

Digitized by Google

Allis-Chalmers Never Had A Chance

When It Entered the Electrical Field and When Its Prime Movers, Reciprocating Engines, Were Thrown Into the Discard, When Its Productive Capacity Became Four Times as Large as Its Selling Ability, All Hope Ceased—Under-Capitalized For Its Size, Too Small Working Capital, But Over-Capitalized For Its Business Position—Not Enough Business in Its Field, Considering Competition, to Keep Its Shops Busy.

The present condition of the Allis-Chalmers Company, for the company is in a bad way, represents the ultimate triumph of facts over hope. The preferred stockholders, who formed a protective committee, say that the present condition requires concerted and vigorous action by preferred stockholders. A protective committee has also been formed by the common stockholders, and a protective committee which represents the bondholders, was formed early in December. All three committees are receiving deposits of the securities they represent.

If there ever has been a corporation where the item of hope has persisted through a series of years, looking for a final profitable outcome, that concern is the Allis-Chalmers Company. Now that hope seems to have been largely dissipated, and with it any recent hope that the Allis-Chalmers Company could work out of its difficulties without a receivership, for now the receivership is not only imminent, but almost certain.

The Allis-Chalmers Company was about the last big combination brought about in 1901 at the end of that era of combinations and over-capitalizations. The company was organized and incorporated May 7, 1901, as a consolidation of the property and business of the following

BUILDERS OF MACHINERY,

viz.: The Edward P. Allis Company, of Milwaukee, Wis.; Frazer & Chalmers, Inc., of Chicago; Gates Iron Works, of Chicago, Ill., and the Dickson Manufacturing Company, of Scranton, Pa., exclusive of the locomotive works of the latter company. The company was capitalized for $36,250,000, being made up of $16,250,000 7 per cent cumulative and convertible preferred and $20,000,000 common. A bond issue of nearly $12,000,000 came later. There is $16,050,000 preferred outstanding and $19,820,000 of the common out. About half of the preferred stock went to the original owners of the constituent companies, but $8,400,000 of the preferred was offered at 105 on May 17, 1901, by the underwriters, who paid 102 for the preferred and 26 for the common. The circular describing this issue was the first of the hopeful publications which have been given out regarding Allis-Chalmers affairs, and it went on to state that an expert engineer reported after "several careful examinations of the constituent properties that he estimated the

VALUE OF THE PLANT,

taking into account the real estate, buildings, machinery, tools, patterns, drawings and patents together with the cost of organizing and getting into full operation, but not estimating anything for good will, at $9,975,000, and further that he found all the plants running at their fullest capacity. The great bulk of the tools in all of these plants are comparatively new, having been put in within the preceding seven or eight years, and all the works are in good condition and running smoothly."

And then, it was pointed out that the equity back of the preferred, without any consideration for the advantages accruing from the consolidation or the valuable good will of the several companies, so long and favorably known all over the world, or for the earning capacity of the united compa-

Knauth, Nachod & Kühne
BANKERS
15 WILLIAM ST., NEW YORK
LEIPZIG, GERMANY
Members of the New York Stock Exchange
INVESTMENT SECURITIES
Drafts on all Parts of the World
Letters of Credit and Travelers' Checks Available Everywhere
Obtainable either direct from us or through Banks and Bankers throughout the United States and Canada. Pamphlet "Funds for Travelers" mailed upon application.

Assets Realization Company
Capital $10,000,000
Purchases Estates in Liquidation at any point in the United States
NEW YORK PHILADELPHIA CHICAGO

I. M. TAYLOR & CO.
8 Congress Street, Boston
115 Broadway, New York
Members of New York, Boston and Chicago Stock Exchanges

American Industrials Co.
Broad Exchange Building, New York
INVESTMENT SECURITIES.
6% Twenty Year First Mortgage Gold Bonds.
7 Preferred Stocks.
8% Preferred Stocks.

Baker, Ayling & Co.
50 Congress street, Boston
INVESTMENT BONDS
Philadelphia Office, Land Title Building

TAX EXEMPT STOCKS
List Mailed on Application
311 Main St., **W. F. CROSBY** Telephone 4090
WORCESTER, MASS.

JOHN P. DAVIS, President. WM. M. WELLCOME, Vice-President. BYRON H. DAVIS, Sec'y-Treas.
The Davis Wellcome Mortgage Co.
(Incorporated)
TOPEKA, KANSAS.
Gilt-edge first mortgage loans for sale at 5½% and 6% net to the investor. Security well-selected, improved farm lands, in no case to exceed 50% actual value of the farm. Every loan personally examined by one of our inspectors. No better or safer security for money anywhere.
We point with pride to a record of twenty-five years, loaned over $12,000,000, without foreclosing a mortgage or the loss of a dollar in either interest or principal.
Bank References:
BANK OF TOPEKA
CENTRAL NATIONAL BANK, TOPEKA
Correspondence Solicited

6% NON-TAXABLE TRUST CERTIFICATES
With Participation in the Large Profits of Real Estate Development. Secured by Income Property. Send for Booklet
GREATER BOSTON REALTY TRUST. 28 School Street, Boston

Digitized by Google

nies, would be substantially as follows:

"Cash capital $10,000,000, of which sum $2,500,000 will be expended in the erection of additional plants to double the present capacity of the Allis works; valuation, as above, of existing plants, owned in fee and free of lien, $9,935,000, giving a total value in 1901 of tangible property, $19,935,000, against the total issue of preferred stock of $16,250,000, all of which is issued for cash at par or in lieu of cash for the plants at less than their valuation, and of which total issue there will be more than 61 per cent in cash, and the balance will be in property, which produces much more than the cumulative dividend to which the preferred stock is entitled." At that time, a chartered accountant certified that "the combined profits of the constituent properties for each of the preceding two fiscal years, making full provision for depreciation, but without charging interest and managing salaries, exceeded the amount required to pay 7 per cent dividends on $16,250,000 preferred stock, while for the last fiscal year, the profits, as above defined, considerably exceeded such amount." It was during the last fiscal year spoken of that the new works of Frazer & Chalmers came into full operation.

It was estimated at that time that the profits for the fiscal year ending May 1, 1902, and that would represent the first year of Allis-Chalmers Company, and without any allowances for increase of

MANUFACTURING CAPACITY,

would be sufficient to pay dividends at the rate of 7 per cent on the $16,250,000, and about 4 per cent on the $20,000,000 of common stock. but it was pointed out that the economies from consolidation should make the net profits for that year exceed the amount required to pay a 7 per cent dividend on both classes of stock. The

(Continued on page 2255.)

OFFICE OF
THE UNITED GAS IMPROVEMENT COMPANY.

N. W. Corner Broad and Arch Streets,
Philadelphia, December 18, 1911.

The Directors have this day declared a quarterly dividend of two per cent ($1.00 per share, payable January 15, 1912, to stockholders of record at the close of business, December 30, 1911.

Checks will be mailed.

LEWIS LILLIE, Treasurer.

REPUBLIC RAILWAY & LIGHT CO.
PREFERRED STOCK DIVIDEND NO. 2.
New York, December 19, 1911.

The Board of Directors have this day declared the second quarterly dividend of One and One-Half (1½%) Per Cent on the Preferred Stock of the Republic Railway & Light Company, payable January 15th, to stockholders of record at the close of business December 30, 1911. Checks will be mailed.

GEORGE A. GALLIVER, Treasurer.

United Shoe Machinery Corporation

The Directors of this Corporation have declared a quarterly dividend of 1¾% (37½c. per share) on the Preferred capital stock, and a dividend of 2% (50c. per share) on the Common capital stock, both payable January 5th, 1912, to stockholders of record at the close of business, December 19th, 1911.

L. A. COOLIDGE, Treasurer.

AMERICAN ZINC, LEAD & SMELTING CO.

The Directors of the American Zinc, Lead and Smelting Company have declared a dividend of fifty cents (50c) per share, payable January 10th, 1912, to stockholders of record at the close of business December 30, 1911.

S. E. FARWELL, Treasurer.

CONSERVATIVE JANUARY INVESTMENTS

To Net 5 1-2 and 6%

We own and offer First Mortgage Gold Bonds in denominations of $500 and $1,000, secured by the highest class of centrally located, improved, income-producing Chicago Real Estate.

We have sold such securities for the past thirty years without the loss of a single dollar of any client's interest or principal.

You as a January Investor, may well be guided in selecting your investments by the experience of thousands of others who have found **Safety, Satisfaction and Profit** in the securities purchased of this House.

We will be pleased to submit a list of conservative investments to net 5½ and 6% interest.

WRITE FOR JANUARY CIRCULAR NO. 47.

S. W. STRAUS & Co.

INCORPORATED

MORTGAGE AND BOND BANKERS

ESTABLISHED 1882

STRAUS BUILDING, CHICAGO

AMERICAN CAR AND FOUNDRY COMPANY
New York, December 1, 1911.
PREFERRED CAPITAL STOCK.
Dividend No. 51.

A dividend of one and three-quarters per cent (1¾%) on the Preferred Stock of this Company has this day been declared, payable Monday, January 1, 1912, to stockholders of record at the close of business, Monday, December 11, 1911.

Checks will be mailed by the Guaranty Trust Company of New York.

WM. M. HAGER, Secretary.
S. S. DELANO, Treasurer.

AMERICAN CAR AND FOUNDRY COMPANY
New York, December 1, 1911.
COMMON CAPITAL STOCK.
Dividend No. 37.

A dividend of one-half per cent (½%) on the Common Stock of this Company has this day been declared, payable Monday, January 1, 1912, to stockholders of record at the close of business, Monday, December 11, 1911.

Checks will be mailed by the Guaranty Trust Company of New York.

WM. M. HAGER, Secretary.
S. S. DELANO, Treasurer.

NIPISSING MINES COMPANY.

165 Broadway, New York, December 11, 1911.

The Board of Directors has to-day declared a regular quarterly dividend of FIVE PER CENT, also an extra dividend of TWO AND ONE HALF PER CENT, payable Jan. 20, 1912, to shareholders of record as of Dec. 20, 1911. Transfer books will close Dec. 20, 1911, and reopen Jan. 13, 1912.

P. C. PFEIFFER, Treasurer.

WALPOLE RUBBER CO.

The quarterly dividend of 1¾% on the Preferred stock and 1% on the Common stock has been declared payable January 15, 1912, to stockholders of record, January 1, 1912. Books close January 1, 1912, and reopen January 15, 1912.

A. T. BALDWIN, Treasurer.
Walpole, Mass., December 18, 1911.

AMERICAN TELEPHONE & TELEGRAPH CO.

A Dividend of Two Dollars per share will be paid on Monday, January 15, 1912, to stockholders of record at the close of business on Saturday, December 30, 1911.

WILLIAM R. DRIVER, Treasurer.

Boston Elevated Railway Company.

In accordance with the provisions of the lease of the West End Street Railway Co. to the Boston Elevated Railway Co., dated December 9th, 1897, a dividend rental of two dollars per share will be paid to holders of record of the Preferred Stock of the West End Street Railway Co. on January 1, 1912.

By vote of the Directors of the West End Street Railway Co., the transfer books of the Preferred Stock will be closed from the close of business December 22, 1911, to the opening of business, January 2, 1912.

H. L. WILSON, Treasurer.

Notice to Stockholders
W. L. Douglas Shoe Co.
7% Preferred Stock

The transfer books of the Company will close December 15, 1911. The semi-annual dividend of 3½% will be paid January 1, 1912, to all stockholders of record December 15, 1911.

W. L. DOUGLAS SHOE CO.,
Brockton, Mass.
H. L. TINKHAM, Treas.

THE DAYTON POWER & LIGHT CO
Dayton, Ohio
PREFERRED STOCK DIVIDEND

The quarterly dividend of One Dollar and Fifty Cents ($1.50) per share (1½%) on the PREFERRED STOCK of The Dayton Power & Light Company will be due and paid on January 15, 1912, to the preferred stockholders of record at the close of business, December 31, 1911.

C. L. CAMPBELL, Treasurer.

BOSTON & WORCESTER ELECTRIC COMPANIES
Preferred Shares Dividend

The Trustees of the Boston and Worcester Electric Companies have this day declared a dividend of $1 per share on the preferred shares, payable January 1, 1912, to preferred shareholders of record at close of business December 23, 1911.

GEORGE A. BUTMAN, Treasurer.
Boston, Mass., December 14, 1911.

UNITED FRUIT COMPANY
Dividend No. 50

A quarterly dividend of two per cent on the capital stock of this Company has been declared payable January 15th, 1912, at the office of the Treasurer, 131 State Street, Boston, Mass., to stockholders of record at the close of business, December 26th, 1911.

CHARLES A. HUBBARD, Treasurer.

NEW ENGLAND TELEPHONE AND TELEGRAPH COMPANY.

A dividend of one and three-quarters dollars ($1.75) per share will be paid on Saturday December 30th, 1911, to stockholders of record at the close of business on Friday, December 15th, 1911.

WILLIAM R. DRIVER, Treasurer.

November 21, 1911.

MINES COMPANY OF AMERICA.

A dividend of one and one-half per cent for the quarter ending Dec. 31st, 1911, will be paid Jan. 25th, 1912, to holders of record Jan. 10th.

J. D. TOOKER, Secretary.

Digitized by Google

Municipal Bond Sales

MUNICIPALITY.	Date of sale.	Classification of bonds.	Amount.	Rate of interest. Per cent.	Maturity	Sales price.	Purchaser.	Income basis.
Melrose, Mass.	Dec. 11	Water	$ 2,000	4	*3	102 67	Kuhn, Fisher & Co., Boston.	3.667
Melrose, Mass.	Dec. 11	Sewer	5,000	4	1911	102 67	Kuhn, Fisher & Co., Boston.	3.667
Melrose, Mass.	Dec. 11	Drainage	5,000	4	1916	102 67	Kuhn, Fisher & Co., Boston.	3.667
Melrose, Mass.	Dec. 11	Public Park	12,000	4	*5	102 67	Kuhn, Fisher & Co., Boston.	3.667
New Bedford, Mass.	Dec. 12	Sewer	100,000	4	*1[illegible]	102 887	N. W. Harris & Co., Boston.	3.87
Medford, Mass.	Dec. 13	Sidewalk	5,000	4	*4½	101 125	Geo. M. Fernald & Co., Boston.	3.676
Medford, Mass.	Dec. 13	Sewerage	5,000	4	1911	101 125	Geo. M. Fernald & Co., Boston.	3.676
Medford, Mass.	Dec. 13	River bas. not	4,000	4	**2-5	101 125	Geo. M. Fernald & Co., Boston.	3.676
Shelburne Falls, Mass.	Dec. 9	Fire dept.	75,000	4	**...20	102 62	Bodger & Co., Boston.	3.78
Jackson, Ohio.	Dec. 9	Elec. light	5,000	4	2841	100 66	Oak Hill Savings Bank, Oak Hill.	3.947
Jackson, Ohio.	Dec. 9	Fire dep't.	1,000	4	2841	100 66	Oak Hill Savings Bank, Oak Hill.	3.947
Allegheny County, Pa.	Dec. 11	County	1,550,000	4	1941	100 015	J. S. & W. S. Kuhn, Pittsburg; Safe Deposit & Trust Co., Pittsburg, Holmes, Wardrop & Co., Pittsburg; Spencer Bros., Pittsburg, and E. H. Rollins & Sons, Boston.	3.999
Albany, N. Y.	Dec. 12	Water Supply	100,000	4	1951	par	Mechanics & Farmers Bank, General Debt Sinking Fund, Ernest R. Lawton, Albany.	4
Chicago, Ill.	Dec. 14	Bridge	1,500,000	4	**1-20	99 327	Harris Trust & Savings Bank, First Trust & Savings Bank, Chicago.	4.079
Chicago, Ill.	Dec. 14	Judgment	750,000	4	**1-20	99 327	Harris Trust & Savings Bank, First Trust & Savings Bank, Chicago.	4.079
Mechanicsburg, Ohio	Dec. 1	Paving	20,000	4½	*8½	101 86	Stacy & Braun.	4.18
Elmira, N. Y.	Dec. 4	School	40,000	4½	*8½	101 555	Sutro Bros., New York.	4.223
Irvington, N. Y.	Dec. 2	Water	25,000	4½	**1-10	100 13	Kissel, Kinnicutt & Co., New York.	4.255
Tonawanda, N. Y.	Dec. 6	Refunding	1,000,000	4½	**1-20	100 26	E. H. Rollins & Sons, Boston.	4.246
Camden County, N. J.	Dec. 11	Street Imp.	12,000	4½	1911	101 126	E. H. Rollins & Sons, New York.	4.25
Camden County, N. J.	Dec. 11	Township	20,000	4½	1931	101 126	E. H. Rollins & Sons, New York.	4.25
Cape May County, N. J.	Dec. 7	Road & bridge	70,000	4½	1941	102 80	Jesup & Lamont & Co., New York.	4.266
Lorain, Ohio.	Dec. 2	Retd'g sewer	7,000	4½	*	100 37	Hayden, Miller & Co., Cleveland.	4.358
Enfield, N. C.	Dec. 6	Elec. light	10,000	6	**1-20	102 50	J. M. Saillard & Co., Charleston.	4.367
Mineral County, W. Va.	Dec. 8	County	22,000	6	**2-8	102 960	First Nat. Bank, Keyser.	4.40
Boone, Iowa.	Dec. 11	Water works	20,000	4½	1931	100 0	Geo. M. Fernald & Co., Davenport.	4.497
Gary, Ind.	Dec. 7	School	50,000	4½	1941	par	W. H. Wade, Indianapolis.	4.50
Hiawatha, Kansas.	Dec. 11	Water works	25,000	4½	*14	101 50	Merrill, Jones Invest. Co., Hiawatha.	4.624
Boise, Idaho.	Dec. 8	Sewerage	50,000	5	1931-50	102 863	E. H. Rollins & Sons, Denver.	4.671
Boise, Idaho.	Dec. 8	City Hall	40,000	5	1911-20	102 863	E. H. Rollins & Sons, Denver.	4.671
Cecil County, Md.	Dec. 14	Road	100,000	4	1951	104 20	Mtge. & S. Fund of Bal. Deposit.	4.674
Loudon County, Tenn.	Dec. 9	Road	140,000	6	1941	103 20	First Nat. Bank, Lenoir City.	4.736
Colville, Washington.	Dec. 5	Building	22,000	6	1911-30	101 02	Lumbermens Nat. Bank, Spokane.	4.87
Twin Falls, Ida., Sch. D. No. 22.	Dec. 9	School	10,000	6	1921-30	100 ...	Federal Nat. Bank, Denver.	4.984
Rural Municipality of Progress No. 452, Saskatchewan.	Nov. 15	Road	5,000	6½	1921	98 45	Wood, Gundy & Co., Toronto.	6 95
Grant County, Okla.	Dec. 8	Building	40,000	6	1931	par	R. G. Dickerson, Chattanooga, Tenn.	6
Harper Co., Kan., Sch. D. No. 96.	Dec. 7	Building	1,500	6	1926	par	State	6
Harvard, Neb., Sch. Dist.	Dec. 11	Building	20,000	6	1931	par	State	6
Johnson County, Kansas.	Dec. 7	Road	2,500	6	**1-10	par	State	6
North Yakima, Wash.	Nov. 20	Refunding	90,000	6	11-20	par	State	6
Woodbridge, Ont.	Oct. 27	Bridge	1,000	6	1921	98 5	Geo. Gilbert, Woodbridge.	6 13
Fergus Co., Mont., S. D. No. 12	Dec. 1	Building	4,000	6	1921	par	State Board of Land Commissioners.	6 00
Maginnis, Mont.	Dec. 5	School	1,000	6	1931	96	W. H. Crogman Co., St. Louis.	6 561
Swan River, Manitoba.	Dec. 4	Improvement	1,000	6	1921	97 933	National Finance Co., Toronto.	6 67
Forest Grove, Ore.	Dec. 5	Improvement	5,000	6	**1-10	103	Forest Grove Nat. Bank.	5 78
Forest Grove, Ore.	Dec. 5	Improvement	500	6	**1-10	103	W. A. Harriman.	5 78
Skagit Co., Wash.	Dec. 14	Road	100,000	6	1916-20	101 10	Canadian & Dakota Inv. Co., Seattle.	5 83
Asotin, Washington.	Dec. 4	Water works	6,000	6	**1-10	100 67	Asotin & Weiss, Spokane.	5 906
Odessa, Wash.	Dec. 12	Wat. & fund'g	6,000	6	1916-20	100 50	Asotin & Weiss, Spokane.	5 942
Bellaire, Ohio.	Dec. 14	Water works	50,000	6	1931	par	N. & S. Stearns Mach. & Iron Works.	6
Forest Grove, Ore.	Dec. 7	Improvement	31,000	6	**1-10	par	Western Investment Co.	6
Hillsboro, Ore.	Dec. 8	Sewer	1,000	6	11-20	par	Hoehler & Cummings.	6
Toledo, Alberta.		Indebtedness	8,000	6		par	C. H. Burgess & Co., Toronto.	6
Hardisty, Alberta.	Oct. 30	School	1,000	6	1931	99	Noxon & Co., Toronto.	6.10
Amulet, Saskatchewan.		Improvements	2,000	6½	1931		Noxon & Co., Toronto.	
Caledonia County, Vt.	Nov. 28	Bridges	5,000	6	1921		W. A. Slinson & Co., Toronto.	
Crossfield, Alberta.		Various	8,000	6			Dominion Securities Corp., Ltd.	
Colonial, Penn.	Dec. 14	Various	5,000	6	1931		Farson, Son & Co., Chicago.	
Cornwall, Ont.		Improvements	1,000	6	1921		Wood, Gundy & Co., Toronto.	
Dauphin, Man.	Dec. 5	Various	5,000	6				
Dublin, Texas.	Dec. 11	Local	10,000	6			Unknown.	
Edmonton, Alberta.	Dec. 13	Various	5,000	6			Unknown.	
Fresno Co., Cal., Riverdale S. D.	Dec. 4	Building	5,000	6	*11		Treasurer Fresno County.	
Grassy Lake, Alberta.		Improvement	3,000	6	1921		Noxon & Co., Toronto.	
Hamilton County, Ohio.	Dec. 11	Improvement	10,000	5½	**		Security Trust Co., Toledo.	
Hampton, Texas.	Dec. 6	School	25,000	6	1921-30		Mississippi Valley Trust Co., St. Louis.	
Hampton, Texas.	Dec. 6	Improvement	525,000	6	1921-30		Mississippi Valley Trust Co., St. Louis.	
Jackson, Ohio.	Dec. 9	Refunding	5,000	5	1911-20	101 25	First Nat. Bank, Jackson.	
Kyle, Texas.	Dec. 14	Improvement	10,000	6	*5-20	par	State	
Kilsyth, Alberta.		Improvement	1,000	6	1921		Noxon & Co., Toronto.	
Lincoln County, Idaho.	Dec. 7	Building	5,000	6	1921		Harris Tr. & Sav. Bank, Chicago.	
McMinnville, Ore.	Dec. 5	Improvement	10,000	6	1911-31	101 50	Morris Bros., Portland.	
McMinnville, Ore.	Dec. 5	Improvement	20,000	6	**	101 50	Morris Bros., Portland.	
McMinnville, Ore.	Dec. 5	Improvement	5,000	6	1911-31	101 50	Morris Bros., Portland.	
Perdue, Saskatchewan.		Various	1,000	6	1921		Noxon & Co., Toronto.	
Rabbit Lake, Saskatchewan.		Various	1,000	6	1921		Noxon & Co., Toronto.	
Rochester, N. Y.	Dec. 5	Local	10,000	4	1911-20	100	Union Trust Co., New York.	
Rochester, N. Y.	Dec. 5	Local	50,000	4	1911-20	100	Union Trust Co., New York.	
Rochester, N. Y.	Dec. 5	Local	50,000	4	1911-20	100	Union Trust Co., New York.	
St. Louis, Alberta.		Various	5,000	6	1921		Noxon & Co., Toronto.	
Simcoe, Ont.		Various	5,000	6	1921		Noxon & Co., Toronto.	
South Tofield, Alta.		Improvement	1,000	6	1921		Noxon & Co., Toronto.	
Vegreville, Alta.		Various	5,000	6	1921		Noxon & Co., Toronto.	
Warren County, Miss.	Dec. 5	Various	5,000	6		100	Lamprey, Mason & Co., New York.	
Warren Co., Ill., Sch. D. No.		Various	5,000	6				
Wells, N. Y.		Various	5,000	6	1921	101 50	Lamprey, Mason & Co., New York.	
West Edmonton, Alberta.		Various	5,000	6	1921		Noxon & Co., Toronto.	
Weston, Ont.		Various	5,000	6	1921		Noxon & Co., Toronto.	
Windsor, Ont.		Various	5,000	6	1921		Noxon & Co., Toronto.	
Windsor, Ont.		Various	5,000	6	1921		Noxon & Co., Toronto.	
Woodbridge, Ont.	Dec.	Various	5,000	6	1921		Noxon & Co., Toronto.	

* Year average. ** Year serial.

Digitized by Google

Bond Certification

Modern conditions make the registration and certification of municipal and corporate obligations desirable and convenient. We have a department maintained exclusively for this purpose.

First National Bank of Boston
70 Federal Street

NOTICE

By order of the Town Council of the Town of Twisp of the County of Okanoganand, State of Washington and pursuant to a resolution of said Town Council passed the twelfth day (12) of December, A. D. 1911, notice is hereby given that bids will be received for the purchase of Water Bonds of said Town of Twisp, in the sum of Nine Thousand Five Hundred Dollars ($9500.00) said bonds to be composed of ninety five (95) coupon bonds of the value of One Hundred Dollars ($100.00) each, with interest coupons attached, principal to run for the term of Twenty (20) Years, bearing interest at the rate of six percentum (6%) per annum, payable semi-annually, and both principal and interest to be paid at the treasurer's office in the Town of Twisp.

Bids will be received by the clerk of said Town of Twisp at his office up to six o'clock P. M. Thursday, February 15, 1912, and no bids will be received and accepted for less than the face value of the said Bonds. All bids must be sealed, and said bonds will be sold to the highest and best bidder.

Dated this 12, day of December, A. D. 1911.

J. G. RICE, Mayor.

Attest:
F. E. SELNER, Clerk.

Said notice shall be advertised in the United States Investor, a periodical published at Boston, Massachusetts, for one issue, and in the Seattle Weekly Post-Intelligencer for three consecutive issues.

Passed the Council this 12, day of December, A. D. 1911.

J. G. RICE, Mayor.

Attest:
F. E. SELNEY, Clerk.

City and Town Treasurers

The Old Colony Trust Company is one of the largest and strongest banking institutions in the country. Its tremendous resources and its strong position in the confidence of the public make our services in the preparation and certification of Municipal Bonds of unusual value to city and town treasurers.

Our plan for handling this work is the safest and most systematic that experience can suggest, and it is so economical that the entire cost is within the means of the smallest municipality.

It affords absolute protection not only to the issuing community and its officials but also to the banker and investor. It has already been adopted by many cities and towns throughout the country and has the unqualified endorsement of all bond dealers.

The marked preference shown by investors for bonds issued under our plan has resulted in a distinct enhancement of their market value. *Kindly send for descriptive pamphlet.*

OLD COLONY TRUST COMPANY

COURT STREET BOSTON TEMPLE PLACE

Notice

Notice is hereby given that sealed bids will be received up to the hour of four (4) o'clock P. M. on the 12th day of January, 1912, at the office of the City Clerk in City Hall Building, Port Arthur, Texas, for the purchase of $100,000 5 per cent bonds of the City of Port Arthur, Texas, bearing date of the 10th day of October, 1911, in denominations of $1,000. These bonds are issued for the purpose of making street improvements, and mature on the 10th day of October, 1951.

The City reserves the right to redeem the first $25,000 of said bonds on or after five years from their date; the next $25,000 on or after ten years from their date; the next $25,000 on or after fifteen years from their date; and the last $25,000 of same on or after twenty years from their date. The bonds have not yet been printed or approved, but the record of proceedings for their issuance up to Nov. 4th, 1911, has been examined and passed though not formally approved, by the State Attorney General and City Attorney. Bids will be received subject to approval and certificate of the bonds by the State Attorney General when presented to him for that purpose, but otherwise no bids conditioned on legality will be considered.

All bids must be accompanied by certified check for $5,000 on a bank in the City of Port Arthur, Texas, and bonds must be paid for at the office of the City Treasurer, Port Arthur, Texas, when ready for delivery. The right is reserved to reject any or all bids.

Dated at Port Arthur, Texas, this 11th day of December, 1911.

G. N. BLISS, Mayor Commissioner.

DIVIDEND NOTICE.—The regular semi-annual dividend of 3½% has been declared on the preferred stock of the Rector Gas Lighting Company, payable Jan. 1, 1912, to stockholders of record Dec. 20, 1911. Books close Dec. 20, 1911, at 3 p. m. and open Jan. 2, 1912, at 10 a. m. Checks mailed.

C. J. CURTIS, Treasurer.

SEALED PROPOSALS

will be received by O. C. Funderburk, County Judge, at Palestine, Texas, until January 1st, 12 M. for $150,000 5% 40-20 Road District Bonds dated January 1, 1912. Certified check for $1000 required with bids.

THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY.

New York, December 5, 1911.

The Board of Directors has declared a semi-annual dividend (being dividend No. 77) on the PREFERRED STOCK of this Company of TWO DOLLARS AND FIFTY CENTS ($2.50) per share, payable February 1, 1912, out of surplus net income, to holders of said PREFERRED STOCK as registered on the books of the Company at the close of business on December 29, 1911. The books will not be closed. Dividend cheques will be mailed to holders of PREFERRED STOCK who file suitable orders therefor at this office.

C. K. COOPER, Assistant Treasurer.
5 Nassau Street, New York City.

OFFICE OF THE
LANSTON MONOTYPE MACHINE COMPANY.
PHILADELPHIA, PA.

The Board of Directors has this day declared a quarterly dividend of 1¼ per cent on the Capital Stock of this Company, payable on the 30th day of December, 1911, to stockholders of record at the close of business December 23, 1911.

J. SELLERS BANCROFT, Treasurer.
Philadelphia, December 5, 1911.

MASSACHUSETTS ELECTRIC COMPANIES.

A dividend of Two Dollars ($2) per share has been declared payable on January 1, 1912, to Preferred Shareholders of record at the close of business December 2nd, 1911.

J. H. GOODSPEED, Treasurer.
Boston, November 22nd, 1911.

COPPER RANGE CONSOLIDATED COMPANY

At a meeting of the Board of Directors of the COPPER RANGE CONSOLIDATED COMPANY held this day, a dividend of 50c. per share, being Dividend No. 32, was declared, payable on Monday, January 1st, 1912, to Stockholders of record at the close of business on Saturday, December 9th, 1911.

FREDERIC STANWOOD, Treasurer.
Boston, December 4th, 1911.

Digitized by Google

United States Investor

Published Every Saturday Morning by

FRANK P. BENNETT & CO., Inc.

SUBSCRIPTION RATES

$5.00 per annum in United States and Mexico; $6.50 per annum in Canada.

$7.00 per annum in England, the Continent, Australia and Countries in the Postal Union.

$10.00 per annum for Investor and Inactive Securities Supplement, including privilege of inserting quotations in the Supplement.

ADVERTISING RATES

Twenty-five cents per agate line. There are fourteen agate lines to the inch.

PUBLICATION OFFICE.

260 Atlantic Avenue, Boston.

NEW YORK OFFICE.

2 Rector Street, New York.

JOSEPH L. BARKER, Manager.

Washington Office, 306 Corcoran Building; Philadelphia Office, 306 Chestnut Street.

Entered at the Post Office at Boston, Mass., as second class matter.

A glance back over the events in banking circles during the past year recalls as one of the less conspicuous occurrences the practical disappearance of "night and day" banking. One by one, the institutions which obtained a bit of brief notoriety by announcing their purpose to have their doors open continuously from Monday morning until midnight on Saturday have yielded their grudging assent to the doctrine that the day provides ample time for banking activity.

Actual experience has satisfied one bank in up-town New York that business warrants its remaining open each evening only until 8 o'clock. This institution was the pioneer in the "night and day" movement. When it retired from the all-night field, the truth was pretty well established that no bank would find all-night banking worth while. If a bank cannot succeed in New York in obtaining sufficient business in the outlandish hours to pay expenses, no bank can succeed. New York is the only city in this country where any considerable number of people are compelled by business exigencies or taste to reverse the natural order of things, and turn night into day. That this institution has been able to find sufficient business to warrant its operation even until 8 o'clock at night is due entirely to the nocturnal tastes of its city, and probably does not indicate that in any other city banking until that hour would find justification in profitable business.

It is to be hoped that in its anxiety to curry favor with a substantial section of our voting population by bringing about the abrogation of the treaty with Russia, Congress will not let up any in such rational efforts as it may be making to discover how to clarify the Sherman Law. Either by amendment or by supplementary legislation, similar perhaps to that suggested in the address of Professor Wyman, on which we commented last week, that statute must be given a larger degree of intelligibility for the average man. It is not sufficient, as the more radical of the advocates of anti-trust legislation would argue, to punish a few men higher up and prove that the statute really has teeth before we commence its clarification. The lengthy and somewhat labored recent message of the President on the Sherman Law and prosecutions under it neither allays the apprehensions of investors nor makes clear to officers of trusts just what the limits are to their possible activities.

If the process of obtaining judicial interpretation of the limits of the law, so that one may know what is criminal and what is lawful in trust procedure, were not so slow one might fairly prefer that Congress should leave the whole matter to be threshed out by the courts. Their solution of prevailing uncertainties could hardly fail to be more rational than any solution which Congressmen always solicitous of re-election will devise. Unfortunately, more expeditious headway toward the solution must be had, and Congress must intervene. Matters cannot remain in their present muddled condition. The solution must, moreover, be intelligible to lay minds, as well as to those schooled in the law. Clearly, a situation like the present one which leaves the question of a business man's criminality to a guess of the judge and jury as to his mental attitude when he assisted in forming the trust, is not to be endured a moment longer than is necessary. There can be no question that in numerous instances it is purely a matter of guess work whether the promoters of a trust really sought the elimination of wasteful expenses, or had wicked designs to fleece consumers and ruin competitors. To such guessing, however, the Supreme Court decisions to date do leave matters, and to leave that state of affairs uncured is a discredit to our national character.

MR. VANDERLIP AS PESSIMIST.

It is perilous business to essay the part of sooth-sayer. Sometimes you are discredited promptly by immediate events. At other times your fame is secure for a brief period, because the events which are to gainsay your teachings do not occur at once. In the end, however, so far from omniscient is man, the discrediting process always comes. Frank A. Vanderlip has just learned this to his own edification.

In harmony with the present policy of the business forces which he represents, who used to have a perfect horror for publicity but now have learned to value it highly, Mr. Vanderlip occasionally takes the press into friendly confidence and lets the public into some knowledge of what his people think of events current. The other day the oracle spoke once more, and gave forth a most lugubrious estimate of the present business situation. The law has failed to keep pace with business development in this country, and is proving a brake upon enterprise. Capital is deaf to all enticements to assist in business expansion. Every line of business having to do with anything except supplying the day-by-day consumptive needs of the country is prostrated. So Mr. Vanderlip opines, and the loftiness of his position in the financial world gives him caste as an oracle and entitles his interview to a fair-minded discussion.

The readiness of his brother bankers to dispute Mr. Vanderlip's conclusions is at once significant and cheering. From all parts of the country bank presidents have spoken in more or less vigorous denial that conditions are really anywhere near so unpromising as the president of the National City Bank declares. In the daily experience of many business men comes plenty of evidence that these more cheerful bankers are in the right. Not only are existing plants obtaining a better line of business, day by day but there is not that prostration of new construction and of general expansion which this widely quoted interview alleges. Therefore, the outlook, which to Mr. Vanderlip looks black indeed, is brighter by far than he would have us imagine.

In at least one line of business, any hopes he may have had to rank as a forecaster are absolutely destroyed. The textile industry had begun before he gave out his interview to take on a rather generous state of activity, and since then its operations have been utterly at variance with a fulfillment of his pessimistic prophecy. Among the cotton mills, recent orders are reported to have been substantial, and the bigger worsted mills seem to be running now at normal capacity once more. There is something worthy of note in this development for every textile manufacturer or merchant has lived of late in anticipation of just such a message from the President, and just such a report from the Tariff Board as Congress has received during the past week.

The bane of the textile industry is

tariff agitation. Nothing does more to upset textile arrangements than just such a prospect of congressional backing and filling on changes of the wool schedule as now confronts it. With this baneful situation so close at hand, the industry persists in improving and one cannot escape the conclusion that fundamental conditions in this country are at present far more propitious than Mr. Vanderlip thinks when the textile factors in the situation are so promising. Can it be that Mr. Vanderlip, whose vision used to be so nation-wide when he was a resident of Chicago, is becoming near-sighted in New York, as other accessions to the banking fraternity of that city from distant points have been accused of becoming as a result of their steady attention to New York business details?

AN ESTIMATE OF BRANDEIS.

Is Mr. Brandeis merely a clever advertiser of the legal firm of which he is the head, or is he one of the most extraordinarily public-spirited citizens whom this country ever has produced? He must be one or the other.

The pertinacity with which he has thrust his aggressive personality into numerous public disputes in recent years cannot be explained away as mere dabbling in politics or as only a search on his part for a bit of mental diversion. It must spring from a deliberate purpose which is an essential part of his mental makeup. He would hardly spare so much time from his regular practice otherwise.

Now it is an investigation of the United States Steel Corporation which is drawing his fire. He has moved from the world of railroad rate disputes into the world of industrial corporation imbroglios. He has said some things about the steel trust that the people have wanted said and has phrased them in the sort of language which the people are to-day in a mood to delight to hear. It can hardly be alleged that he has shed any new light on the subject, or that he has helped Congress toward a conclusion of that huge undertaking which is staggering every public-spirited citizen to-day, the task of curbing the aggressions of the trusts, while at the same time preserving the immensely valuable features of concentration in business management. It is even suggested that that conclusion might be discovered somewhat more readily, if the route to it were not constantly being obscured by the heated language of those who will not refrain from seizing such splendid opportunities as these congressional hearings afford for self advertising.

As for Mr. Brandeis, however, he has once more proven indisputably that his title of "the people's lawyer" is not wholly unearned. He possesses in ample degree, at least, one requisite of the role. He never misses his cue. He always arrives on the stage just at the moment when the popular eye is especially alert, and the popular ear open to everything that is being said on the topic in question. "The people" constitute a pretty refractory client, and if their lawyer succeeds only in saying what his client wishes in the way that client wishes it said, what boots it, whether he has aided the jury or not in their search for the best disposition of the case?

As we have said, such persistent public activity as that of Mr. Brandeis can be explained only as abnormal public spirit, or as the cleverest advertising of the age. One prefers to choose the former alternative. What makes it hard for one to do so is the fact that underneath all Mr. Brandeis attacks on predatory wealth one is pained to discover occasional instances of a faculty of rare discrimination. There are public abuses nearer home which might fairly serve as targets for his lance if his eye were as keen for slightly less conspicuous occasions for activity as it is for those portions of the stage where the spotlight is beating most freely. His myopia would be a little less perplexing if one did not know that among his own clients are to be numbered some of the beneficiaries of these abuses. One of those schedules of the tariff, for instance, which stands most sadly in need of drastic reform was the handiwork of one of Mr. Brandeis' patrons.

Equally painful to recollect is Mr. Brandeis' part in what was to be a movement to obtain protection and publicity under Mr. Brandeis' tutelage for the New England policy holders of the Equitable Life Assurance Society some five or six years ago. Auspiciously begun, it flattened out completely as soon as one of Mr. Brandeis' clients was comfortably ensconced in a seat on the board of directors of the Equitable. That the director in question had never been a militant soldier of righteousness before that and has not been since is no insignificant factor in that incident.

Must it be our conclusion then, that the feet of another popular idol are composed of clay after all? Or, shall we solace ourself with the conclusion that Mr. Brandeis' activities shed so much lustre upon New England as the place of his residence that we, his neighbors, should be content with the glory we thus enjoy vicariously and not be so unreasonable as to expect tangible benefits for ourselves as Equitable policy holders or otherwise?

THE ALDRICH PLAN'S OUTLOOK.

Evidence continues to multiply that the campaign for the enactment of the Aldrich plan for currency reform into law is going to be aggressive, and on the whole, rather sagacious. From several quarters come reports of determined activities. A big fund is being accumulated to which business men and bankers alike are being asked to subscribe. The aid of successful men of affairs is being successfully invoked in many of our larger cities. Additional impetus has been given the movement this week by the frank advocacy of the plan in his annual report by the Secretary of the Treasury, Mr. MacVeagh. Whether these various influences are going to become sufficiently potent, politically, to have the necessary effect upon Congress, is not yet easy of forecast. One thing at least is certain, and that is that business men are being aroused to the need of better banking laws, and to the need of agreement by the people upon some one proposal for legislation, as they never have been aroused before. In itself, that condition constitutes no mean achievement.

An agreeable disappointment has come to many of us in the willingness that antagonists of the plan are showing to overlook the conditions under which the plan was worked out. Assailants of the national reserve association idea could hardly have been blamed if they had made much of the faulty composition of the National Monetary Commission. For its present composition, there is absolutely no sufficient defence. For its composition even at the outset, much could fairly be said that would not be of laudatory nature. The final decision to have none but members of Congress as members prevented the selection of any real experts on the commission with a single exception. The argument that, thus composed, its prospects were much improved of preparing some legislation which would have a fair chance of becoming law, was never particularly convincing. Congress would be quite as likely to upset an unpopular report from a commission composed largely of its own members, as though the report had come from a commission of outsiders. What was essential was that the commission should have the confidence of the public, and the public would have had much more faith in the National Monetary Commission had it numbered a few experts in its composition. As composed

to-day, the commission is quite without even this earlier defence. Among its present members are several who not only are not members of Congress, but were no better than ex-members when they were selected.

Th indisposition among critics of the Aldrich plan to twit the friends of the commission's offspring about the parentage of the creature may be indicative of better prospects for the plan than the open hostility of Mr. Bryan and some other eminent Democrats would seem to presage. Perhaps, the plan is going to be given a fair discussion after all, and perhaps debate will be confined to a sober discussion of the plan's own merits and demerits. One hardly dares hope for anything quite so good from the first Congress to which the Aldrich plan comes. The usual experience of legislation in this country is that even the best movement for reform must run the gauntlet of several Congresses. Both Congress and the advocates of the reform usually have something to learn. There must be give and take by both sides. It takes two or three sessions of Congress to educate both sides to a proper sense of proportion, so that they may realize what are the essential things which must be kept in the plan and what are the non-essentials which may fairly be eliminated or modified. The process is generally prolonged unduly by debate on extraneous issues. It is almost too much to hope that discussion of just that class of issues will not have to be endured this time. The ray of hope that we are mercifully to be spared that ordeal is this willingness among critics of the plan to forego the splendid opportunity they unquestionably have of accusing the plan of unworthy paternity.

MONATON REALTY AND INVESTING CORPORATION.

Its Purchases of High-Class Real Estate in the Boroughs of Manhattan and Brooklyn.

By steadily adding to its holdings of inside, income-producing properties, The Monaton Realty and Investing Corporation, of New York City, is growing in strength and importance. Within a period of less than eleven months the company has purchased thirty-one additional properties in the boroughs of Manhattan and Brooklyn until at the present time its assets represent substantial ownership in over forty high-class business and apartment houses, which we are assured are yielding excellent returns on the purchase price, and at the same time, are surrounded by conditions which give good promise of increase in valuation.

The Monaton's purchases in the Borough of Brooklyn have, during the past year, been principally what is known as the Eastern Parkway Section, along the line of the new Flatbush Avenue subway extension, a district which has had a more solid and substantial growth during the past five years than any other part of the Borough, and one where values must continue to appreciate for some time to come. The Eastern Parkway Section is the highest part of Brooklyn, a choice residential neighborhood, rapidly building up with the very best type of modern residences and brick and stone apartments. All of these properties are entirely new and well rented.

There is no doubt, in the minds of real estate experts, who study the growth of Brooklyn as a whole, that this section of the borough is in direct line with the greatest early advance in land values and it seems to us that the Monaton Company has exercised good judgment in buying properties in this district.

SAFEGUARDING INVESTORS.

The company however, safeguards its security holders by distributing the buying of improved properties. During the past few months it has acquired holdings adjacent to the route of the new Fourth Avenue subway (now nearing completion) in the Bay Ridge and Fort Hamilton sections of Brooklyn, districts which in the past have been retarded by lack of proper transportation facilities, but which, with the opening of the subway in a few months, can hardly fail of experiencing a distinct advance in values. Nearly every one of the apartments owned by the company in the zone of this development are well rented, both for business and residencial purposes. Every building is bran new, and the company's entire holdings are adjacent to that splendid residential development which has made that part of Brooklyn famous for its fine homes.

In the Borough of Manhattan the Monaton continues to add to its holdings of carefully selected income properties purchased at what is believed to be advantageous prices. In fact, all of the company's holdings on Manhattan Island are returning satisfactory profits on the investment and are all so located as to warrant the belief that they will continue, with each succeeding year, to grow more valuable. That is the history of real estate in Manhattan Island, which, during the past year, was the only local investment property which did not depreciate in value, in fact, it is estimated that it increased $347,263,640, while 20 standard railroad and industrial stocks have shrunk since January 1, 1910, $875,000,000.

It is such facts and figures as these that set the investor thinking, and which leads him to look with more favor than ever before upon real estate investments in New York City. During succeeding years, there is every reason to believe we shall see more money invested in carefully selected realty in New York than ever. It will not be invested in speculative acreage in outlying districts, because too many have already learned of its dangers and have suffered and are still suffering, but in well-selected,

IMPROVED PROPERTIES,

along lines of rapid transit, the future value of which is assured. As it requires a large amount of capital to acquire properties in New York City the investor can share in the assured safety and profits of such an investment only by becoming a security-holder in a corporation with large and valuable holdings of its own.

The Monaton Realty and Investing Corporation conducts a general line of real estate business, such as renting, leasing, buying and selling, and manages property for others. Its ownership of property in different sections of the great city enables it to be in close touch with values in all quarters.

J. S. M. PHILLIPS RESIGNS.

Mr. J. S. M. Phillips has resigned as cashier of the National Bank of Western Pennsylvania, his retirement taking effect on December 16. It will be pleasant, however, to his friends to learn that he will continue in the banking business at Pittsburgh, although at present his plans have not been made known except to a few friends.

As cashier of the National Bank of Western Pennsylvania, Mr. Phillips has traveled widely, and has added materially to the deposits from other banks at that institution. His friends wish him success in his new work.

FINANCIAL INQUIRY.

American Pneumatic Service Co.

21381. (Jonesboro, Me.) Kindly give me what information you can on the American Pneumatic Service Company first preferred stock.

Ans.: This is a 7 per cent cumulative stock, selling at par, $50, and is well regarded. Its investment qualities can readily be appreciated, from the fact that after paying all charges, including bond interest, the company earned about four times the dividend requirements on the first preferred stock for the six months ending October 31. In other words, after paying out $50,000 for the first preferred dividend, there remained a surplus of $150,000 for the six months. The stock is callable at 55, at any time inside of two years, and at 60 at any time between two and three years. The only lien ahead of this class of stock is $865,000 American Pneumatic Service Company 5 per cent bonds and $325,000 Lamson Store Service Company 5 per cent bonds, but these are being retired gradually. In fact, about $90,000 American Pneumatic 5s and about $53,000 Lamson 5s have been retired since October 31.

CHICAGO, ILL.—The Halsted Street State Bank has been organized with $200,000 capital. E. L. Roberts, Siets J. DeVries and Henry F. Eidmann are interested

PLAINFIELD, CONN.—The First National Bank of Plainfield has been organized by H. Lawton, W. Kingsley, J. C. Noyes, S. T. Butterworth and F. S. Jerome. The institution is capitalized at $50,000.

NEW YORK CITY.—The Harriman National Bank proposes to increase its capital stock to $500,000.

KENOSHA, WIS.—The First National Bank has increased its capital stock from $100,000 to $150,000.

SEATTLE, WASH.—The Japanese Commercial Bank is authorized to increase its capital from $25,000 to $50,000.

Digitized by Google

ALLIS-CHALMERS.

(Continued from page 2249.)

prophecies continued that when the new works at Allis were completed, the profits would be equivalent to 8 per cent on the $16,250,000 preferred or 10 per cent on the $20,000,000 common, with a material addition to the surplus. Further, that the Allis, Fraser & Chalmers and the Gates Iron Works plan had been operated night and day during the preceding several years, and had from lack of capacity declined in that several year period as much business as they had been able to accept. The first blasted hope, then, came to the underwriters of the $8,400,000 preferred, and a large block of the common who had paid 102 for the preferred and 26 for the common, because the highest quotation ever attained by the preferred was 87½ in 1903, and the common 27½ in 1906.

As a matter of fact, the underwriters, when they took this stock, did not correctly gauge the position of the investing public, because this combination came at a time when investors had their fill of stocks of this kind, and were not disposed to pay par, or anything like it, for such an industrial, and added to this, was the fact that the original owners of the constituent plants coming into the market with their preferred stock, getting rid of it at a price far below par,

PREVENTED THE DISTRIBUTION

of the underwriters' stock, and as a matter of fact, the preferred was never well distributed.

The earnings of the company have been as follows:

Year.	Net.	On pref.	On com.
1902	$1,212,259	*7.76%	1.52%
1903	1,653,576	*10.33%	2.58%
1904	952,624	**5.95%	....
1905 (14 mos.)	68,961	.43%	....
1906	def. 388,422	....	....
1907	def. 387,208	....	....
1908	615,000	2.81%	....
1909	135,000	.84%	....
1910	495,000	3.09%	....

* Paid 7%. ** Paid 5¾%.

The above showing was made, against the hope of the original management that 7 per cent on both common and preferred would be earned the first year, 8 per cent on preferred and 10 per cent on the common the second year, and at least as well thereafter.

The fiscal year has been changed to end December 31, so the figures for the last 18 months are not available.

During its first five years, more than $4,000,000 was charged off for depreciation and maintenance. There have continued to be fairly large amounts charged off for depreciation, including over $280,000 in 1906; $250,000 in 1907; more than $330,000 in 1908; $285,000 in 1909; and $381,000 in 1910. There was charged off for maintenance and repairs in 1906, $754,000; 1907, $854,000; 1908, $778,000; 1909, $668,000, and 1910, $987,000.

The first report of the Allis-Chalmers Company set down as the value of its tangible property about $20,000,000. This is increased up to the last report, in which it is set down at over $38,000,000, and that points out, I believe, the main cause of Allis-Chalmers trouble, that is, an investment in fixed capital far ahead of the company's needs, making for a productive capacity away ahead of its working capital, or ahead of its ability to sell up the product of its great plant. The

BIG SUCCESS

of the original companies, constituting the Allis-Chalmers Company, had been made in the manufacture of steam engines, mining machinery, rock and ore breakers, cement saw-mill, and flour branched out into other lines, and so three years, it did look as if Allis-Chalmers & Company would work out all right, but the company dropped its watermelon when the management branched out into other lines and so largely increased the fixed assets in the way of new mills and new machinery for the manufacture of products, with which it was not familiar, and in which it was practically unknown. It did not know how to sell, and had to meet the competition of the Westinghouse Electric & Manufacturing Company, and the General Electric Company.

It was in the latter part of 1903 that Allis-Chalmers announced its intention of entering into the manufacture of heavy electric machinery, being forced by a combination of circumstances to compete with the General Electric and Westinghouse Companies, whether it desired such competition or not, but simply through the instinct of self-preservation. Allis-Chalmers originally were large manufacturers of large reciprocating engines. And at that time, every great big electrical development not dependent upon water power generally meant a big order upon Allis-Chalmers for reciprocating engines, and in all of the electric power stations for street railways and heavy manufacturing purposes, whether the General Electric Company or the Westinghouse got the electrical installation, Allis-Chalmers were pretty sure to get the order for the reciprocating engine necessary for driving the electrical equipment. That is, in big power developments, where engines up to 5,000 or 8,000 horse power were necessary, Allis-Chalmers got the trade.

Along in 1903, or thereabouts, the Westinghouse people widened their products to include the creation of large steam units, and began to get business along those lines

AWAY FROM ALLIS-CHALMERS,

and at about that time also came the development of the steam turbine, the Westinghouse Electric & Manufacturing Company, with its horizontal Parsons turbine, offered a steam prime motor, which for economy of operation and space, proved at once in many ways superior to the reciprocating engine, enough so, in fact, that the installation of Allis-Chalmers' prime motors was largely cut off. At the same time, the General Electric Company brought out the vertical or Curtiss turbine, and the reciprocating engine became passe.

As a matter of fact, the turbine business grew so rapidly and became of such large proportions that the General Electric Company and the Westinghouse people were rushed to full capacity to meet the demand for these prime motors. At the time the Westinghouse went into the manufacture of large units in reciprocating engines the General Electric Company itself was not equipped to furnish the prime motors for its electrical machinery, and that time represented practically the only instance when the General Electric Company would have made any working agreement with the Allis-Chalmers Company. (So much for the prospect of the General Electric Company securing Allis-Chalmers now.) So it was in a large measure the development of the steam turbine by the Westinghouse and the General Electric Companies that forced the Allis-Chalmers people into the electrical business. That is, the two larger companies all at once became able to furnish complete power plants from the steam engine to the electrical machinery. They were not at all at the bid of the Allis-Chalmers concern, because they could fit out plants complete without the Milwaukee Company, so to enjoy at all the profits of equipping electric power plants, Allis-Chalmers had to be in a position to quote from the steam engine to the electric machinery and that drove Allis-Chalmers into the electrical field.

Allis-Chalmers did develop a horizontal steam turbine which has been installed in many large stations and manufacturing plants throughout the country, and it is as efficient and satisfactory as turbines built by its larger competitors, but when Allis-Chalmers was forced

INTO ELECTRIC MANUFACTURING,

it got into a field amply covered by the General Electric and the Westinghouse. It has nothing like the experience of either of those companies in production of electrical apparatus. It has no man in its engineering department with the reputation of George Westinghouse or of Steinmetz of the General Electric Company, or of Edison, whose patents have built up the General Electric Company. It had worked out no selling plan nor had it a selling organization for that business, and worst of all, it was hampered for working capital. It is too bad for the security owners of Allis-Chalmers that it was driven into this business, because from that time date the troubles of the concern.

Upon its first entry into the electrical field, Allis-Chalmers tried to work with the Crocker-Wheeler Company, of New Jersey, but it was soon discovered that an independent electrical organization in New Jersey could not work to best advantage with the builder of the prime motor in Milwaukee, so along in 1904 Allis-Chalmers entered into an arrangement with the Bullock Electrical Manufacturing Company, of Cincinnati, the business of the latter being taken over and both carried on as a single interest by the Allis-Chalmers Company. Upon entering the electrical business in a large way it was believed that the Allis-Chalmers Company would have to raise $12,000,000 or $15,000,000 new capital for financing that business, but reports to that effect were denied by the Allis-Chalmers officials, and at about that time the dividends on preferred stock were discontinued, probably with the intent of conserving resources and enlarging working capital for build-

Digitized by Google

ing up the electrical trade; but whatever the

HOPE OF THE MANAGEMENT

of that time in the payment of such dividends in the future and the building up of a big cash capital may have been, the decline of the company begun then has continued.

It was in 1905 that the net earnings of the company showed below $70,000, but it was also in that year that official announcement was made of plans involving expenditures of more than $10,000,000, of which $3,000,000 was to be expended during that year and 1906. The plan was to increase the size of the plant and to make it the largest machinery works in the world, increasing the operating power from 5,000 to 20,000 employes, making it equivalent in size to the Westinghouse Company, at Pittsburgh, or the General Electric Works at Schenectady. These plans have been pretty much carried through up to date. With this large increasing of productive capacity began the loss of hope from the stockholders' standpoint, so far as immediate profits to them were concerned, because at this time began the policy of putting back into the plant every bit of the small net profits. In 1906 Allis-Chalmers Company issued the $12,000,000 of 5 per cent bonds at 80. These were to pay for recent improvements and extensions of the property, largely those as West Allis for the development of the steam turbine and the electrical equipment business of the company, and also to provide sufficient working capital. The cost of that new property amounted to over $10,000,000, and during the first five years of operation more than $4,000,000 had been charged off to the

EXPENSE ACCOUNT

for depreciation, maintenance and repairs.

It was stated just prior to the issue of these bonds that the proceeds would bring the net working capital after providing for all current liabilities up to something more than $10,000,000. When the bonds were sold, something less than $1,000,000 was taken by the stockholders at 80, and the balance of about $11,000,000 was sold to a syndicate to yield 75 to the company, so that the proceeds of this issue netted the company something more than $9,000,000. It will be remembered that the original prospectus of the company pointed out that they would have a cash capital of $7,500,000, and now after five years of operation and the sale of $12,000,000 of bonds, the net quick assets amounted to about $10,000,000. There was a strong minority interest against the bond issue, and the meeting which authorized this bond issue largely voted it. Also at that time there was a strong inquiry as to where the original $10,000,000 of working capital had gone.

A review of the financial history of the Allis-Chalmers Company points out that from the first the management has been ridiculously optimistic in so far as increasing capacity has been concerned, but conditions which Allis-Chalmers have had to meet in the electrical field are best pointed out by the following:

The general manager of about the largest hydro-electric development in the United States told the writer that if he wanted to buy the General Electric Company product he had to pay the listed price, the Westinghouse Company would shade the list prices a little, but the Allis-Chalmers would almost

GIVE AWAY ITS PRODUCT

to secure a good installation. Allis Chalmers has made many large electrical installations in the past few years in all branches of manufacturing and in power stations, but if its selling policy has been along the lines suggested by this power company's general manager, the present condition of Allis-Chalmers is largely explained. So much for the selling policy.

When the company was originally incorporated, its productive capacity on the lines which it was then making, and that did not include electrical machinery in any large way, was nowhere near large enough to take care of its business, and we have the word of the management that at that time it was turning away as much business as it was accepting. To-day, it is a fact and acknowledged by the management, that the plant is altogether too large, and it has never been run at 100 per cent, nor has it averaged better than 50 per cent. It can be taken into consideration that the General Electric Company and the Westinghouse Electric & Manufacturing Company are amply able, except in excessive boom years, to take care of the electrical business of the United States, and working along that line, the conclusion is that whatever business the Allis-Chalmers Company secures in trades where it is in competition with the General Electric and the Westinghouse, is that on which it can make a better offer of price or product than can the two larger companies. That being the case, even in the future, the chance for large profits from its big investment in electrical manufactures is small. In other words, Allis-Chalmers has built for the dim and distant future, perhaps, for the year 2012 rather than for 1912. So much for the management

POLICY OF EXPANSION

and optimism.

In its original manufacturing lines of mining and other machinery, Allis-Chalmers is by by far the largest company in the world, but even here it has competition to-day which was not anticipated in 1901, and that business is nowhere near large enough at any time to keep the present plants of Allis-Chalmers busy, even were they all equipped for that kind of work, which they are not. Nor is there enough of it to more than allow for sufficient profit to meet the present fixed charges of the company let alone paying dividends on preferred stock. From the last balance sheet of the company, as of June 30, 1910, Allis-Chalmers shows a working capital of $8,500,000. This is against a working capital on the part of the Westinghouse Electric & Manufacturing Company of about $38,000,000, more than $6,000,000 of which is in cash and compares weakly with the working capital on the part of the General Electric Company of about $70,000,000, of which about $15,000,000 is in cash.

General Electric particularly and largely and Westinghouse to a large extent have a steady call for their products from subsidiaries and from companies in the financing of which they are interested. In electrical devices, the names of these two concerns means something around the world, but not so with Allis-Chalmers. The great electrical engineering corporation and contractor who do the actual work of developing by hydro-electrical and steam power plants are admittedly either users of General Electric products or a Westinghouse product. Allis-Chalmers has no such advantage. So much for the ability of the Allis-Chalmers Company to compete with its two big competitors.

The

PRESENT MARKET VALUE

of Allis-Chalmers securities total $7,580,000, that is, the bonds are to-day quoted at 51, giving a market value on the less than $12,000,000 outstanding of $6,000,000. The $16,000,000 of preferred is quoted at 8, giving a market value of $1,280,000, and the less than $20,000,000 of common quoted at 1½ gives a market value of $300,000. The total capitalization of the company is about $48,000,000, or in other words, the present market value is about one-sixth of its capitalization.

I would not say that the company is six times over-capitalized, but in view of its past record and its present condition would say that it is capitalized four times over.

The protective committees mentioned above are friendly ones, that is, they are friendly to the management, but the result of their combined efforts will represent the best possible plan for the future of the Allis-Chalmers Company. This cannot help but mean a scaling down of the face value of the securities, not so much in the case of bonds, but to a great extent so far as the preferred stock is concerned. The equity in the present common stock is a problem, but the present quotations probably represent its full value. Without doubt, both the preferred and the common will be assessed. If I owned the bonds, I would drift along with them, but if I owned either the preferred or the common, I would accept the first cash offer and get out; then, if I wanted to take my share in the future of Allis-Chalmers, I would buy in the securities again ex-receiver.

P. De Medici.

ROLAND L. TAYLOR RESIGNS.

Mr. Roland L. Taylor, president of the Philadelphia Trust, Safe Deposit and Insurance Company, has resigned. The resignation is said to be due to criticism of the large amount of underwriting undertaken by him personally in the banking syndicate which underwrote the new securities of the Baldwin Locomotive Works. Mr. Taylor has satisfied the board of directors that his guarantors were amply able to protect his undertaking, but owing to the feeling which has been aroused by criticism, he has chosen to resign.

For the present, the affairs of the institution are in the hands of John Story Jenks and Samuel Y. Heebner, the two vice-presidents.

Digitized by Google

Financial Summary of the Week

American Agricultural Chemical Co.—The American Agricultural Chemical Company has declared an initial quarterly dividend of 1 per cent on its common stock. The board also has declared a quarterly dividend of 1¾ per cent on its preferred stock. The common and preferred dividends are both payable January 15, to stock of record, December 30. The directors at their meeting on September 19, last, decided to pay dividends on the preferred stock quarterly instead of semi-annually, which accounts for the present quarterly declaration on that issue.

American Beet Sugar Co.—Interests concerned in American Beet Sugar affairs state that the directors at a recent meeting set aside the full amount required for the next three quarterly dividends on the common stock, and fixed the dates of payments as February 15, May 15 and August 15.

American Locomotive Co.—Although earnings have dropped below preferred dividend requirements at times during the last six months, an official of the company says that the aggregate profits for the entire calendar year will show a balance applicable to the common stock, although, of course, not as large as last year.

American Seeding Machine Co.—The American Seeding Machine reports for the year ended October 31, 1911: Net income from operations, $1,028,476; charges, taxes, etc., $190,380; balances, $838,096; depreciation and reserve, $199,280; surplus, $638,816; dividends, $327,226; surplus, $311,590; previous surplus, $1,309,536; profit and loss surplus, $1,621,126.

American Steel Foundries Co.—Operations of the American Steel Foundries Company continue to be favorably affected by the more liberal buying of equipment and hardware by the railroads and as a result plants are now running in the neighborhood of 50 per cent of capacity as against 40 per cent four or five weeks ago. If the improvement continues, a meterial gain ought soon to be shown in earnings.

Atlantic Coast Line R. R. Co.—When the Atlantic Coast Line increased its dividend to 7 per cent, and the stock went up above 135, it was thought that most of the remaining $10,346,120 4 per cent debentures outstanding, which are convertible into stock at that figure, would be turned in for stock. That has not been the case, however, and but few have been turned in for conversion so far. This seems to indicate that the holders of the convertibles, not wishing to take their small profit at this time, would rather hold the convertibles than the more unstable stock and wait until the margin of profit is larger.

Baldwin Locomotive Works.—An initial dividend has been declared on the common stock of the Baldwin Locomotive Works. The directors also ordered the regular semi-annual dividend of 3½ per cent. It is not stated whether the common dividend is quarterly or half yearly. There is $20,000,000 of common stock. The new Baldwin Locomotive Works were chartered on June 7, last, as a holding company for the old Baldwin Locomotive Works and its subsidiary company, the Standard Steel Works. The combined profits of the old company for the year ended December 31, 1910, were $2,706,280. A majority of the common stock and $5,900,000 of the preferred are held by officers and managers of the company.

British-American Tobacco Co.—British-American Tobacco, one of the American Tobacco Company subsidiaries which has just been put on the curb market, is capitalized at £2,160,000 in preferred and £4,000,000 common stock. The shares are £1 par, or $5. There are no bonds. The company paid in the last fiscal year a dividend of 30 per cent and earned 42 per cent. In the last ten months its business has been 25 per cent greater than for the previous year, so that it is now earning at the rate of about 53 per cent. It is the one company that the courts refused to disturb, giving as a reason that it was engaged chiefly in the export business in foreign trade, where Americans should be encouraged to compete. It owns all or the majority of the stock of sixteen tobacco companies operating in Canada, Denmark, Ceylon, Belgium, Sweden, Germany, China, India, South Africa, Egypt and Jamaica, besides having factories at Louisville, Ky., and Petersburg, Va.

Central of Georgia Ry. Co.—Two committees representing the Central of Georgia Railway's three classes of income bonds have agreed to sell to the Illinois Central Railroad, which controls the Georgia line, all of the bonds which committeemen own personally and all of those which the committees represent, between $4,000,000 and $5,000,000. The purchaser has agreed to pay 95, 96½ and 90 respectively for the three classes of bonds, the interest unpaid and part of the expenses of the committees. All certificate holders will be required to pay one per cent toward the expenses and bondholders who have not deposited their bonds with the committees and who wish to avail themselves of the offer will in addition be required to pay 2 per cent, 2 per cent and 3 per cent respectively on the first, second and third income bonds.

Central Leather Co.—Central Leather Company will close fiscal year with close of current month. Business for 1911 has been unsatisfactory, and the annual report will show a deficit approximating that of last year, namely, $300,000. At the present time, about 75 per cent of the company's plants are in operation. Business for the first three-quarters of current year was extremely poor, but for the last quarter has shown considerable improvement. If this improvement continues the company will put additional plants in operation.

Chicago, Milwaukee & St. Paul Ry. Co.—It is assured from detailed statements of current operations that the management of the St. Paul does not intend to build up net profits at the expense of the physical condition of the property, even though dividend disbursements at the rate of 7 per cent may be jeopardized. Maintenance expenditures thus far in the current fiscal year have been the heaviest in St. Paul's history. In the four months to the end of October, business showed a loss of $1,708,000, but expenditures for upkeep showed an actual increase of $458,000.

Copper Market.—Electrolytic copper is quoted at 14 cents. London's sharp advance yesterday of 15 shillings on the first cable was borne out later by the fortnightly statistics, showing a decrease in the visible abroad of 2,113 tons and stocks of 1,263 tons. This decrease came as a surprise in view of the heavy exports for December to date. Sellers with foreign connections report a ready demand for the metal abroad, and there is a good domestic inquiry. In view of the recent advance in copper, sellers hesitate to predict what will be the next movement, but the feeling in the trade is more optimistic than for several years past.

Corn Products Refining Co.—Earnings of the Corn Products Refining Company for the present fiscal year, which ends February 28, will be about the same as last year. The volume of busines at present is smaller than last year, and profits are about the same. Officials say that this year as a whole, will probably report less total business than the previous year. The present 6 per cent dividend on the $30,000,000 preferred stock is being earned, but there is no expectation of an early increase in the rate.

Diamond Match Co.—This issue has been strong and active in anticipation of an increase in the dividend next year. Beginning with the dividend payable next March, the rate will either be increased to 7 per cent or an extra payment of one per cent declared. Earnings for the year have been running at the rate of about 13 per cent ahead of 1910, when 11.5 per cent was earned on the $16,000,000 capital stock.

Du Pont (E. I.) de Nemours Powder Co.—Indications are that the 1911 fiscal year of the E. I. du Pont de Nemours Powder Company, which closes with this month, will prove even better from an earnings standpoint than 1910, which achieved a record with $4,768,835, or 16.21 per cent earned on the common stock. Operations for the first nine months of the closing season show earnings at an annual rate of 17.41 per cent.

Empire Steel & Iron Co.—The directors of the Empire Steel & Iron Company at their meeting, took no action on the semi-annual dividend on the 6 per cent cumulative preferred stock. The last semi-annual dividend was one per cent, and was paid on July 1. At that time the accumulated dividends on the $2,500,000 preferred stock amounted to 22½ per cent.

Federal Mining & Smelting Co.—American Smelters Securities own 32,000 shares of common stock of the Federal Mining & Smelting Company, or a majority of the $6,000,000 common outstanding. The price paid averaged between $120 and $125, the total cost being in the neighborhood of $3,850,000, and standing Securities Company a loss to-day, at the present market price of around $13 a share for Federal common, of approximately $3,425,000. Last year, the Securities Company wrote off $2,750,000 from the profit and loss surplus for "depreciation in value of investment stocks," thereby bringing the "book" value of its Federal common to about $34 a share.

Great Northern Ore Properties.—Rumors are current that the Great Northern Ore properties trustees have decided against any further dividend payments pending readjustment to meet the changed situation brought about by the announcement by the United States Steel Corporation of its purpose to terminate its lease of the ore lands on January 1, 1916.

Interborough Rapid Transit Co.—The Interborough Rapid Transit Company has received permission from the Public Service Commission to issue $12,755,000 of forty-year 5 per cent gold bonds, maturing November 1, 1952, and redeemable at any time at 105 and accrued interest. The proceeds will be used chiefly for refunding purposes, only about $3,000,000 being for improvements and betterments. At the present rate, earnings of the Interborough Rapid Transit Company, for the year ended June 30, next, will be equal to about 16 per cent on $35,000,000 stock. Gross earnings are now approximately $2,500,000 monthly. For the four months ended October 31, last, total income amounted to $9,500,000, and surplus applicable to dividends totaled $1,004,622.

Inspiration Consolidated Copper Co.—The Inspiration Consolidated Copper Company has filed a certificate of incorporation in Maine, with a capital of $30,000,000, divided into 1,500,000 shares of a par value of $20 each. The company will take over the Live Oak and the Inspiration properties on terms to be announced later. The Miami company will not be included in the consolidation. It is expected that about 1,000,000 shares of the new company will be issued for consolidation purposes and to provide new capital for equipment, leaving about 500,000 shares in the treasury.

International & Great Northern Ry.—Frank J. Gould, chairman of the board of the International & Great Northern, says that the interest due February 1, on the $11,000,000 notes of the company is already on deposit in New York. In addition, the company has deposited $100,000 on account of interest due next May on its first mortgage bonds, and expects to have the full amount approximately $339,000, on deposit in New York before January 1.

International Harvester Co.—For its fiscal year to end the last of this month, it is expected that gross sales of the International Harvester Company will very closely approximate the $101,000,000 recorded for the 1910 year. There has been a falling off of 10 per cent in sales of goods in this country, some sections of the farming West buying but 40 per cent to 70 per cent as much as last year. But the foreign business has been splendid and officials claim that the big sales abroad have more than counterbalanced the shrinkage in domestic business for the first three quarters of 1911. Operating costs have been reduced this year by reason of the favorable raw material market, and it would not be at all surprising if net profits for the full 12 months came close to the record figures of 1910, or $16,000,000.

International Nickel Co.—At a meeting of the directors of the International Nickel Company, a dividend of 5 per cent was declared on the common stock, payable March 1, to stock of record February 13. This dividend is an increase of one per cent over the previous disbursement. The usual quarterly dividend of 1¾ per cent was declared on the preferred stock, payable February 1, to stock of record, January 30.

International Paper Co.—Earnings are running at the rate of about 8 per cent per annum on the preferred stock.

International Steam Pump Co.—The report for the 18 months ended September 30, show net profits from combined operations of associated companies, of $2,-

676,449; interest on Steam Pump bond and on bonds of associated companies and discount of bonds, $890,176; dividends on Steam Pump and associated companies' preferred stocks, $1,289,700; total interest and dividends, $2,169,876; balance added to surplus of undivided profits of associated companies, $508,572.

Iowa Central Ry. Co.—In the fiscal year ended June 30, last, the Iowa Central Railway Company's gross operating revenue were $3,511,537, a new high record amount and $150,255 in excess of the gross for the preceding year. Operating expenses were $2,671,189, an increase of $77,846, and taxes $116,909, an increase of $18,385, the net operating revenue being $723,439. Adding operating income of $28,703, the total net receipts were $752,142. Deductions from income totalled $768,170, a deficit for the year of $16,028 remaining, which compares with the $26,663 deficit for the year ended June 30, 1910. The profit and loss surplus after subtracting this deficit of $16,028 was $2,203,268, and the balance to the credit of profit and loss as of June 30, 1911, after writing off $211,639 accrued interest on bonds owned, was $1,991,629.

La Rose Consolidated Mines Co., Ltd.—At the conclusion of operations on December 7, La Rose had cash on hand, ore at mines and in transit amounting to $1,516,042. With regard to an increase in the present dividend rate of 8 per cent per annum, out of the surplus in treasury, President D. Lorne McGibbon stated that a statement would be issued in a few days to stockholders outlining the policy of the management with regard to the disposal of the cash surplus. He would not state whether this would be in the form of an interim dividend or whether the present rate would be regularly increased.

Louisville & Nashville R. R. Co.—The increase of the Atlantic Coast Line's dividend to a seven per cent annual basis, has led traders to expect a higher rate on Louisville & Nashville. The company could easily increase its payments to shareholders to ten per cent, and the advance would hardly be felt, because it is in a very strong financial condition and has large earnings. In the year ended June 30, 1909, it earned 12.88 per cent; in 1910, 17.36 per cent, and in the last fiscal year, 14.26 per cent.

Metropolitan Street Ry. of New York.—Holders of the Metropolitan Street Railway collateral trust 5 per cent bonds will receive an unspecified amount shortly from the trustees of the mortgage in the shape of pro rata distribution of funds accumulated from dividends on the stocks held in the collateral trust. The Guaranty Trust Company is trustee for these general mortgage and collatral trust bonds, due 1997, of which there are $12,500,000 outstanding, and in announcing the coming distribution, the company stated yesterday that the fund "has reached substantial proportions."

Minneapolis & St. Louis R. R. Co.—The annual report of the Minneapolis & St. Louis Railroad Company for the fiscal year ended June 30, last, shows gross operating revenue of $5,094,016, the largest for any year in the history of the company, in spite of the partial crop failure in the northwest in the fall of 1910, and $148,625 more than in the preceding fiscal year. Operating expenses were $3,523,200, an increase of $104,620, and taxes were $229,560, the net operating revenue being $1,341,255. Income from investments was $37,774, and operating income $65,646, the total income being $1,444,676. Deducting interest on the funded debt, amounting to $1,368,792, the surplus was $75,884, no dividends being paid. In 1910, when dividends of $100,000 were paid on the preferred stock, there was a deficit of $22,063.

National Biscuit Co.—Earnings this year will undoubtedly be the largest in the company's history, for not only has the demand for their goods been larger than ever before, but also the reduced cost of various materials has added to net profits. It is estimated that gross earnings for the year will approximate $[illegible], net earnings $5,000,000 and that the surplus applicable to common stock will come to at least $3,361,685, equal to 11.41 per cent on the $29,236,000 of this stock outstanding. This estimated percentage compares with 9.86 per cent earned in the fiscal year to January 31, 1911; 7.67 per cent in 1910; 7.38 per cent in 1909; 8.08 per cent in 1908, and 7.58 per cent in 1907.

National Carbon Co.—A large stockholder of the National Carbon Company reports larger earnings for that concern which, he says, will put at rest all recent rumors to the effect that dividends at the rate of 6 per cent on the common stock may be reduced. The Carbon company experienced a severe falling off in its earnings until September, but since that time there has been steady improvement, especially during the last six weeks when the returns have about reached normal again.

Nevada-Utah Mines & Smelters Corp.—Notice has been given to stockholders of the Nevada-Utah Mines & Smelters Corporation that plans for the organization of a new company have been completed. Shares in the stock of the new company will be issued to stockholders of the present company who subscribe to the first mortgage, collateral, convertible bonds to be issued by the new company to provide funds for development and improvement of the property, and for the payment of the indebtedness of the old company. Arrangements are being made for the underwriting of part of the bond issue.

Nipissing Mines Co.—The Nipissing directors are discussing a reduction of the dividend from a 30 per cent to a 20 per cent rate, and undoubtedly will make this reduction in April. At a meeting, several days ago, when the January dividend was declared, a strong party wanted to make the cut immediately, but it was postponed in order to let the public have some warning. The stockholders will be told that the money withheld in dividends will be put into a special reserve fund to be used for purchasing new properties.

Osceola Consolidated Mining Co.—With an indicated production in 1911 of 18,000,000 pounds of copper, Osceola should show earnings of $5.50 per share against $7.88 in 1910.

Parrot Copper & Silver Mining Co.—Directors of the Parrot Copper & Silver Mining Company have voted to distribute to shareholders pro rata the 90,000 shares of Anaconda, which the stockholders voted to accept in payment of their property in the sale to the Anaconda Copper Company.

Sealshipt Oyster System.—The Sealshipt Oyster System has issued its first report to stockholders covering the fiscal period of seventeen months ended September 30, 1911. The income account follows: Net earnings from operation, $530,640; miscellaneous income, $22,675; total income $552,315; interest charges, $153,744; net income, $399,570; preferred dividends, $161,168; surplus, $238,402; previous surplus $53,301; total surplus, $290,703; bond discount and advertising, $213,671; profit and loss surplus September 30, 1911, $77,032.

Toledo, St. Louis & Western R. R. Co.—This company has passed the quarterl dividend at one per cent on its preferred stock. Dividends at the rate of 4 per cent a year have been paid on this issue since April, 1907. The amount of preferred outstanding is $10,000,000.

United Cigar Stores Co.—Gross business of the United Cigar Stores Company in New York City for the first fourteen days of December, showed a gain of 21 per cent over the same period in 1910. For the entire section east of Chicago, with the exception of New York City, a gain of 17 per cent was noted for the same period, while the Chicago district, or the middle west, represented an advance of 15 per cent. For a seven-day period, including the first week of December (the two weeks' figures are not in yet), the six Pacific coast states showed an advance of 22 per cent. Gross business of the company is now running at the rate of $30,000,000 annually as compared with less than $25,000,000 in 1910.

United Verde Copper Co.—The United Verde Copper Company, of which former Senator William A. Clark is president, has decided to pass the usual monthly dividend of $1, due January 1. This action, it is announced, is taken because of a curtailment of production as a result of a sinking of the grounds at the works and also on account of the proposed change of the location of the smelter.

Vandalia R. R. Co.—The Vandalia Railroad Company has declared a dividend of three-quarter per cent, payable December 28, to stock of record, December 23. The directors omitted the usual quarterly dividend of one per cent due, November 25, last. The company has issued the following statement: "When the matter of the dividend usually paid in the month of November, was considered by the directors of the Vandalia Railroad Company in the early part of November, the business outlook was such that it was doubtful whether the earnings would justify the payment of any further dividend this year; but since that time, the net earnings of the company have improved so that the directors felt justified in declaring an additional dividend of three-quarters per cent, payable December 28, to stockholders of record, December 23, making the total dividends paid this year 4 per cent.

Virginia-Carolina Chemical Co.—One of the directors of the Virginia-Carolina Chemical Company stated that the proceeds of the $2,000,000 preferred stock sold to the company's shareholders had been added to working capital, which had been depleted by new construction expenditures, and by the deficit for 1910-11. No consideration was given at the meeting to the question of issuing the remaining $3,000,000 treasury bonds of the original authorized issue of $15,000,000, as the company has sufficient working capital now for ordinary needs, although it is a large borrower at certain times of the year.

Western Electric Co.—This company declared the regular quarterly dividend of $2 a share, and an extra dividend of $2 a share, payable December 30, to holders of record, December 23.

Western Union Telegraph Co.—The following statement exhibits the estimated condition of the company at the close of the quarter ending December 31, 1911, surplus, September 30, $11,271,221; net revenues for the quarter ending December 31, based on completed returns for October, partial returns for November and estimated business for December, $2,900,000; bond interest, $434,250; estimated net earnings, $2,026,000; dividend (three-quarters of one per cent), $747,910; surplus, $12,549,311. For the 6 months to December 31, the results are as follows: net profits, $4,799,136; interest, $868,765 dividends, $1,496,816; surplus, $2,434,955 total surplus, $12,549,310. On the basis of these figures, the company earned approximately 3.94 per cent on its capital stock in the 6 months of the current fiscal year, or at the rate of 7.88 per cent per annum.

FOR

Oil and Gas Land Leases

WRITE

C. W. DEMING

Tulsa, Okla.

FOR HIGH GRADE OIL STOCKS

EQUITY BOND & SECURITY CO.

37 WALL STREET, NEW YORK CITY

EMNAHA COLD MINING COMPANY

Incorporated under the laws of the State of Idaho. Capitalization, $500,000, divided into 500,000 shares. Par value $1 00 per share. Of which 200,000 shares have been placed in the Treasury, for the development of the property.

This Company owns and controls nine claims on Battle Creek, Imnaha, Willows Co., Ore., on which there are three well defined parallel veins, carrying very rich gold quartz. A limited amount of the shares of the stock have been sold.

For full particulars, address

JOHN SENNETT, Treasurer

79 Milk Street, Room 602 Boston, Mass.

Copper Still Climbing

Touches 14 Cents For the First Time Since 1907—New Life to High Cost Producers—Significant Report of Copper Producers' Association For November—Fifteen-Cent Metal No Longer Only a Remote Possibility—Consuming Demand Holds Up—Are the Monthly Reports Reliable?—What One Investigator Learned.

Copper at 14 cents! This is a condition of affairs which has developed within the last few days for the first time in four years, and it is no wonder, therefore, that producers and holders of copper shares are looking forward to the coming year with a feeling of optimistic confidence, such as has been only too noticeably absent from the reviews of metal market conditions at the close of each year since the 1907 panic. A feeling of hope and a belief in better operating conditions have been in evidence, it is true, but these conditions have been based upon prospects, rather than upon conditions, except in a few instances where producing costs had been cut to a level which made an advance in metal prices a matter to be desired, rather than one of actual existence.

The maintenance of a 12-cent market for any extended period would have entailed the serious embarrassment, if not the absolute failure, of more than one producer, which maintained operations throughout the days of depressed prices, not because the latter permitted any profit to be shown on those operations, but beause it is always

AN EXPENSIVE PROCEEDING

to permit a mine to be idle. Many of the mine owners gave up the struggle soon after the smash in prices came four years ago, and closed their mines until the inevitable recovery should come. Others refused to admit themselves beaten, and set about to bring down costs to a proportionate extent, with a degree of success which was particularly marked in the operations of the Anaconda and of the Greene-Cananea, the latter's 50 per cent cut in costs being practically identical with the drop in red metal quotations from the topmost point of the boom. Still others have gone along wasting their resources and decreasing the value of their properties by maintaining production at a cost which necessitated a constant struggle to make both ends meet, dividends being practically out of the question in the meantime. This latter policy in particular attracted the critical and often contemptuous attention of foreign authorities, who saw nothing in it but a form of

SLOW SUICIDE

for the companies involved, failing the arrival of relief in the form of improved market conditions.

There may be some little difference of opinion as to the causes which have brought that relief, or even as to its permanence, but there is no mistaking its arrival upon the scene. Most of the recent business reported has been put through at from 12 to 12¾ cents, but some small lots for needed delivery have brought 14 cents, an advance of 1¾ cents per pound in the last ten weeks, thereby making good John D. Ryan's prediction, made last summer of 14-cent metal by January 1. The "wise" ones in the trade pretended to have no faith in the fulfillment of this prophecy, which they greeted with a smile of incredulity, but now the smile has changed ownership for reasons which are obvious.

15-CENT COPPER BY SPRING.

When the metal was selling below 12¼ cents, there were many trade authorities who were not at all backward in expressing the opinion that 13 cents could, with perfect safety, be set as the top level of the market for months to come, increased production being the argument most generally favored as a preventative of higher prices. The unbroken advance in actual selling transactions through 13¼ cents, and more recently the actual scraping of the 14-cent mark, seems to me to have driven these prophets to cover, for they are less willing to attempt to "call the turn" at 15 cents, than they were at a figure two cents lower. Leading copper interests are talking, with apparent confidence, of 15-cent copper by spring, and that their opinion is based upon something more substantial than guesswork is indicated by the fact that 80 per cent of the February production has been sold with

LARGE SALES MADE

for March delivery as well. In fact, the upward movement is based upon a decidedly strong statistical position, and a buying movement which is steadily expanding, instead of contracting, as it would have done, if the bears had had their way. The Copper Producers' Association recently submitted another striking statement for the month of November, showing a decrease of over 23,000,000 pounds in surplus stocks in the hands of producers. This statement is as follows:

	Pounds.
Stock of marketable copper of all kinds on hand at all points in the United States, November 1, 1911	124,597,642
Production of marketable copper in the United States from all domestic and foreign sources during November, 1911	111,676,601

(Continued on page 2261.)

Digitized by Google

The Best Purchases on the Industrial List

As Indicated by the Two Standards of Comparison: of Present Investment Yield on Basis of Current Dividends and Prevailing Market Price, and on Basis of Present Earnings on Prevailing Market Values

The average net yield of the 50 industrial stocks quoted in the following table was 6.38 per cent on December 19, as compared with 6.38 per cent on December 12, 6.30 per cent on January 3, and 5.76 per cent on January 2, 1910.

As a parting reminder that the year 1911 has been by no means one of overwhelming depression and of burdensome poverty in corporation affairs, another addition has been made to the growing list of dividend paying industrial common stocks. American Agricultural Chemical common, as was intimated in these columns a fortnight ago, has at last been placed upon a 4 per cent annual basis, and at the present market valuation, gives a return of a trifle less than 6½ per cent. Although it had been generally anticipated that a dividend would be declared upon this issue if not this month, at some nearby period, the action of the stock following the dividend announcement has been just about what might have been expected of it, had the step taken Wall street by surprise. In the case of other industrial issues, which have been given their first taste of dividend prosperity within the last few months notably American Beet Sugar common, and United States Rubber common, market manipulation has preceded the declaration of a dividend, but American Agricultural Chemical common awaited the actual official announcement before showing its sharp advance to above 63. As it is, this issue is quoted 15 points above United States Rubber common, which recently began dividends at the same rate, and about 6 points above American Beet Sugar common, which pays 5 per cent, as against American Agricultural Chemical common's 4 per cent. The official statement in conection with the declaration of this initial dividend is that in view of conditions, the executive and finance committees have felt justified in recommending to the directors of the company the payment of a common stock dividend at the rate of 1 per cent quarterly, believing that this rate can be maintained, barring unfortunate circumstances. In reference to the financial condition of the company, it is pointed out that $5,248,769 has been expended on plants and charged to profit and loss, since organization, and that the company has in the last three years charged off for depreciation and losses, and the sale and dismantling of properties, as well as for depreciation of investments, the sum of $2,669,871; also $880,964 has been charged off for discount and bond expenses. Aggregate expenditures in cash for three new companies acquired in the South, and three new plants constructed there, totalled $1,840,644, and added about 200,000 tons to the company's production. Investment in the Charlotte Harbor and Northern Railway in Florida amounts to $2,628,844, and the road has in sight an annual tonnage of more than 500,000 of phosphate rock, in addition to revenue, from other sources. By January 1, next, bills payable will be reduced to approximately $500,000. Appraisals are being made of real estate, and plants, and the totals, according to the official statement, will exceed considerably the company book values.

Stocks	Present dividend	Price	Yield on present price.	Present rank.	Stocks	Price	Earnings on present price	Year ended	
Am. Malt Corp., pref....	4%	42	9.52	1	Inter. Mere. Marine, pref.	17	55.10	Dec. 31, 1910	
Am. Beet Sugar, com....	5%	56	8.93	2	Bethlehem Steel, pref.	58	23.15	Dec. 31, 1910	
U. S. Rubber, com.....	4%	47	8.51	3	Am. Beet Sugar, com.....	56	19.60	Mar. 31, 1911	
Republic I. & S., pref....	7%	84	8.33	4	Am. Locomotive, com.....	37	19.60	Jne. 30, 1911	
U. S. Rubber, 2d pref....	6%	76	7.89	5	Ry. Steel Spring, com.....	31	19.35	Dec. 31, 1910	
Am. Woolen, pref.....	7%	89	7.87	6	Westinghouse, com.	68	19.20	Mar. 31, 1911	
Union Bag & Paper, pref.	4%	51	7.84	7	Pressed Steel Car, com....	33	16.65	Dec. 31, 1910	
Central Leather, pref....	7%	91	7.70	8	Am. Woolen, com.	27	15.00	Dec. 31, 1910	
United Dry Goods, com..	8%	105	7.62	9	Am. Ag. Chem., com.....	62	14.60	Jne. 30, 1911	
U. S. Ind. Alcohol, pref..	7%	94	7.45	10	Sears, Roebuck, com....	141	14.50	Dec. 31, 1910	
Nat. Enam. & Stpg., pref.	7%	95	7.37	11	Inter. Harvester, com....	107	13.90	Dec. 31, 1910	
U. S. Steel, com.....	5%	68	7.35	12	Am. Malt Corp., pref...	42	13.45	Aug. 31, 1911	
U. S. Realty & Imp.....	5%	69	7.25	13	Am. Ice Sec. Co.....	19	13.30	Oct. 31, 1910	
Inter. Steam Pump, pref.	6%	83	7.20	14	Am. Car & Fdy., com.....	54	13.00	Apr. 30, 1911	
Ry. Steel Spring, pref...	7%	99	7.07	15	Nat. Enam. & Stpg., com.	14	12.95	Jne. 30, 1911	
Pressed Steel Car, pref..	7%	100	7.00	16	U. S. Ind. Alcohol, pref.	94	11.80	Dec. 31, 1910	
Am. Locomotive, pref...	7%	103	6.80	17	Colo. Fuel & Iron, com...	28	11.50	Jne. 30, 1911	
Am. Smelt. & Rfg., pref..	7%	103	6.80	18	Inter. Paper, pref.....	46	11.30	Jne. 30, 1911	
Peoples Gas	7%	104	6.73	19	General Electric	155	10.95	Dec. 31, 1910	
Va.-Carolina Chem., pref.	8%	119	6.72	20	Union Bag & Paper, pref.	71	10.85	Jan. 31, 1911	
Laclede Gas	7%	105	6.66	21	U. S. Realty & Imp.	69	10.20	Oct. 31, 1911	(6 mos.)
Corn Products Rfg., pref.	5%	75	6.66	22	Western Union	80	9.85	Dec. 31, 1911	(6 mos.)
National Lead, pref.....	7%	107	6.54	23	Republic I. & S., com....	26	9.50	Jne. 30, 1911	
Am. Cotton Oil, pref.....	6%	92	6.52	24	United Fruit	184	9.50	Sep. 30, 1911	
National Biscuit, com....	9%	138	6.52	25	Distillers Sec. Corp.	31	9.50	Jne. 30, 1911	
Distillers Sec. Corp. ...	2%	31	6.45	26	Corn Products Rfg., pref.	75	9.40	Feb. 28, 1911	
Am. Ag. Chem., com....	4%	62	6.45	27	U. S. Steel, com.	68	9.15	Sep. 30, 1911	(9 mos.)
Pacific Coast, com.....	6%	95	6.31	28	Am. Linseed, pref.....	30	8.85	Jly. 31, 1911	
U. S. Steel, pref.....	7%	113	6.19	29	Am. Smelt. & Rfg., com..	73	8.70	Apr. 30, 1911	
Missouri Commercial, com.	5%	82	6.10	30	Peoples Gas	104	8.65	Dec. 31, 1910	
Westinghouse, 1st pref.	7%	115	6.09	31	United Dry Goods, com..	105	8.50	Jly. 15, 1911	(6 mos.)
Am. Sugar, com.....	7%	115	6.09	32	National Lead, com.....	74	8.00	Dec. 31, 1910	
Am. Sugar, pref	7%	115	6.09	33	N. Y. Air Brake.....	50	8.00	Dec. 31, 1910	
Am. Beet Sugar, pref..	6%	100	6.00	34	U. S. Cast Iron Pipe, pref.	71	7.60	May 31, 1911	
Am. Car & Fdy., pref.	7%	117	5.98	35	Am. Can, pref.....	90	7.60	Dec. 31, 1910	
General Electric	8%	155	5.80	36	National Biscuit, com....	138	7.50	Jan. 31, 1911	
Inter. Harvester, pref.	7%	121	5.79	37	Am. Tel. & Tel.....	130	7.05	Sep. 30, 1911	(9 mos.)
Am. Tel. & Tel.....	9%	160	5.62	38	Missouri Commercial, com.	82	6.70	Jan. 31, 1911	
National Lead, com.....	6%	54	5.55	39	Am. Sugar, com.....	115	6.25	Dec. 31, 1910	
Va.-Carolina Chem., com.	3%	74	5.40	40	Amalgamated Copper	63	6.05	Apr. 30, 1911	
Am. Can, pref.....	5%	90	5.55	41	Westinghouse, com.	68	5.95	Dec. 31, 1910	
Am. Smelt. & Rfg., com.	4%	73	5.47	42	Peoples Gas	104	5.85	Sep. 30, 1911	(9 mos.)
Sears, Roebuck, com....	7%	141	4.96	43	Va.-Carolina Chem., com.	74	5.80	May 31, 1911	
Inter. Harvester, com...	4%	107	4.67	44	Consolidated Gas	130	5.25	Dec. 31, 1910	
Inter. Paper, pref.....	2%	46	4.35	45	Colorado Fuel & Iron, com.	24	4.95	Dec. 31, 1910	
Consolidated Gas	6%	130	4.61	46	Standard Oil, com.	675	4.80	Nov. 30, 1910	
United Dry Goods, pref.	6%	99	4.54	47	U. S. Rubber, com.	47	4.70	Mar. 31, 1911	
Western Union	6%	80	4.37	48	Am. Hide & Leather, pref	21	3.95	Jne. 30, 1911	
Am. Car & Fdy. com....	4%	54	4.44	49	Am. Hide & Leather, pref	63	3.80	Aug. 31, 1911	
Amalgamated Copper ...	4%	63	3.08	50	Inter. Steam Pump, com.	33	2.25	Jne. 30, 1911	(3 mos.)

Digitized by Google

COPPER STILL CLIMBING.

(Continued from page 2259.)

Deliveries of marketable copper during November, 1911—
Domestic consumption.....88,020,776
Export 67,049,279
—135,069,055

Stock of marketable copper of all kinds on hand at all points in the United States, December 1, 1911.... 111,785,188

The comparative statement, covering these figures contrasted with those of a month before, and a year before, is as follows:

COMPARATIVE STATEMENT.

		November, 1911.	October, 1911.	November, 1910.
Stocks,	Nov. 1...	134,997,642	140,894,826	139,261,914
Output	.....	111,876,601	118,255,442	119,327,463
Total	supply....	246,874,243	259,150,268	258,615,377
Home	deliveries.	68,039,776	64,068,307	60,801,972
Export	deliver's.	67,049,279	60,084,349	67,424,316
Total	deliver's.	135,089,055	124,152,656	128,226,308
Stock	Dec. 1...	111,785,188	134,997,642	130,389,069

Following is the Producers' Association statement of production of marketable copper in tons of 2,240 pounds:

	1911.	1910.
January	51,650	52,081
February	49,030	50,318
March	58,272	53,601
April	52,717	52,445
May	56,679	55,019
June	55,676	56,794
July	50,075	52,844
August	56,024	57,075
September	51,602	53,387
October	52,792	56,760
November	49,945	52,283

EXPORTS IN TONS, 1911.

	Custom House.	Producers.
January	20,357	23,754
February	19,492	20,138
March	23,600	26,375
April	27,466	27,726
May	27,676	27,689
June	30,489	31,492
July	26,629	33,428
August	29,018	31,186
September	26,170	22,689
October	22,555	26,523
November	26,431	29,932
Total	298,997	301,632

COPPER IMPORTS.
(In tons of 2,240 pounds.)

	1911.	1910.
January	10,600	13,800
February	13,400	9,000
March	13,500	12,300
April	13,600	15,000
May	11,600	14,000
June	12,000	12,000
July	11,600	10,700
August	14,300	11,600
September	15,000	13,300
October	12,000	13,000
* November	11,000	13,500
Total for 11 months...	138,000	138,000

* Estimated.

DECREASED PRODUCTION

is a feature of this report, which is deserving of more than passing attention, but it is the substantial increase in deliveries, both domestic and export, which has attracted the greatest amount of attention. The probabilities are that there will be another big reduction in stocks shown in the report for December, which will be issued early next month, probably as large a shrinkage as that shown in the above figures. This expectation is based on the assumption that the buying movement which, according to the testimony of the sellers and of the Copper Producers' Association figures, developed last month, will be maintained thoughout December. So far, the demand, trade authorities tell me, has been substantially better than it was a month ago, so the assumption is entirely reasonable. The chief demand is still from foreign consumers, but domestic buyers are waking up, sheet and brass manufacturers being more deeply interested in the metal at 13¾ cents than they have been at the lower levels. Sellers' predictions of higher prices were scoffed at as being implements of manipulation. Now that their

METAL REQUIREMENTS

force them into the market they need not be surprised to find their previous offers disregarded.

The tendency to attempt to throw discredit upon the Producers' Association monthly reports still shows itself from time to time, fostered, it may be, more or less directly, by the attitude of some of the producers themselves who believe that had it not been for these reports, they would have enjoyed a stronger, if not a more active market, than that which has prevailed for the greater part of the time during the last four years. Between those who have opposed the reports, because they interfered with manipulation, and those who have criticized them with even greater vigor on the ground that the figures were "doctored" to assist market-rigging, the publicity policy, as far as copper stock conditions are concerned, has had a stormy time.

A MYSTERY SOLVED.

One instance has come to my attention where a suspicious critic of the copper market, after gumshoeing, metaphorically speaking, through the monthly reports in search of something which needed explanation, came on a mystery which baffled his acutest detective instincts. The Copper Producers' Association figures for November showed exports of 29,932 tons, or 67,049,279 pounds, while the Custom House returns, as shown above, were 26,431 tons, or 59,205,440 pounds for the same month. Here was a discrepancy of 8,000,000 pounds to be explained, and he hastened with his evidence to a friend well posted on the metal situation to ask "whose figures are lying, the association's, or the government's?" He assumed, as most critics are disposed to do, that the custom house returns could be depended upon, and that, therefore, the others could not. His friend evinced a strange disinclination to excite himself over the discovery, for, he said, he had been called upon to solve the same mystery before. He called attention to the fact that, with a provincialism which, if shown by others, would have drawn forth ironical comment from the critic, the latter had overlooked the fact that he was taking into consideration only

THE NEW YORK EXPORTS,

forgetting that there are other cities on the American seaboard from which shipments are frequently made. The return movement of refined copper to Canada and Mexico were also overlooked. At least, one critic of the Copper Producers' Association has modified his opinions within the past week or two.

Present appearances indicate that the copper market, the copper producing companies, and the owners of copper stocks are well into a more prosperous condition than any which has developed in more than four years.

P. DE MEDICI.

SAVINGS BANK INSURANCE.

Dividends to Policy Holders Show Good Increase For 1911.

With 5,500 policy holders and more than $2,000,000 of insurance in force, savings bank life insurance is proving the soundness and efficiency of its methods by declaring increasing dividends to its policy holders. Dividends have just been declared by the insurance departments of the Whitman Savings Bank, Whitman, and the People's Savings Bank, Brockton. The dividends on the monthly premium policies at the end of the first year amount to 8 1-3 per cent, and in the fourth year reach 16 2-3 per cent. This is the equivalent of two full monthly premiums.

The dividends on the annual premium policies have been

LARGELY INCREASED

over those declared a year ago, and now average from 9 to 11 per cent of the yearly premium on the straight life policies, from 8 to 9 per cent on the 20 payment life policies and from 6½ to 8½ per cent on the 20-year endowment policies.

These dividends have been declared by the banks only after a careful and conservative safeguarding of the business of the insurance departments. The full legal reserve, as required by law, has been set aside on all policies, and besides, a surplus is maintained in each bank amounting to over 20 per cent of the legal reserve.

The growing interest in this movement on the part of the savings banks is shown by the fact that three savings banks now have insurance departments and that thirteen other savings banks have become public agencies for savings bank life insurance.

Before All Else

there is found in every Union Mutual Policy the first and strongest Purpose of Life Insurance.

Protection

Clear, Faithful Reasonable Contracts. Ask for Particulars.

Union Mutual Life Insurance Co.
Portland, Maine

Fred E. Richards, President.

JANUARY 1, 1911
Insurance in force more than $140,000,000
ASSETS - $36,327,079.03
LIABILITIES 33,371,841.25
SURPLUS - $ 2,955,237.78
1910 MOST PROSPEROUS IN HISTORY OF THE COMPANY

North American Accident Insurance Co.
CHICAGO

Net Surplus & Capital..$ 609,061.67
Income 1910..... 1,151,826.28
Will aid good men in Establishing Agencies.
Best Policies — Largest Commissions or Profit Sharing Contract.
A. E. Forrest Vice-Pres. & Sec'y. Chicago.

Digitized by Google

U. S. FINISHING COMPANY.

Henry B. Thompson, late treasurer of the Joseph Bancroft & Sons Company, Wilmington, Del., has just been elected a director and vice-president of the United States Finishing Company, and will assume his duties February 1, 1912.

Mr. Thompson is one of the best-known figures in the finishing trade; his connection of approximately 20 years with Bancroft & Sons being sufficient testimony in itself of the place he has made for himself in the industry. It is the concensus of opinion among the trade that the United States Finishing Company has made a very wise move in bringing about the association of Mr. Thompson with the company.

Criticism of large corporations is frequently that responsibility is placed in too few hands, and the expression "one man organization" is often applied. With the executive guidance of the United States Finishing Company divided between Joseph H. Wright, president; F. S. Jerome, treasurer, and Mr. Thompson, the interests of the company are amply conserved in this respect.

GREENSBORO N. C.—The American Exchange Bank, capitalized at $400,000 has been converted into the American Exchange National Bank of Greensboro. R. G. Vaughn is president; J. W. Scott, vice-president; F. C. Boyles, cashier, and F. H. Nicholson, assistant cashier.

United States Smelting, Refining & Mining Co.

The Directors of the United States Smelting, Refining & Mining Company have declared a quarterly dividend of 1¾ per cent (87½ cents per share) on the **Preferred Capital Stock**, and a quarterly dividend of 1 per cent (50 cents per share) on the **Common Capital Stock**, payable January 15, 1912, to stockholders of record at the close of business, December 30, 1911.

F. W. BATCHELDER, Treasurer.

WESTINGHOUSE Electric & Manufacturing Company.

New York, December 20, 1911.

A quarterly dividend of 1¾% will be paid January 15, 1912, on the PREFERRED stock of this company, to stockholders of record at the close of business on December 30, 1911.

T. W. SIMON, Treasurer.

REPUBLIC RAILWAY & LIGHT CO.

PREFERRED STOCK DIVIDEND NO. 2.

New York, December 19 1911.

The Board of Directors have this day declared the second quarterly dividend of One and One-Half (1½%) Per Cent on the Preferred Stock of the Republic Railway & Light Company, payable January 15th, to stockholders of record at the close of business, December 30, 1911. Checks will be mailed.

GEORGE A. GALLIVER, Treasurer.

MASSACHUSETTS LIGHTING COMPANIES. Dividend No. 33.

The Trustees of the Massachusetts Lighting Companies have decreared a dividend of one and three-quarters per cent. payable January 15, 1912, to Shareholders of record December 26, 1911. The transfer books will not close.

ADDIS M. WHITNEY, Treasurer.
Boston, December 21, 1911.

THE AEOLIAN, WEBER PIANO AND PIANOLA COMPANY.

At a Meeting of the Board of Directors held this day, the regular quarterly dividend of ONE AND THREE-QUARTERS per cent (1¾%) was declared upon the Preferred Stock of the Company, payable the 30th inst. to stockholders of record December 20th

WILLIAM E. WHEELOCK, Treasurer
December 13th, 1911.

BOSTON STOCKS AND BONDS

For the Week Ending Thursday Evening, December 21, 1911.

Names.	RANGE FOR WEEK Low	High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911 Lowest		Highest		RANGE FROM JAN., 1878, TO JAN., 1911. Lowest	Highest
Railroads.										
Boston & Albany	220½	221	220½	101	219 Sept		236 Feb	14	129 1879	220 1899
Boston Elevated	131	130½	130	78	124½ Oct	3	130½ Dec	16	63¾ 1888	130 1901
Boston & Maine.	95⅝	100⅛	95⅝	70	86½ Oct	30	125⅛ Feb	15	1st pf 13 1878	230 1887
do. pref.	145	146	145	4	142½ Nov	9	154 June	5	134¾ 1891	190 1902
Cent. Verm't 4s.	.....	.....	99	.....	62½ Sept	30	92 Mar	27	75 1904	96¼ 1899
C. B. & Q. Jt. 4s	96½	96½	96½	12,000	95½ Jan	5	96¾ June	2	83½ 1907	102 1905
Chic. June. R....	.....	.....	156	.....	156 Apr	29	165 Aug	23	50 1893	152 1904
do. 4s	.....	.....	101¾	.....	101¼ Sept	21	102 Aug	24	89¾ 1891	118 1899
Fitchburg pref..	125	127	125	27	125 Dec	20	130 Jan	9	63½ 1879	148 1905
K. C., Ft S. & M. 4s	.....	.....	117¾	.....	116 Mar	22	117¾ Nov	17	76 1895	126 1902
K. C. M. & B. new 4s	.....	.....	92	.....	91 Oct	27	93½ Jan	3	125¾ 1894	102 1895
do. inc. 4s....	.....	.....	88	.....	87¾ Oct	27	90½ Nov	4	8 1896	104 1909
N. Y., N. H. & H.	127	128¾	127½	750	123¾ Sept	14	151¾ Feb	22	127 1900	229 1899
Old Colony.....	.....	.....	188	.....	183 Mar	15	190 Nov	22	96 1879	221 1898
Rutland pref....	40	40½	40½	94,000	33 Jan	26	46 Aug	4	6¾ 1879	125¾ 1902
West End.....	87⅝	87½	87½	161	85 Oct	4	95 Feb	6	63 1894	102 1905
do. pref.....	103	103½	103¼	155	100 Sept	26	106 June	22	78 1888	113¼ 1901
Miscellaneous.										
Am. Agri. Chem.	63¾	63⅝	63½	14,911	46¼ Oct	6	63 Dec	2	9 1908	60¾ 1909
do. pref.	106¾	1-4	104	955	90 Jan	6	106¼ Mar	1	66¾ 1902	105 1910
Am Pneu. Ser..	4⅝	5¼	5	3,500	3½ Oct	7	6½ Jan	31	3 1900	29 1906
do. pref.	16	17½	17	2,100	12¾ Sept	1	19¾ Jan	31	9¾ 1908	46 1906
Am. Tel. & Tel.	139⅝	141½	139¾	5,151	131¾ Aug	30	153¾ Jan	5	88 1897	130 1902
do. 4s	90	90¼	90	10,100	83¾ Mar	22	92 May	24	71 1907	101¼ 1901
do. cons. 4s....	.....	.....	111¼	.....	104 Aug	24	111¾ June	19	80¾ 1908	107¾ 1909
Am. Woolen.....	28⅝	27¾	27¾	125	26¼ Dec	14	36¾ Mar	20	7¾ 1903	44 1906
do. pref.	87	90	87	522	85¼ Oct	27	96½ June	1	65 1903	110¾ 1906
B. & Wor. Elec.	.....	.....	12	.....	6 Feb	13	13 July	7	3 1910	39½ 1906
do. pref.	.....	.....	50	.....	38½ Jan	27	38 July	1	35 1910	90 1906
Cumber'd Tele..	156½	157⅜	156½	1,400	146 Jan	19	158 June	2	95½ 1907	152¾ 1910
Dom. Coal 6s....	.....	.....	97⅜	.....	90 Jan	4	98¾ Sept	22	90 1908	101½ 1905
E. Boston Land.	10	10⅜	10	750	7¾ Nov	21	12 May	1	3¾ 1893	13¾ 1909
Edis. Elec. Ill..	295	295	295	1	275 Sept	9	295 Dec	30	10 1893	310 1908
Gen'l Elec. Co..	164	165¾	164	478	142 Sept	22	167¾ May	29	30½ 1896	233¼ 1901
Mass. Elec.....	22	22⅞	22¾	3,412	16 Apr	24	24 June	3	6½ 1907	45¾ 1902
Mass. pref.....	94	96	96	2,294	83¾ Jan	9	96 Dec	20	37 1907	90 1902
Mass. Gas.....	89⅜	90⅛	89⅞	311	87¾ Sept	22	96¾ Aug	4	30 1903	91½ 1910
do. pref.	94½	95	94½	231	91¼ Apr	13	98¾ Nov	13	74½ 1908	97 1910
Mergenthaler	215	222	219	26	211 Jan	3	256 July	31	118¾ 1897	228 1910
N. E. Cot. Y'n.	164	166	165	31	158 Nov	20	179 Mar	14	40 1908	126 1909
do. pref.	.....	.....	101¾	.....	101 Nov	2	118¾ Mar	15	34¾ 1903	118 1909
do. 6s	99½	99½	99½	3,000	99 Nov	22	103 June	20	93 1908	106¾ 1901
N. E. Telephone.	156	161¾	157	635	127 Jan	17	165½ Dec	13	78¾ 1879	270 1906
Portland Elec....	.....	.....	77¾	.....	62¾ July	29	73¾ Nov	18	.....	.....
Pullman Car....	158	158	158	141	153 Sept	25	163 Jan	30	84¾ 1901	23¼ 1886
Reece But. H...	.....	.....	13¾	.....	12 Jan	5	16¾ May	22	7½ 1884	163 1901
Torr'g'n Co. Cl. A	30⅝	31¼	31	450	29 Nov	17	36 Jan	7	18 1905	37 1910
do. pref.	.....	.....	31	.....	27 Sept	6	31 Dec	14	30 1907	35 1909
U'ted Fruit Co..	183	185	183	757	179½ Dec	4	197 Nov	25	73 1901	200 1910
U'ted Fruit 4½s.	96	96	96	2,000	95½ Nov	8	97¼ Jan	6	86 1910	97¼ 1910
Un. Shoe Mac'y.	44½	45½	45¼	4,9	40¾ Aug	28	58¾ Feb	16	*28 1904	96½ 1906
do. pref.	27⅝	29½	28	634	26¾ Sept	22	29¾ Mar	7	22 1900	89¼ 1905
West. Tel. & T..	.....	.....	27½	.....	15 Sept	26	27½ Nov	8	4 1908	33¼ 1902
do. pref.	.....	.....	107¾	.....	99 Jan	22	107¾ Nov	9	50 1907	106¼ 1902
do. 5s	99¾	99¾	99¾	17,00	90¾ Jan	3	100½ Nov	13	74 1907	106¼ 1902
Mining.										
Adventure	5	5⅜	5⅜	555	4 Oct	9	7¼ May	15	1.62½ 1907	22 1901
Alloues	38	40½	40½	1,200	21 Aug	26	40½ Dec	21	9c 1894	74¼ 1907
Amalgamated ..	64¼	67¼	66¾	12,051	44¾ Sept	25	71½ June	26	33¾ 1903	128½ 1899
Am. Zinc....	25⅝	26¼	25⅜	750	19¾ Oct	5	30¾ June	14	6 1901	67 1899
Arizona Com....	.....	.....	20	.....	10 Nov	22	18¾ June	14	7¾ 1907	61¾ 1909
Bos. & Corbin..	7¾	8	7½	1,375	3¾ Aug	24	15½ June	6	6 1907	25 1901
Butte Bal'k'l'a...	4	4½	4¼	400	3¼ Aug	29	6¾ Jan	4	4½ 1910	18¼ 1910
Butte Coalition..	19¾	22⅝	22⅛	17,417	14 Sept	26	22⅝ Dec	21	10 1907	43 1906
Calumet & Ariz.	59	63¾	63	8,615	45 Sept	25	63¾ Dec	21	44¾ 1910	188 1907
Calum & Hecla.	416	430	428	110	360 Sept	25	545 Jan	4	134 1884	1000 1907
Centennial	13¾	14½	14	300	8 Sept	27	16 Jan	3	10c 1896	61 1899
Copper Range....	53	54¼	53¾	2,162	46¼ Sept	25	69¾ Feb	2	37 1903	105 1907
Daly-West	5⅝	6¼	6¼	100	3 Feb	15	6¼ June	21	3½ 1910	44 1902
East Butte.....	12¾	12⅝	12⅝	4,600	8¾ Aug	26	14¾ June	26	3½ 1908	18¼ 1907
Elm River.....	.....	.....	.15	.....	.10 July	24	20 Jan	6	.05 1910	7 1907
Franklin	10	13	13	4,115	5¼ Aug	24	14 June	14	4 1878	80 1899
Giroux	4¼	4⅞	4 7-16	13,600	3⅜ Sept	26	8¼ Feb	6	3¾ 1907	18¾ 1901
Granby	21	37½	32	907	26 Aug	25	43¼ June	21	20 1910	151 1907
Greene Cananea.	8	8 7-16	8 7-16	6,950	5 5-16	Feb	9	8½	Nov	28	5 1907	18 1907
Hancock, Con....	35½	29½	29½	1,110	17 Sept	25	29¾ June	19	1¾ 1907	26 1910
Helvetia	1	1⅛	1⅛	45	.75 Nov	1	2 Mar	4	1¾ 1910	32 1899
Isl'd C'k Coal**	42	44	43	3,675	29¼ May	9	44 Dec	15	30¾ 1910	230¾ 1910
do. pref** ...	85	85¼	85¾	6	82¾ Sept	25	91 June	13	84½ 1910	90¾ 1910
Isle Royale.....	30¾	32⅝	31⅝	3,742	11¾ Aug	24	32⅝ Dec	15	5¾ 1903	75 1899
Kerr Lake.....	2⅝	3	2⅝	925	2⅝ Dec	4	7⅜ Jan	21	6 1910	35 1907
Keweenay	80	.90	85	1,402	.55 Dec	6	3⅝ June	14	3½ 1900	77½ 1905
La Salle.....	5⅝	6	5⅝	500	3 Oct	31	6 Dec	18	2 1908	23¼ 1906
Lake Copper....	35	36¼	36¼	5,075	21¾ Aug	26	40 June	13	4 1907	94¼ 1910
Mass. Cons.....	7½	8¼	8¼	2,5	4¼ Aug	26	10 June	19	2¼ 1908	37¾ 1901
Miami	24¾	25¾	25½	1,475	16¾ Oct	2	27½ Dec	18	4¾ 1908	29 1910
Michigan	2¼	2¾	2¾	6	1¼ Nov	17	4¼ May	6	1 1900	24¼ 1907
Mohawk	45	52	51½	950	36 Apr	24	63 June	15	11½ 1900	*97 1907
Nev. Cons.....	14¼	15¾	15¾	2,140	13 Sept	25	21¾ June	15	6¾ 1907	30 1909
New Arcadian..	3¼	4	3¾	2,50	2 Sept	29	4¾ May	17	1 1906	t26¼ 1899
Nipissing	7 7-16	7⅝	7⅜	1,755	2½ Nov	22	11¼ Feb	17	5 1906	23¾ 1906
North Butte.....	25	29¼	29	19,700	20 Sept	25	36 June	13	15½ 1910	120 1907
North Lake.....	2	2¼	2¼	1,475	2¾ Aug	23	5¾ June	3	4½ 1909	11¾ 1908
Old Dominion....	46½	48	47½	1,05	34¼ Sept	25	49 June	19	9¾ 1904	66¾ 1908
Osceola	101½	107	107	1,574	81 Sept	22	124 Jan	4	7¾ 1889	181 1907
Parrot	12	14	14	40	7¾ Sept	22	14 Dec	20	5¾ 1907	72¼ 1899
Quincy	69	74	74	561	55 Sept	22	74 Dec	21	10 1879	190 1899
Ray Consolited..	16¾	18¾	18	6,842	12 Sept	25	18¾ Jan	7	7¾ 1908	27¼ 1909
Santa Fe.....	11	13	11¾	750	7 Apr	26	13¾ June	13	1 1903	22 1899
Shannon	9⅝	10¼	10¼	2,416	7 Oct	9	12¾ Feb	6	3½ 1904	54¾ 1907
Superior Copper.	29	31	31	1,731	20 Oct	26	34½ June	14	7 1907	69¾ 1910
Sup. & Boston..	3⅜	4 1-16	3⅝	1,110	2 Oct	27	5¼ June	15	1⅝ 1908	1⅝ 1908
Tamarack	27½	29	29	15	20 Sept	26	52 Jan	3	45¾ 1910	283 1901
Tennessee	.....	.....	34⅜	.....	34⅜ Aug	9	45¼ June	12	9¾ 1901	65¼ 1907
Trinity	4⅜	5	5	2,034	2⅝ Oct	5	5½ Dec	21	3¾ 1904	42¾ 1907
U. S. Smelting..	37⅜	37¾	37¾	2,700	30¾ Sept	25	40¾ June	14	24¾ 1907	70 1907
do. pref.	43⅝	44⅝	44¾	2,00	40¾ Oct	10	49½ Dec	20	27¾ 1907	84¼ 1909
Utah Cons	16½	17¼	17¼	1,700	9¾ Jan	20	20 June	26	12¾ 1910	*79 1907
Utah Apex.....	.....	.....	3¼	10	2 Oct	3	3½ June	15	1¾ 1907	10¾ 1908
Victoria	2¾	3	3	75	1 Aug	19	3¾ Dec	21	1 1900	12 1901
Winona	6	8	8	400	4 Oct	28	9½ Feb	6	1 1902	22 1899
Wolverine	.....	.....	77	475	75 Nov	2	122 Feb	10	75c 1888	200 1907

* Ex-dividen
** Temporary

§ † Rights off. ‡ Auction. ‖ Old securities. ● Old stock.

Digitized by Google

Waiting On Rock Island Preferred

A Subscriber Bought Preferred at 75, Now Wants His Money Back, Although He Passed Two Chances to Sell at a Profit—Money Paid to Betterments Large and Better for Stockholders Than Twice the Amount in Dividends at Expense of Property—Owners of Preferred Who Have Waited For Dividend From 1905 Can Do Nothing Better Than to Stick For Realization of the Hope.

I am in receipt of the following inquiry from a subscriber:

Bernardston, Mass., Dec. 11, 1911.

ED. UNITED STATES INVESTOR:

Will you please answer the following questions through your paper: I would like some information regarding Rock Island preferred stock. Having paid $75 per share about eight years ago and not receiving any dividends for the past five years, I wonder if it would be good judgment to buy some more of the same stock at the price it is selling for now, around $50 per share, so as to average up the shares for less than they cost in the first place. Am anxious to get my principal back in full if I can. What is the prospect for a dividend in the near future?

E. F. S.

Obviously, you bought your Rock Island preferred back in 1902 or 1903, when the company was paying 4 per cent. These 4 per cent dividends continued through 1904 and 1905, and since the latter date, no dividends have been paid. The preferred stock reached a high point in 1909 of 94¾, and again in 1910, of 92½, so you have passed two chances to get out of Rock Island at a profit, so far as principal is concerned, and had you sold in 1909 at the high quotation of 94¾, you would have taken out not only your original investment, but in addition, the 4 per cent dividends of the three years, 1903, 1904 and 1905, and the increase in quotation of about 20 points making a total of better than an annual 5 per cent dividend on your stock, or a yield for the use of your money for those six years of about 6.70 per cent. Of course, the above is all that might have been, but my advice in this particular case is to find your money where you lost it, and to stay with the Rock Island preferred, and share in the better things which are coming to it in the future. A 5 per cent dividend to which the stock is now entitled, will bring you back better than your capital, and the purchase of more Rock Island preferred at present quotations, to-day 47, will with the coming of that dividend of 5 per cent, not only give back

YOUR ORIGINAL INVESTMENT,

but by the increase in market value of preferred bought to-day at or near 50, go a large distance in giving you a fair return on your money, which has been tied up through these last six years.

I am not going to predict the date or near the date when the Rock Island preferred will receive a dividend, as Rock Island figures have shown the prospect of such a dividend several times in the past, and the market has predicted it many times, but it is a fact that the Rock Island property, the question of dividends aside, represents more real worth and tangible railroading material to-day than it did when you bought your stock, and when the company was paying 4 per cent. My advice to cling to your present holdings and to increase them by averaging, is based upon several facts, including the amount of money which has been put back into the Rock Island Railway, to its consistent increases in gross earnings, to its new connections, and to its strengthened position, due to new interested holdings. You know that the Rock Island Company owns the entire capital stock of the Chicago, Pacific and Rock Island Railroad, and that the Rock Island and Pacific Railroad bonds, together with the stock of the Rock Island Company, were exchanged for practically all of the outstanding stock of the Chicago, Pacific and Rock Island Railway Company, so that Rock Island Company's income, and possible dividend payments upon its stock depend upon the operation and earnings of the Railway company. That is, the Rock Island Company itself has no funded debt, the dividends on the stock of the Railway company paying the interest on the bonds of the Railroad company and whatever is available for dividends on the Rock Island Company's capital stock. The dividends of the Railway company are declared and paid to meet

THE FUNDED NEEDS

of Chicago, Rock Island & Pacific Railroad Company, and of the Rock Island Company. The income, therefore, of the latter is on a cash basis. So

PHILADELPHIA STOCKS

For the Week Ending Wednesday Evening, December 20, 1911.

Names.	RANGE FOR WEEK Low	RANGE FOR WEEK High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911 Lowest		RANGE FOR YEAR OF 1911 Highest		RANGE FROM JAN., 1879, TO JAN., 1911. Lowest		RANGE FROM JAN., 1879, TO JAN., 1911. Highest	
Amer. Cement..	7	7	7	30	5	Nov 27	17½	Jan 4	5½	1895	46	1909
Amer. Railways.	45½	45½	45½	18	42	Jan 16	46¼	Nov 27	21½	1900	58⅝	1902
Bell Telephone..	...	...	116½	.....	.....		.....		45	1907	134⅝	1909
Cambria Steel...	44½	44⅝	44½	1,529	40⅞	Sept 22	48⅝	Feb 18	13½	1909	49⅝	1900
do. Iron	44	44⅝	44⅝	12	43	Oct 2	46	Mar 27	43	1907	128	1882
Elec. Co. of Am.	12	12½	12⅝	1,615	11½	Oct 2	12½	Jan 14	5¾	1908	35	1899
Elec. Storage....	54	54⅝	54⅝	1,700	48½	Jan 3	56⅜	June 13	15	1894	194	1899
Gen'l Asphalt...	32	32	32	696	28½	Aug 25	39½	Oct 23	3	1907	34⅜	1910
do. pref.	...	...	72⅜	.....	68	Aug 29	83¾	Jan 30	11	1905	84¼	1910
Hunt. & B. T...	...	...	5	.....	1	Oct 31	8	June 19	7	1910	42	1899
do. pref.	14½	14½	14¼	150	14	Dec 9	27	Feb 1	7½	1890	58¾	1902
Lake Sup. Corp.	26½	28	26½	398	21¾	Sept 26	31⅝	Feb 4	2½	1908	83½	1899
Lehigh Valley...	89 3-16	92	90 15-16	2,500	78	Sept 12	92	Dec 18	17½	1897	121¼	1910
Lehigh Navig'n.	90⅝	91	90	300	*84½	Sept 12	93½	July 29	35	1898	121¼	1904
Marsden	...	...	1⅝	.....	.....		.....		⅝	1907	25⅝	1899
Penn. Steel.....	...	...	60	.....	.....		.....		5	1894	200	1881
do. pref.	102¾	102½	102¼	23	100½	Nov 9	103¾	Apr 12	10	1897	117½	1909
Phila. Co.....	52½	52½	52½	165	48¼	Sept 23	59¾	June 5	33⅜	1907	55½	1905
do. pref.	43⅝	43⅝	43⅝	103	42	Oct 19	45	Feb 6	34	1909	52	1906
Phil. Elec.....	15⅞	16⅜	16⅜	3,191	15⅜	Dec 8	18	July 17	2	1900	16⅜	1910
Phil. Rap. Trans	23⅛	23½	23½	795	18⅝	Apr 7	26½	Aug 4	12	1907	87½	1909
Phil. Traction...	84⅝	84⅝	84½	351	82	Oct 12	87½	July 14	5	1895	102½	1905
Tonopah Min'g..	7	7½	7½	3,157	5 3-16	Aug 22	8⅝	Jan 17	3 3-16	1907	21¼	1906
United Gas Imp.	86	87¾	87⅜	3,111	84½	Sept 20	89¾	Jan 9	50	1898	175	1899
Union Traction..	51	51⅜	51¼	1,018	43	Jan 4	53⅜	Dec 4	5⅜	1897	68¼	1905
Warwick Steel..	10½	12	11½	928	9¾	Jan 20	11	Dec 16	2½	1908	18	1899
W'stm'el'd Co'l.	...	...	78	.....	78	Nov 16	81½	Mar 20	46½	1879	114	1906

* Ex-dividend. † Trust certificate. ** Temporary certificates.

CHICAGO STOCKS

For the Week Ending Wednesday Evening, December 20, 1911.

Names.	WEEK FOR RANGE Low	WEEK FOR RANGE High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911 Lowest		RANGE FOR YEAR OF 1911 Highest		RANGE FROM JAN., 1879, TO JAN., 1911. Lowest		RANGE FROM JAN., 1879, TO JAN., 1911. Highest	
Am. Can.....	10⅞	11¼	10⅝	450	9⅝	Jan 27	12⅛	May 23	8⅜	1908	31¼	1901
do. pref.	89½	90¼	90	475	76½	Jan 7	93	Dec 2	25¼	1903	86	1909
Am. Radiator...	...	...	300	.....	285	Jan 9	300	Nov 10	30	1900	260¼	1910
do. pref.	132	132	132	10	128½	Mar 9	138	Nov 25	98	1899	136	1900
Am. Shipbldg...	54	54	54	200	48	Dec 1	79	Feb 6	19	1904	84¼	1910
do. pref.	...	...	106½	.....	110¾	Jan 16	113	May 19	83	1904	112	1910
Chic. City Ry...	...	...	190	.....	185	Mar 22	190	Apr 28	140	1906	478	1892
Chic. Pneu. T'l.	46½	46¾	46½	201	39¾	Sept 22	65½	Feb 22	18	1904	107½	1902
Chic. Subway...	...	...	⅝	.....	⅝	Nov 14	1	Mar 1	2½	1910	87⅝	1905
Chic. Telephone.	139¾	139½	139	912	115	Jan 25	141¾	Nov 27	95	1907	296	1901
C'm'nw'th Edis.	135	135½	135¼	407	113	Jan 26	137¾	July 17	77	1907	126	1910
Diamond Match.	107½	109	109	537	90	Jan 16	110¾	Nov 28	82½	1910	163	1893
Kan. City Light	20	20	20	25	15	Sept 26	25	May 27	20	1910	68¼	1908
do. pref.	...	...	59	.....	59	Sept 25	72½	Feb 25	68	1908	98½	1908
Met. El.....	...	...	21	.....	19¾	Feb 1	25¾	June 23	12	1898	43	1902
do. pref.	...	...	75	.....	64	Mar 16	*75	July 17	22	1909	98¼	1901
Nat. Carbon.....	104	104½	104½	95	100	Sept 12	120	June 9	15	1889	145	1910
do. pref.	...	...	118	.....	106¾	Aug 23	120	Nov 23	72	1900	124	1909
No. West. El...	...	...	22½	.....	20¼	Apr 27	23¾	June 30	13¾	1908	55	1901
do. pref.	...	...	68½	.....	60	Mar 1	67	Mar 30	44	1904	97	1901
Quaker Oats.....	208	208	208	10	165	Mar 17	199	Dec 4	25½	1904	186	1910
do. pref.	105½	105½	105½	85	102¾	Feb 8	107½	July 24	73	1903	109¼	1905
So. Side El.....	...	...	25¾	.....	68	Feb 16	80	June 30	46¼	1897	190	1901
Streets' Car.....	7⅞	7⅞	7⅞	25	7	Dec 7	12¾	Feb 24	10⅝	1910	64¼	1909
do. pref.	...	...	38	.....	38	Nov 21	50	Aug 11	40	1910	111¼	1908
Swift & Co.....	99¾	101¾	99¾	1,922	97¾	Sept 25	104	June 9	75½	1907	177¼	1902
Un. Box Board..	1	1¼	1	2,910	1	Dec 20	7	Jan 5	¼	1908	17¼	1902
do. pref.	...	...	7¾	.....	.....		.....		1¾	1908	71	1908
Western Stone.	...	...	15½	.....	14	Dec 4	24¾	Jan 24	14	1908	60	1908

* Ex-dividend. † New. ** Receipts. ‡ Assessment paid.

Digitized by Google

the hopes and prospects of the Rock Island Company lies in the business and prospects of the Railway company.

The last annual report of the Rock Island Railway showed that gross earnings had made a new high record for the year ending June 30, 1911, the gross revenue being $68,487,473. This was against $66,220,579 for the year ending June 30, 1910, and against $61,184,886 for the year ending June 30, 1909, a gain of $2,260,000 over the year 1910, and $7,303,000 over the year 1909. The Rock Island Company owns about 95 per cent of the capital stock of the Rock Island Railway, and the former received from the latter during the year 1911, $3,741,447, its share of the dividends declared by the old railway of $3,930,948. Of the sum received by the Rock Island Company, all but $409,000 was taken up in paying interest on the 4 per cent bonds of the Rock Island Railroad Company, but that surplus of $409,000, together with the Rock Island Company's share of the undivided surplus of the Railway company was equal to nearly 3¾ per cent on the preferred stock of the Rock Island Company, in comparison with 1¾ per cent earned for 1910. The Rock Island Railway Company last year showed surplus earnings of a little better than 7 per cent, and it must show surplus earnings of 8 per cent to pay 5 per cent on the Rock Island Company's preferred stock. That is, several years ago, when your Rock Island was paying 4 per cent. the surplus earnings of the Railway company had to be better than 6.4 per cent, but it can be kept in mind that whatever the Railway company was doing back in the years when it was paying 4 per cent, it was doing with the assent and perhaps

UNDER THE LASH

of the Rock Island Company, and the statistics available for the last several years show that no effort has been made to make the Railway company show surplus earnings beyond those necessary to take care of the Railroad company's bonds, because during the last few years maintenance charges have largely increased, last year $8,000,000 more having been spent in maintenance than in 1905, and $4,000,000 more than in 1908. In fact, it seems that the preferred dividends of the Rock Island company were ended in 1905, with the express purpose of beginning as soon as possible to put surplus earnings back into the Railroad company as fast and as largely as possible, and to increase the expenditure of surplus earnings in that way over a considerable period, and until the road bed and rolling stock and other necessities for traffic moving were at the highest state of efficiency.

The figures for the past several years showing amount charged off for depreciation, for maintenance of way and equipment, are large, and that they are so large, is due to the fact that in the past, the amounts spent on maintenance have been insufficient, but it is believed that the property is now very near, if not actually in a material condition where maintenance charges will be met in operating expenses, and an increasing surplus will

NEW YORK STOCKS AND BONDS

For the Week Ending Thursday Evening, December 21, 1911.

Names.	RANGE FOR WEEK Low	High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911 Lowest		Highest		RANGE FROM JAN., 1879, TO JAN., 1911. Lowest	Highest
Atch. & T. R.R.	106	107	106⅝	12,000	99⅞ Sept 27		116⅝ June 5		$ 1-16 1884	152½ 1906
Atch. & Top. pf.	103⅞	104⅛	104⅛	1,100	100⅜ Jan 3		105½ June 12		14 1896	107⅜ 1901
Atch. & Top. 4s.	99⅛	99⅝	99⅝	107,000	96⅜ Dec 21		99⅝ Dec 21		61 1894	106⅜ 1902
do. adj. 4s....	91⅜	91⅝	91⅝	28,000	90⅜ Mar 29		92½ Jan 28		36 1896	99¼ 1905
At'tic C'st Line.	133½	136	134⅜	5,300	117 Jan 3		139¼ Nov 23		65 1907	170 1905
B. & O. Gold 4s.	98	98¼	98⅛	35,000	97¼ Sept 29		99⅜ Oct 10		62 1907	108¾ 1905
B.& O.S. W.3½s.	90¾	90⅞	90⅛	10,000	89½ Sept 29		93 Mar 11		80 1907	96 1890
Balti. & Ohio...	102⅝	103⅝	103⅛	8,700	93⅜ Sept 29		109⅝ July 22		9 1897	125¼ 1905
do. pref.	89	89⅝	89⅜	400	85½ Aug 30		91 Jan 4		67⅛ 1863	100 1905
Brooklyn R. T..	76½	77⅜	77⅛	5,300	72 Sept 25		85¾ July 20		18 1896	137 1899
B.R.T.conv't 4s.	83½	83⅞	83⅜	107,000	82⅜ Oct 3		89⅞ Dec 16		66 1907	102½ 1905
Canadian Pac...	240	241⅝	240¾	6,640	196⅝ Jan 3		247 July 21		23 1886	302½ 1910
Canada South...	....	....	6s	.....	62 Mar 3		68 May 12		23 1886	97 1903
Cen.of Ga. Con.5s.	100	100¼	100¼	6,000	107¾ Jan 13		110 Dec 12		85 1907	120½ 1901
do. 1st inc....	....	....	103	.....	95 Nov 11		114½ Apr 13		30 1890	103 1910
do. 2d inc....	....	....	104⅜	.....	91 Oct 17		106¼ Apr 6		9 1889	101 1910
do. 3d inc....	....	....	107	.....	85 Feb 24		107 Dec 11		4 1898	100 1910
Central N. J....	315	317	317	200	300 Sept 16		335 June 2		81 1885	212 1910
Cent'l Pac. 3½s.	90½	90¾	90½	11,000	90 Nov 3		93 Mar 8		75 1907	91 1910
Ches.O. gen.4½s.	101½	101⅞	101⅞	20,000	99⅜ Nov 15		103 May 15		61 1893	111 1905
Chesapeake & O.	73⅛	75⅛	74⅜	17,900	68⅜ Sept 25		86⅝ Feb 10		1 1858	123⅛ 1881
Chic. & Alton...	....	....	24	.....	15 Aug 28		31⅛ May 23		8⅛ 1907	74⅜ 1909
do. pref.	....	....	40	.....	40 Oct 6		53 Jan 27		47 1908	82⅛ 1908
Chic. Gr't West.	19	19⅝	19	600	17⅛ Sept 14		25⅛ June 5		3⅜ 1887	57⅜ 1909
do. pref. A....	36⅜	36⅜	36⅜	200	26 Sept 27		49⅛ Feb 6		15½ 1908	80½ 1901
Chic. M. & St.P.	110⅜	111⅜	110⅜	13,450	105⅜ Oct 4		123⅛ Feb 7		34⅜ 1879	199⅝ 1906
do. pref.	145	145⅜	145	2,140	141 Sept 14		155⅜ June 15		74⅜ 1879	218 1906
Chic. & N. W....	143⅜	143⅞	143⅜	375	138½ Sept 22		150½ June 12		49⅜ 1879	271½ 1902
do. pref.	191	191	191	200	191 Dec 15		201½ Aug 9		128 1883	274½ 1902
Chi.,St.P. & Om.	....	....	144	.....	130½ Apr 20		144 June 12		18½ 1885	225 1905
do. pref.	....	....	150	.....	153 Feb 18		153 Feb 18		66 1885	220 1905
Chic. Un. Trac..	....	....	2	.....	1⅝ Sept 20		5 June 3		⅝ 1908	33 1902
do. pref.	5	5	5	200	4⅜ Nov 21		7¼ Feb 6		3 1908	60 1902
C.,C.,C. & St. L.	....	....	83	.....	83½ Sept 15		98 Jan 15		19½ 1886	111 1905
do. pref.	....	....	96	.....	94½ Aug 22		98 Feb 1		63 1887	124¼ 1902
Colo. & South'n.	46⅜	47	47	200	43 Sept 22		60 Jan 18		4⅜ 1889	68¾ 1908
Col. & So. 1st pf.	76½	76⅝	76½	230	73 Oct 10		84¾ July 10		35 1899	58 1909
do. 2d pref....	....	....	70	.....	66 Sept 18		75 Aug 8		12½ 1899	84½ 1909
Del. & Hudson..	167½	167⅝	167½	400	158½ Sept 27		176⅜ June 9		33 1879	240⅝ 1905
Del., L'ck & W.	540	540	540	200	505 Sept 25		570 Nov 10		60 1879	680 1909
Den. & Rio G'de	18⅜	21½	18⅜	4,600	18¼ Dec 21		35 Feb 21		4⅜ 1885	186½ 1889
do. pref.	39	44⅝	39¼	1,600	39 Dec 21		74 Feb 21		24 1894	103¼ 1901
Dul.,So Sh.& Atl	....	....	9	.....	9 Nov 27		15½ May 1		2½ 1895	24 1902
do. pref.	17½	17⅝	17½	200	17⅛ Dec 11		28⅝ Apr 4		5 1898	46⅜ 1908
Erie 1st gen. 4s.	78½	78⅞	78⅝	17,000	73½ Jan 3		79⅜ Nov 10		65 1908	95 1905
Erie	31⅞	33¼	32⅝	49,100	27⅛ Jan 11		38½ June 30		2⅜ 1894	63⅞ 1881
Erie 1st pref....	52⅜	54	53⅜	5,700	45⅜ Jan 12		61¼ July 1		15 1893	95 1891
Erie 2d pref....	42½	43⅜	43⅝	640	35 Jan 13		49⅛ July 3		13 1896	78⅜ 1905
Ev's'le & T. H.	....	....	41	.....	40 Feb 1		48 July 24		20 1887	153 1892
do. pref.	....	....	82½	.....	85 June 5		90 July 24		73 1904	104⅝ 1902
Gr'neB.&WdebB.	....	....	12	.....	11 Sept 25		15¼ Jan 23		3½ 1898	27½ 1902
Gt. Northern pf.	128¾	129¼	128⅞	5,500	119 Sept 25		140 June 9		44⅛ 1880	348 1906
Hock'g Valley[ex].	....	....	125	.....	125 Dec 7		134 Apr 29		23 1895	140 1910
do. pref.	....	....	128	.....	.....		.....		63½ 1889	101⅝ 1910
Illinois Central..	141	142	141	400	132 Jan 3		147 July 20		79⅜ 1879	134¼ 1906
Inter-Met (w.i.).	15	15½	15⅜	4,100	13⅛ Sept 25		20⅜ Feb 15		4⅜ 1907	55⅜ 1906
do. pf. (w. i.)	47⅜	49⅜	49	12,950	39⅜ Sept 25		55⅜ Feb 10		14 1907	87⅜ 1906
Iowa Central....	16⅛	17⅜	16⅞	1,100	15 May 12		22 Sept 8		3 1888	51⅜ 1907
do. pref.	32⅜	34⅛	32⅜	2,600	28 Apr 27		39 Sept 8		13 1898	90¾ 1902
Kan. City & So.	23⅞	29½	27⅞	500	25⅛ Sept 25		38¼ June 15		7 1900	80¾ 1909
do. pref.	66⅜	66⅜	66⅜	400	61⅜ Sept 25		70 May 26		27⅛ 1900	75⅛ 1909
K.C.,Ft.S.&M.pf	....	....	79⅜	.....	75 Aug 7		78 May 3		58 1908	88 1902
L'ke E. & West.	....	....	14½	.....	10 Sept 25		17 Nov 9		1⅜ 1895	78⅛ 1901
do. pref.	....	....	31½	.....	25 Sept 5		40 Jan 13		24 1908	135 1902
Louis. & Nashv.	154⅜	158⅜	155½	14,250	136¼ Sept 14		160⅜ Nov 24		22 1896	163¼ 1909
Manh'ttan Elev.	133⅜	134	134	200	121¾ Sept 25		142½ July 19		64¼ 1894	175 1905
Minn. & St. L...	....	....	34¾	.....	21½ Apr 26		35⅜ Nov 9		3½ 1889	115 1902
do. pref.	59	59	59	100	35 Mar 13		64 Sept 13		7⅜ 1889	127⅜ 1902
M.S.P. & S.S.M.	134	136	135¾	2,900	124⅜ Sept 22		152¾ Mar 20		6 1887	164 1906
do. pref.	147½	148	148	200	145⅜ Aug 26		156½ July 21		10 1887	193⅜ 1906
M.,K.&T. 1st 4s.	96⅜	97	96⅝	10,000	87⅝ Sept 8		98⅜ Nov 13		50 1893	104¼ 1906
do. 2d 4s.....	83	83½	83½	16,000	83 Dec 21		86¼ Feb 17		27 1893	92⅝ 1906
M.K. & T. 1st 5s	100⅝	101½	100⅝	7,000	97⅛ Oct 25		105⅜ July 10		72 1896	114¼ 1909
Mo., K. & Tex..	29	30	29	2,100	27 Sept 26		35¼ June 14		5⅜ 1879	64 1891
do. pref.	64½	64¾	64¼	100	62⅜ Sept 25		70 Oct 17		13⅜ 1893	78¼ 1909
Missouri Pacific.	35⅜	40	36⅞	33,750	33¼ Sept 13		61 Feb 15		10 1897	125¼ 1907
N. Y Central...	106¾	107⅜	106⅝	4,750	90⅞ Sept 27		115¼ Feb 3		31⅜ 1867	174½ 1901
N.Y.,C. & St. L.	....	....	50⅜	.....	48 Oct 9		65 Jan 30		9 1896	73¾ 1905
do. 1st pref..	....	....	98½	.....	94¼ Nov 29		101⅝ Mar 20		4 1895	134⅜ 1902
do. 2d pref....	....	....	82½	.....	82½ Aug 25		90 Jan 30		18 1892	100 1902
N.Y., Ont. & W.	39	40	39¾	1,700	37⅜ Sept 25		48⅜ July 22		6⅝ 1885	64 1905
No.& W.Con. 4s.	87½	87½	87½	1,000	90⅜ Oct 25		99⅝ Nov 4		74 1898	105 1905
Norfolk & West.	108⅜	109	108⅜	5,500	99⅜ Sept 25		111⅜ Nov 24		⅛ 1896	108⅜ 1910
do. pref.	....	....	91	.....	86¾ Apr 28		97 Nov 29		4⅛ 1896	98 1909
N Pac prior 4s.	99⅝	100	100	157,000	96⅞ Dec 4		102½ Nov 2		90¾ 1906	109 1939
do. gen. 3s....	69⅛	69⅝	69⅝	21,000	68 Dec 8		73⅛ Aug 4		67 1898	79 1903
North'n Pacific.	118⅛	119	118⅛	10,800	94¼ Nov 5		137⅜ June 5		11 1897	1000 1904
Pacific Coast....	....	....	98⅜	.....	94⅜ Dec 11		102 Jan 10		34 1898	142 1906
do. 1st pref....	....	....	120	.....	.....		.....		65 1907	105 1910
do. 2d pref....	....	....	110	.....	101 Jan 11		101 Jan 11		80¾ 1909	135 1906
Penn R. R.....	129¾	129⅝	129	11,200	118⅜ Sept 25		130¼ Feb 1		97⅛ 1853	170 1902
Peoria & East'n	....	....	20	.....	.....		.....		2 1895	50 1901
P.,C.,C. & St. L.	98⅜	99	98⅜	1,200	98¼ Sept 26		100 Jan 17		16⅛ 1890	105¼ 1902
do. pref.	....	....	103	.....	102⅜ Sept 25		112 Feb 17		40 1892	128 1902
Reading gen. 4s.	96⅞	96⅞	96⅞	6,000	96⅜ Mar 1		98½ Nov 14		77 1895	104⅛ 1997
Reading	133⅝	134⅛	133⅝	337,200	134 Sept 25		161⅜ June 3		17⅜ 1895	117½ 1909
do. 1st pref...	89⅜	89⅝	89⅜	100	88 Sept 20		92 July 14		11⅜ 1907	87 1909
do. 2d pref....	....	....	86	.....	80¼ Sept 20		101 May 2		26⅜ 1907	84⅜ 1909
R'k Island, new	23½	23⅝	23⅜	9,400	21⅜ Sept 25		34⅜ June 14		66⅛ 1907	90½ 1901
do. pref.	41	41⅜	41	3,000	41 Sept 25		65⅜ June 14		9⅝ 1879	130 1902
St L. & S F rfg 4s	66⅜	66⅜	66⅜	3,000	77 Oct 3		83 May 4		4¼ 1879	84¼ 1927
St L. & S F 1st pf	....	....	69	.....	69 Sept 19		69 July 25		50 1907	110¼ 1905
St L. & S F 2d pf	43	43	43	1,100	26 Apr 21		46½ July 24		12 1907	90¼ 1909
St L. & SW 1st 4s	90⅛	91⅜	90⅛	4,000	88¾ Jan 24		93⅝ Aug 23		4⅜ 1896	103⅜ 1909
do. 2d gen. 4s	....	....	76	.....	76 Jan 9		82¾ June 29		36 1896	97 1905
St. L. Southw ..	....	....	24½	.....	24 Jan 17		31 Feb 4		1 1897	88¾ 1901
do. pref.	....	....	54	.....	50¾ Jan 3		72 Nov 23		21¾ 1900	90 1909
St'd A. I. sell[ex]	....	....	74	5,000	74½ Sept 25		93¾ Nov 24		69⅝ 1910	77⅜ 1910
San Ant & A. P.	....	....	27	1,000	27 Sept 11		38 Oct 17		45 1896	90¾ 1909
So. Pac. rf. c.	....	....	93⅝	161,400	93⅛ Sept 29		96⅞ Nov 2		94¼ 1908	94¾ 1905
Southern R.	....	....	19½	1,200	104½ Sept 25		129¾ June 26		12 1895	130¼ 1909
do. pref.	....	....	54½	.....	.....		.....		24¾ 1909	127 1909

Digitized by Google

NEW YORK STOCKS AND BONDS

For the Week Ending Thursday Evening, December 21, 1911.

Names.	RANGE FOR WEEK Low	RANGE FOR WEEK High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911 Lowest		RANGE FOR YEAR OF 1911 Highest		RANGE FROM JAN., 1879, TO JAN., 1911. Lowest		RANGE FROM JAN., 1879, TO JAN., 1911. Highest	
Southern	29⅜	30⅛	29⅝	17,500	24⅝	Sept 25	33⅜	July 27	13	1894	2363	1892
do. pref.	71¼	72½	71½	2,450	61¼	Jan 11	78¼	July 20	813	1894	103	1906
Texas & Pacific.	19⅛	22⅝	20½	5,30	22¼	Sept 21	30⅛	June 9	4⅝	1893	73⅝	1881
Third Avenue...	5⅜	7⅜	6½	24,975	2⅝	Nov 27	26	Mar 2	5½	1910	242	1889
Tol.Rys.& Light	4	4	4	100	4	Dec 19	8¼	Jan 17	5½	1910	38	1902
Tol., St. L. & W	15½	15⅞	15½	2,000	12⅝	Dec 5	24⅝	Feb 8	10⅜	1901	64⅞	1909
do. pref.	36	37¼	37⅛	1,255	26	Dec 20	53⅞	Feb 8	23⅜	1903	74⅛	1909
Twin City R. T.	...	...	106	.....	104	Sept 15	111	Feb 3	9½	1897	129	1902
U.P.cvt. 4s, 1927.	103	103⅛	103⅛	186 000	100	Sept 25	109⅝	June 27	78¼	1907	124½	1909
Union Pacific....	173⅜	177⅜	174⅜	295,100	153¾	Sept 25	192¾	July 22	3	1898	204⅝	1910
do. pref.	92⅜	93⅛	92⅞	500	89	Sept 21	96	Nov 23	47	1898	118½	1909
Wabash 1st 5s...	103½	105	104⅜	96,000	90¾	Aug 28	110	Mar 20	93	1890	121	1902
do. deb. B's...	...	...	101	.....	.....		.....		19	1893	101	1909
Wabash	5⅜	7½	6¼	13,300	5⅜	Dec 20	18⅝	Feb 21	2	1885	60	1881
do. pref.	14¼	17⅝	14⅞	21,000	14⅛	Dec 20	40⅜	Feb 21	9	1884	96¾	1881
West. Md., pref.	...	...	83	.....	75	Jan 14	85¼	July 24	67	1910	77	1910
Wheel. & L. E.	3⅜	4⅛	3⅜	600	2½	Sept 23	6¼	Feb 3	⅛	1897	63⅝	1887
do. 1st pref..	10⅜	10⅝	10⅝	200	7½	July 22	17⅜	Feb 7	3⅝	1897	80¼	1892
do. 2d pref....	...	...	5½	.....	3	Sept 5	8	Feb 23	4	1910	42⅜	1902
Wis. Central....	...	...	54⅜	.....	48	Sept 21	72⅜	May 1	4c	1899	64	1910
do. pref.	...	...	88½	.....	.....		.....		66c	1899	91¼	1909
do. 1st 4s.....	93	93	93	13,000	88	Aug 28	95¾	July 5	127	1896	99¼	1890
Miscel. St'ks.												
Adams Express.	...	...	198	.....	198	Nov 29	241	June 12	97¼	1886	315	1907
Allis Chalmers..	1½	2	1⅝	3,800	1½	Dec 16	9⅝	May 31	4	1907	27⅜	1906
do. pref.	6⅝	8½	8	1,700	6⅝	Dec 16	24	Feb 3	14	1908	87½	1903
Amal. Cop.....	64¾	67⅛	66⅝	112,700	44⅝	Sept 25	71⅝	June 19	35⅝	1909	130	1901
Am. Beet Sugar.	54⅛	58⅛	56⅝	18,200	39¾	Jan 12	69⅜	Oct 20	9½	1903	49¼	1909
Am. Car & F'd.	53⅞	55⅞	54	6,300	42½	Sept 27	58¼	July 19	10⅝	1899	76⅛	1909
do. pref.	117½	117½	117⅝	100	113	Oct 25	120	May 23	61	1899	124⅜	1909
Amer. Cot. Oil..	44½	47¼	47	5,925	41⅜	Nov 2	62⅜	Feb 28	5	1896	79¼	1909
do. pref.	93	93	93	100	93	Nov 29	106½	Mar 21	27¼	1890	107⅜	1909
Amer. Express..	...	...	211	.....	201	Sept 26	245	Mar 27	100	1896	301	1910
Am. H. & L....	...	...	3½	.....	3	Oct 9	6	July 21	3¼	1903	37⅜	1890
do. pref.	20¼	20⅜	20⅛	100	17¾	Oct 21	30⅝	June 14	10	1907	83½	1899
Am. Ice Sec.....	18⅜	19	18⅜	300	16⅝	Aug 28	25⅜	July 12	8⅛	1907	96	1902
Am. Linseed Co.	9½	11	11	1,300	8	Aug 11	12⅜	Feb 17	5	1903	30⅜	1901
do. pref.	30½	33⅜	33½	5,500	26⅛	Oct 27	34	Feb 14	16½	1907	68	1901
Am. Loco.....	35½	37⅛	36¼	2,100	24	Sept 20	43¼	May 22	11½	1903	78½	1906
do. pref.	104	104	104	100	102	Oct 25	110⅜	Mar 1	67½	1903	122½	1907
Amer. Malt Co..	4½	4½	4½	300	3	Sept 25	5⅝	July 11	2½	1907	90⅜	1898
do. pref.	40⅝	42	41½	600	31¾	Mar 8	43⅝	Nov 25	14¼	1903	88	1909
Am. Smtl. & Ref	73⅛	75⅛	74⅛	22,90	58⅝	Sept 25	82⅜	June 15	30	1899	174	1901
do. pref.	102	103	102⅞	1,60	98¾	Sept 27	108¼	June 15	77¼	1899	137	1907
Am. St'l F'dry..	33	33½	33½	100	25	Sept 25	52½	Feb 9	3½	1904	66⅝	1909
Am. Sugar Ref.	115	115½	115½	900	112¾	Sept 27	121¾	June 14	55	1889	152	1899
do. pref.	115	115	115	100	111	Jan 6	119½	Feb 14	68½	1893	131	1905
Am. Tob. pref..	102⅝	103⅝	103⅜	10,300	87	Aug 24	105	Dec 6	60	1907	151¼	1902
Anaconda‖	37½	39⅝	38⅞	37,60	29	Sept 25	41¼	June 20	25	1907	302⅜	1907
Br'k Un'n Gas..	...	...	142	.....	139	Sept 15	148¼	Nov 10	80	1907	253	1902
Central Leather.	20⅝	22⅝	21½	2,500	18⅝	Sept 25	33⅜	Feb 2	11⅜	1907	51⅝	1909
do. pref.	91⅛	92	92	600	91¼	Dec 15	105	Feb 10	68	1907	111	1909
Chino Copper....	24	26⅛	26⅛	13,500	16⅛	Sept 25	35⅜	May 19	2¼	1910	13	1909
Colo. Ind. 5s....	73	73	73	12,000	72	Dec 12	79½	Feb 22	35	1907	88¼	1908
Colo. F'l & Ir'n.	28	29⅜	29	700	25	Sept 25	36⅜	Feb 6	14	1907	126½	1901
do. pref.	...	...	110	.....	106	Oct 29	110½	Jan 9	80	1907	142½	1901
C.&H.V.Co'l&Ir.	...	...	112	.....	4	Feb 9	4	Feb 9	⅝	1896	92½	1910
Consolid't'd Gas.	138½	139	138¾	2,200	129	Sept 27	148¼	June 6	67	1887	241¾	1897
Con. Tobacco 4s.	91½	91½	91½	3,000	81¼	Jan 11	91½	Dec 21	61¼	1903	85¾	1904
Corn Prod'ts R.	10½	11¾	10½	1,000	9¾	Oct 20	15⅜	May 17	8	1907	28	1906
do. pref.	75½	77	77	400	72	Oct 18	86	May 29	46	1907	93¼	1909
Dist. Secur.....	31	31⅝	31⅜	1,875	29	Sept 25	38¼	June 6	19½	1904	38	1907
Fed. M & Smlt.	...	...	13½	.....	13	Dec 7	26	Feb 16	48¼	1904	199	1906
do. pref.	41⅜	42¾	41⅞	400	37	Dec 6	66¼	May 19	47	1907	112¾	1906
Goldfield Con....	4⅝	5	4⅞	6,900	2½	Oct 18	7⅞	Jan 2	2½	1907	10	1910
Internat. Paper.	9½	9⅝	9⅝	200	9	Sept 9	12⅜	Feb 3	7½	1907	68¼	1899
do. pref.	46	46⅞	46	1,100	44¾	May 15	56⅜	Jan 21	47	1908	95	1899
Int. Harvester..	107½	112	111⅞	12,800	99¼	Sept 20	120⅜	May 5	82	1908	135¾	1910
do. pref.	130¼	130½	130½	600	115	Sept 22	138¼	May 4	99	1908	139	1910
Inter. Stm. P'mp	...	...	30¼	.....	28	Oct 31	44	Feb 10	7¾	1907	80	1906
do. pref.	...	...	83½	.....	80	Nov 1	90½	June 12	50	1907	95	1902
Laclede Gas.....	104⅜	106½	106¼	1,500	101¼	Sept 25	114½	Jan 20	93¼	1910	116½	1910
Mackay pref....	72	72	72	100	72	Dec 15	77	Mar 7	50	1907	75¾	1910
Nation'l Biscuit.	138½	140½	140	1,500	117¾	Jan 16	143¾	Nov 14	23	1900	130	1909
do. pref.	127⅜	127⅞	127⅞	100	124	Jan 20	130	Feb 4	79½	1900	140	1909
Nat. En. & St'p.	12½	13⅜	12⅝	700	12½	Dec 15	22	July 24	6½	1907	38	1903
do. pref.	...	...	85¼	.....	85	Jan 6	100⅜	July 22	70	1908	99¼	1909
Nat. Lead.....	51⅜	55	54⅜	15,170	42¼	Oct 27	68⅛	Mar 15	110½	1903	93⅜	1906
do. pref.	106⅞	107½	107½	200	104	Sept 22	109⅜	Aug 15	48	1893	115	1899
N.Y. Air Brake	...	...	50	.....	50	Nov 4	76	June 19	14	1898	188⅜	1907
North Amer. Co.	72¼	73⅞	73½	1,900	64	Jan 10	78½	May 22	2¼	1892	134	1902
Pacific Mail....	30⅛	31⅝	31½	1,600	23¼	Apr 24	32⅜	Nov 21	8½	1893	70	1895
P'ple's G.L.& C.	102⅝	103⅝	103⅜	1,100	101¼	Aug 25	109	Jan 19	39	1893	129½	1899
Pressed St'l Car	33¼	33¾	33½	100	25	Sept 25	37⅝	July 20	15⅝	1907	68⅜	1907
do. pref.	...	...	100	.....	91	Sept 22	102⅜	June 16	52½	1907	111⅝	1909
Ry. Stl. Spring.	31⅛	31⅝	31⅜	400	24⅝	Aug 28	39	June 14	15⅞	1894	63½	1907
do. pref.	...	...	98½	.....	88½	Aug 30	102⅜	Nov 2	67	1903	109	1909
Rep'b Ir. & St'l	27⅜	28	27⅜	8,900	18	Oct 27	35¼	Feb 6	5	1904	49¼	1909
do. pref.	83¾	85¼	85	5,200	74¼	Oct 27	99⅝	Mar 14	36⅜	1903	111¼	1909
Sloss-Sh. S. & I.	...	...	42	.....	34	Sept 25	54⅞	Feb 6	17½	1900	118¼	1907
do. pref.	...	...	112	.....	112	Feb 15	112	Feb 15	89¾	1900	120	1905
T. Pac. Ld. Tr.	89	89	89	100	84	Sept 11	92	Jan 24	5	1898	95	1910
Texas Company.	83⅜	84⅜	83¾	500	79	Nov 29	126½	Feb 1	124½	1910	131	1910
Underw'd Type..	99⅞	100⅞	100⅛	4,500	62	Mar 29	111	June 26	44	1909	44	1909
Un. Bag & Pap.	4⅜	5⅜	4⅝	1,200	4⅜	Dec 15	9	Feb 10	2⅜	1904	45	1899
do. pref.	...	...	51	.....	50¼	Nov 1	69½	Jan 30	26	1900	89	1899
U.S.Cast IP & F	16	16	16	400	11	Sept 27	19	Feb 24	5	1903	53	1906
do. pref.	50	50	50	400	40½	Sept 25	58⅞	Feb 24	22	1903	97⅜	1905
U. S. Express....	...	...	84	.....	84	Dec 6	104	Feb 1	35	1898	160	1902
U.S R'lty & Imp	...	...	69¾	.....	63	Nov 17	78¾	May 29	38	1907	98¼	1905
U. S. Rubber....	47½	48⅛	48	7,700	30½	Sept 27	48	Dec 14	7	1903	60¾	1899
U. S. Rubber pf.	110	110⅜	110⅛	800	104	Sept 26	115½	July 7	30¼	1903	123¾	1909
U. S. Steel.....	66	69⅜	68⅛	543,200	50	Oct 27	82¼	Feb 6	8⅜	1904	91	1910
do. pref.	110⅜	111⅝	111½	7,600	108	Oct 27	120⅞	Feb 4	49⅜	1903	125⅝	1910
do. 5s	101⅜	101⅞	101⅜	289,000	100	Sept 27	106⅛	May 27	65	1903	105¼	1910
Utah Copper.....	52⅛	55⅜	55⅜	71,500	38	Sept 27	53¼	Dec 14	13	1907	67¼	1909
Virg. Car Chem.	54⅜	56⅜	55	52	43¼	Sept 25	70⅜	Feb 28	12⅜	1907	73	1901
do. pref.	...	...	113	.....	114	Sept 28	128½	Mar 15	75	1907	133¼	1902
West. Un'n Tel.	76⅜	80⅞	78⅜	5,400	71⅜	Mar 20	84½	May 24	41	1909	177⅜	1881
West. Mfg. Co..	66½	70¾	68⅝	10,600	58⅝	Sept 25	79	May 29	20¼	1898	154	1907
do. pref.	117½	117¾	117½	200	110½	Aug 16	122	Jan 5	43⅜	1895	160	1907

* Ex-dividend. ** New. † Assessment paid. ‡ Ex-rights. ‖ Price bid. ¶ Price asked. § Old securities. ¶ Certificates. x Ex-interest. ‖‖ Par value basis. *** Receipts.

be available for dividends. But the fact that the depreciation charges are being made even against the profit and loss account is

IN FAVOR OF THE FUTURE

of the road and the preferred stock of the Rock Island Company, because money spent in building up a railroad is more to the permanent advantage of its securities than twice the amount distributed in dividends at the expense of the road, and from my point of view, our subscriber is now necessarily in a position of an investor who is going to stay with his investment for a continued period, rather than a speculator who is looking for immediate action. The gross earnings then of the Rock Island Railway are showing a slow but steady improvement, and while the operating expenses are showing an increase, net operating revenue is showing the same slow but steady improvement and increase, notwithstanding the higher charges of labor and materials, including fuel. The fact that the material condition of the property has been so largely bettered by the amount spent on it, and the prospect of a decrease in the cost of maintenance and charges for depreciation are material factors in my advising our subscriber to hold to Rock Island for his opportunity to get out whole or better in the future.

About a year ago, Kuhn, Loeb & Company sold its large holdings of Rock Island preferred to Phelps, Dodge & Company. Kuhn, Loeb & Company took over a short time before that the Large Rock Island interest, which has been bought by an English-Canadian Syndicate, with the idea, it was said at that time, of making the Rock Island a part of a coast to coast through line. Phelps, Dodge & Company is the well-known copper producing organization, and its properties in the Southwest include large coal sections which in their future developments will include marketing this coal output through the Rock Island territory. This was one of the factors in inducing Phelps, Dodge & Company to take the Rock Island preferred investment. It also owns the El Paso & Southwestern system, aggregating something under 1,000 miles in New Mexico, and while these roads have had

CLOSE TRAFFIC RELATIONS

with the Rock Island for several years, it is a fact that buying into the Rock Island by the Phelps, Dodge interests will increase the relations between the two roads, as well as the Phelps, Dodge properties, by furnishing traffic to the Rock Island itself. This Phelps, Dodge buying into the Rock Island is an investment rather than a speculative interest, which will, of course, strengthen and increase the investment value of the Rock Island, aside from its previous speculative reputation. A division of the Phelps, Dodge Railroad system fills the railroad gap between the Rock Island system and the Mexico Northwestern, which is to be extended to the Pacific coast, and this is also expected to work out for the advantage of the Rock Island.

I believe that you can add to the facts that the financial statements of

the Rock Island Railway Company show steady betterment, and the large amounts of money put back into the property promise more economical handling of its business; also the item of obvious intention on the part of the management to bring the road up to its highest state of efficiency and earning power, and the new interests in the road who have gone into it because of its investment possibilities with the idea of staying with it, and let those facts be a warrant for looking to your present holdings to get you out whole as to capital, and a proportionate purchase of the preferred at present quotation to hasten the process and to at least furnish the interest on your money to which you are entitled. I take it from your letter that you are not most concerned in quick results, nor nearly so much as you are in the final outcome. Had it been the case that you were hungry for your money back, you would have sold out of Rock Island preferred at above 90 in 1909 or 1910. Obviously, there has not been a time since you made the purchase when you have had to let go, so my advice now is to hang on. Dividends are not in immediate sight, perhaps, but nearer than they were when you passed the chance to sell at a profit. What can you do now but wait for them?

P. DE MEDICI.

THE WABASH TANGLE.

(Continued from page 2244.)

in the nature of a loan secured by the bonds and coupons deposited. When this committee was first announced, there was some doubt as to its freedom from Gould or administration tendencies. This

DOUBT WAS FURTHER TANGLED

by the first public report that Samuel Untermeyer was to be council for this committee. It will be remembered that the Central Trust Company or Wallace Committee in the Wabash-Pittsburgh Terminal scrap was the George Gould Wabash committee opposed by the independent Chaplin committee for which Samuel Untermeyer was council. The Wabash-Pittsburgh Terminal matter still awaiting adjudication has been thoroughly reviewed in the United States Investor.

Briefly, the company was the means of entrance into Pittsburgh, and its rich field for the Wheeling & Lake Erie the connecting link at Toledo with the Wabash. These roads made a contract with the terminal company to guarantee the bonds of the latter to the extent of 25 per cent of their gross on interchanged freight. The Wabash layed down on this contract, hence the battle between the original Wallace and the Chaplin Committees, of which latter Mr. Untermyer was council. Thus was the present Wabash matter further clouded when it was first announced that Mr. Untermyer was to be council of this Wallace-Wabash committee. There was considerable delay on the part of the present Wallace committee, as far as publicity was concerned, but partacularly as to the naming of council, and when it was believed that Mr. Untermyer was to occupy this position it was figured out as follows, namely, that so far as George Gould and the Wabash management are concerned, the Wabash-Wabash Pittsburgh Terminal fight is a dead issue, that is, the Terminal Company could now, with the Wabash itself in receivers' hands, be shuffled into the deck with the other creditors; that is, that Gould and the Wabash management would

LUMP THE TERMINAL TROUBLE

in with all the other dissatisfied ones and let the whole thing be washed out in the peresent receivership, and continuing this argument that the Gould-Wallace Terminal committee is out of a job and that the new Wallace committee, if strictly independent, offer the Chaplin Terminal bondholders their best chance to protect their interests, and that this latter committee would be lined up with the Wallace-Wabash committee. In fact, it is more or less generally believed that there was communication between the Chaplin Terminal interests and this present Wallace-Wabash committee to see what trades could be made. That such a combination of interests was not consummated, if talked over, is accepted as proven by the fact that Mr. Untermyer is not the council for this Wallace-Wabash committee. At this writing, it is reported that a Chaplin-Wabash committee is being formed to act independently of the other two for Wabash bondholders and for the interest of the terminal as well. The make-up of such a committee has not yet been announced.

It is said that the immediate requirements of the Wabash amount to about $8,000,000. Also that the Wallace committee object to the present receivers as too friendly to the management, and that not the least of their first strength will be displayed in working for new receivers. With two committees in the field for deposits and another expected, the Wabash story is just commencing. At this time, however, I cannot find out that the Equitable is receiving any considerable deposits of independent bonds.

P. DE MEDICI.

The United States Finishing Co.

120 Broadway, N. Y., December 21, 1911.

PREFERRED STOCK DIVIDEND NO. 50.

The Board of Directors have this day declared the regular quarterly dividend of One and Three-Quarters Per cent (1¾%) upon the Preferred Stock of this Company, payable January 1, 1912, to stockholders of record at the close of business December 21, 1911.

COMMON STOCK DIVIDEND NO. 12.

The Board of Directors have this day declared a dividend of One Per cent (1%) upon the Common Stock of this Company, payable January 1, 1912, to stockholders of record at the close of business, December 21, 1911

COUPON NO. 15, due January 1, 1912, on consolidated mortgage 5 per cent gold bonds of this Company will be paid at the office of The Trust Company of America, 37 Wall Street, New York City.

COUPON NO. 21, due January 1, 1912, on first mortgage 5 per cent bonds of THE STERLING DYEING & FINISHING COMPANY will be paid at the office of The Trust Company of America, 37 Wall Street, New York City.

F. S. JEROME, Treasurer

TO HOLDERS OF

First Refunding and Extensions Mortgage Bonds of the

Wabash Railroad Company

The undersigned, owning and representing large amounts of the above bonds, have formed a committee for the protection of the holders thereof. None of the undersigned committee are in any way connected with the present management of the Wabash Railroad Company, under which the recent receivership has been brought about.

The Committee has arranged with bankers to advance to depositing bondholders the money to pay coupons due on January 1st (if unpaid by the Railroad Company) but it should be clearly understood such advance of January interest constitutes a loan secured by the bonds and coupons deposited.

In view of the appointment of Receivers of the Wabash Railroad Company and to the end that co-operation of all bondholders may be secured, the undersigned Committee requests the holders of the First Refunding and Extensions Mortgage bonds to deposit their bonds with CENTRAL TRUST COMPANY OF NEW YORK, 54 Wall Street, New York City, which has been appointed depositary and which will issue its certificates of deposit therefor under an agreement of deposit now in course of preparation.

Application will be made in due course to list the certificates of deposit on the New York Stock Exchange.

JAMES N. WALLACE, Chairman.
HENRY R. CARSE,
JOHN J. MITCHELL,
ROBERT L. MONTGOMERY,
H. K. POMROY,
WILLIAM A. READ,
J. HERNDON SMITH,
ALEXANDER M. WHITE,
ALBERT H. WIGGIN.

J. P. COTTON, Jr., Counsel. FRANKLIN L. BABCOCK, Secretary.

CENTRAL TRUST COMPANY OF NEW YORK,
Depositary,
54 Wall Street,
New York City.

Digitized by Google

The Best Purchases on the Railroad List

As Indicated by the Two Standards of Comparison: of Present Investment Yield on Basis of Current Dividends and Prevailing Market Price, and on Basis of Present Earnings on Prevailing Market Values.

The average net yield of the 50 railroad stocks quoted in the following table was 5.16 per cent on December 20, as compared with 5.45 per cent on December 13, 5.43 per cent on January 4, and with 4.71 per cent on January 2, 1910.

The dividend stocks on the following list have a new leader this week in Chesapeake & Ohio, common, Clover Leaf preferred having abdicated its position by passing its dividend completely. The Clover Leaf management is not open to criticism for passing this dividend, but may properly be criticised for not having taken such action long ago, since for some time it has been apparent that there was no justification for the payment of the 4 per cent rate, and that the company was simply inviting disaster by continuing its disbursements to shareholders. It has been said with reason that in deciding to pass the dividend, the Clover Leaf directors have taken the sanest and most conservative step which has marked their operations for many months. The Chicago & Alton, the cutting off of whose dividends constituted the prime cause for the present embarrassment of the Clover Leaf, is building itself up, and profiting, evidently, through the experience gained in the mistakes of the last few years. The Clover Leaf management might properly follow a similar course.

It is a coincidence that Clover Leaf preferred's position as the most noteworthy of the railroad shares in point of net yield is taken by Chesapeake & Ohio; another of the Edwin Hawley issues, and the best of them. The truth of the matter is the Hawley policy of paying dividends at the expense of the property is on trial, and while Chesapeake & Ohio is better off than either the Alton or the Clover Leaf, it has to suffer not only for its own shortcomings, but for those of other members of the Hawley railroad family. It is estimated that in the first four months of the current year, the Chesapeake & Ohio earned a balance of $2,116,000 for dividends, equal to nearly 3.4 per cent on the $62,792,000 of capital stock outstanding, or at the rate of about 10 per cent per annum.

The directors of the Vandalia Railroad, a majority of whose capital stock is owned by the Pennsylvania, have this week declared a dividend of ¾ of 1 per cent. A few weeks ago, they passed the 1 per cent quarterly dividend, which was due on November 1, with the accompanying statement that the business outlook was such that the continuance of dividends was considered as savoring of a lack of conservatism. The subsequent change in the programme would indicate a belief on the part of these interests that the business outlook has shown a material change for the better within the past eight or ten weeks. Of course, a resumption of the Vandalia Dividend will do away with the unpleasant feature of a corresponding loss in the Pennsylvania income account, although that loss had not been regarded as having any material effect upon the dividend prospects of the parent road. The episode is significant primarily because it is a reflection of the really remarkable change in sentiment which has come over the financial and business communities since the September break in stocks.

STOCKS SHOWING BEST INVESTMENT YIELD

Present rank.	Stock.	Present dividend.	Price.	Yield on present price.
1	Chesapeake & Ohio, com...	5%	74	6.76
2	Detroit United	5%	75	6.66
3	H. R. T.	5%	77	6.49
4	St. Paul, com.....	7%	111	6.30
5	M., K. & T., pref.....	4%	64	6.25
6	St. L. & San F., 1st pref....	4%	66	6.06
7	K. C. Southern, pref.....	4%	66	6.06
8	Northern Pacific	7%	118	5.93
9	Baltimore & Ohio, com.....	6%	103	5.82
10	N. Y., N. H. & H.	8%	138	5.80
11	Union Pacific, com.....	10%	174	5.75
12	Colo. & Southern, 2d pref....	4%	70	5.71
13	Twin City R. T., com.....	6%	105	5.71
14	Atchison, com.	6%	106	5.66
15	St. Louis S. W., pref.....	4%	71	5.63
16	N. Y., C. & St. L., com.....	3%	54	5.55
17	Norfolk & Western, com....	6%	108	5.55
18	Lehigh Valley	10%	183	5.50
19	Public Service Corp.....	6%	109	5.50
20	Great Northern, pref.....	7%	128	5.47
21	Southern Pacific, com.....	6%	112	5.36
22	Delaware & Hudson	9%	168	5.36
23	C., C., C. & St. L., pref.....	5%	96	5.21
24	Colo. & Southern, 1st pref...	4%	77	5.19
25	M., St. P. & S. S. M., com...	7%	135	5.18
26	Atlantic Coast Line	7%	135	5.18
27	P., C., C. & St. L., com.....	5%	97	5.15
28	N. Y., O. & W.	2%	39	5.13
29	C., St. P., M. & O., com.....	7%	137	5.11
30	K. C., F. S. & M., pref.....	4%	79	5.06
31	Illinois Central	7%	141	4.96
32	Chicago & N. W., com.....	7%	143	4.90
33	Pennsylvania	6%	123	4.88
34	St. Paul, pref.....	7%	145	4.83
35	Western Maryland, pref.....	4%	83	4.82
36	Atchison, pref.....	5%	104	4.81
37	Buffalo, R. & P., com.....	5%	105	4.76
38	M., St. P. & S. S. M., pref...	7%	148	4.73
39	N. Y. Central	5%	106	4.71
40	Baltimore & Ohio, pref.....	4%	89	4.49
41	Louisville & Nashville	7%	158	4.43
42	Norfolk & Western, pref....	4%	91	4.40
43	Union Pacific, pref.....	4%	92	4.35
44	Colo. & Southern, com.....	2%	47	4.25
45	Canadian Pacific	10%	240	4.17
46	Boston & Main	4%	100	4.00
47	Reading, com.	6%	152	3.95
48	Central of N. J.	12%	317	3.79
49	D., L. & W.	20%	550	3.63
50	Southern Railway, pref.....	2%	72	2.78

STOCKS SHOWING BEST EARNINGS

Present rank.	Stock.	Price.	Earning on present price.
1	St. L. & San F., 2 pref.....	42	28.40
2	Erie, 1st pref.....	53	22.50
3	Detroit United	75	18.25
4	Southern Railway, pref.....	72	18.00
5	M., K. & T., pref.....	64	15.20
6	Colo. & Southern, com.....	47	14.50
7	Buffalo, R. & P., com.....	105	13.75
8	Norfolk & Western, com.....	108	11.55
9	Louisville & Nashville	158	11.30
10	Southern Pacific, com.....	112	10.80
11	Twin City R. T., com.....	105	10.80
12	M., St. P. & S. S. M., com.....	135	10.25
13	Chicago & Gt. Western, pref....	37	10.10
14	Atlantic Coast Line	135	9.85
15	C., C., C. & St. L., com.....	63	9.20
16	N. Y., C. & St. L., com.....	54	9.10
17	H. R. T.	77	9.05
18	Union Pacific, com.....	174	8.90
19	Hocking Valley, com.....	124	8.70
20	Erie, com.	33	8.40
21	Central of N. J.	317	8.40
22	D. & R. G., pref.....	44	8.25
23	Great Northern, pref.....	128	8.20
24	St. Louis S. W., pref.....	71	7.80
25	Baltimore & Ohio, com.....	103	7.65
26	United Rys. Invt., pref.....	60	7.60
27	Delaware & Hudson	168	7.60
28	N. Y. Central	106	7.40
29	Canadian Pacific	240	7.20
30	Chesapeake & Ohio, com.....	74	6.90
31	Lehigh Valley	182	6.60
32	K. C. Southern, pref.....	66	6.50
33	P., C., C. & St. L., com.....	97	6.40
34	Northern Pacific	118	6.35
35	Illinois Central	141	6.05
36	Chicago & N. W., com.....	143	5.70
37	Atchison, com	106	5.50
38	Pennsylvania	123	5.40
39	D., L. & W.	550	5.10
40	N. Y., N. H. & H.	138	4.85
41	Western Maryland, pref.....	83	4.50
42	M., K. & T., com.....	29	4.05
43	C., St. P., M. & O., com.....	137	3.95
44	Reading, com.....	152	3.10
45	N. Y., O. & W.	39	2.30
46	St. Paul, com.	111	2.25
47	Toledo, St. L. & W., pref.....	39	1.95
48	Rock Island, pref.....	46	1.80
49	K. C. Southern, com.....	29	0.75
50	Boston & Maine	100	0.45

Digitized by Google

UPON PRESENTATION

at the Office of

THE MIDDLESEX BANKING COMPANY

OF MIDDLETOWN, CONN.

DEBENTURES OF Series E16, for $204,000.00, and Series E22, for $188,500.00, maturing January 1st, 1912, WILL BE PAID at par with interest to the date of payment.

COPPERS—PORCUPINES
COBALTS—GOLDFIELDS

Our weekly market letter mentions the above, also particularly, Corbin, Inspiration, Live Oak, Indiana, Calumet & Arizona, Mazatlan—mailed free upon request.

"Coppers" and Curb Stocks bought and sold for Cash or Carried on Margin

H. A. BROWN & CO.

Members Boston Curb Exchange

60 State St., Boston — 74 Broadway, New York

WANTED

Butte Water Co. 5's 1921
Akron, O., Water Co. 5's
Michigan, Lake Superior Power receipts
New Hampshire Electric Railways stock
Arizona Territory bonds
Des Moines Water Co. 6's

H. C. SPILLER & CO.

Specialists in Inactive Bonds

27 STATE STREET BOSTON

5% PROFIT SHARING BONDS

Protected by carefully selected NEW YORK CITY REAL ESTATE

The profit Additions for the past 9 years have averaged over

12% Per Annum

making present Book Value of a $1,000 Bond $2,087.20 after having received $450 in interest

SOLD AT PAR

Denominations, $10 to $1,000 and upwards

Can you afford to overlook this safe investment opportunity?

INTER BOROUGH REALTY COMPANY

(Assets Over $1,105,000.00)

10 WALL STREET, NEW YORK CITY

Nevada-Utah Mines & Smelters Corporation

[illegible] Broadway, New York City.

Notice to Stockholders.

The Plan of Readjustment of the affairs of this Company and the accompanying Readjustment Agreement have been filed with the Columbia Trust Company, New York City, where copies of said Plan and Agreement may be obtained. Copies will be mailed to stockholders in due course and any stockholder who does not receive the same should communicate with this office.

The attention of stockholders is called to the necessity of promptly depositing their stock as provided in said Plan with the Columbia Trust Company, No. [illegible] Broadway, New York City, which will issue its Receipts for all stock deposited.

The transfer books of the Company will be closed from December 21, [illegible] to February 5, 1912.

ROBERT [illegible], President.

MONATON REALTY INVESTING CORPORATION

Pays

6% COMPOUND INTEREST

On Money Invested in

Its Accumulative Certificates Running terms of 10, 15 or 20 yr.

Payments may be made annually, semi-annually, quarterly or monthly.

SECURITY

OWNERSHIP OF NEW YORK INCOME PROPERTY

Affording

Immediate returns on investments and Opportunity for increase of valuation.

For Illustrated Booklet, inquire:

Publicity Department

Times Building

Broadway & 42nd Street, New York City

First Mortgage Bonds

For Small Investors

WEEKLY OR MONTHLY PAYMENTS

Government, State and Municipal Issues, also Standard Railroad, Public Service and Industrial Bonds sold in any amount for Cash or on Weekly or Monthly Payments. **Best, Easiest and Safest way to provide for your future.**

Circulars 104 on request; Correspondence invited

Resident Representatives Wanted

FUNDING COMPANY OF AMERICA

40 EXCHANGE PLACE, NEW YORK

GEORGIA FARM LOANS 6%

Net on first mortgage farm loans in the rich belt of Southwest Georgia. Cotton corn, oats, wheat, hay, peaches, cantaloupes, and other money crops are produced.

Seventeen years' experience without a loss.

EMPIRE LOAN & TRUST CO.
Americus, Ga.

6 PER CENT INTEREST PAID

By Coupon on Bonds Secured by Well Selected New York Real Estate.

"We Deal in No Other Securities"

THE DEBENTURE CORPORATION OF NEW YORK
334 Fifth Avenue New York City

BENNETT'S INFORMATION AGENCY

INVESTMENT DEPARTMENT

The wisest men in the United States are those who never make a new investment which they consider good, and never get rid of an old investment which they consider bad, until they have made an investigation of the merits of the investment through BENNETT'S INFORMATION AGENCY.

CONGRESSIONAL INFORMATION

We attend to business at the Treasury Department as well as before Congress, the Courts, and all departments of the United States government, through our Washington office, 208 Corcoran Building, and through our staff of Washington correspondents. If you desire any information from Washington, or any business transacted at the Nation Capital, we shall be pleased to perform the desired service for our subscribers.

PROBATE DEPARTMENT

Information respecting probate matters, in any town or city of the United States, is furnished to our subscribers gratuitously if the inquiry is answered through the columns of the INVESTOR, or for $2.00 if the reply is by private letter.

LEGAL DEPARTMENT

Questions answered by prominent attorneys upon any desired subject for $2.00 each.

MERCANTILE DEPARTMENT

A report regarding the standing and reliability of any firm or individual in the United States furnished for $2.00. Our information goes into the character and individuality of members of a firm and its methods of doing business.

MISCELLANEOUS QUESTIONS

Inquiries of any sort answered for $2.00 each. Send for descriptive pamphlet of the agency.

REAL ESTATE DEPARTMENT

A report upon any piece of property in the United States furnished for $2.00.

Conducted by

Frank P. Bennett & Co., Inc.

530 Atlantic Ave., BOSTON.
308 Chestnut St., PHILADELPHIA.
2 Rector St., NEW YORK.

INDUSTRIAL SAVINGS AND LOAN COMPANY

BROADWAY AND 42ND ST., NEW YORK

Established 18 years, under New York Banking Law — Assets $2,250,000

5% PER ANNUM

$25 to $3,000 may be deposited or withdrawn on any date desired—earnings credited for full time. For 18 years we have never paid less than 5% per annum. ¶ A good place for your temporarily idle money.

WRITE FOR FULL PARTICULARS

Digitized by Google

United States Investor

Copyright 1911, by Frank P. Bennett & Co., Inc

Volume XXII. BOSTON, NEW YORK AND WASHINGTON, DECEMBER 30, 1911 Number 52

The Canadian Merger

Anything that happens in Canadian banking circles always arouses interest this side of the international boundary line. For years the banks of the Dominion have been held before the eyes of citizens of this country as models for us to emulate. Occasionally, some banker of reputation has had the temerity to defend our own banking system, even in a comparison with those splendid institutions for which Canada is justly famous. Usually, too, the discriminating student of banking has been careful to temper his praise for the Canadian institutions with the statement that in some respects our own banks are more serviceable to our people than the Canadian system would be, if it were to be transplanted bodily to our own soil.

There have been plenty of writers, however, and the sessions of our bankers' associations have not always been free of their presence, who have never been able to speak of the Canadian system in other terms than those of fulsome praise or to compare that system with our own except in language extremely unflattering to our national pride. In the eyes of these folk all that is Canadian is good and all that is American is bad. Not infrequently they have summarized their views in the sweeping statement that this country has about the worst banking system, the most unscientific and the most irrational of any system in the civilized world.

Of course, such wholesale condemnation of our own system is unwarranted, and writers who indulge in it weaken their own case with thinking men. The Canadian system has its flaws which need elimination, and our system has its unique merits which must not be overlooked or decried. Nevertheless, it is true that we have much to learn from our neighbor bankers of Canada, and that on that account anything they do which is out of the ordinary is worth watching. It is this fact, quite as much as any other consideration, which lends interest to the imminent consolidation of two of the huge chartered banks of Canada, the Canadian Bank of Commerce and the Eastern Townships Bank.

A Giant Affair

Correspondents in Montreal almost without exception refer to this prospective union in their letters to our press as a giant bank merger. Although on this side of the line, as we presently shall see, the consolidated institution would not be sufficiently unique to give rise to quite so general a feeling of awe as Canadians seem to have, the term "giant" is not incorrectly used. The new bank will really be a mammoth one. Not only will it be Canada's biggest bank by far, but it will rank among the biggest banks on this entire continent. As a matter of fact, latest figures seem to indicate that it will have aggregate assets in excess of $210,000,000.

Its capital and its surplus will be in keeping with such enormous resources. A paid-up capital of $15,000,000 will be held from the day the new institution is launched, and a surplus of $12,500,000 will buttress that capital against impairment. These two items constitute together a sufficiently large aggregate stockholders' investment to protect even so substantial a number of millions of depositors' money as the bank will have. To our mind, neither these figures nor any other array of numerals can measure the real extent of the influence which the bank will have. After all, the biggest asset a bank ever has is the quality of its management rather than the money and securities entrusted to them.

Frequently, one finds the middle size bank of a city its most useful and helpful institution, because in its management the very best banking talent of the place is to be found. Hence, the assurance that in the new Canadian giant bank there will be found a group of executives, who have been trained for their new and greatly enlarged responsibilities by long service and by gradual and deserved promotions instead of by sensationally rapid ones, is most reassuring. In this respect, the new bank will be true to the best Canadian traditions. The habit our friends of the Dominion have of finding bankers for their most responsible posts from among the experienced banking fraternity is more dependable than a habit which seems to be becoming somewhat prevalent in New York. In our metropolis the idea of picking banking officials for their acquaintance with political conditions at Washington or their loyalty to certain large business interests seems to be rather frequently followed. Incidentally, the Canadian policy is more democratic, and, therefore, likely to make a better appeal to public opinion.

An Extensive Influence

One of the impressive features about the new institution is the very broad scope of its influence. Each of our big New York institutions has interior affiliations which give it an influence far beyond the boundaries of its own city or state. Sometimes those who own the New York bank are the owners also of these interior institutions, but more frequently the connection between the New York bank and its interior allies is less close and is due rather to the opportunities for mutual helpfulness which are regularly arising. It is obvious, therfore, that the power of the New York banks over the banking situation all over the continent is not to be spoken of in the same breath with the power which the new Canadian bank will have over banking in the interior of the Dominion.

The Canadian Bank of Commerce, one of the two institutions which are about to unite, has had no less than 200 branches of its own. The consolidated bank will, of course, have considerably more than that number. Over each of these branches the central office's power is absolute. To be sure, each branch has its local manager, and that manager has rather broad powers. The custom is to allow him practically absolute authority to make or reject loans of $5,000 or less. This means that in many cases he acts absolutely without reference to the central office of the bank. At the same time, reminders are constant that after all his office is only a branch of a great institution whose chief centre of authority is in Montreal or Toronto, and he must constantly act with due regard for the best interests of all the other links of this banking chain. Therefore, the general manager of the consolidated bank, seated at his desk

Digitized by Google

in Montreal, will have direct control over a chain of several hundred banks reaching into every portion of the Dominion and tapping even the Yukon country.

Branches Everywhere

With the most vital affairs of practically every citizen of the Dominion the general manager of this bank will be closely in touch. He will be manager of the bank in very fact. In Canada, as among us, bank directors often are such mainly in title. They do not direct. They merely supervise. Not only do they not initiate business, but they seldom pass upon it until after it has been transacted. They leave to the general manager so large a degree of authority that he may almost be regarded as the ultimate seat of power.

Once a year he hands the directors a report from each branch manager of every loan or liability of the branch that amounts to $1,000. Inspectors who travel from branch to branch make their reports, and these, too, are put at the directors' disposal. They are, therefore, well informed as to each loan, but their knowledge always is after the event. They even leave to the general manager the appointment of officers, although they reserve the right to confirm or reject his appointments. In territorial extent, the power of the general manager of the consolidated bank will exceed the power of any banker in the whole United States.

Although the powers reposed in him are not different in degree from those exercised by the average New York bank president, he will be in closer touch with the great mass of citizens. The readiness of a Canadian bank to start new branches is really remarkable. Because of it, many Canadian points enjoy banking facilities which places of the same size and business importance in the United States would not have. The general manager of the Canadian bank considers a town with a thousand people entitled to at least one branch of some chartered bank. In some places of this size one finds branches of no less than three or four Canadian banks. There are places with not more than 250 inhabitants which have one or more branch banks. Although a bank always hopes to have $200,000 or thereabouts of deposits at even its smallest branch, there are some branches which have practically no deposits and are really only lending agencies. Sometimes a branch established for the deposits it will afford does not yield $100,000 of deposits for a year or two. To the credit of the management of such branches be it said, however, that they almost invariably succeed in getting a substantial volume of deposits after a while.

The Use of Funds

The next thought which comes to mind after that of the extensiveness of the realm of the new consolidated bank, and the closeness with which its general manager will be in touch with the intimate concerns of all the people of the Dominion, is of the use to which the funds of the consolidated bank will be put. A bank of the same size in the United States would make a different disposition of its resources from that which this new Canadian organization will select for its assets. The National City Bank of New York on December 5, 1911, had resources of approximately 266 millions of dollars. It is considerably larger, therefore, than the new consolidated Canadian bank will be. Comparison of the prac-

Guaranty Trust Company of New York

28 Nassau Street

Fifth Avenue Branch,
5th Ave. & 43d St.

London Office,
33 Lombard St., E. C.

Condensed Statement, December 21, 1911

RESOURCES

Real Estate	$2,403,461.13
Bonds and Mortgages	169,000.00
Public Securities	10,611,609.61
Other Securities	43,909,466.89
Loans and Bills Purchased	74,327,961.96
Cash on Hand and in Banks	33,004,863.89
Exchanges for Clearing House	11,224,523.28
Foreign Exchange	30,920,108.93
Accrued Int. and Accts. Receivable	998,665.92
	$207,569,661.61

LIABILITIES

Capital	$5,000,000.00
Surplus	18,000,000.00
Undivided Profits	3,664,051.33
Outstanding Treasurer's Checks	6,972,210.41
Accrued Interest Payable	1,369,144.50
Reserve for Taxes and Expenses	129,557.02
Foreign Accounts	16,411,806.65
Deposits	156,022,851.70
	$207,569,661.61

Directors

Levi P. Morton, Chairman

Charles H. Allen, George F. Baker, Edward J. Berwind, Urban H. Broughton, Edmund C. Converse, T. De Witt Cuyler, Henry P. Davison, James [illegible], Robert W. Goelet, Daniel Guggenheim, Edwin Hawley, Alexander J. Hemphill, Walter S. Johnston, Augustus D. Juilliard, Thomas W. Lamont, Edgar L. Marston, John R. Morron, Gates W. McGarrah, Charles A. Peabody, William H. Porter, Samuel Rea, Daniel G. Reid, John D. Ryan, Thomas F. Ryan, Charles H. Sabin, William D. Sloane, Valentine P. Snyder, Harry Payne Whitney, Albert H. Wiggin

Officers

Alexander J. Hemphill, President — Charles H. Sabin, Vice-President

Max May, Vice-President — L. B. Franklin, Vice-President
J. W. Pratt, Vice-President — C. D. Landale, Mgr. 5th Ave. Branch
W. C. Edwards, Treasurer — E. C. Hebbard, Secretary
F. J. H. Cotton, Trust Officer — F. C. Harriman, Asst. Treasurer
W. F. H. Koelsch, Asst. Secretary — Walter Meacham, Asst. Secretary
J. I. Burke, Asst. Secretary — N. D. Putnam, jr., Asst. Secretary
Robert H. Cox, Asst. Secretary.

Deposits, Dec. 31, 1910	$124,684,139
Deposits, [illegible]1, 1911	156,022,851

Digitized by Google

tices of the two is rendered appropriate, nevertheless, by the fact that each is the biggest bank of its country.

One strinking difference is likely to be found in the amount of cash held by each as reserve. The National City Bank will have 25 or 26, or even 27 per cent of idle cash as reserve against its deposits. If a comparatively recent balance sheet of the Canadian Bank of Commerce indicates the policy which will govern the new bank, the idle cash reserve will be about 10 per cent. Alexander Laird told representatives from our National Monetary Commission who visited him two years or so ago, that in his experience 10 per cent of cash reserves had been found to make him quite comfortable, that with that amount on hand he did not need to bother from day to day as to his reserve.

There is hardly any lesson for the officials of the National City Bank in this. Canadian experience would not justify them in putting to active use some 20 or more of the 42 millions of dollars of lawful money they were holding in their vaults on December 5 of this year. If there be any lesson for Americans in what Mr. Laird said, it is rather for our National Monetary Commission. They may fairly conclude that were branch banking to be instituted in this country, the probability is that we could afford to reduce the amount of idle cash reserve in the vaults of our banks.

Still another difference worth noting, in a comparison of the National City Bank statement with the statement of the Canadian Bank of Commerce, is in the extent to which each makes investments in stocks and bonds. On December 5 the National City Bank had over $38,000,000 invested in this fashion, beside the more than $9,000,000 which it had invested in United States bonds to secure circulation and for other purposes. This $38,000,000 amounted to more than 14 per cent of the National City Bank's entire mass of assets. A recent statement of the Canadian Bank of Commerce showed it possessed of less than $5,000,000 of securities, either of government or other issue, and this figure was actually less than four per cent of the whole volume of assets. To our way of thinking, the Canadian institution has made the more commendable use of its assets.

Character of Loans

So near as we can gather, the character of the loans of the new bank is likely to be more commendable than the general character of loans at the larger New York banks. The recent report of the comptroller of the currency shows that on June 7, 1911, more than 37 per cent

Short Term Investments

Investment bonds and notes issued to mature in from one to five years are favored by many investors as yielding a somewhat better income than long time obligations. In addition, such securities, particularly of the larger issues, usually command a ready market and are less subject to wide fluctuations in price.

We have prepared a booklet giving brief descriptions of the principal issues of such securities, which we will be pleased to furnish on request.

Ask for Booklet S—640

Guaranty Trust Company of New York

28 Nassau Street

Capital and Surplus, - $23,000,000
Deposits - - - - 161,000,000

THE

German National Bank

PITTSBURGH, PA.

Capital and Surplus, - $1,200,000

Can offer you the personal service of officers who regard no account as unworthy their utmost skill.

THE

SEABOARD

National Bank of the City of New York

Capital - - - $1,000,000
Surplus and Profits (Earned) $2,075,000

Accounts Solicited

S. G. BAYNE.....President
S. G. NELSON.....Vice-President
C. C. THOMPSON.....Cashier
W. K. CLEVERLEY.....Assistant Cashier
L. N. DEVAUSNEY.....Assistant Cashier
J. C. EMORY.....Assistant Cashier
O. M JEFFERDS.....Assistant Cashier

Western National Bank

PHILADELPHIA

Capital - - - - - - $600,000.00
Surplus and undivided profits - 257,592.67

GEORGE E. SHAW, President
EDWARD J. DURBAN, Vice-President
SIDNEY LABE, Vice-President
E. E. LINDEMUTH, Vice-President
CHARLES F. WIGNALL, Cashier
JOHN BAUMGARTNER, Asst. Cashier

A conservatively managed bank invites your correspondence.

Franklin National Bank

PHILADELPHIA

Capital $1,000,000.00
Surplus and Undivided Profits. 2,730,181.17

INCORPORATED 1900.

OFFICERS:

J. R. McALLISTER, President.
J. A. HARRIS, JR., Vice-President.
E. P. PASSMORE, Cashier. L. H. SHRIGLEY, Assistant Cashier.
J. W. HARDT, Assistant Cashier.

Foreign Exchange Department.
WILLIAM WRIGHT, Manager.

Chartered 1836

GIRARD TRUST CO.

PHILADELPHIA

Capital and Surplus, $10,000,000

OFFICERS

E. B. MORRIS :: :: :: President
W. N. ELY :: :: :: Vice-President
A. A. JACKSON :: :: Vice-President
C. J. RHOADS :: :: Vice-Pres. & Treas.
E. S. PAGE :: :: :: Secretary
G. H. STUART, 3d. :: :: Asst. Treas.
S. W. MORRIS :: :: Asst. Secretary

OLDEST BANK IN AMERICA
Chartered by Congress, 1781.

The Bank of North America

(NATIONAL BANK)
PHILADELPHIA, PA.

Capital .....$ 1,000,000
Surplus and Undivided Profits. 2,736,000
Deposits 15,200,000

HARRY G. MICHENER.....President
SAMUEL D. JORDAN.....Cashier
WILLIAM J. MURPHY.....Asst. Cashier
RICHARD S. McKINLEY.....Asst. Cashier

Accounts Solicited
Correspondence Invited

Portland National Bank

PORTLAND, MAINE

Union Mutual Life Insurance Co. Bldg.

Accounts received on the most liberal terms consistent with sound banking
Collections receive prompt attention.

WM. W. MASON.....President
EDWARD W. COX.....Vice-President
CHAS. G. ALLEN.....Cashier
EDWARD L. PIPER.....Asst. Cashier

Directors:

Fred E. Richards, Charles G. Allen,
Henry B. Cleaves, George F. West,
William W. Mason, George Westcott Heyer,
Lyman M. Cousens, Roswell C. Bradford,
Edward W. Cox.

CAPITAL, SURPLUS AND PROFITS
$3,300,000

THE NATIONAL BANK
of the
REPUBLIC
OF CHICAGO

offers to conservative bankers its facilities developed and perfected by twenty years of close personal relations with correspondents in all parts of the country.

JOHN A. LYNCH, President,
W. T. FENTON, Vice-President,
R. M. McKINNEY, Cashier,
O. H. SWAN, Assistant Cashier,
JAMES M. HURST, Assistant Cashier,
WM. B. LAVINIA, Assistant Cashier,
W. H. HURLEY, Assistant Cashier.

Mellon National Bank, Pittsburgh, Pa.

"The Bank of perfect service" invites your Pittsburgh business.

CAPITAL $6,000,000 RESOURCES OVER $49,000,000

of the loans and discounts of the New York City national banks consisted of demand loans, usually collateral loans of stock market origin. We are not in possession of a statement of the Canadian Bank of Commerce of so recent a date. There lies before us, however, the statement of that bank which is to be found in the volume of interviews with Canadian bankers which the National Monetary Commission published last year. On the date in question, this Canadian bank had loans and discounts of approximately 87 millions of dollars. Less than 18 millions of this was in call loans or loans running for less than 30 days. Instead of 38 per cent in demand loans, this huge Canadian institution had only slightly over 20 per cent, and a goodly portion of that was in short time loans. It can hardly be denied that the Canadian practice which this comparison reveals is on the whole to be preferred to the American practice.

That the Canadian idea could be followed in New York until we have changed our National Bank Act is probably not true. That it is a practice toward which we should work is not to be disputed. Attainment of that end is worth working for, even though it involves a radical change in the laws which govern our national banks. Power to move its funds from branch to branch without let or hindrance is what frees the Canadian bank from the need of extensive use of stock market loans. Similar power over the funds of interior banks cannot be given our great New York institutions, but some change of law may fairly be made which will cause interior banks to keep their funds at home to a larger degree than now. Interior banks are all too prone to seek the two per cent interest which New York banks pay upon balances placed in their hands. They thus unload upon our New York banks a problem of being constantly in shape to return this money to its interior owners from which the Canadian bank is happily freed. It is this freedom which delivers it from the need of using a large volume of stock market loans.

Diminutive in Comparison

Yet after all one cannot help being impressed at this time with the diminutive size of the Canadian banking system when compared with the size of our own banking arrangements. Statistics in that same publication of the National Monetary Commission show the total deposits of all the Canadian chartered banks with their more than 2,000 branches to have amounted in August, 1909, to less than 800 millions of dollars. Their total loans were only 761 millions of dollars. The loans of the New York national banks alone amounted to 926 millions of dollars on September 1, 1909.

Thus in a single city of the United States, and at only one class of banks there located, over 165 millions of dollars more was being loaned than at all the chartered banks of Canada put together. Is it at all strange that some discriminating economists have not been so enamored of the Canadian banking system as a model for American emulation as they might be? They don't regard a system so small in comparison with our system as at all certain to succeed if it were to be applied to our much more exacting conditions. The total note circulation of the Canadian chartered banks in August, 1909, was less than 72 millions of dollars, whereas the total note circulation of the national banks of this country at that same time was eight or nine times as large. The much vaunted elasticity of that Canadian circulation is a quality which unfortunately is lacking from our own bank notes, but the value of Canadian experience with bank notes is somewhat impaired in our eyes by the comparative diminutiveness of the whole Canadian circulation problem.

Finally, it will interest some of our readers to note that although this giant new consolidated bank will have a very substantial fraction of all the

THE FOURTH NATIONAL BANK
OF THE CITY OF NEW YORK

THE specialized organization of this Bank provides a thoroughly equipped Department for the purchase and sale of high class stocks and bonds for the account of customers. Orders are promptly and carefully executed.

JAMES G. CANNON, President
SAMUEL S. CAMPBELL, V. President
CHARLES H. PATTERSON, V. Pres.
DANIEL J. ROGERS, Cashier
E. W. DAVENPORT, Asst. Cashier
CHARLES E. MEEK, Asst. Cashier

CAPITAL and SURPLUS $10,000,000

DIRECT CONNECTIONS WITH EVERY TOWN IN RHODE ISLAND

SEND US YOUR COLLECTIONS MINIMUM RATES

NATIONAL METROPOLITAN BANK
OF WASHINGTON, D. C.
Oldest National Bank in the District of Columbia

GEO. W. WHITE - - - President
CUNO H. RUDOLPH - - Vice-President
O H. P. JOHNSON - - Vice-President
GEORGE O WALSON - - - Cashier
I. GALES MOORE - - - Asst. Cashier

CAPITAL $2,500,000 Surplus and Profits $1,250,000

ACCOUNTS OF BANKS AND BANKERS, MERCHANTS AND CORPORATIONS, SOLICITED
SPECIAL ATTENTION TO COLLECTIONS

FIRST NATIONAL BANK
EUCLID AVENUE CLEVELAND

DEPOSITS $25,000,000

Planters National Bank RICHMOND VA.
ORGANIZED 1865.

Capital $300,000 Surplus and Profits (earned) $1,160,000
$5,500,000
SUPERIO[R] COLLECTING VIRGINIA ITEMS.

Digitized by Google

UNION EXCHANGE NATIONAL BANK, NEW YORK
CLEARING HOUSE No. 100
CAPITAL AND SURPLUS $2,000,000 Organized 1903 DEPOSITS $10,000,000
SITUATED IN THE NEW COMMERCIAL AND MANUFACTURING DISTRICT, 5th AVE. AND 21st STREET
Banks that can handle to advantage the items payable in their locality are invited to correspond with us

banking resources of Canada, say a fifth, it will actually be a smaller bank than the National City Bank which holds only about one-fiftieth of all the banking resources of the national banks of this country, and holds probably less than one per cent of the entire banking resources of all types of banks. In New York are two other banks which need not shrink from a comparison of their assets with the assets of this new Canadian institution, and in Chicago there is still a third. All in all, therefore, it is a rather impressive thought that with all the consolidation of banks we have had in this country, our biggest bank holds only a single one-hundredth of our banking resources, while the biggest bank of Canada will hold something like 20 per cent of the banking resources of the Dominion. Plainly, ours is by far the more Democratic system.

OLD MISSISSIPPI BONDS.

The Corporation of Foreign Bondholders of London, and the banking house of H. B. Hollins & Company issue a joint notice for deposits of bonds of the state of Mississippi. These obligations were placed upon the public markets in Europe, and this country before the Civil War. They were sold at full prices, and the proceeds were invested by the government of Mississippi to the extent of $7,000,000 in the stocks of the Planters' and Union banks of that state.

In 1852, a suit was brought against the state by a bondholder, and was carried to the highest court. From the beginning to the end of the litigation, the

DECISIONS WERE ADVERSE

to Mississippi, and affirmed the rights of the bondholders. Afterwards, several executive and legislative measures were advanced toward consummating the settlement of this indebtedness, until the Civil War intervened. Since that time, the state has remained in this condition of default.

Recently, Mississippi has again attained prosperous conditions. The state has become an applicant for credit upon new issues of bonds. These conditions, so favorable to the immediate and extensive development of Mississippi, are enlisting many of her citizens in the simultaneous effort to restore her credit, and by that restoration to attain high industrial and commercial conditions.

THE HUDSON RIVER COMPANIES.

The Adirondack Electric Power Corporation, which is taking over the properties of the eight Hudson River Power corporations which E. H. Gay & Company undertook to finance a few years ago, has been formally incorporated and its officers have been elected. As is eminently fitting, James R. Hooper is president of the new organization. Mr. Hooper's service as chairman of the reorganization committee has familiarized him thoroughly with the needs of the property, and the most judicious methods of financing it. The management of the operating end is to be in the hands of the Stone & Webster Management Association.

Mr. C. E. Willock, of Pittsburgh, is to be vice-president; Francis M. Edwards, of Boston, secretary, and W. H. Blood, Jr., of Boston, treasurer. The directors will include Mr. Hooper, Mr. Willock, Mr. Edwards, John P. Reynolds and Edwin S. Webster, of Boston, John S. Scully of Washington, Wilson A. Shaw of Pittsburgh, and Edgar T. Brackett of Saratoga Springs. All of the directors were members of the efficient Boston committee which has handled the reorganization problems so satisfactorily, except Senator Brackett and Mr. Edwards.

CAPITAL $1,800,000.00 SURPLUS $2,000,000.00
Second National Bank
OF
PITTSBURGH, PENN'A.
HENRY C. BUGHMAN, President
WILLIAM McCONWAY, Vice President
JAMES M. YOUNG, Vice President and Cashier
BROWN A. PATTERSON, Asst. Cashier
GEO. A. STEPHENSON, Asst. Cashier
HARRY D. RAMSEY, Asst. Cashier

THE
Chatham and Phenix
National Bank
NEW YORK
Capital and Surplus
$3,000,000
All business under direct supervision of the officers.
LOUIS G. KAUFMAN, President.
GEO. M. HARD, Chairman of the Board.
F. J. HEANEY, Vice-President.
W. H. STRAWN, Vice-President.
A. M. BULL, Vice-President.
BERT L. HASKINS, Cashier.
H. L. CADMUS, Assistant Cashier.
N. P. GATLING, Assistant Cashier.
W. B. BOICE, Assistant Cashier.
H. C. HOOLEY, Assistant Cashier.
Your Account Solicited.

The National Park Bank
OF NEW YORK
Organized 1856.
Capital ..... $ 5,000,000.00
Surplus and profits 12,990,021.06
Deposits, Dec. 5, 1911..... 105,428,130.19

MARINE NATIONAL BANK BUFFALO
Capital and Surplus Earnings, - - - $3,500,000.00
Resources, - - - - - - - - - $34,900,000.00
Accounts of Banks, Corporations and Individuals Invited
Collections Given careful and prompt attention.

The Merchants National Bank Indianapolis Indiana
ESTABLISHED 1865
CAPITAL :: :: $1,000,000 SURPLUS FUND AND PROFITS, $900,000
Superior facilities for handling items on Indianapolis and State of Indiana.

New York State National Bank
ALBANY, N. Y.
Capital, $500,000 Deposits, $13,000,000 Surplus, $500,000
LEDYARD COGSWELL, President
LEDYARD COGSWELL, JR., 2nd Vice President LAURENCE H. HENDRICKS, Cashier
GEORGE A. WHITE, Asst. Cashier.
OVER 800 BANK DEPOSITORS IN THE UNITED STATES.

FIRSTNATIONAL BANK, Denver
Capital and Surplus .....$2,000,000.00 Resources $26,125,124.29
OLDEST BANK IN COLORADO.
A. V. HUNTER, President
THOMAS KEELY, Vice President
F. G. MOFFAT, Vice President
GERALD HUGHES, Vice President
C. S. HAUGHWOUT, Cashier
J. C. HOUSTON, Asst. Cashier
F. J. DENISON, Asst. Cashier
D. R. PLATT, Asst. Cashier
G. M. HAUK, Auditor

The Throttled Pacific Mail!

Held Back For Years, Only a Determined Effort Can Prevent Its Making Money After Canal Is Opened—A Gamble For Years, It Is More Like a Braced Game Until Control Gives Publicity as to What They Will Do After Opportunity For Big Money Making Is Offered Them—With Canal Open, Will Pacific Mail Consider Its Minority Ahead of Railroad Rates?

Every so often a rumor regarding the Pacific Mail Steamship Company arises. The latest one, and this is not new, as it is alternately buried and resurrected, is that the mail steamship is to be sold to the International Mercantile Marine. There is probably not a shade of truth in this rumor any more than there has been in the other similar stories which have been scattered around regarding the Pacific Company for years.

The Pacific Mail Steamship Company is a wonder. That is, it is a wonder why it exists and what it does and why it does not make a better showing, at least, a reasonable excuse for its existence. It is controlled by the Southern Pacific Company. What use is it to the Southern Pacific and what is the Southern Pacific going to do with it? What will the Pacific Mail do when the Panama Canal is opened to it? Why doesn't it get out and do a real Pacific Ocean business and make some money for its minority stockholders? Every time one thinks of the Pacific Mail, the above wonders and many others arise.

The Pacific Mail Steamship Company is capitalized for $20,000,000 of common stock, of which a little more than $10,000,000 is owned by the Southern Pacific Company. This is an old concern, organized under the laws of New York in 1848, and was a great money maker for years. From 1856 through 1867 it averaged to pay dividends on its capital stock at the rate of nearly 20 per cent. Dividends were skipped in 1868; in 1869, 9 per cent was paid, and from that year up to date the average payment has been less than .4 of 1 per cent per annum, there being no dividends in these 42 years except 3½ per cent in 1884, 5 per cent in 1885, 2 per cent in 1897, 2½ per cent in 1898, 3 per cent in 1899 and the balance sheet for the last several years shows a deficit each year.

I accept the rumor that Mercantile Marine is going to buy the Pacific Mail as absolutely without foundation, not because the Mercantile Marine has enough troubles of its own without adding

ANOTHER DEAD ONE

to them, nor that the Atlantic Ocean is big enough for the Mercantile Marine without adding to it the wide Pacific, although with the Panama Canal opened it is possible to build up a story as to the value of the Pacific Mail and a Pacific Ocean line to the Mercantile Marine, in which story the distances from the shores of Japan and China and Australia through the Panama Canal to Europe can be offset against the distances by other routes from those countries to Europe, and the possibilities of trade from those countries through the Panama Canal imagined, but such figuring would only be interesting upon the assumption that the Mercantile Marine will buy the Pacific Mail.

The Mercantile Marine might possibly sweeten its now unpalatable mess by a three-quarters way around the world line by the addition of an across the Pacific route through the Panama Canal, but such a step now is unlikely, because they are now struggling with a big enough load. They will undoubtedly enter the canal track between Atlantic and Pacific ports, and the recent registry under the American flag of Mercantile Marine ships is a step in that direction, but that they will take over the Pacific Mail and its unprofitable business is unthinkable. The coast to coast business is sure to be very profitable—the across the Pacific with present competition not profitable. The Red Star boats of the Mercantile Marine will help keep the lily pads out of the canal, and the Pacific Mail in toto will not become agent of the large concern, although part of it may be purchased. There is no bullish fact in the above rumor.

Of course, the Pacific Mail Steamship Company is controlled by the Southern Pacific Company to insure against the smaller steamship companies competing disastrously with the larger Southern Pacific Company. The Southern Pacific rail lines run from the coast to the Gulf at Galveston and New Orleans, and from those ports to New York City by steamship lines. The Pacific Mail Steamship Company used to run from New York to Panama, thence by the Panama Railroad to the western shore and thence by boat again to San Francisco, and also operated between San Francisco and Hawaii, Japan and China, as well as between San Francisco, Mexican and Central American ports. Before the Southern Company bought control of the Pacific Mail Steamship Company the latter

WAS A MONEY MAKER,

as is pointed out by the dividend payments noted above. Since the Southern Pacific has had control, no large successes have been made. The Panama Railroad used to operate both from New York to Panama, and after crossing the isthmus by rail other boats of the Panama Railroad were used to San Francisco and other Pacific Coast ports. The Pacific Ma

Tax Exempt in Massachusetts

Yielding 6¼ per cent

Suitable for Trust and Personal Funds

(Write or call for special list of Tax Exempt Securities of Gas and Electric Light Companies in Massachusetts.)

C. D. PARKER & CO

BANKERS

78 Devonshire St., Boston.

THE

AMERICAN AUDIT COMPANY

100 BROADWAY, NEW YORK

Independent Examinations Made of Banks, Trust Companies and Corporations

Modern Accounting Methods Introduced

BRANCHES

NEW YORK, (Waldorf-Astoria) 33d St and 5th Ave.
CHICAGO, Marquette Building
WASHINGTON, Colorado Building
PHILADELPHIA, Bellevue-Stratford
SAN FRANCISCO, Western Metropolis Bank Bldg.
MILWAUKEE, Plankinton Bank Building
BOSTON, Exchange Building
ATLANTA, Fourth National Bank Bldg
RICHMOND, American Nat'l Bk Bldg
BALTIMORE, Keyser Building
NEW ORLEANS, Maison Blanche
LONDON, E. C., 50 Gresham Street, Bank

HASKINS & SELLS

Certified Public Accountants

30 BROAD STREET
NEW YORK

LONDON, CHICAGO ST. LOUIS CLEVELAND PITTSBURGH BALTIMORE SAN FRANCISCO and

JOHN F. FORBES

Certified Public Accountant

CROCKER BUILDING
SAN FRANCISCO

ANNOUNCE

the consolidation of their professional accounting businesses January 1, 1912 under the firm name of Haskins & Sells. Mr. Forbes will be the resident partner, with offices in the Crocker Building, San Francisco, California.

FREDERICK S. HOLMES

Vault Engineer

2 RECTOR STREET, NEW YORK

Ambursen Hydraulic Construction Company

Engineer-Constructors

88 PEARL ST., BOSTON

165 BROADWAY, NEW YORK — 405 DORCHESTER ST. W., MONTREAL

Our experience is of value to you because it is gained in the successful building of 67 dams to date (Nov. 1, 1911), of all heights up to 150' and having an aggregate length of over 4½ miles. We have inaugurated a system of bi-monthly Bulletins on pungent engineering topics as viewed from the Bankers' standpoint. Send us your name for our mailing list.

Digitized by Google

Steamship Company and the Panama Railroad Company came to an agreement in which the Pacific Mail gave up its Atlantic steamships and the Panama Railroad gave up its Pacific steamships.

In a recent report of the Interstate Commerce Commission we have the frank admission of railroad managers that they have subsidized or bought some steamship lines and terrorized others until they can make the boast that the effect of the sea has been neutralized. That is, developments in controlling the Pacific Mail Steamship Company have, so far as competition by water from the east to the west coast of the United States is concerned, and vice-versa, neutralized the effect of water transportation in competition with railroad freight haulage. That is, so far as the minority interests in the Pacific Mail Steamship Company are concerned, they have been sacrificed by the majority Southern Pacific Company for the benefit of the Southern Pacific road. To-day, it is probable that there are no investments in minority holdings of Pacific Mail; that is, the original minority investment interests have been out of the Pacific Mail for years, these holdings being bought in later for other than investment features.

Investors have long since got out, and the present minority owners represent speculative buying only.

The last four annual reports which are at hand show deficits beginning with $428,000 for the year ending 1908 down to $199,000 for the year April 30, 1911, or an average decrease in the deficit of about $75,000 a year. And in the last balance sheet the profit and loss item

ON THE WRONG SIDE

of the ledger approaches $12,000,000. If the decrease in deficit at the rate of $75,000 a year could be counted on for the future, the first year of earnings larger than expenses would fall at about the time the Panama Canal is opened, and I figure that the only hope for the minority in the Pacific Mail is in the possibility that the Pacific Mail Steamship Company will be forced by circumstances to make good use of the Canal. I may add here, however, that quotations on Pacific Mail stock do not anticipate profits to the company, because of the Canal, for, taking high quotations only, and going back as far as 1904, the high of that year was 55, which has decreased gradually until the high of 1911 was 31¾.

Neither the Southern Pacific nor the Pacific Mail Steamship Company can prevent the opening of the canal as per schedule. So with the canal open and San Francisco brought so near to New York by water, what will happen? James J. Hill has said that when the canal is opened the transcontinental railroads will be hauling freight at so low a rate that nothing will happen beyond the growth of lily pads in the canal. It is true that recently a corporation broached to utilize the canal in the purpose of Atlantic to Pacific carrying has petered out, because it could not interest capital, but it is not possible that such a condition could continue even accepting it as a fact that

CAPITAL WAS DENIED

this recently suggested corporation.

(Continued on page 2301.)

United States Mortgage & Trust Company

Member New York Clearing House Association

The following coupons will be due and payable at the Main Office of this Company

55 CEDAR STREET

On and after January 2d, 1912

Acker, Merrall & Condit Co. Debenture (Jan. 10) 6s
Alexandria, La., Public Improve....5s
American Felt Co.....5s
Ark., Oklahoma & West. R. R. Co...6s
Baton Rouge, La., Permanent Imp..4s
Billings, Mont., Fund. 6s & City Hall 4½s
Bloomfield, N. J., Fire Department..4s
Buffalo Creek R. R. Co. 2d 5s
Cairo, Georgia, Water Works & El. Light & Town Hall 5s
Camden County, N. J., Building ..4s
Canandaigua, N. Y., U. F. School District No. 1 .....4s
Cane & Rice Belt Irrigation Co. ..4s
Cedartown, Ga., School Improve....6s
Central San Cristobal 1st 7s
Cohoes, N. Y., Public Improvement 3½s
Coldwater Gas, Light & Fuel Co. 1st 5s
Consolidation Coal Co. 4½s
Det., Monroe & Tol. Short Line R'y Co. 5s
Durham, N. C., Funding & School 4½s
Easton, Palmer & Bethlehem St. Ry. Co. 5s
Elberton, Ga., Pav., Elec. Lt. & School Building .....4½s & 5s
Elmira Water, Light & Railroad Co. 5s
Elyria, Ohio, Water Works 4½s
Fairmont Coal Co. 5s
Fresno City Water Co. 5s
Glassport, Pa., School District .. 4½s
Glassport, Pa., Boro 5s
Goldsboro Gas Company 5s
Greensboro, N. C., Street, Sewer & Water Works 4s
Griffin, Ga., Sewer, Water & Light.5s
Hawaii Territory Improvement....3½s
Idaho Falls, Idaho, Municipal 5s
Inter-Ocean Steamship Company ..5s
Jennings, La., School 5s
Klickitat County, Wash., Funding..6s
Long Island Railroad Co. Consol...5s
Long Island Railroad Co. New Cons.4s
Long Island Railroad Co. No. Sh. Br.5s
Marq. & Bessemer Dock & Nav. Co. Debenture 5s
Montauk Extension R. R. Co. 5s
Monterey & Pacific Grove R'y Co...6s
Montgomery, N. Y., Water 4s
Monticello, Ga., School, Light, Water & Sewerage 5s
Muncie Island Co. 1st 6s
Mutual Life Ins. Co. 5s
Mutual Ter. Co. of Buffalo, N. Y. 1st 4s
Natomas Con. of Cal. 6s
N. Y. Bay Extension Railway Co...5s
New Bern Gas Co. of N. C. 5s
North Spring Lake, N. J., Water ..5s
Northern Indiana Ry. Co. Con...1st 5s
Norwalk, Conn., Refund. & Sewer..4s
Oskaloosa Traction & Light Co.....5s
Pacific Telephone & Telegraph Co..5s
Pelham, Ga., School 5s
Pelham, Ga., Public Improvement..5s
Pensacola, Fla., Improvement 4½s
Pensacola, Fla., Special Improve...6s
Portland Gas & Coke Co. Refunding.5s
Port Vue, Pa., ...Funding 4½s
Richland, Ga., Water Works & Elec. Lt. 5s
Richmond, Va., Series I 4s
School City, Fort Wayne, Ind.....3½s
South Orange, N. J., Sewer.....4s
South Porto Rico Sugar Co. (Jan. 31st) 6s
Statesville, N. C., R. R. Aid 6s
Stockton Gas & Elec. Corporation..6s
Stonington, Conn., School Dist. No. 18 .....4s
Sullivan Water Company 1st 6s
Syracuse, N. Y., School.....3½s
Tampa, Fla., Refunding 5s
Telfair County, Ga., Court House..5s
Toledo, Ohio, Refund. 4s and var. others
Toronto, Canada, Local Improvement 4s
U. S. Mortgage & Trust Co. Series "K" 4s
U. S. Mortgage & Trust Co. Series "L" 4s
Water, Light & Power Co. of Hot Springs, S. D. 5s
Water Works Company (San Antonio) 6s
Westerly, R. I., Refunding 4s
West Indianapolis Funding (Jan. 6) 6s
West Orange, N. J., Educational....5s
Wilkes-Barre, Pa., City Improvement 4s
Wilmington, N. C., Refunding 4s
Woodlawn Cemet. Co. of Md. (Jan. 15) 6s
Yellowstone County, Mont., School District No. 2 .....4½s
Yosemite Valley R. R. Co. 5s
Zenith Steamship Co. (Jan. 15)....5s

BRANCHES

Broadway & 73rd St. **125th St. & Eighth Ave.**

Digitized by Google

$4,000,000

Bush Terminal Buildings Company

First Mortgage Sinking Fund 5% Gold Bonds

Due April 1, 1960. Interest payable April 1st and October 1st in New York. Coupon bonds, $1,000 each. Principal may be registered. Bonds may be registered as to principal and interest in $1,000, $5,000 and $10,000 denominations. Coupon and registered bonds interchangeable. Bonds not callable. Titles to real estate guaranteed by the Title Guarantee and Trust Co. and the Title Insurance Co of New York. Legality of issue approved by Mr. R. Burnham Moffet. Columbia Trust Co. of New York, Trustee.

TAX EXEMPT IN NEW YORK STATE

Application will be made to list these bonds on the New York Stock Exchange

Secured by First Lien on Valuable Real Estate and Buildings thereon in the Boroughs of Manhattan and Brooklyn, New York City,

and

Guaranteed Principal and Interest by the Bush Terminal Co. by Endorsement on Each Bond

Authorized Issue $12,000,000 **Outstanding $4,000,000**

Balance can only be issued for the erection of additional buildings and acquisition of new property

We call attention to some of the salient features of this property outlined to us in a letter, from the President of the Company, as follows:

1. The Bush Terminal Co. and the Bush Terminal Buildings Co. consist of an extensive aggregation of piers, warehouses, model loft and factory buildings—all interconnected by a comprehensive railroad and switching system. The plant covers about 200 acres, with a frontage of more than half a mile on the Brooklyn side of New York Harbor. In addition, there are owned real estate and buildings in New York City.

2. The Bush Terminal Buildings Co. owns the property from 28th to 37th Streets between Second and Third Avenues, South Brooklyn, and has erected thereon a series of model loft and factory buildings from 700 to 800 feet in length, 80 feet wide and from 6 to 8 stories in height. Only half of the nine blocks is now covered with buildings, of which these are six entirely rented, and two in course of construction, to be completed in the Spring of 1912, of which over 50 per cent. is already rented. The company also owns the office building No. 100 Broad St., Mannattan, occupied by the company, and three buildings to the rear thereof, and also the 10-story loft building No. 327-333 East 29th St., Manhattan.

3. The Bush Terminal Buildings Co. for the calendar year 1911, with but four buildings in operation during the whole of the year, and with buildings 5 and 6 bringing in their full income for only half of the year, and buildings 7 and 8 in course of construction, is earning in excess of the interest charges on the whole $4,000,000 bonds outstanding.

4. Based on the receipts from rentals of buildings Nos. 1, 2, 3 and 4 during 1910 and buildings 5 and 6 during 1911, it is estimated that the net income of the Bush Terminal Buildings Co. from buildings Nos. 1 to 8, inclusive, for 1912 should be in excess of $400,000, or more than twice the annual interest requirements on the $4,000,000 5% bonds now outstanding.

5. These bonds are guaranteed, both as to principal and interest, by endorsement by the Bush Terminal Co., whose surplus earnings for 1910 (after payment of taxes and bond interest) were $428,375, equal to more than twice the guaranteed interest charges on the outstanding $4,000,000 bonds of the Bush Terminal Buildings Co.

6. The earnings of the Bush Terminal Co. are derived from a variety of sources, and the plant is practically free from the adverse effects of general business depression, because the fixed income is from leases, and the fluctuating income from the storage of merchandise, which tends to accumulate in warehouses in bad times.

7. A sinking fund, through the operation of which it is estimated that approximately 75% of the First Mortgage 5% Bonds of the Buildings Company will have been retired before maturity.

8. Capable and experienced management; exceptionally favorable location; unsurpassed transportation facilities; good labor conditions; steadily increasing number of tenants.

Copies of President's letter together with circular describing this issue in detail can be had upon application to the undersigned.

Having sold privately the greater portion of the issue, we offer the remaining bonds, subject to prior sale, at

98½ and interest, netting about 5.10%

Spencer, Trask & Co.
43 Exchange Place
New York

F. J. Lisman & Co.
30 Broad Street
New York

Among New England Banks

A Vermont City Which Boasts of Two National Banks, Yet Has No Savings Bank—What the Bankers of Keene Are Doing to Help Develop Their City and Thereby Increase the Scope of Their Business—Banks Which Have No Competition in the Smaller Cities Cannot Be Too Arbitrary.

When one is traveling about the country interviewing numerous bankers, just as, in fact, when one is traveling around visiting many men in any particular calling, it is not such a difficult matter to pick out the men who are successfully extending and building up their business. Somehow or other, the very atmosphere in which you stand, the way in which the different cashiers meet you, their attitude toward you, etc., tell you at once whether that particular man is extending the operations of the bank or whether he is simply living on the laurels of a preceding efficient management, or perhaps, even slipping backward.

The successful banker of to-day must be ready to meet those with whom he comes in contact as a banker, or he must be more or less what the world calls a "mixer". It is not enough that he should be pleasant and affable to his customers and clients, but he must also be able to turn even others away by letting them down easy. This applies not only to the officers of the great big metropolitan banks, but to the officials of even the smallest country banks.

I walked into a country bank in Vermont the other day, and before I came out I wondered how the cashier of that bank had ever in the first place secured his position, and how, even after he had secured it, the stockholders of the bank had found it profitable to keep him there, and, moreover, why it was that the bank had not slipped back. My answer to the first two questions was given me when I learned that this cashier through himself and his friends owned a controlling interest in the bank, and my answer to the last is simply found in the well-known action of the ordinary country New Englander following in the footsteps of his father, and pursuing the old adage of "What was good enough for them is good enough for me".

In fact, my experience with this banker was a record one. For in him I found the

FIRST LIVING EXPONENT

of the belief in holding on to a dollar until the eagle screams. It seems that this banker had written an article which had appeared in the local paper taking to task the legislature of the state of Vermont for the severe tax which it had imposed upon savings deposits. He showed me the paper, and when I asked him for a copy of it that I might read the article at my leisure and perhaps make some use of it, I was surprised as well as chagrined by hearing such an unexpected reply as "You can get a copy of the paper down street for 5 cents". Mind you, the paper was then about four days old. Do you wonder, therefore, why I state that this was a record experience? I trust that my good friend has been able since my departure to start up his fire one of the cold mornings we have had by the use of the paper in question. And this remark is in no way derogatory to the paper either.

Situated in almost the furthermost southwestern corner of the state of New Hampshire is the little city of Keene. On the map it appears simply as a small dot, and in the minds of many people who have never been there it does not appear much larger, and yet Keene has a population of about 15,000 souls, and as a matter of fact, it is one of the most prosperous cities in the whole state, although it must be admitted that there are not many cities in the strict sense of the term in that particular New England state. Manchester is four or five times as large, so also is Concord much larger, and yet I will wager that the business men of neither one of those two cities are any more energetic and perhaps not even as much so as those of this thriving little community. In fact, were the leading citizens of all of our New England towns endowed with as much civic spirit and pride as are the leading citizens of Keene, and

WILLING TO INVEST

their money in their home community instead of sending it out West to be put into some hole in the ground or some visionary scheme, why, we would find the development of New England much farther ahead than it is to-day, and the name and reputation held by this section, inherited from a past generation, would never have become so decadent as it surely can be called to-day when compared with many thriving communities of our western country.

The common idea of Keene, I believe, is that it is a little trading centre for that section of the state, into which the farmers from the surrounding country drive in each day, or perhaps each week end or less, bringing with them their farm products and taking back with them wearing apparel, furniture, etc.

It is true that Keene is a trading centre for the country surrounding it, but it is more, for its manufacturing interests are not at all to be sneered at, and what is more, its citizens are offering inducements to small manufacturing concerns to come there and establish themselves. The result of these inducements cannot help but be of material aid to the community. The banks, by the way, are evidently very much interested in every movement toward the bettering of the city and its growth, because, of course, each new industrial concern which establishes itself there means the giving of a larger market for the investment of the funds of the banks and a consequent growth not only in deposits but in efficiency as well.

For instance, only last year the leading citizens got together and subscribed a fund of $6,000. With this fund of $6,000 the Keene board of trade hired an energetic and up-to-the-minute Kansan as secretary, and the fund will go toward keeping this secretary busy in an endeavor to boost Keene during the next two years.

There are four national banks and two savings banks in Keene, the leading ones of which are the Keene National Bank and the Cheshire National Bank.

As a banking city, I found Keene rather unique, and I cannot but contrast it with the conditions to be found in some other banking communities which I visited. For instance, we find the bankers to-day, as a usual thing, in as severe a fight with competition as almost any other line of endeavor. In many places banks put into action many things which they almost never discuss with the other bankers of the community, but are better satisfied that the other bankers do not know anything about it until the thing shall have received a good start, or until the other bankers shall have found it out for themselves.

But if I am to believe what the bankers tell me, this is not so in Keene. Little, I understand, is done by one bank until they shall have discussed the matter and threshed it out with some other bank. For instance, I remember when one of the national banks of the city branched out into the savings line, instead of going out right off the reel and soliciting savings accounts, the cashier of this particular bank went over to the cashier of the bank across the street and discussed the matter with him. As a result, the bankers of the community are a very united fraternity.

Everybody remembers the time in the early nineties when some twenty odd savings banks in New Hampshire failed and had to go into liquidation, some voluntarily and some involuntarily. The savings bank laws previous to that time were very lax and banks were permitted to make investments which in the light of experience were ridiculous for savings banks. But New Hampshire at that time learned its lesson, and since then the savings banks' treasurers of that state have been very careful in their investments, with the result that to-day the state can boast of many strong savings institutions. An echo of that period is still heard in some places within the state, for some of the banks are

STILL LIQUIDATING,

and while many of the banks liquidated at better than par, it took some of them a mighty long time to do it.

It's an ill wind, however, which doesn't blow somebody good, and as a matter of fact, it was only the other day that a savings bank treasurer told me of a change which the wholesale liquidation of New Hampshire savings banks brought about in his town. The savings bank in this particular town was considered very strong. It, however, was carrying a number of large individual deposits, and when it became apparent that the effect of the many bank failures would force a run on the resources of the bank, which they could never meet with their quick assets, the trustees de-

Digitized by Google

cided to have the bank go into voluntary liquidation, and the depositors eventually received almost 102 per cent on their deposits. When a new savings bank was organized in that town one of the first things which was thought of was to place the limit of a savings account at $1,000. This limit, on account of local conditions, has since been extended to $1,500, and it is needless to say that this particular savings bank is considered among the strongest of the New Hampshire savings banks to-day.

At the time of the failure of so many New Hampshire savings banks, the failure of the three Keene savings banks occurred, and, as a matter of fact, there are two of them which at the present time have not been fully liquidated, one of them having paid to depositors something like 85 cents on the dollar and the other in the vicinity of 95 cents. At any rate, as a result of these failures, savings accounts became a lost art in Keene, and since that time it has been a difficult matter to educate the people into starting savings accounts with the banks of the city.

SAVINGS ACCOUNTS.

About ten years ago, however, the cashier of the Keene National Bank, who had felt that there was a good field to work in, prevailed upon his board of directors to install a savings department. The other national banks in the city followed the example set by the Keene National and since that time their savings departments have shown a steady and strong growth, and I understand that they have been profitable as well. In fact, there is no reason why they should not be profitably conducted, for the national banks of the city pay only two per cent on their savings accounts as against the three and one-half per cent paid by the two savings banks which have been established there since the period aforementioned. And yet in spite of the big difference in the interest rates several of the national banks have constantly growing savings accounts. In fact, I know of one national bank of the city which has about 3,500 depositors. Each one of the national banks issues both interest bearing certificates and uses the method, employed by many other banks, of loaning depositors the familiar little steel savings banks which are brought into the bank to be opened when their contents are desired.

The city of Keene already boasts of a large, substantial and well-established chair manufacturing concern and a growing silver company, that is, a company which manufactures solid silver utensils, etc., for such trade as Tiffany's and the like. There is a large distributing grocery concern there which does business amounting to over $1,500,000 per annum. With these and smaller concerns engaged in many different lines, there is naturally enough work for the Keene bankers.

BANK COMPETITION.

While traveling through the state of Vermont, I heard many interesting stories of how it happened that in a town boasting, perhaps, of two or three thousand inhabitants two banks were doing business where, in many case, it seems difficult to believe that there would be hardly room for one good substantial bank to make a living. One of the most interesting cases of this kind I found in the town of Fairhaven, Vt. Fairhaven is located some fifteen miles outside of Rutland, to which it is connected by an electric line, and has a population of about twenty-five hundred people. It seems that years ago the president of the bank was deposed by the directors, his defeat having come about by a majority of only one vote. He was very much peaved at the situation, and immediately started up a bank of his own, the Allen National Bank, the older being known as the First National Bank. Both banks, however, have managed to get along all right, and I am told that one of them at least figures on getting a return on its money of six per cent, which is, of course, doing mighty well.

NO SAVINGS DEPARTMENT.

Strange to say, however, regardless of the fact that there are two national banks doing business, neither of them having a savings department, and, in fact, there is no savings bank in the town, the savings of the people from the contiguous territory being sent by mail to savings banks in other parts of the state, mostly, of course, to those of Rutland. I understand that the banks in question have two charters giving them the right to organize savings banks, but, nevertheless, they have never done so. It seems to me they are missing a grand opportunity, and, in fact, I was told by one of the leading men in the place that a savings bank in Fairhaven would do well, be a boon to the people, and help out the whole territory thereabout, and at the same time, the market for its funds would be sufficient to enable it to compete with the other savings banks of the state in the payment of 4 per cent on deposits. The people who own the charters, however, do not feel disposed to organize a savings bank, and somehow or other, no outside bankers have ever done so. Perhaps, the whole reason for the non-establishment of a bank there may be found in this statement by one of the bankers. He said, "I shall never pay a cent of interest on deposits as long as the present extortionate tax upon savings deposits is in operation, for the tax is too prohibitory. Everyone, of course, admits that the Vermont tax upon savings deposits is altogether too high, and yet the fact that others are paying the tax as well as 4 per cent on deposits, seems to me to indicate a lack of civic spirit on the part of the bankers in question. For a savings bank in a district like that in which Fairhaven is situated is a very

INFLUENTIAL FACTOR

in its development.

The experience of a national bank in a Vermont city north of Keene, N. H., shows very well that even if you happen to be the only commercial bank in a place it does not do to be too arbitrary, as many bankers so situated really are. When there is only one bank in a sizable city there are two ways of keeping out a competitor, either by catching the new organization in its infancy and buying out the people interested, as I understand was done by the management of a bank which has a city of some 5,000 inhabitants in the White Mountains in New Hampshire catering to it and to it alone; or by being accommodating, courteous and agreeable to its clients and perhaps to its clients friends.

The bank of which I speak did not make use of either of these expedients. The officials were officious, not as accommodating as they ought we have been, and I understand at times even discourteous and not disposed to do any more for a customer than they could possibly help. They knew at the time that it was either their bank or nothing, and they could not look far enough into the future and see that opposition was bound to come.

As a result, a movement was started and a trust company was formed with a board of directors who had the confidence of the community, and a treasurer of accommodating temperament and banking experience. As a result, the trust company is outstripping the national bank, partly on account of better management and partly because merchants and the like were glad to find someone else with whom they could bank.

BANK VISITOR

PUSHING ALDRICH PLAN.

The activity which the various local divisions of the National Citizens' League for the Promotion of Sound Banking System are showing, augurs well for the success of their educational campaign in favor of the Aldrich plan. A determined movement to add members to each of these local chapters is meeting with considerable success, and meantime subscriptions for the

FUND OF $1,000,000,

which is believed to be needed for this educational campaign, are being obtained. In Philadelphia an especially aggressive movement is under way, and the banks and trust companies are being asked to contribute liberally.

The canvassing committee in that city consists of such prominent citizens as A. B. Johnson, of the Baldwin Locomotive Works, George H. McFadden, the well-known cotton merchant, and William D. Windsor. It is understood that some of the directors of the banks are doubtful whether it will be lawful for their institutions to make a direct contribution, and personal subscriptions from individual members of the directorates are being made instead.

N. Y. STATE BANKERS' CONVENTION

The Nineteenth annual convention of the New York State Bankers' Association will be held in the city of Buffalo, probably in June, although no definite date has as yet been determined upon. The chairman of the Committee of Entertainment is John A. Kloepfer, president, Union Stock Yards Bank. We understand a very attractive programme is being prepared, and that the convention will be addressed by several gentlemen of national reputation.

All employes of the Bankers Trust Company, New York, received a Christmas bonus equal to 10 per cent of their annual salaries.

Philadelphia National Bank Stocks

Investors Are Showing Increasing Interest in Them, Although the Yield at Present Prices Is Very Moderate—A Tabulation Shows That Prices Now Are Materially Higher Than in 1907, and That Buyers Are Satisfied With a Lower Yield.

Do the stocks of Philadelphia national banks offer an attractive field to the investor to-day? This is perhaps a question which deserves more attention than it has received, and it is one which presents two strongly opposed arguments.

The majority of the brokers in the city answer this question in the negative, although the stocks of most of the national banks in the city are listed on the local exchange. Silent testimony that they are not pushed to any extent by the brokers is offered by the fact that only four of all the national bank stocks listed have been traded in on the exchange during this year. These are the stocks of the Farmers & Mechanics, the Fourth Street National, the Manufacturers and the Western National.

Judging from the records at hand, there

HAS BEEN NO SALE

of Southwark National stock since January 30, 1903, when a sale was made at 70, the par value being 50. Of Kensington National stock there has been no sale on the exchange since March 4, 1903, and no sale of Franklin National has been made on the local board since January 24, 1904. Some stock of the First National was sold as far back as December 22, 1905, but apparently, no sale has been made on the exchange since, and no other sale of national bank stock is recorded for that year. During 1906 only stock of the National Bank of the Northern Liberties was sold, and, apparently, there were no sales at all of national bank stocks during 1907, barring the auction sales with which we are not concerned at this moment. Neither were there any sales of national bank securities on the exchange during 1908 and in 1909 and 1910 there were only a very few.

Many of the stock exchange members are unable to give you any information about national bank stocks at all off-hand, and if you really seem to want information about them, they refer you to the banks themselves or to

THE AUCTIONEERS

who handle more national bank stocks in one week than are handled on the exchange during the course of an entire year.

To all appearances, exchange brokers do not care particularly to do business in them, either because of their unfamiliarity with them, or else because they have slight hope of getting the bulk of the business away from the two auctioneers who handle almost all of it. Possibly, too, they feel that they have quite enough to occupy their minds with the other stocks and bonds listed which are more actively traded in.

In addition to this, the brokers either do not or pretend they do not consider that these stocks offer an attractive outlook for the investor. Of course, except under rare circumstances a national bank stock does not offer very much to the purchaser of a speculative turn of mind, and some of the brokers argue that they offer little more to those who demand strict conservatism in their investments. Some of them point

A WARNING FINGER

at the clause in the national bank act which makes every holder of national bank stock doubly liable if the bank should fail. If the writer is correctly informed, only two national banks in the entire country are exempt from this ruling, and these are the National Bank of Commerce and the American Exchange National Bank in New York City.

The attempt to get them into the system was made at the time of the Civil War, and the stockholders would con-

Kidder, Peabody & Co.
115 Devonshire St.
Boston
56 Wall Street
New York
INVESTMENT SECURITIES
FOREIGN EXCHANGE
LETTERS OF CREDIT
Agents and Attorneys for
Baring Brothers & Co., Ltd.
LONDON

Dial Cash Register, Pay-As-You-Enter Car, Eastern Mills Stocks, Hocking Valley Products Co., bought and sold.
C. W. GILMOR, 50 Broad St., N. Y.
Wire connections to all markets

Hodenpyl, Hardy & Co.
BANKERS
7 Wall Street, New York
6% PREFERRED STOCKS A SPECIALTY

BODELL & CO.
PROVIDENCE, RHODE ISLAND
Boston Office, 35 Congress St.
Bonds and Preferred Stocks of Proven Value

GEO. D. COOK & CO.
BANKERS
71 BROADWAY, NEW YORK
We make a Specialty of
MEXICAN GOV'T, STATE AND RAILROAD BONDS

McCOY & COMPANY
Municipal and Corporation Bonds
181 LA SALLE STREET
CHICAGO

Boody, McLellan & Co.
111 BROADWAY, NEW YORK
MEMBERS OF NEW YORK STOCK EXCHANGE
Orders Executed for Investment or on Margin

We Have For Sale
Seattle Judgment and Condemnation Fund 6% Warrants.
WM. D. PERKINS & CO., Bankers
No. 211 Cherry St., Seattle, Wash.
Established 1893
Oldest Bond House in Washington.

DOMINION BOND COMPANY
LIMITED
MONTREAL TORONTO OTTAWA
LONDON, ENGLAND
Dealers in HIGH-GRADE CANADIAN BONDS
List on Application

5% BONDS
Guaranteed by
National Light Heat and Power Co.
A. H. BICKMORE & CO.,
30 PINE ST., NEW YORK

6% Timber Bonds
Carrying With Them An Exceptionally Attractive Feature.
American Finance & Securities Co.
5 Nassau Street New York

H. C. Gibbs & Co.
Gas and Electric Light Bonds
To yield 5% to 5 1-2%
60 State Street BOSTON

CIRCULAR ON MISCELLANEOUS UNLISTED MILL AND MANUFACTURING SECURITIES
SENT UPON REQUEST
HORNBLOWER & WEEKS, 60 Congress St., Boston

Digitized by Google

sent to come in only on these terms. None of the national banks in Philadelphia are free from this restriction, all being governed by exactly the same requirements, with the single exception of the Bank of North America, and that differs from the others only in that it is permitted to omit the word "national" from its name.

Of course,

THE DOUBLE LIABILITY

of national bank stockholders is an objection from one point of view, that of the investor, but in addition to being a protection to the depositors, it is in a way a safeguard to the investor in bank stocks, in that it assures him that those of the stockholders who have the active charge of the affairs of the bank will be more careful in conducting its business than they might be in carrying on a business not involving so much personal liability.

The principal objection to national bank stocks as an investment brought up by most brokers, however, is the high selling price of the stocks and the low return offered on the money invested. Of course, this objection does not apply in the case of those stockholders who were among the incorporators of the institution and to others who may have got hold of some of the stock soon enough after a new bank's incorporation, although there are several banks in the city to-day which are paying dividends of only 6 or 7 per cent, hardly an excessive return. Furthermore, even the early birds sometimes have a long wait for a good thing, owing to the settled policy of most banks to lay aside a large surplus or to make increases in the capital from earnings. Most of the banks are paying well up toward 10 per cent, however, and some as high as 16 per cent, but, of course, it is not possible for any buyer of bank stocks in this city to-day to get any such return.

THOSE WHO OPPOSE

national bank stocks as investments, not only object to the low return but also insist that on the better stocks it is getting less and less. That this is true, even the banks themselves will admit, but it is easily explained by the fact that it is nothing else than a steadily increasing demand for bank stocks as an investment which has driven the market prices up to these levels which can yield nothing but a low return even on a very high dividend rate. For although bank stocks were for several years much neglected by the investing public in this city, they are now coming more and more to the front, and it seems strange, for this reason, that more attention is not paid to them on the local stock exchange. Two of the leading auctioneers in this city are doing practically all of the business. One house holds sales of them every Tuesday and the other every Wednesday. It is said that most of the sellers of these stocks prefer to do business in them in this way, because the auctioneers always

GET BETTER PRICES

than can be obtained on the exchange. Of course, there is yet hardly enough of a public demand for these stocks to oblige the auctioneers to devote a whole day to their sale alone, so they form merely a small part of the various stock and bond offerings made by the auctioneers once every week. In the sale of these stocks the auctioneers perform practically all the functions of regular brokers, or will do so if requested, so there is nothing inconvenient about this manner of trading. To be sure, investors in bank stocks cannot keep quite as closely in touch with them as they could if they were actively traded in on the exchange every day, but, naturally, bank stocks are not subject to violent fluctuations, generally, moving steadily in one direction or the other, and not jumping up and down without rhyme or reason. Besides, the results of these weekly sales are published in the papers every Monday, and furnish a good

KEY TO THE SITUATION.

The statements issued by national banks in response to the calls of the comptroller do not give the investor any better information, perhaps, than the statements issued by other corporations. This bank men themselves will admit, although these returns go into considerable detail and are issued frequently, at least five times a year. They fail to show, as one broad gauge banker put it, "whether the loans are made to cats and dogs or to reliable parties". Yet they come from institutions which are at least under national supervision, and that means something. One only has to read the papers to see that this supervision is becoming more and more severe every year, and the fact that the present comptroller is making every effort to see that no new national banks are incorporated unless they can show good cause for coming into being is attracting

MUCH FAVORABLE COMMENT.

Coming back to the question of earnings, yield and the like, some interesting points are brought out by the table which is appended to this article. This gives information along these very lines from the comptroller's call of December 3, 1907, and the recent one of December 5, 1911. The table shows that during these years there have been comparatively few increases in capital and only two changes in par value. To-day, the stocks of only four banks have a par of $50—the Kensington, Germantown, Penn and Southwark. The par value of all the others is $100. Twelve banks are paying a higher dividend rate now than they were then; two are paying less and the rate of the others has not changed. It is to be noted that the table gives the dividends actually paid during the year, including extra dividends, if any, and not merely the annual rate.

It is very clear that the prices of bank stocks in this city are on the increase from the fact that

ONLY SIX ARE LOWER

now than they were in 1907, and the rest, 27 in all, are higher and most of them much higher, as the table will show. In 1907, the average selling price was $214.80. To-day, the average selling price of all the 33 national banks now doing business in the city is $251.75. The average book value also shows a slight increase, but the yield shows a decrease from an av-

Logical Reasons

For two reasons we investigate most thoroughly every company the securities of which we offer to investors

FIRST Because we always purchase the control of these companies outright and must feel sure we have enough knowledge of their condition

SECOND Because when we offer to the public securities of these companies we wish to be able to furnish absolutely trustworthy data regarding them.

Write for Circular

Meikleham & Dinsmore

ENGINEERS AND BANKERS

137 Chestnut St., Phila. | 25 BROAD ST., NEW YORK | 60 State St., Boston

Assets Realization Company

Capital $10,000,000

Purchases Estates in Liquidation at any point in the United States

NEW YORK PHILADELPHIA CHICAGO

American Industrials Co.

Broad Exchange Building, New York

INVESTMENT SECURITIES.

6% Twenty Year First Mortgage Gold Bonds
7 Preferred Stocks.
8% Preferred Stocks.

Baker, Ayling & Co.

50 Congress street, Boston

INVESTMENT BONDS

Philadelphia Office, Land Title Building

TAX EXEMPT STOCKS

List Mailed on Application

311 Main St., **W. F. CROSBY** Telephone 4090

WORCESTER, MASS.

6% NON-TAXABLE TRUST CERTIFICATES With Participation in the Large Profits of Real Estate Development. Secured by Income Property. Send for Booklet

GREATER BOSTON REALTY TRUST, 28 School Street, Boston

erage of 4.65 in 1907 to 4.54 in 1911. This does not mean, however, that it has been going steadily downward, or is lower now than it ever was, for, during the period under consideration, it was several times much lower than it is to-day. In 1910 it was 4.47, this being the average at the time of the call in November; in March of that year it was 4.33, and in January, 4.40. In November, 1909, it was 4.45; June, 1909, 4.17, and February of that year, 4.54, or the same as at present. However, the general tendency has been downward, because, as previously stated, a better demand has steadily forced the market price upward.

A yield of but little over 4½ per cent is, perhaps, not very attractive compared with the returns offered by some preferred railroad and industrial stocks in to-day's market. Moreover, if the writer is not mistaken, bank stocks are subject to state taxation, whereas some good bonds bearing about this rate are tax free. But national bank stocks are finding more buyers among the investors of this city to-day, because they believe that increases in dividends will keep the yield on a fairly profitable basis. The table will show that the hopes of investors have not yet been fully fulfilled in this respect. However, the dividend rate of practically all of the banks is so low, when compared with their earnings on their capital, that it is no wonder that these stocks are being sought by investors who demand conservatism above all else, and as good a return as is consistent with such a policy.

BANK STOCKS OF PHILADELPHIA.

Name.	1911. Capital.	Percentage earned on capital.	Dividends paid.	Par value.	Book value.	Selling price.	Yield.	1907. Percentage earned on capital.	Dividends paid.	Par value.	Book value.	Selling price.	Yield
Bank North America	$1,000,000	17.52	12	100	374	310	3.87	22.3	12	100	340	275	4.36
Centennial	300,000	17.42	12	100	298	250	4.80	21.3	13	100	283	220¾	5.89
Central	1,000,000	24.25	16	100	432	424	3.74	a31.0	16	100	476	410	3.66
Corn Exchange	1,000,000	19.88	10	100	263	296	3.37	b37.7	12	100	343	300	4 00
Eighth	275,000	34.50	16	100	466	401	3.99	31.7	15	100	417	315	5.40
Farmers & Mech	2,000,000	7.76	7	100	173	141	4.96	11.5	7	100	164	140	5.00
First	1,500,000	11.91	10	100	308	231	4.32	c21.6	10	100	194	226	4.42
Fourth Street	3,000,000	17.79	14	100	315	300	4.66	24.2	12	100	291	290	4.13
Franklin	1,000,000	28.77	16	100	385	448	3.57	33.8	13	100	324	311	3.86
Girard	2,000,000	29 50	14	100	330	360	3.88	27.4	13	100	281	258	4 65
Kensington	250,000	13.02	8	50	116	105	3.80	18.1	8	50	107	88¼	4.25
Manayunk	300,000	22.93	13	100	311	260¾	4.99	21.9	11	100	285	280	4.62
Manufacturers	500,000	8.44	6	100	182	125	4 80	10.5	6	100	172	116⅔	5.15
Market St	1,000,000	10.03	8	100	216	174	4.59	22.7	8	100	200	160	5.00
N. B. Germantown	200,000	9.48	12	50	180	145	4.13	17.1	12	50	185	148	4.05
N. B. of Liberties	500,000	13.03	12	100	285	250	4.80	19.3	12	100	278	260	4 62
National Security	250,000	35.38	14	100	463	350	4.00	34.9	12	100	383	295	4.07
Ninth	300,000	8.89	10	100	308	254	3.97	26.7	10	100	283	212¼	4.72
Northern	300,000	14.11	8	100	212	175¾	4.55	10.8	7	100	192	150	4.67
Northwestern	300,000	31.89	14	100	432	353¾	3.96	29.8	12	100	367	300	4.00
Penn	500,000	26.30	12	50	192	173	3.46	27.1	10	50	166	133	3.76
Philadelphia	1,500,000	26.70	16	100	370	430	3.72	33.9	12	100	320	290	4 14
Quaker City	500,000	10 20	6	100	197	120¾	4.98	8.7	6	100	189	129	4.65
Second	250,000	18.87	10	100	307	260	3.84	20.7	8	100	267	209½	3.83
Sixth	150,000	18.20	12	100	299	209	5.74	29.0	12	100	275	181	4.97
Southwark	250,000	9.35	8	50	81	71¾	5 62	9.4	8	50	80	70	5.71
Southwestern	800,000	9.79	6	100	188	119¾	5.02	13.9	6	100	180	101¼	5.93
Tenth	200,000	7.08	6	100	165	116¾	5.13	10.7	6	100	153	110	5 45
Textile	300,000	.....	6	100	146	125	4.80	10.1	5	100	143	138	3.62
Third	600,000	16.14	12	100	249	235	4.70	21.0	12	100	239	216¾	5.55
Tradesmens	500,000	13.94	10	100	265	250	4.00	19.8	10	50	127	100	5 00
Union	500,000	8.48	8	100	244	212¾	3.76	16.1	8	100	251	235	3.40
Western	600,000	11 46	6	100	143	120	5.00	d6.4	6	50	70	60	5.00

a Capital was then $750,000. b Capital was then $500,000. c Capital was then $1,000,000. d Capital was then $400,000

P. De Medici.

BUYS ANOTHER BANK.

The Union Securities Company, of Spokone, Washington, which owns a chain of small banks in that state and Idaho, has secured from A. N. Bush, of Salem, Ore., the controlling interest in the First National Bank of Moscow, Idaho, W. L. Payne, of Moscow, negotiating the deal. The bank is one of the oldest financial institutions in the Palouse country, having been established by the Bakers and Boyers, of Walla Walla, in 1885. It is capitalized at $50,000, and at this time, has a surplus of $50,000 and over a half million deposits. It has paid dividends to stockholders almost continuously since its establishment. W. L. Payne, who has been cashier for about 19 years, has been selected for president and manager.

SPOKANE, WASHINGTON.

While Spokane made the phenomenal gain in population of 184 per cent in the last 10 years, the growth of the city is shown even better in the growth of the bank deposits, which, in the last ten years have gained 405.9 per cent. In 1900, when the city had a population of 36,000, the bank deposits were only $6,057.88, or $168 per capita. The bank deposits at the present time, when the population is 104,000, are $30,648,858.88, exclusive of Hillyard, or $391 per capita. These figures give only a suggestion of the growth of the Inland Empire, which has been proportionate with that of Spokane. The smaller banks in the Inland Empire now hold millions of dollars, where 10 years ago, the deposits were more centralized in the larger cities.

UNION TRUST COMPANY.

Stockholders of the Union Trust Company and of the Plaza Bank, New York City, at special meetings on December 29 ratified the agreement by which the Union Trust Company is to absorb the Plaza Bank. The business of the Plaza Bank will hereafter be continued in the bank's new quarters at Sixtieth street and Fifth avenue under the title of Union Trust Company of New York, Plaza Branch. W. McMaster Mills, who has been president of the Plaza Bank for sixteen years, has been elected vice-president of the Union Trust Company, and will remain at the head of the Plaza Branch. The entire clerical force of the Plaza Bank has been retained.

The Union Trust Company, in its last published statement, showed capital of $1,000,000 and a surplus of $7,940,000, and this absorption of the Plaza Bank's business brings its deposits to about $60,000,000. Edwin G. Merrill is president of the Union Trust Company, and among the trustees are H. Van Rensselaer Kennedy, W. Emlen Roosevelt, N. Parker Shortridge, Charles H. Tweed, James Speyer, William Woodward, Walter P. Bliss and Frederic de Puyster Foster.

A TICKET FROM NASHUA.

Mr. Ira F. Harris, cashier, Indian Head National Bank, of Nashua, N. H., has sent to those who accompanied him on the recent trip of New England bankers to New Orleans, an attractive folder in the same form as the ticket which the New York Central Lines issued for the trip to New Orleans. Instead of a strip of tickets within the covers, however, Mr. Harris reprints a cheerful, witty letter, which he sent to one of the Nashua papers about the trip while he was in New Orleans.

Digitized by Google

Municipal Bond Sales

MUNICIPALITY.	Date of sale.	Classification of bonds.	Amount.	Rate of interest. Per cent.	Maturity.	Sales price.	Purchaser.	Income basis.
Worcester, Mass.	Dec. 21	Sewer	$100,000	4	1951	96.945	R. L. Day & Co., Boston.	4.167
Butte, Mont.	Dec. 16	Refunding	150,000	4	1941	100.75	Bath Trust Co.	3.734
Connecticut	Dec. 21	State	4,000,000	4	1930	104.88	R. L. Day & Co., Estabrook & Co., Boston.	3.899
New York State	Dec. 5	Canal imp.	10,000,000	4	1961	101.67	Various investors.	3.953
Akron, Ohio	Dec. 15	Sewer	11,000	4½	1913	101.45	Well, Roth & Co., Cincinnati.	3.977
Portland, Ore.	Dec. 26	Public imp.	80,000	4	1941	par	J. H. Polhemus, Portland	4
Van Wert, Ohio	Dec. 15	Street imp.	6,50	4	***1-10	par	Peoples Nat. Bank, Van Wert Nat. Bank, Van Wert	4
Cleveland, Ohio	Dec. 18	Park	90,000	4½	1960	101.145	Cleveland Trust Co., Hayden, Miller & Co., E. E. Denison & Co.	4.024
Cleveland, Ohio	Dec. 18	Park	150,000	4½	1951	102.0	First-Third Nat. Banks, Cincinnati.	4.027
Cleveland, Ohio	Dec. 18	Public bath.	200,000	4½	1951	102.0	Cleveland Trust Co., Hayden, Miller & Co., E. E. Denison & Co.	4.027
Akron, Ohio	Dec. 15	Water works	500,000	4½	1941	106.13	Cleveland Trust Co., Cleveland.	4.044
Middletown, Ohio	Dec. 5	Sidewalk, sewer	14,0	5	***1-10	102.7	Weil, Roth & Co., Cincinnati.	4.152
Akron, Ohio	Dec. 11	Sewer, ext.	50,000	4½	*1	101.271	[illegible] Co., Cincinnati.	4.151
Orange County, N. Y.	Dec. 21	Road	50,000	4½	**1-25	102.29	R. D. Robbins & Sons, New York.	4.185
Hempstead, N. Y.	Dec. 19	Macadamizing	30,000	4½	**1-15	104.5	Geo. Jno. & Chapman, New York.	4.228
Logan County, Ohio	Dec. 7	Ditch	40,500	4½	*5	100.651	Weil, Roth & Co., Cincinnati.	4.26
Oneida County, N. Y.	Dec. 21	Funding	25,000	4½	***5-11	101.20	W. N. Coler & Co., New York.	4.277
Cooper County, Mo.	Dec. 15	Court House	100,000	4	1-5-25	96.017	R. C. Brewster & Sons, Okla'h City.	4.317
West Unity, Ohio	Dec. 16	School bldg.	14,0	5½	**1-10	104.05	West Unity Banking Co.	4.319
Portland, Ore.	Dec. 20	Cable imp.	100,000	4	1941	94.51	Merrill, Oldham & Co., Boston.	4.358
Weehawken Township, N. J.	Dec. 18	Fire House	7,000	4½	1921	101.78	R. M. Grant & Co., New York.	4.398
Rocky River, Ohio	Dec. 13	Road imp.	2,80	5½	**1-5	101.8	Harris, Miller & Co., Cleveland.	4.45
Sebring, Ohio	Dec. 15	Sew. ass-ss. n	4,000	6	***5	101.30	West, Roth & Co., Cincinnati	4.496
Pittsburg, Kansas	Dec. 16	Local imp.	40,000	5½	**1-10	par	First Nat. Bank, First State Bank, No. Park Nat. Bank, Cincinnati Nat. Bank, Pittsburg, Pittsburg.	4.50
Shreveport, La.	Dec. 18	Fire and imp.	100,000	5½	1951	par	Cincinnati Nat. Bank, St. Louis.	4.50
Boonville, Mo.	Dec. 15	Court House	50,000	5	1931	101.05	Stanwood & Co., Kansas City.	4.60
Webster Groves, Mo.	Dec. 18	Water system	75,000	5	1931	101.021	Harris Trust & Sav. Bank, Chicago.	4.462
Ocean City, N. J.	Dec.	Gen. imp.	11,000		1921	100.01	C. E. Denison & Co., Cleveland.	4.621
San Mateo, Cal. San Benito Sch. Dist.	Dec. 4	Building	3,000		**1-8	101.0	First Nat. Bank, San Mateo, Cal.	4.704
Pleasant, Wis.	Dec. 12	W. & P. imp.	6,000	5	**1-5	101.42	Harris T. & S. Bank, Chicago.	4.766
Washington County, Utah	Dec. 15	Road	40,000	5	1-5-25	104.0	E. H. Rollins & Sons, Chicago.	4.785
Brookville, Pa.	Dec. 11	Water	115,000	5	*1-15	100.63	Girard Trust Co., Philadelphia.	4.907
Longview, Wash.	Dec. 11	Refunding	170,000	6	1926	par	Carstens & Earl, Seattle.	5
Gentry County, Mo.	Dec. 16	Fire House	1,00	5	1-10	par	Commercial Bank, Albany.	5
La Salle Parish, La. Sch. Dist.	Dec. 8	Building	20,000	5		par	[illegible]	5
Loudonville, Ohio	Dec. 18	Improving & pl	7,50	5	***1-10	par	Wm. Nye, Loudonville	5
Toppenish, Wash.	Nov. 20	Sewer	30,000	5½	1951	par	Denison & Earl, Seattle	5
Eugene, Ohio	Dec. 11	Light & w. w.	7,000	5½	1931	par	[illegible]	5
Lewis & Clark Co., Mont., Sch. Dist. No. 40	Dec. 2	Building	7,000	5½	1931	par	State Board of Land Commissioners	5.50
Portland, Ore.	Dec. 13	Local imp.	2,000	6	*1-5	par	[illegible]	5.50
Portland, Ore.	Dec. 11	Local imp.	2,000	5	*1-5	par	[illegible]	5.50
Portland, Ore.	Dec. 13	Local imp.	2,000	5	*1-5	par	[illegible]	5.65
Portland, Ore.	Dec. 11	Local imp.	2,000	5	*1-5	100.70	[illegible] Savings Bank	5.65
Portland, Ore.	Dec. 11	Local imp.	1,000	5	*1-5	par	[illegible]	5.666
Garfield Township, Ohio	Dec. 11	Road imp.	7,00	5	*1-5	101.07	[illegible]	5.068
Portland, Ore.	Dec. 11	Local imp.	2,000	5	*1-5	100.0	[illegible] Savings Bank	5.67
Portland, Ore.	Dec. 11	Local imp.	2,000	5	*1-5	100.0	[illegible]	5.67
Portland, Ore.	Dec. 11	Local imp.	2,000	5	*1-5	100.0	[illegible]	5.68
Portland, Ore.	Dec. 20	Improvement	30,000	4	1941	94.12	[illegible] & Co., Portland	5.71
Statesville, Catawba Co., Rose lawn Sch. Dist.	Dec. 11	Building	4,000		**1-10	101.25	C. C. Townsend & Co., San Francisco	5.827
Colorado, Neb.	Nov. 20	Funding	7,50	6	1920-30	par	H. C. Speer & Sons, Chicago.	5.90
Lexington County, Miss.	Dec. 5	Jail	15,000	5	**1-10	100.0	[illegible] & Co., St. Louis	5.900
Palmetto, Fla.	Dec. 11	Improvement	1,000	5	*1-5	100.05	Farson, Son & Co., Chicago.	5.990
Princeton, N. D.	Dec. 20	Bridge	50,000	5		par	[illegible] & Bond Co.	6
Fort Lupton, Colo.	Dec. 20	P. dist. No. 27	4,000	6		par	[illegible] Nat. Bank, Pine Bluff	6
Portland, Ore.	Dec. 31	Local imp.	1,000	6	1-1-16	par	A. H. Ruddell, Mayor	6
Portland, Ore.	Dec. 11	Local imp.	2,000	6	1-1-16	par	[illegible] Treasurer	6
Ashland, Neb.	Dec. 11	Sewer	15,000	6	*1-10	par	Ashland State Bank	
Dallas County, Texas	Dec. 18	R. & b.	100,000	5½	1951		C. N. Coler & Co., New York.	
Greenville, S. C.	Dec. 21	Light	50,000	5	1941		[illegible] Co., Chattanooga.	
Monroe, S. D.	Dec. 21	Water	10,000	6	1921		Thos. J. Bolger Co., Chicago.	
Pierce, Neb.	Dec. 11	School	15,000	5			[illegible]	
New York, N. Y.	Dec. 5	[illegible]	500,000				Unknown.	
New York, N. Y.	Dec. 5	[illegible]	1,000,000				Unknown.	
New York, N. Y.	Dec. 5	Bridge	1,000,000				[illegible]	
New York, N. Y.	Dec. 5	[illegible]	1,000,000				Unknown.	
New York, N. Y.	Dec. 5	[illegible]	1,000,000				Unknown.	
New York, N. Y.	Dec. 5	[illegible]	1,000,000				Unknown.	
New York, N. Y.	Dec. 5	[illegible]	1,000,000				Unknown.	
New York, N. Y.	Dec. 5	[illegible]	1,000,000				Unknown.	
New York, N. Y.	Dec. 5	[illegible]	1,000,000				Unknown.	
New York, N. Y.	Dec. 5	[illegible]	1,000,000				[illegible]	
New York, N. Y.	Dec. 5	Current exp.	1,000,000				Unknown.	
New York, N. Y.	Dec. 5	[illegible]	1,000,000				Unknown.	
New York, N. Y.	Dec. 5	[illegible]	1,000,000				Unknown.	
New York, N. Y.	Dec. 5	[illegible]	1,000,000				Unknown.	
New York, N. Y.	Dec. 5	[illegible]	1,000,000				Unknown.	
New York, N. Y.	Dec. 5	[illegible]	1,000,000				[illegible]	
Oregon, Mo.	Dec.	Water & light	15,000				[illegible]	
[illegible]	Dec.	[illegible]	5

FINANCIAL INQUIRY.

Nicholls-Ritter Realty & Financial Co.

21397. (New York.) Will you kindly give me what information you have relative to the 6 per cent gold bonds issued and guaranteed by Nicholls-Ritter Realty & Financial Company, Flatiron Building, New York.

Ans.: This business was established by Charles C. Nicholls, the president in 1885, in St. Louis, Mo., the present company being incorporated under the laws of that state in 1892. Mr. Nicholls is vice-president of the Industrial Trust Company of St. Louis. The vice-president is E. P. V. Ritter, president of the Merchants & Manufacturers' Exchange of New York. The secretary is R. F. Goodnow, president of the Jogood Realty Company, of St. Louis, and the treasurer is Charles C. Nichols, Jr. This company acts as agents for the Floral Garden Development Company, operating a real estate development near Stewart, Manor, Long Island, and is upon this latter property that the bonds to which you refer are issued. They are brought out in denominations of $50, $100 and $1,000, maturing June 1, 1914, and constituting a first mortgage upon the Floral Garden property. The guarantee is simply that of the issuing company, and it is difficult to see wherein it adds materially to the security of the bond.

ALAMEDA, CAL.—The application of the Citizens National Bank to the comptroller to organize with a capital of $100,000 has been approved. S. W. Biddle, Jr., is correspondent, J. K. Lynch, L. A. Konibshofer, J. A. Sheeron and W. Westover are the others interested.

Bond Certification

Modern conditions make the registration and certification of municipal and corporate obligations desirable and convenient. We have a department maintained exclusively for this purpose.

First National Bank of Boston

70 Federal Street

The United States Finishing Co.

320 Broadway, N. Y., December 21, 1911.

PREFERRED STOCK DIVIDEND NO. 50.

The Board of Directors have this day declared the regular quarterly dividend of One and Three-quarters Per cent (1¾%) upon the Preferred Stock of this Company, payable January 1, 1912, to stockholders of record at the close of business December 21, 1911.

COMMON STOCK DIVIDEND NO. 12.

The Board of Directors have this day declared a dividend of One Per cent (1%) upon the Common Stock of this Company, payable January 1, 1912, to stockholders of record at the close of business, December 21, 1911.

COUPON NO. 15, due January 1, 1912, on consolidated mortgage 5 per cent gold bonds of this Company will be paid at the office of The Trust Company of America, 37 Wall Street, New York City.

COUPON NO. 21, due January 1, 1912, on first mortgage 5 per cent bonds of THE STERLING DYEING & FINISHING COMPANY will be paid at the office of The Trust Company of America, 37 Wall Street, New York City.

F. S. JEROME, Treasurer.

United Shoe Machinery Corporation

The Directors of this Corporation have declared a quarterly dividend of 1¾% (37½c per share) on the Preferred capital stock, and a dividend of 2% (50c per share) on the Common capital stock, both payable January 5th, 1912, to stockholders of record at the close of business, December 19th, 1911.

L. A. COOLIDGE, Treasurer.

Notice

Notice is hereby given that sealed bids will be received up to the hour of four (4) o'clock P. M. on the 12th day of January, 1912, at the office of the City Clerk in City Hall Building, Port Arthur, Texas, for the purchase of $100,000 5 per cent bonds of the City of Port Arthur, Texas, bearing date of the 10th day of October, 1911, in denominations of $1,000. These bonds are issued for the purpose of making street improvements, and mature on the 10th day of October, 1951.

The City reserves the right to redeem the first $25,000 of said bonds on or after five years from their date; the next $25,000 on or after ten years from their date; the next $25,000 on or after fifteen years from their date; and the last $25,000 of same on or after twenty years from their date. The bonds have not yet been printed or approved, but the record of proceedings for their issuance up to Nov. 4th, 1911, has been examined and passed though not formally approved, by the State Attorney General and City Attorney. Bids will be received subject to approval and certificate of the bonds by the State Attorney General when presented to him for that purpose, but otherwise no bids conditioned on legality will be considered.

All bids must be accompanied by certified check for $5,000 on a bank in the City of Port Arthur, Texas, and bonds must be paid for at the office of the City Treasurer, Port Arthur, Texas, when ready for delivery. The right is reserved to reject any or all bids.

Dated at Port Arthur, Texas, this 11th day of December, 1911.

G. N. BLISS, Mayor Commissioner.

United States Smelting, Refining & Mining Co.

The Directors of the United States Smelting, Refining & Mining Company have declared a quarterly dividend of 1¾ per cent (87½ cents per share) on the **Preferred Capital Stock**, and a quarterly dividend of 1 per cent (50 cents per share) on the **Common Capital Stock**, payable January 15, 1912, to stockholders of record at the close of business, December 30, 1911.

F. W. BATCHELDER, Treasurer.

MASSACHUSETTS LIGHTING COMPANIES.

Dividend No. 33.

The Trustees of the Massachusetts Lighting Companies have declared a dividend of one and three-quarters per cent, payable January 15, 1912, to Shareholders of record December 26, 1911. The transfer books will not close.

ADDIS M. WHITNEY, Treasurer.
Boston, December 21, 1911.

NIPE BAY COMPANY

PREFERRED STOCK.

A dividend of one per cent on the preferred stock of this Company has been declared payable January 15th, 1912, at the office of the Treasurer, 131 State Street, Boston, Mass., to holders of stock of record at the close of business, December 26th, 1911.

CHARLES A. HUBBARD Treasurer.

AMERICAN ZINC, LEAD & SMELTING CO.

The Directors of the American Zinc, Lead and Smelting Company have declared a dividend of fifty cents (50c) per share, payable January 10th, 1912, to stockholders of record at the close of business December 30, 1911.

S. E. FARWELL, Treasurer.

Notice to Stockholders
W. L. Douglas Shoe Co.
7% Preferred Stock

The transfer books of the Company will close December 15, 1911. The semi-annual dividend of 3½% will be paid January 1, 1912, to all stockholders of record December 15, 1911.

W. L. DOUGLAS SHOE CO.,
Brockton, Mass.
H. L. TINKHAM, Treas.

Boston Elevated Railway Company.

In accordance with the provisions of the lease of the West End Street Railway Co. to the Boston Elevated Railway Co., dated December 5th, 1897, a dividend rental of two dollars per share will be paid to holders of record of the Preferred Stock of the West End Street Railway Co. on January 1, 1912.

By vote of the Directors of the West End Street Railway Co., the transfer books of the Preferred Stock will be closed from the close of business December 22, 1911, to the opening of business, January 2, 1912.

H. L. WILSON, Treasurer.

OFFICE OF
THE UNITED GAS IMPROVEMENT COMPANY.

N. W. Corner Broad and Arch Streets,
Philadelphia, December 13, 1911.

The Directors have this day declared a quarterly dividend of two per cent ($1.00 per share), payable January 15, 1912, to stockholders of record at the close of business, December 30, 1911.

Checks will be mailed.

LEWIS LILLIE, Treasurer.

UNITED FRUIT COMPANY

Dividend No. 80

A quarterly dividend of two per cent on the capital stock of this Company has been declared payable January 15th, 1912, at the office of the Treasurer, 131 State Street, Boston, Mass., to stockholders of record at the close of business, December 26th, 1911

CHARLES A. HUBBARD, Treasurer.

COPPER RANGE CONSOLIDATED COMPANY

At a meeting of the Board of Directors of the COPPER RANGE CONSOLIDATED COMPANY held this day, a dividend of 50c. per share, being Dividend No. 32, was declared, payable on Monday, January 1st, 1912, to Stockholders of record at the close of business on Saturday, December 9th, 1911.

FREDERIC STANWOOD, Treasurer.
Boston, December 4th, 1911.

WALPOLE RUBBER CO.

The quarterly dividend of 1¾% on the Preferred stock and 1% on the Common stock has been declared payable January 15, 1912, to stockholders of record, January 1, 1912. Books close January 1, 1912, and reopen January 15, 1912. A. T. BALDWIN, Treasurer.
Walpole, Mass., December 18, 1911.

AMERICAN TELEPHONE & TELEGRAPH CO.

A Dividend of Two Dollars per share will be paid on Monday, January 15, 1912, to stockholders of record at the close of business on Saturday, December 30, 1911

WILLIAM R. DRIVER, Treasurer.

MASSACHUSETTS ELECTRIC COMPANIES.

A dividend of Two Dollars ($2) per share has been declared payable on January 1, 1912, to Preferred Shareholders of record at the close of business December 2nd, 1911

J. H. GOODSPEED, Treasurer.
Boston, November 22nd, 1911.

NEW ENGLAND TELEPHONE AND TELEGRAPH COMPANY.

A dividend of one and three-quarters dollars ($1.75) per share will be paid on Saturday December 30th, 1911, to stockholders of record at the close of business on Friday, December 15th, 1911.

WILLIAM R. DRIVER, Treasurer.
November 21, 1911.

Digitized by Google

United States Investor

Published Every Saturday Morning by

FRANK P. BENNETT & CO., Inc.

SUBSCRIPTION RATES

$5.00 per annum in United States and Mexico; $6.50 per annum in Canada.

£7.00 per annum in England, the Continent, Australia and Countries in the Postal Union.

$10.00 per annum for Investor and Inactive Securities Supplement, including privilege of inserting quotations in the Supplement.

ADVERTISING RATES

Twenty-five cents per agate line. There are fourteen agate lines to the inch.

PUBLICATION OFFICE,

530 Atlantic Avenue, Boston.

NEW YORK OFFICE,

1 Rector Street, New York.

JOSEPH L. BARKER, Manager.

Washington Office, 308 Corcoran Building; Philadelphia Office, 308 Chestnut Street.

Entered at the Post Office at Boston, Mass., as second class matter.

The Governor of Massachusetts may find it difficult to find a successor to Bank Commissioner Chapin who will be of equal quality. The salary which the post carries is not so large as it should be, only $5,000 per annum, and this meagreness of the compensation has caused the commonwealth to lose the services of both Mr. Chapin's predecessor and himself at the very time when they were most efficient.

There will be plenty of aspirants for the vacancy, of course. Included among them will be some who can make strong claims on the score of political standing. The present Governor of Massachusetts has not always been careful in his selection of administrative officers to distinguish between the real fitness and the political availability of a candidate. This condition will have the same effect as the meagre compensation in deterring many worthy candidates from seeking the office. Altogether the bankers of Massachusetts have a right to feel somewhat disturbed that Mr. Chapin is to retire at this time. They have ample reason for using all their united influence with the governor to secure the appointment of as fit a commissioner as possible. They may be able, as perhaps he would not be able unaided, to induce some alert young banker to seek the appointment in the lively anticipation of an ultimate opportunity to retire to some good bank vice-presidency like those which have come to Mr. Chapin and to his immediate predecessor.

Mr. Chapin has made a record as commissioner which his successor will experience some difficulty in excelling. Those who met him at New Orleans and heard his address at the recent session of the Savings Bank Section there realized that as chief supervisor of her banks Massachusetts has had an official of the very first rank. Not a banker by trade, Mr. Chapin is, nevertheless, a born financier. As mayor of Holyoke, Mass., he had to perform many of the functions which fall to the lot of a receiver. The city was in a sorry plight financially, and its prospects of rehabilitation were considerably complicated by local political dissensions. These presented less embarrassment for Mr. Chapin than they would for most men, because of his natural aptitude for handling men, and he succeeded in having his own policies tried out fairly. They proved almost wonderfully efficacious, and his promotion to the office of state treasurer was an almost direct consequence of the fame he won all over the state for the way in which he handled Holyoke's affairs.

In the office of state treasurer, which in Massachusetts involves almost constant contact with the money market, and, therefore, with bankers, he added to his reputation. His selection by Governor Draper to succeed Pierre Jay as bank commissioner met, therefore, with the hearty approval of the bankers of the state. They knew that he had sufficient native ability as well as sufficient training in other lines to more than offset any scantiness of knowledge of the technical details of banking. The general opinion of bankers now will be that the Boston trust company which has invited him to become its vice-president has gained a really valuable accession to its executive force.

A SECOND LESSON FOR LIFE.

Our merry weekly friend, Life, suggests that in a recent editorial on the Aldrich Plan, which we published for its benefit, our enthusiasm for elasticity of the currency misled us into too elastic a use of words. Here is what it says:

"The most amateur economist who has read the plan in question," says the Investor, "knows that the Government will have a large share of control over the association." The use of the word "large", in this connection, is an interesting study in perspectives. The Government is to have three directors out of forty-five. Economists might call this large, but arithmeticians would not. "Furthermore," says the Investor, "the Government deposits will constitute only a modest fraction of the funds with which the proposed national reserve association will do its work." The use of the word "large" above noted brings "modest fraction" also under suspicion, but if the government deposits are really so insignificant, why not eliminate that feature and thus avoid one of the principal arguments?

It is sad to discover that the post of amateur economist on Life's staff still remains unfilled. It is almost equally to be regretted that the temporary appointee to that office is dozing over his labors. Even the official arithmetician was out of the editorial room when the above was penned, for he would probably have been able either by counting on his fingers or by diligent use of the abacus to discover that it is four out of the 45 directors instead of three who are presidential appointees. For seeing double immediately after the Christmas celebration even Life might be forgiven, but for it to see things in fractions is a performance not so easy to condone.

Lest Life accuse us of making too much of this, its minor error, we hasten to admit that four out of 45 is not a substantial fraction. Life's major error is to be found in its notion that the 45 directors of the National Reserve Association are to be its direct governing body. As a matter of fact, real control will be vested in an executive committee of nine. The chairman of this committee is to be appointed by the president. Another of the members will be the comptroller of the currency, also a presidential appointee. Each of these two commitee men will have ample power to protect every interest the government may have in the bank.

The chairman, for instance, is to be the Governor of the bank. It is fair to assume that his duties and privileges will be substantially like those of the president of any other bank. If we are correct in this surmise, practically all of the details of management will come before him for decision, the other members of the executive committee serving merely as advisors, and, when need shall arise, as checks. The comptroller, because of his power over the national banks of the country, will occupy hardly less potent a position. The other seven members of the committee are certain to be too vitally concerned in the affairs of the various national banks of the country to have any relish for incurring his ill-will.

The Governor is to have, moreover, the appointment of the manager and the deputy manager of each branch of the National Reserve Association.

Digitized by Google

There will be boards of directors for the branches, to be sure, but they will be most unusual directors if they make these officials any less potent in the affairs of the branch than the Governor is certain to be in the affairs of the main office. Endowed with this appointing power, the Governor would be quite able to protect the interests of the government if he were its only representative on the committee of nine. With so powerful an associate as the comptroller, his power to fend off any evil from the government as a depositor is practically unlimited.

But why, asks Life, are the government deposits not eliminated from the plan entirely? Somehow, Life cannot banish from its mind the obsession that the inclusion of these deposits among the assets of the association is the vitally objectionable feature of the whole idea. We are forced, therefore, to turn mentor for one whose aptness as a pupil ought to make his early escape from student rank a certainty. Here beginneth our kindergarten lesson.

There hasn't been a Secretary of the Treasury for years who hasn't lamented the existence of those laws which compel him to keep the huge government balances idle in the Treasury vaults. The withdrawal of all this money from the channels of trade serves as a brake upon business and has more than once produced alarming stringencies in the national money market. Secretary after secretary has pointed out that the effect of these laws has frequently been to withdraw money from the banks just when legitimate demands of business have been most pressing, and to restore the funds to circulation just when the banks were plethoric with money, because business demands were not urgent. Whether is it better, good friend, to continue the present archaic and generally discredited disposition of government balances, or to place the funds in a bank governed as we have outlined above, and in the safety of which every other bank in this country will be vitally concerned?

Two or three weeks ago, we expressed our sorrow that the pleasing impressions of our youth had been shattered by our recent belated discovery that Life is not omniscient. We have decided now to forgive it the sorrow it caused us by this discovery, provided it will agree to devote half an hour, or even fifteen minutes, to a close-range reading of the Aldrich Plan before it publishes anything further about it. We are anxious to spare ourselves the need of moralizing after our next lesson in the words of Life's own prototype, Josh Billings, "It's better not to know so much, than to know so many things that aint so".

CONDITIONS IN TWO STATES.

A recent visit to this office of a banker from South Carolina recalls the frequent coupling of the names of that state and of Massachusetts in all political discussions of the days prior to the war. Daniel Webster's fervid peroration on the historic friendship and unity of aspiration of the two states has probably been declaimed more frequently than any other fragment of American oratory. At the time when it was originally voiced, each of these states was generally recognized as the typical progressive state of its part of the Union. To the banker in question the much less promising plight of South Carolina to-day made this retrospect a rather sad one. It also made appropriate his visit to New England in search of capital for an enterprise he is initiating in his home state.

The disparity is really pronounced to-day in the respective financial conditions of these two states which used to be so similar in all things as to invite this frequent comparison. South Carolina has 421 banks, while Massachusetts finds 496 none too many for its business needs. This excess in the number of banks utterly fails, moreover, to reflect the immensely larger volume of banking resources which Massachusetts enjoys. For instance, the aggregate capital of these South Carolina banks is only slightly over sixteen million dollars. The aggregate capital of these Massachusetts banks is nearly five times that figure. The population of Massachusetts does not begin to be five times that of South Carolina, nor even so much as three times.

This difference in aggregate capitals alone would constitute sufficient warrant for frequent visits by South Carolina business men to New England in search of capital for the aspiring enterprises of their state. The people of South Carolina do not begin to have the amount of banking capital for financing their cotton and other crops which so fertile and, therefore, promising a state deserves. It is a literal fact that the whole volume of resources, capital as well as deposits, of the banks of South Carolina is scarcely greater than the aggregate capital alone of the Massachusetts banking institutions. Difficult as it may be for the average reader to believe it, the resources of a single bank in Boston are greater than the resources of all of South Carolina's 421 banks put together. To be sure, this single bank is Boston's largest, and, therefore, New England's largest, but no one would think of asking that one bank to do all the financing for a territory like South Carolina, which is half as large as all New England and has a population almost as great as the combined populations of Rhode Island and Connecticut. Precisely such a task, however, is that which is imposed upon South Carolina's aggregate banking resources of less volume.

Comparisons like these do much to restore peace of mind to Massachusetts people who have heard in recent years such frequent repetitions of the charge that the business men and the investors of Massachusetts to-day are not really worthy descendants of the financiers of two or three generations. So, too, do the figures relative to Massachusetts which the Census Bureau has just made available. Massachusetts is found to rank first among all the states in textile manufacturing, and in the boot and shoe industry. In each of the sub-divisions of these industries it leads, too. For instance, its position in the manufacture of cotton goods is as indisputably first as in woolen and worsted goods. In the manufacture of cordage, of twine, of jute, and of linen goods it also holds first rank. In the boot and shoe industry its standing in the subdivisions is quite as satisfactory. It leads in the manufacture of boot and shoe cut stock and in boot and shoe findings just as it does in the production of boots and shoes themselves.

It is well, however, for any Massachusetts man to bear constantly in mind the cause of this superiority. It is due entirely to the quality of the men engaged in these particular industries, and not at all due to any natural advantages. For both of these industries in which Massachusetts is the leader, the raw material has to be brought to that state from considerable distance. This is a handicap of considerable proportions. It is overcome by the happy combination at the mills of the state of an abundant supply of skilled labor with management of exceptional ability and aggressiveness.

Thes are factors of less permanence than natural advantages would be. The state can lose them. At present, this supply of labor and these skilled managers are loyal to Massachusetts, through and through. The erection by the American Woolen Company of the biggest woolen mill in the world at Maynard and of the huge Wood and Ayer mills at Lawrence would probably have occurred in Rhode Island or Connecticut if the management of the company had not had a good deal of affection for Massachusetts. Certainly, in those other states it would have found legislatures and laws more

friendly. The law makers of Massachusetts will do well to keep constantly in mind the fact that it is not impossible to carry discrimination against its own manufacturers in the matter of hours of labor and simlar provisions so far as to make loyalty of this sort to Massachusetts too expensive. They might discover that even in South Carolina the store of local capital can be materially enlarged from the Massachusetts store, the accessions being attracted by those natural advantages in supplies of raw material which South Carolina has and Massachusetts has not.

FINANCIAL INQUIRY.

Brooklyn Rapid Transit Gold 5s.

21387. (Cleveland, O.) Kindly let me know whether you consider Brooklyn Rapid Transit Gold 5s, 1945, a safe investment. How large is this issue and about what is the value of the property on which it is a first mortgage?

Ans.: There is no reason to feel apprehensive regarding the position of these bonds, so far as we can see, for the issue, a comparatively small one, is amply secured by the mortgage as well as by the company's demonstrated earning power, which is steadily increasing, being considerably greater than is indicated by the amounts shown available for stock dividends for years past. Of the first mortgage 5s to which you refer, due in 1945, there are $7,000,000 authorized, all outstanding, the annual interest charge, therefore, amounting to $350,000, which is not a very serious item for a company which in its last fiscal year showed net income of more than $10,000,000, as this issue, of course, being a direct lien upon all the property, has priority over the $33,078,000 first refunding and convertible 4s, in addition to which there are bonds to the amount of $45,829,690 representing the underlying indebtedness of constituent companies.

The Brooklyn Rapid Transit Company's property, which is pledge of its bonded debt, consists principally of the stocks and bonds of constituent companies. You will understand that this is primarily

A HOLDING COMPANY,

for through ownership of subsidiaries it controls practically all of the surface and elevated railways in Brooklyn, with the exception of that operated by the Coney Island & Brooklyn Railroad Company. The controlled companies operate a total mileage of 613 miles, of which 273 miles is first track, 263 miles second track and 77 miles sidings, etc. Of this total mileage 71 miles consists of elevated structure and 542 miles surface track. As to the value of these properties, Bion J. Arnold, consulting engineer of the Public Service Commission, testified two years ago that he had reached the conclusion that the physical value of the properties controlled could be reproduced for $100,000,000, which figure, however, does not include real estate valuations, or other figures to allow for development expense, discount of securities and other expenses incidental to development and organization operations. The physical property of the parent company is small, relatively speaking, yet affords ample security for these 5s, which, at current prices, are selling on a 4.75 per cent basis.

NEW NATIONAL BANKS.

The Falling Off in Number of Organizations of New Banks Due to Comptroller Murray's Wise Exactions.

According to the text of the annual report of the Comptroller of the Currency, recently sent to Congress, 7,331 national banks are now actively engaged in business. Since the passage of the National Bank Act in 1863, 10,097 national charters have been granted to banks and of these 10,097 banks, 2,766 have gone out of existence, 2,274 having been placed in voluntary liquidation, and 492 have been placed in the hands of receivers for the liquidation of their business in the interest of depositors and various other creditors.

Of the total number of national banks organized since 1900, amounting to 4,833, the Middle Western states supplied 1,275, thereby

SHOWING MORE ACTIVITY

in the formation of new banks than any other section of the country. The southern states were also prominent in this respect, adding 1,185 banks to the national system. The western states made the next best showing with a total of 1,109 new institutions. Of the 830 banks organized during this period in the eastern states, Pennsylvania supplied 466, or more than half the total for that section. California was the most conspicuous in the organization of new banks among the Pacific states, with 192 banks out of a total of 393. In the New England states, 54 banks were organized, and five were also added to the system by our Island possessions, Hawaii supplying four, and Porto Rico, one.

The number of banks being organized now is small, compared with previous years. A review of the number of national banks organized during each year for the past 11 years, shows 1903 to be

THE BANNER YEAR

in the matter of bank organization. During that year, there were 515 banks organized. From 1903 to the present time, there has been an almost steady decrease in the number of banks organized each year. This decrease is not so apparent until we reach the year 1908, when only 323 banks were organized, as against 515 for 1903. Although one might expect to find a dull year in bank organization during 1907, the year of the panic, such was not actually the case. That year compares very favorably with the others. In fact, 1907 was exceeded in the number of banks organized by only two of the eleven years, 1902 and 1903. There were 167 more banks organized in 1907 than during the year ending October 31, 1908. It may be, and probably is a fact that the effects of the panic were accountable for the drop in the number of new banks organized during 1908, the panic coming as it did during the latter part of 1907.

The average number of banks

ORGANIZED MONTHLY

from March 14, 1900, to October 31, 1911, was about 40. The average in 1908 was 27; in 1909, 25; in 1910, 26; and in 1911, 18. Quite a drop in the number of banks organized occurs during the year ended October 31, 1911, which accounts for the average of 18 for the year. In fact, we find a decrease of nearly 50 per cent in the number organized during 1911 over the previous year, 1910. A glance at the number of banks organized during each month of 1910 will show a decided falling off, beginning with July. In June, 40 new banks were organized, but in July, only 19 new banks were added to the national system, showing a decrease of over 50 per cent.

THE DECREASE

in bank organizations which is so noticeable, beginning with July, 1910, indicates the telling result of Comptroller Murray's determination to keep weak and unnecessary banks from forming a part of the national system. Mr. Murray evidently and very rightly believes that it is much easier to keep banks out when conditions do not warrant their establishment than to rid the banking world of such banks after they have gained a foothold. It is doubtful if the banner year in bank organizations, 1903, with 515 new banks, would compare very favorably with the present year, 1911, with only 184 new banks, if we were to consider the strength and character of the banks organized. It was in July, 1910, the month which shows the 50 per cent decrease in new banks over the preceding month, that we find the comptroller

DISPLAYING UNUSUAL ACTIVITY

in his investigations whenever an application to organize a national bank was received at his office.

Mr. Murray's stand against the admission of undesirable banks into the system was a death blow to the professional promoters. Mr. Murray discovered that banks were being formed by these promoters in places where the banking facilities were entirely adequate, or where the population and business was too limited to support a bank. How well he forced these promoters, who were feasting on the commissions derived from the sale of the stock of these banks and anything they could sell to the banks, in the way of buildings, furniture, etc., to retire from the position they occupied in the banking business, is clearly shown by the decrease in the number of new banks organized during the recent months since the summer of 1910.

MUNICIPAL SHORT TERM LOANS.

ROCHESTER, N. Y.—The Monroe County Saving Bank, of Rochester, was the successful bidder for the 8-months' water notes to the amount of $275,000 as follows: $100,000 at 4.15 per cent and $5 premium, and $175,000 at 4.20 per cent and $5 premium. Other bidders were: Luther Robbins, $100,000 at 4.25 per cent; Luther Robbins, $100,000 at 4.35 per cent; Luther Robbins, $75,000 at 4.50 per cent; First Trust & Savings Bank, Chicago, $275,000 at 4.25 per cent ($25 premium); Union Trust Company, New York, $275,000 at 4.40 per cent, and Bond & Goodwin, New York, $275,000 at 4.625 per cent ($27 premium).

Digitized by Google

Farm Mortgages

Mr. Harry Lee Taft, of Chicago, Speaks on This Subject Before the Chicago Chapter, American Institute of Banking.

I have been asked to speak to you to-night on the subject of "Farm Mortgages", and in doing so I desire to touch upon three phases of the business: 1. The American practices as they relate to the subject to show the haphazard, unorganized lines along which it has been conducted and the resulting weakness from such a growth. 2. The differing practices of European countries where the business has been conducted along right and scientific lines, and the magnitude and importance it has assumed there as a result of right methods. 3. What effort is being made here to

ELIMINATE THE WEAKNESS

of the American system and the application here of those principles which have proven indisputably right in the continental practice.

It is little less than extraordinary that so important a branch of American finance should be so little understood by the American people at large, or indeed even by those engaged in it for a livelihood. Land credit does not differ materially from commercial credit, which is your business, except in the difference of the character of the security which forms its basis, and the differing purposes for which the credit itself is created. Yet while your own has been for many generations the subject of legislation of both state and national character—that it may more surely, more dependably perform the service for which it is intended—there has been in the case of the land credit no single piece of legislation. It has been allowed to develop along undetermined lines to fit the circumstances of each individual operator or the needs of each different small community, in widely differing degrees of efficiency, and if it has proven in a general way a great success, and grown to great volume in America, it has done it in spite of and not because of the manner in which it has been handled.

It has been left entirely in the hands of local loan agents or the small country bankers, and conducted entirely according to the ideas of some one such individual in his effort to serve honestly or otherwise the needs of the community immediately adjacent to his centre. It has not been possible for him to handle the business in any larger or broader way than the needs of that community would permit. He has, as a matter of fact, been obliged to take the business

AS HE FOUND IT,

rather than make it whatever he may have realized it should be made; and thus it becomes apparent that the business conducted in such a way could of necessity be no better than was the community that produced it, and that there must be the same great difference in its character that exists between the different communities themselves.

Between two local agents operating in different states where climatic and agricultural conditions differ widely, you would at once find a conflict of opinion as to what constituted a safe and desirable farm mortgage and if analyzed you would find the difference of opinion the result of the different circumstances under which each had acquired his experience. Neither has been obliged to conform to certain fixed standards, neither has been obliged to conform to practices laid down for him as those proven best by practice and experience, there is no obligation imposed on either by other than his conscience, and you would often find the grade of his business determined more by the temporary or permanent nature of his individual plans than by any attempt on his part to make his standard high.

What would happen in your own line of business can be quickly understood by each of you if you could imagine that all legislation governing its conduct were suddenly abolished and each institution left to

PURSUE WITHOUT RESTRAINT

the course that in its judgment led most quickly to the desired results, and yet that is precisely the position in which each farm loan agent is and has been since the beginning; each fixed his own standard for security, each determines for himself the amounts he considers safe or permissible to advance, each employs his own ideas of the character and provisions of the legal instruments to be used, and each decides for himself what may constitute a safe or sufficient title to the land to be mortgaged. Yet each of these things calls for an expert opinion.

Is it any wonder, then, that we hear constantly of

THE NON-NEGOTIABILITY

of farm mortgages. The loan agents of one community striving for a high standard of business would look askance at the loans of some others, although these latter might in all sincerity have considered his own equally good.

The results of such methods have shown themselves in the attitude of the investing public, and this is most positively reflected in the widely differing rates of interest that obtain in different states. In some of the older eastern ones rates have gone as low as 4½ per cent, when at the same time, those in a newer western community may rule at 8 per cent. Theoretically, these variations indicate the difference in safety and desirability, but actually, and to one versed in the subject, they reflect only the public's

LACK OF UNDERSTANDING

of the underlying principles which should govern the making of a high-grade mortgage. Personally, I know localities where 8 per cent may be obtained, and from which I would actually prefer the investment to that of the 4½ per cent country, when judged from the standpoint of safety and desirability.

All this seeming chaos will leave you with little idea of the real magnitude of the business itself. While it is true that there is not an institution in the country organized solely for the conduct of a farm mortgage business having a capital of over one-half a million dollars—the insurance companies of this country alone carry more than four hundred million dollars of such securities among their assets—one at least is so satisfied with them that it loans on no other collateral, and with practically only two exceptions among the large companies, they all carry large lines of this paper and have repeatedly expressed their satisfaction with it. Their experience justifies this satisfaction, and it is also worthy of note that these companies, carrying the largest proportion of such securities, net the

HIGHEST AVERAGE INTEREST

returns on their investment. They have been successful in this line of investment because they have the experience, the judgment and the machinery which enables them to find and avoid the weak spots I have suggested.

It is a pity that so splendid and remunerative a field for investment is not more available for that great class of small investors who have neither the experience nor machinery to permit them to discriminate between the different grades of such paper offered, and that they must, therefore, of necessity depend so entirely upon their judgment as to the integrity of the individual offering such paper, rather than an intelligent analysis of the paper itself.

Now contrast with this the method of European countries, where for 150 years they have had a well-organized, intelligently-planned system of land credit. There their banks are organized for this distinct branch of banking, along lines best calculated to produce the results desired and render the service necessary. Their banks are

UNDER THE REGULATION

and supervision of the government in the same manner that are our own national banks, they employ large capital, are responsible to the government for the character and methods of their business and enjoy the confidence of the public to that degree that any institute so conducted is entitled. They render to their borrowers the kind of service best suited to their peculiar needs, and insure to the investing public a class of paper that calls for no other recommendation than that of the name of the issuing bank.

These mortgage banks guarantee the principal and interest and the proper conduct of the business. Their paper being thus uniform, becomes instantly negotiable, and is listed and traded in on all important exchanges of the respective countries, in the same manner as our own railroad securities.

These institutions are second in importance and size only to the commercial banks. The Credit Foncier of France has over forty million dollars of capital and some thirty-six such mortgage banks in Germany have a combined capital of over one hundred and twenty millions.

The instant favor that

PAPER THUS ISSUED

and guaranteed finds with the investor is shown by the enormous quantity that is absorbed and the rates of

Digitized by Google

interest at which it is marketable, the issues of the French banks averaging about 2½ per cent and those of Germany netting less than 3 per cent.

The prices of these listed securities is remarkably steady and dependable and in times of stress have actually shown less fluctuation than the securities of their respective governments. There have been periods of fifteen to twenty-five years, with all their attendant financial disturbances, when the land credit bonds have not in that period shown an extreme fluctuation of four points.

The result is an investment security

UNIVERSALLY UNDERSTOOD

and regarded with universal confidence, and a method of loaning, insuring to the borrower a minimum rate of interest, with a plan of loaning best calculated to fit his peculiar needs. We see no such extremes of interest rates as exist between the different parts of our own country, interest rates, indeed, that are based solely on the character of the security, and insuring to one borrower as favorable consideration as to another with equally good security, regardless of the part of the country in which the security may be located.

That the European result is entirely feasible in our own country is indicated by the mortgage statistics of both, which show the actual working of properly placed land credit almost exactly identical on both sides of the water.

Now what has been done in Amer- to bring about these desired conditions and to place the American business on

A PLANE OF DIGNITY

equal to that of the business abroad? Only one company has recognized in its standards and the conduct of its business the principles underlying the European mortgage banking methods. This company long since recognized that its field lay in those portions of our entire country capable of offering the class of security necessary to the highest grade of mortgage paper, and has sought to occupy those fields wherever they might be found, regardless of state borders and free from the local prejudice that must of necessity govern the business conducted on a narrower scale.

It permits itself to be attracted to loaning area not by rates of interest, but solely by character of security; it completes its loans on a scientific basis proven necessary to the best results; it employs only men and means that can stand the test. It is the only company confining its business entirely to mortgage banking that operates under the supervision of the banking department.

It has issued the

ONLY MORTGAGE SECURITY

in America that is listed on a public stock exchange and the experience of these listed securities compares favorably with the European experience, although, of course, on a much smaller scale. That its methods are right cannot be questioned in the light of results, for it has placed close to a total of seventy-five millions in mortgages, and has done it without loss. No other evidence of the desirability and safety of such paper need be offered.

Agriculturally, these United States are of first importance among the nations of the earth. It is an axiom of political economy that any country's welfare socially and economically is in direct ratio to the success and welfare of its agricultural communities. Every real value of a nation rests upon the foundation of its agricultural classes. It would seem, then, that a country as great as our own has proven along agricultural lines, a country with so much still ahead of it in the way of agricultural improvement, should be entitled to all the assistance it can legitimately receive that will most speedily and profitably bring about this development.

NO DEPENDABLE STATISTICS

have ever been made public regarding the amount of the mortgage debt carried by the farms of the United States, but it does run into the billions, an aggregate sufficient to make it worthy of thought, and, I submit, worthy of legislative recognition.

It is well within reason to say that the application here of European methods would at once reduce the rate of interest paid by borrowers by at least 1 per cent per annum, and even on this basis the saving annually would amount to millions of dollars. More than that, it would insure automatically and at reasonable rates the capital necessary to those localities needing development which were able to establish a satisfactory credit, and it would provide a channel of investment available for the small as well as the large investor, in a class of paper that has earned an unapproachable record for itself even when working under all the disadvantages I have pointed out.

FINANCIAL INQUIRY.

Terre Haute Traction & Light Co.

21396. (Providence, R. I.) Kindly give me what information you can regarding the Terre Haute Traction & Light Company.

Ans.: This company is a consolidation of the Terre Haute Electric Company, and the Terre Haute Electric Traction Company, and leases the Terre Haute & Western Railway. It owns street railway and electric lighting and steam heating plants in Terre Haute and Brazil, Indiana; the street railway lines in West Terre Haute and Brazil, and five interurban lines operating between Terre Haute and Brazil, West Terre Haute, Clinton, St Marys and Sullivan and Paris, Illinois, a total trackage of one hundred and one-quarter miles.

On March 1, 1907, the company was leased to the Terre Haute, Indianapolis & Eastern Traction Company for 999 years, the lessee guaranteeing dividends of 6 per cent on the preferred stock and dividends on the common of 2 per cent for the first one and one-half years, 3 per cent for the next year, 4 per cent for the next year and 5 per cent thereafter. The authorized capitalization of the Terre Haute Traction & Light Company is two million common, all outstanding, and one million six per cent noncumulative preferred, of which $645,000 is outstanding. The bonded debt consists of $3,083,000 first consolidated gold 5s, dated May 1, 1904, due May 1, 1944, and are subject to call as a whole at 110, and interest at any interest date.

A SINKING FUND

of one per cent for outstanding bonds began May 1, 1906, and on January 1, 1911, there were in this fund $128,000 of bonds. There is also outstanding $1,500,000 Terre Haute Electric Company first gold 5s due July 1, 1929.

The earnings for the 10 months ending October 31, 1911, were as follows: Gross earnings, $1,002,472.74; operating expenses $476,558.83, leaving net earnings of $525,913.91. At this rate, the net earnings for the full twelve months would be $631,096.80, which would be slightly better than last year, which was $614,757. Last year, the company after paying interest charges of $245,383 and reserving for the sinking fund $30,880, showed a surplus of $338,494, an increase of over $70,000 over the previous year. The company has been a prosperous one and its officers and directors are men skilled in railroading and finance.

This property is one of that group of interurban roads of Indiana, which are dominated by a group of capitalists for whom Hugh J. McGowan, of Indianapolis, is the spokesman, and was purchased by them from Stone & Webster.

PHOENIX, ARIZ.—It is reported that the Farmers & Merchants Bank will shortly increase its capital from $25,000 to $50,000. Leroy H. Civille has been elected cashier. Mr. Civille is secretary of the Arizona Trust Company, and was assistant cashier of the Valley Bank of Phoenix.

Before All Else

there is found in every Union Mutual Policy the first and strongest Purpose of Life Insurance.

Protection

Clear, Faithful Reasonable Contracts. Ask for Particulars.

Union Mutual Life Insurance Co
Portland, Maine

Fred E. Richards, President.

JANUARY 1, 1911

Insurance in force more than $140,000,000

ASSETS - $36,327,078.03
LIABILITIES 33,371,841.25
SURPLUS - $ 2,955,237.78

1910 MOST PROSPEROUS IN HISTORY OF THE COMPANY

HARTFORD LIFE INSURANCE CO.

Chartered 1866 Hartford, Conn.

OFFERS SPLENDID OPPORTUNITIES UNDER DIRECT CONTRACTS.
All Forms of Policies.

THE BOSTON MUTUAL LIFE INSURANCE COMPANY
141 MILK STREET, BOSTON, MASS.

HERBERT O. EDGERTON, Pres. FRANK H. VIELE, Sec'y and Treas.
A corporation operating under the stringent Insurance Law of Massachusetts.
All desirable forms of up-to-date policy contracts issued.
All weekly premium policies in full immediate benefit.
CORRESPONDENCE SOLICITED

Digitized by Google

An Unlucky "Clover Leaf"

The Passing of the Toledo, St. Louis & Western Preferred Dividend a Sign of Returning Sanity—Another Defeat For the Daring Hawley Dividend Policy—The Cutting Off of Alton Dividends Marks the Development of a Climax—Less Than One Per Cent Earned on "Clover Leaf" Preferred Last Year, With a Further Decline Ahead—The Real Cause of the Trouble.

A few days ago, the directors of this road, confronted with very poor operating results for 1910-1911, and still poorer results for the first four months of the current fiscal period decided to pass the quarterly dividend of 1 per cent on the preferred stock, due to be paid January 15, thereby, as one critic puts it, "showing the first real indication of sanity they have displayed for months". Since that time, there has been no decline of importance in the market price of this issue, which is not to be wondered at, since it has been evident for months that there was no reasonable ground for the maintenance of the 4 per cent rate. There are times when a stock issue is fairly entitled to be ranked as a more promising proposition when dividends are withheld than when they are paid, and the Clover Leaf preferred issue has reached that stage, as Alton preferred did some time ago.

A RAY OF HOPE.

A short time ago, I commented upon the commendable change in the daring Hawley policy as seen in the current administration of Alton affairs, showing itself to best advantages in the greatly increased maintenance allowances. Now that the Clover Leaf management has lopped off the dividend rate of 4 per cent, which was inaugurated four years ago, it is to be hoped that the physical needs of the property will receive greater attention.

The annual report of the Clover Leaf covering the fiscal year to the end of June, last, was not an encouraging document from any point of view, unless one considers that something of a startling character was needed to bring the directors to their senses. I assume that some of them were startled; I am sure that many of the shareholders were, particularly those who bought the preferred stock at about double its present prices in 1908, 1909 and 1910.

THE ANNUAL REPORT

shows that the balance after charges was but $72,797, and there was a deficit of $325,307 after the payment of the dividends noted.

Gross earnings of the company were $3,777,600, a small increase over the preceding fiscal year, but the total net income declined $675,800, or more than 38 per cent. Of this decrease, $229,100 may be charged to operating expenses and taxes, the remainder being due to loss in income from investments.

The report appears to indicate a loss in efficiency of operation. Working expenses amounted to 73.6 per cent of gross, as compared with a little more than 67 per cent in 1910, and traffic and transportation expenses ate up 39 per cent of the operating revenue, as compared with 35.4 per cent in the previous fiscal year. The loss in income from investment was due to the suspension of 4 per cent common dividends by the Alton in August of last year. The Clover Leaf owns 144,200 shares of the Alton's common. The annual report also shows that on June 30 of this year the Clover Leaf had a floating debt of $406,728. Cash on hand amounted to but $273,385. The total of liquid assets was $876,600, while current liabilities aggregated $1,283,328.

STILL OTHER LOSSES.

The Clover Leaf owns 64,800 shares of Alton preferred, dividends on which were recently passed, but the loss of $259,200 does not show in the income account of the Clover Leaf for the last fiscal year, as the dividend was not due to be paid until July 15. In estimating results of operations on the Clover Leaf for the current fiscal year, however, account will have to be taken of this further loss in other income.

The income account in detail is as follows:

	1910-1911.	Inc. or dec.
Average miles of road operated during the year	450.72	
Operating revenue:		
Transp't'tion revenue	$3,753,622 59	$7,111.75
Revenue from operation other than transportation	24,054.89	*2,070.29
Total operating revenue	$3,777,677.48	$5,041.46
Operating expenses	$2,608,013.70	$229,241.32
Taxes	171,052 18	6,905.02
Total operating expenses and taxes	$2,779,065.68	$229,146.34
Net operating revenue	$998,611.80	*$224,104.88
Income from investments	195,906.00	*117,984.60
Total	$1,194,517 80	*$342,088.88
Operating income:		
Hire of equipment—balance	*$133,374.66	*$43,721.73
Rentals—balance	*3,964.24	11,057.14
Sundry interest—balance	18,203.24	*1,097.52
Total	*$119,135.66	*$33,762.11
Total income	$1,075,112.14	*$675,850.99
Deductions from income:		
Interest on funded debt outstanding in the hands of the public	$981,015.00	*$4,500.00
Reserve account advances Toledo Terminal Railroad interest	21,000.00	5,400.00
Total deductions	$1,002,615.00	$900.00
Surplus	$72 797.14	*$676,750.99
Application of surplus:		
Dividends on preferred stock	$398,104.00	
Balance, surplus	*$325,306 86	*$676,750.99

* Deductions and decreases.

Revenues and expenses were divided as follows, comparison being made with the results of the preceding fiscal period:

Operating revenues—	1910-11.	1909-10.
Freight	$3,084,521	$3,089,773
Passenger	456,773	446,672
Mail, exp. and miscell.	236,383	235,191
Total oper. revenues	$3,777,677	$3,772,636
Expenses—		
Maint. of way & struct.	$456,134	$407,870
Maint. of equipment	569,026	535,060
Traffic expenses	108,047	92,047
Transportation exp.	1,365,427	1,245,382
General expenses	109,379	107,413
Total expenses	$2,608,013	$2,385,772
Net oper. revenues	1,169,664	1,386,864

A STEADY DECLINE.

Since the prosperous year of 1908-1909, when the earnings on the preferred were 9.38 per cent, expenses have steadily increased, while gross earnings have about held their own. The 1910 annual report showed 7.50 per cent earned on the preferred, and the $72,797 surplus, after charges for the last fiscal period amounted to 0.73 per cent on the $9,995,000 of preferred stock now outstanding. Just what the results of the current fiscal year are likely to be may be inferred from the fact that net income for the first four months has decreased $105,474, a considerable part of which comes from the loss of "other in-

First Mortgage Bonds

For Small Investors

WEEKLY OR MONTHLY PAYMENTS

Government, State and Municipal Issues, also Standard Railroad, Public Service and Industrial Bonds sold in any amount for Cash or on Weekly or Monthly Payments. **Best, Easiest and Safest way to provide for your future.**

Circulars 104 on request; Correspondence invited

Resident Representatives Wanted

FUNDING COMPANY OF AMERICA

40 EXCHANGE PLACE, NEW YORK

YOUR INVESTMENT SHOULD EARN YOU MORE MONEY

Boston Real Estate Carefully Selected and Scientifically Managed

The United States Investor in its issue of Sept. 16, 1911, says of this company "Both the preferred stock and the bonds are well worthy of the consideration of our readers."

Address for prospectus and other information

COMMONWEALTH REALTY COMPANY, Chas. E. Jeffrey, Prest.
Room 407, 53 State St., Boston.

Digitized by Google

come" following the cutting off of the Alton preferred dividend.

THE EXPENSE ACCOUNT.

Clover Leaf's operating expenses for the year showed an increase of 9.32 per cent, expenditures for maintenance of way and structures increasing 11.83 per cent, largely on account of increased wages, while maintenance of equipment increased 6.75 per cent, due to repairs to locomotives, passenger and freight car equipment, as well as to increase in rate of pay of shop employes. President Shonts has the following to say anent the rising tide of expenses:

"Of the total increase of $120,045, or 9.64 per cent, in the cost of conducting transportation, $67,598 is due to increase in wages. Compared with the year preceding, while loaded car mileage decreased 1,159,350, or 3.67 per cent, empty car mileage increased 1,812,224 miles, or 16.65 per cent, and, in addition to this, the increased disparity between eastbound and westbound tonnage added materially to freight-train cost; thus, possibly, the greatest factor of increased transportation cost was commercial conditions, which added largely to the cost of train service.

"The operations for the year have felt the full effect of the higher rates of wages paid, and improved working conditions granted in meeting the demands of labor; and with the constantly increasing requirements of state and Federal laws and administrative boards, the necessity for a proportionate advance in rates of transportation to compensate such increased costs is still prominently before your management.

"It will be noted that while

GROSS OPERATING REVENUE

has increased 0.13 per cent, operating expenses have increased 9.32 per cent. The average rate per passenger per mile in 1901 was 1.83c.; in the year 1911, 1.78c.; average rate per ton per mile in 1901 was .00542; in the year 1911, .00527.

"Notwithstanding substantial increases have been granted to employes generally, the unrest in labor circles and the competition of labor craft in various sections of the country as to which can make the best arrangements still exists, and their demands are constantly before us in some form."

These statements are almost identical in their tenor with those quoted by me in my recent comment upon the Alton's affairs, which is not surprising, as they come from the same brain and the same pen. There is the same intent to lay the blame for present troubles on the shoulders of labor and on the regulations of state and Federal administrative bodies. The greatest source of trouble, it seems to me, is found in the very questionable policy of issuing bonds secured by the road's holdings of Alton stock. With the income from these investments cut off, as it has been in this case, it is evident that this "Clover Leaf" is not of the four-leaf "good luck" variety, and may consider itself fortunate if it escapes further embarrassment. P. DE MEDICI.

Financial Summary of the Week

Ahmeek Mining Co.—Ahmeek has declared another dividend, this time of $3 a share, the first dividend amounting to $2 a share, having been paid only last month. This would indicate that it is intended to place the stock on a dividend basis of $12 a share per annum.

Alice Gold & Silver Mining Co.—Control of the Alice Gold & Silver Mining Company, a subsidiary of the Butte Coalition Company, will be transferred to the Amalgamated Copper Company, according to report in Wall street. The Alice's properties adjoin those of the Almalgamated, and it is believed the transfer of the property is an initial step looking toward the dissolution of Butte Coalition.

Allis-Chalmers Co.—The Allis-Chalmers 5 per cent bondholders' protective committee, James N. Wallace, chairman, reported to its constituents that of the $15,000,000 bonds $13,573,000 were found as follows: $11,148,000 in the hands of the public, $800,000 pledged as security for loans to the company, $136,000 cancelled and $1,489,000 in the company's treasury. Current assets of the company as of December 31, 1911, will be, according to the estimates furnished by the management, $9,800,000, while current liabilities will be $7,130,000. Accrued interest on the bonds, due January 1, 1912, is not included in those figures. The committee will submit another statement to bondholders when it can find out what the company intends to do about paying the bond interest due January 1. After that a plan of reorganization will be broached to the bondholders.

American Agricultural Chemical Co.—Robert S. Bradley, chairman of the board of directors, stated that the company had acquired three fertilizer companies during the last twelve months. It also constructed three new plants and made additional investments in other small properties. The new acquisitions will increase the company's production about 200,000 tons a year. Mr. Bradley also said that the company has expended $5,248,768 on plants since organization, all of which had been charged to the profit and loss account.

Anaconda Copper Co.—The Anaconda Copper Company is increasing its working forces at its mines and smelters. This leads mining interests to believe that the company intends to increase its production, which now averages about 21,000,000 pounds of copper a month.

Assets Realization Co.—In view of the gratifying earnings of the Assets Realization Company for the past eight months dating from April, 1911, at which time the company was recapitalized, until November 30, 1911, it was anticipated that at the regular meeting of the board of directors held in Philadelphia last week, the dividend rate would be increased from a 7 per cent to an 8 per cent per annum basis, but after a thorough discussion by the directors, it was decided to postpone the increase in the dividend rate until some time in the near future. In consequence of this action the reserves of the company will therefore be substantially increased.

Atlantic Coast Line Co. of Connecticut.—The Atlantic Coast Line Company of Connecticut, which controls the Atlantic Coast Line, increased the quarterly dividend from 2½ to 3 per cent, payable in installments in March, June, September and December. The Atlantic Coast line was recently raised from a 6 per cent to a 7 per cent per annum basis. A majority of its stocks and bonds is held by the old company.

Atlantic, Gulf & West Indies S. S. Lines.—The report of the subsidiary companies of the Atlantic, Gulf & West Indies Steamship lines shows an increase in gross earnings for nine months of $462,271, but a decrease in net income of $276,529.

Augusta-Aiken Ry. & Electric Corp.—Augusta-Aiken Railway & Electric Corporation has declared an initial dividend of 1¼ per cent on its preferred stock.

Baltimore & Ohio R. R. Co.—The main feature of the November statement was a reduction of 11 per cent in transportation expenses, amounting to $260,569. The road spent 36 per cent of gross to move its traffic, compared with 40 per cent a year ago. In the past five months the transportation cost has been reduced to 33.3 per cent, compared with 37.4 per cent in 1910. Over $1,000,000 has been saved through an increase in train units. This has permitted a gain of $941,497, or 8 per cent, in net earnings to November 30.

Butte Coalition Co.—The directors in December, 1911, voted to dissolve the corporation, and distribute the assets, pro rata, among the stockholders. This means the distribution of 500,000 shares of Anaconda and $4,000,000 cash. The dissolution of the Company means that each shareholder will receive a half share of Anaconda and $4 in cash for each share of Mutte Coalition. Butte Coalition has 1,000,000 shares outstanding, and has in its treasury 500,000 shares of Anaconda, 3,000 shares of International Smelting, some Alice Gold & Silver Mining Company stock and $3,500,000 cash or thereabout. It would, of course, be impossible to distribute the International Smelting and Alice stocks pro rata, so these will be sold at a price sufficient to bring the distributable cash up to $4,600,000. With Anaconda at 38, the distribution works out an equivalent of 23 for Butte Coalition as per the following: 500,000 shares Anaconda at 38, $19,000,000; cash, $4,000,000; total, $23,000,000. Equal per share on 1,000,000 shares, 23.

Cities Service Co.—The net earnings in November increased $17,328. For the twelve months ended November 30, the company earned, net, $903,315. Deduction of dividends left a surplus of $243,343.

Corn Products Refining Co.—Officials of the Corn Products Refining Company say that they expect their company to earn the 5 per cent preferred dividend in the fiscal year to end February 28, with a fairly liberal margin to spare. The surplus over dividend requirements is expected to approximate a half a million dollars and final returns may show surplus to be slightly in excess of this amount. In the last fiscal year, surplus after dividends totalled $602,600. The volume of business now being conducted by the company is slightly under this time a year ago, and profits also show a small loss as compared with last year.

Cuban-American Sugar Co.—The year about to close has been a poor one for the Cuban-American Sugar Company owing to the shortage in the Cuban cane crop, which curtailed production 17 per cent, and the low prices ruling for raws during the months the crop was being harvested. As a result, net profits for the fiscal year ended September 30, last, were but $273,476, as compared with $1,777,182 in 1910, and $1,150,545 in 1909. Regular dividends have been paid on the preferred stock, however, and officials believe the outlook for 1912 is quite promising.

Canard S. S. Co.—Shareholders have approved an increase in the company's capital of $4,500,000. The additional money will be used chiefly in paying for the control of the Anchor line, recently purchased.

Federal M. & S. Co.—Net earnings of the Federal Mining & Smelting Company after all charges, for the first quarter of the current fiscal year, totalled $197,800, or $11,956 short of the preferred dividend for the quarter. Earnings by months follow: $58,900 for September, $60,000 for October and $78,900 for November. The comparatively poor showing for the quarter was due to lower prices of lead and lower silver recovery from the ores extracted from the Mace mine. Announcement by M. Guggenheims' Sons in reference to the common holdings of Federal stock by the American Smelters' Securities Company means that the Securities Company owns not one-sixth of the company's total authorized capital of $30,000,000, but one-sixth of the $18,000,000 capital stock outstanding, of which $6,000,000 is common. To be exact, the Securities Company owns 32,000 shares of 60,000 shares of Federal common stock outstanding, which is understood to have cost the Securities Company approximately 120 a share or a total of about $3,840,000. Federal common is now selling around 18, which gives a market value of about $576,000 to Securities' holding of that issue.

Great Northern Ore Properties.—Analysis of Great Northern Ore equities showed that the payments received from United States Steel Corporation as royal-

ties were still intact and had not been used for dividend payments. On this theory, it was expected that dividends would be continued, and, therefore, the stock was strong.

Greene-Cananea Copper Co.—In well-informed local copper circles, it is predicted with a good deal of confidence that Greene-Cananea will inaugurate dividends next month at the rate of 50 cents a share per annum, instead of 40 cents, as was previously reported. It is estimated that the company is earning about 75 cents a share on the present metal market, and insiders say that the stock should sell at $10 in view of the dividend prospects and the steady upward course of the metal.

Hamilton Brown Shoe Co.—A dividend of 21 2-7 per cent on the $4,000,000 capital stock of the Hamilton Brown Shoe Company has been declared. This amount is composed of a cash dividend of 7 per cent and a stock dividend of $500,000, amounting to 14 2-7 per cent. A dividend of 14 per cent was declared for 1912. A petition for a receivership was filed by minority stockholders recently as a result of a 5 per cent dividend being declared for the present year. The litigation is still pending. The dividend in 1910 was 18 per cent.

Interborough Rapid Transit Co.—For current year, gross will amount to about $30,000,000, and after payment of the 10 per cent dividends on the Interborough Rapid Transit stock, a final surplus of $2,500,000 will remain for the year. This surplus would compare with $2,000,000 for last year, and $3,000,000 for the year before.

International Mercantile Marine Co.—It is unlikely that Mercantile Marine's annual report for the year ended December 31, next, will show any great loss over the previous year. This is due to the fact that freights have been fairly good this year; much better than in 1910.

Kansas City, Mexico & Orient Ry.—According to an official of the Kansas City, Mexico & Orient Railway, the company has on hand construction funds sufficient to carry all work forward to Alpine, a point 65 miles southwest of Fort Stockton, but before that stage of work is reached, additional financing will have to be done. The road will probably offer for sale a block of the recently authorized issue of $20,000,000 first mortgage 4s. A good portion of the bonds offered will likely go to investors abroad, principally French and English.

Minneapolis & St. Louis R. R. Co.—Minneapolis & St. Louis has filed notice of increase of capital stock from $20,000,000 to $30,000,000 with the Minnesota secretary of state.

New York Central Lines.—Bankers have disposed of the entire issue of $15,000,000 1½ per cent. New York Central Lines equipment trust bonds of 1912, which were offered this morning. It is understood that about one-third of the amount was placed in London. The entire issue was largely oversubscribed and allotments will probably be confined to 20 or 30 per cent of the subscriptions.

Norfolk & Western Ry.—During four months ended October 31, Norfolk & Western has earned at the rate of 11.34 per cent on its $80,141,000 common stock outstanding. This compares with 12.26 per cent earned on $68,896,000 stock during same period of last year. Gross revenue increased $878,354, or 7 per cent, being nearly three times the additional requirement for the increased common dividend. Operating expenses advanced $644,286 or 8 per cent, the operating ratio having increased from 61.57 per cent to 62.34 per cent, owing to higher expenditures for maintenance.

Osceola Consolidated Mining Co.—This Company issues the following statement of operating results for 1911 (Novemebr and December estimated), compared with a year ago: Tons rock stamped, 1,244,795 against 1,217,720; cost per ton, $1.15 against $1.28; pounds copper, 18,432,790 against 19,246,566; total cost per pound of copper, 9.28 cents against 9.37 cents; estimated earnings for year, $620,000; dividend declared for year, $673,050.

Pacific Power & Light Co.—The stockholders will meet December 29 to authorize an increase in the capital stock from $7,500,000 to $12,000,000.

Pay-As-You-Enter Car Corporation.—The Pay-As-You-Enter Car Corporation has declared the regular quarterly dividend of 1¾ per cent on the preferred stock, payable January 15. The International P-A-Y-E Tramcar Company has been incorporated in Canada, with offices in London. This company has acquired the European patents and will henceforth issue the licenses for the use of the P-A-Y-E car in Europe.

Quaker Oats Co.—It is understood that holders of the common stock of Quaker Oats will receive valuable subscription rights early in the new year, and it is also reported that the directors may pay an extra cash dividend, possibly 2 per cent. Officials of the company will not discuss these matters, but the strength of the stock would indicate that something is in store for the stockholders.

Safety Car Heating & Lighting Co.—The plants of the Safety Car Heating & Lighting Company are operating very close to capacity at present, and officials report that the company is doing a larger business than at any time since the record year of 1909. If orders continue at their present volume, the company will be able to show large earnings in 1912.

St. Lawrence & Adirondack Ry. Co.—The St. Lawrence & Adirondack Railway Company, the entire $1,615,000 capital stock of which is owned by the New York Central, has declared an annual dividend of 4 per cent, payable December 30. The last dividend paid was 4 per cent in 1908.

Steel Market.—The steel trade does not expect a resumption of buying on a large scale until after the holidays. However, incoming business shows a smaller falling off than in any holiday period in several years, which is regarded as encouraging. There has been some good buying on the theory that the first of the year will witness the beginning of a series of advances in certain steel products. Prices for plates, bars and wire are firm, with no inclination on the part of manufacturers to make concessions.

Stephenville, North & South Texas R. R.—The Texas Railroad Commission, which has made an inspection of the Stephenville, North & South Texas Railroad, a new extension built by the St. Louis Southwestern, is expected shortly to authorize the issuance and sale of about $1,900,000 5 per cent first mortgage bonds to meet the cost of construction, the funds for which were advanced by the St. Louis Southwestern.

Third Avenue R. R. (N. Y.)—More than 90⅝ per cent of the bonds and 95 per cent of the stock of the Third Avenue Railroad have been deposited with the Central Trust Company under the plan of reorganization. The time for depositing the bonds and stock under the plan and agreement of the reorganization closed December 23.

Toledo Railways & Light Co.—Bond and stockholders' committees held a joint meeting last week, and discussed various plans for reorganizing the company, but no definite decision was reached. The most important question regarding the rehabilitation of the company is the manner in which the $8,000,000 of cash required is to be raised. Persons familiar with the company's affairs believe new first mortgage bonds and preferred stock will be issued.

Toledo, St. Louis & Western R. R. Co.—Toledo, St. Louis & Western passed the quarterly dividend of one per cent on its preferred stock, of which there is $10,000,000 outstanding. Owing to the steady shrinkage in income due to the cutting off of dividends on the stocks of the Chicago & Alton, which the "Clover Leaf" controls, Wall street has been expecting the discontinuance of payments on the preferred. There was no urgent selling of the stock when the announcement was made.

U. S. Motor Co.—Benjamin Briscoe, president of the United States Motor Company, who has just returned from a trip to the concern's many branches, says that, although the 1911 fiscal year of the company, which ended July 31, last, showed a net surplus of only $463,748, the outlook for 1912 is much brighter and a gross business of $31,000,000 is expected. Orders now on the books are sufficient to keep plants active for at least two months. The poor showing of the past season is attributed by Mr. Briscoe to the strong antipathy of bankers toward the automobile industry. The full pamphlet report will be issued in a few days.

MONATON

REALTY INVESTING

CORPORATION

Pays

6% COMPOUND INTEREST

On Money Invested in

Its Accumulative Certificates
Running terms of 10, 15 or 20 yr.

Payments may be made annually, semi-annually, quarterly or monthly.

SECURITY

OWNERSHIP OF NEW YORK INCOME PROPERTY

Affording

Immediate returns on investments and Opportunity for increase of valuation.

For Illustrated Booklet, inquire:

Publicity Department

Times Building

Broadway & 42nd Street, New York City

FOR

Oil and Gas Land Leases

WRITE

C. W. DEMING

Tulsa, Okla.

FOR HIGH GRADE OIL STOCKS

EQUITY BOND & SECURITY CO.

103 PARK AVE., NEW YORK CITY

TINTICS AND OTHER UTAH STOCKS

Write for reports and for Weekly Market Letter.

WM. H. TIBBALS, Salt Lake, Utah.

EMNAHA COLD MINING COMPANY

Incorporated under the laws of the State of Idaho. Capitalization, $500,000, divided into 500,000 shares. Par value $1.00 per share. Of which 200,000 shares have been placed in the Treasury, for the development of the property.

This Company owns and controls nine claims on Rattle Creek, Imnaha, Willowa Co., Ore., on which there are three well defined parallel veins, carrying very rich gold quarts. A limited amount of the shares of the stock have been sold.

For full particulars, address

JOHN SENNETT, Treasurer

79 Milk Street, Room 602 Boston, Mass.

Digitized by Google

The Best Purchases on the Industrial List

As Indicated by the Two Standards of Comparison: of Present Investment Yield on Basis of Current Dividends and Prevailing Market Price, and on Basis of Present Earnings on Prevailing Market Values

The average net yield of the 50 industrial stocks quoted in the following table was 6.37 per cent on December 26, as compared with 6.38 per cent on December 19, 6.30 per cent on January 3, and 5.76 per cent on January 2, 1910.

The outlook for the railroads as a class has shown such material improvement within the past two or three months, an improvement which has been accented by the change in sentiment toward a more wholesome point of view, that there is ample justification for the belief that the various equipment companies will enjoy in 1912 a period of considerable prosperity. This may not mean a record-breaking volume of orders by any means, but even that contingency is far from being an impossibility. A great many of the country's leading railroads have been practicing economy for so extended a period that additions to rolling stock and improvements to equipment are an essential to the proper maintenance of transportation records. In fact, there are evidences that more than one carrier, after pursuing a policy of strict economy for a period of several months, has at last decided that the outlook is sufficiently clear to justify a more liberal attitude, with the result that orders for new equipment are being placed, and numerous repair contracts are being drawn up with the equipment companies, who are feeling the effects of this movement in increased operation, and consequently, in expanding earnings.

As a result of this tendency, the equipment shares are receiving not a little attention at the hands of discriminating investors, as well as those who have speculative profits in mind. This is as it should be, for these issues are undoubtedly attractive for purposes of investment or speculation, according to selection. The preferred shares of the Railway Steel Spring Company, the Pressed Steel Car Company and the American Locomotive Company, which pay 7 per cent per annum, may be purchased at par or very close to it, giving, therefore, a net yield of approximately 7 per cent. This is a liberal return for a class of shares which has maintained an unbroken record of dividend payments at the full rate of 7 per cent ever since the incorporation of the respective companies from ten to thirteen years ago. American Car and Foundry preferred enjoys a higher market standing, and although it pays the same rate of dividend, sells some 15 points higher, yielding, therefore, about 6 per cent.

These preferred shares, of course, represent in the main the investment side of the situation, although they are by no means lacking in speculative possibilities, as is shown by the fact that in times of marked prosperity in the equipment business they have sold from 10 to 20 points above their present quoted level. American Locomotive preferred, for instance, sold at 122 in 1909, whereas, at the present time, it is nearly 20 points below that price. The common shares of the American Car and Foundry Company represent a combination of investment and speculative features since they are at the present time paying 2 per cent per annum, as they have done since 1908 when 3 per cent was paid.

Stocks	Present dividend	Price	Yield on present price.	Present rank.	Stocks	Price.	Earnings on present price	Year ended	
Am. Malt Corp., pref.	4	42	9.52	1	Inter. Agr. Chem., pref.	18	52.05	Dec. 31, 1910	
Am. Beet Sugar, com.	7%	56	8.92	2	Bethlehem Steel, pref.	60	20.00	Dec. 31, 1910	
Republic I. & S., pref.	7%	85	8.82	3	Am. Locomotive, com.	55	20.20	June 30, 1911	
U. S. Rubber, com.	4%	48	8.33	4	Am. Beet Sugar, com.	56	19.60	Mar. 31, 1911	
Am. Woolen, pref.	7%	86	8.14	5	Ry. Steel Spring, com.	31	19.35	Dec. 31, 1910	
United Dry Goods, com.	8%	69	8.08	6	Westinghouse, com.	68	19.20	Mar. 31, 1911	
U. S. Rubber, 2d pref.	6%	76	7.89	7	Pressed Steel Car, com.	52	18.65	Dec. 31, 1910	
Union Bag & Paper, pref.	4%	51	7.84	8	Am. Woolen, com.	26	15.60	Dec. 31, 1910	
Central Leather, pref.	7%	92	7.67	9	Am. Ag. Chem., com.	62	14.60	June 30, 1911	
U. S. Ind. Alcohol, pref.	7%	91	7.45	10	Steel Foundries, com.	111	14.50	Dec. 31, 1910	
Nat. Enam. & Stpg., pref.	7%	95	7.37	11	Inter. Harvester, com.	120	14.50	Dec. 31, 1910	
U. S. Steel, com.	7%	98	7.35	12	Am. Malt Corp., pref.	42	13.45	Aug. 31, 1911	
U. S. Steel & Wire	7%	99	7.25	13	Am. Ice Sec. Co.	19	13.00	Sept. 30, 1911	
Inter. Steam Pump, pref.	6%	87	7.18	14	Am. Car & Fdy., com.	54	13.00	Apr. 30, 1911	
Ry. Steel Spring, pref.	7%	98	7.05	15	Nat. Enam. & Stpg., com.	17	12.00	Jan. 31, 1911	
Pressed Steel Car, pref.	7%	100	7.00	16	U. S. Ind. Alcohol, pref.	91	11.80	Dec. 31, 1910	
Am. Smelt. & Ref., pref.	7%	100	6.99	17	Cent. Leather, com.	28	11.30	June 30, 1911	
Am. Locomotive, pref.	7%	104	6.73	18	Inter. Paper, pref.	46	11.20	Dec. 31, 1911	
Inter. Agr. Chem., pref.	7%	104	6.73	19	Gen. Chemical, pref.	97	11.00	Dec. 31, 1910	
Va.-Carolina Chem., pref.	8%	118	6.77	20	Union Bag & Paper, pref.	51	10.75	Jan. 31, 1911	
Locomotive, pref.	7%	105	6.66	21	U. S. Ind. Alcohol, com.	60	10.50	Sept. 30, 1911	(6 mos.)
National Lead, pref.	7%	107	6.54	22	Woolen, com.	79	9.55	Dec. 31, 1911	(6 mos.)
Inter. Harvester, pref.	5%	77	6.49	23	Lorillard, com.	154	9.50	Sep. 30, 1911	
Am. Cotton Oil, pref.	6%	98	6.15	24	Tennessee Sec. Corp.	31	9.50	June 30, 1911	
Distillers Sec. Corp.	7%	98	6.14	25	Corn Products Rfg., pref.	77	9.15	Feb. 28, 1911	
National Enam., com.	4%	70	5.71	26	U. S. Steel, com.	68	9.15	Sep. 30, 1911	(9 mos.)
Am. Can, com.	1%	63	1.59	27	United Dry Goods, com.	99	9.00	July 15, 1911	(6 mos.)
Lorillard, com.	6%	95	6.31	28	Inter. Agr. Chem., com.	104	8.65	Dec. 31, 1910	
U. S. Steel, pref.	7%	111	6.30	29	Republic I. & S., com.	28	8.60	June 30, 1911	
Montreal Cottons, com.	4%	72	5.55	30	Am. Smelt. & Ref., com.	75	8.15	Apr. 30, 1911	
Am. Sugar, com.	4%	114	3.51	31	Va.-Carolina Chem., com.	53	8.00	Dec. 31, 1911	
Am. Sugar, pref.	6%	103	6.09	32	N. Y. Air Brake	56	7.80	Dec. 31, 1910	
Am. Inter. Corp., pref.	6%	101	6.00	33	Am. Ice Sec., pref.	91	7.80	July 31, 1911	
Woolen, com.	4%	115	3.48	34	U. S. Inter. Steam Pump, pref.	93	7.68	May 31, 1911	
Am. Car & Fdy., pref.	7%	117	5.98	35	Am. Can, pref.	90	7.60	Dec. 31, 1910	
General Electric	5%	155	3.23	36	National Enam., com.	140	7.05	Jan. 31, 1911	
Inter. Harvester, pref.	7%	121	5.78	37	Am. Tel. & Tel.	140	7.05	Sep. 30, 1911	(9 mos.)
Am. Tel. & Tel.	8%	140	5.72	38	Mackay Companies, com.	87	6.70	Jan. 31, 1911	
National Lead, com.	3%	54	5.55	39	Am. Sugar, com.	114	6.35	Dec. 31, 1910	
Am. Can, pref.	6%	90	6.66	40	Amalgamated Copper	66	5.95	Apr. 30, 1911	
Va.-Carolina Chem., com.	5%	75	6.66	41	Tennessee Copper	58	5.85	Dec. 31, 1910	
Am. Smelt. & Ref., com.	4%	75	5.33	42	Gen. Chemical	75	5.70	Sep. 30, 1911	(9 mos.)
Steel Foundries, com.	7%	141	4.96	43	Inter. Steam Pump, com.	75	5.70	Sep. 30, 1911	(18 mos.)
Inter. Harvester, com.	5%	120	4.16	44	Va.-Carolina Chem., com.	86	5.65	May 31, 1911	
Inter. Paper, pref.	2%	46	4.34	45	Consolidated Gas	136	5.35	Dec. 31, 1910	
Consolidated Gas	6%	139	4.29	46	Central Leather, pref.	99	4.90	Dec. 31, 1910	
Underwood Typewriter	4%	101	3.96	47	Steel Foundries, com.	40	4.80	Nov. 30, 1910	
Western Union	6%	99	3.86	48	U. S. Leather, com.	18	4.60	Mar. 31, 1911	
Am. Car & Fdy., com.	2%	54	3.60	49	Am. Cotton Oil, pref.	91	3.85	Jan. 30, 1911	
Amalgamated Copper	3%	66	3.03	50	Am. Cotton Oil, com.	69	2.86	Aug. 31, 1911	

Digitized by Google

THE THROTTLED PACIFIC MAIL.

(Continued from page 2283.)

There is profit in coast wise shipping, and shipments by water from coast to coast can only be carried on in American ships. The profit in this business is suggested by the profitably conducted Atlantic and Pacific coast lines now engaged. The Ocean Steamship Company, for instance, sweetens the record of the Central of Georgia Railroad, the owner of the former corporation. No matter how much, then, the Southern Pacific and the control of the Pacific Mail may be averse to competition by new lines through the Canal, it is a fact that they will have to meet it, which, so far as I can see, means that the Pacific Mail either directly or indirectly must enter and participate through the canal in business from New York to San Francisco. Of course, the Southern Pacific now has its own water lines from New York to Galveston and New Orleans, so that the Southern Pacific itself by a moderate increase of its fleet could go in for this canal route rather than turning its controlled Pacific Mail to that business.

The Pacific Mail has been of value to the Southern Pacific in the past, not only in the fact that it has in a certain measure brought freight to the Southern Pacific Railroad at San Francisco for shipment over the Southern Pacific's rails, but also in the fact that it has, in popular opinion, at least, been accepted as a fact that the Pacific Mail has been in a way a dog in the manger to the extent of preventing competition for the transcontinental railroads, the Southern Pacific and Union Pacific in particular, by water routes between the Atlantic Seaboard across the Isthmus and up the Pacific coast. That is, it is accepted as a fact that the majority owners of Pacific Mail have not been so keen to see the company itself prosper as long as it served its purpose of

BLOCKING THE PATH

against any competition.

It is ridiculous to believe that the Pacific Mail could not have made money in past years had its owners wanted it to do so. If it were an independent corporation out from under the domination of Southern Pacific interests, and was an independent corporation serving the Southern Pacific as it now does, it, the Pacific Mail, would without doubt earn from its operations a fair interest on its investment. Of course in the trans-Pacific trade it would have the same competition it now has in the subsidized Japanese line in the subsidized Canadian Pacific line, the Great Northern line, and other across Pacific lines, which Pacific competition may be compared with the more intense competition which the Atlantic lines now have to meet, but as an independent corporation what the Pacific Mail would have to contend with in trans-Pacific business it would have made up and profited by in the Atlantic to Pacific business across the Isthmus as it did in the years before it was acquired by the Southern Pacific.

In any event, if for years it continued to pile up a deficit, it, as a corporation, would do just as any individual would do; that is, if in its business it for years continued to lose money, it would look for and find an opening in which it could profitably operate. Since the Southern Pacific has owned the Pacific Mail Steamship Company the latter company has had any number of opportunities for profitable engagement in Pacific coast trade which have not been utilized because of the fact that the Pacific Mail is serving its purpose to the Southern Pacific Company in operating just as it is now working.

The

MOST URGENT INVITATION

the Pacific Mail Steamship Company has had since it came under the wing of the Southern Pacific to make money is going to be offered to it when the canal is opened. Then the management will be at the fork of the road with a decison to make, either to use the canal and profit thereby, or continue as at present.

It is believed that the Red Star Line boats which have recently been registered under the United States flag are to engage in through the canal traffic for the International Mercantile Marine Company. Of course,

CONSERVATIVE INVESTMENTS

Cleveland	4½s
Jersey City	4½s
Omaha	4½s
Troy	4½s
Atlantic City	4½s
Racine	4½s
Oklahoma City	5s
Duluth	5s
Waco	5s
Portland, Ore.	5s
Dallas	4s
Mangum, Okla	5s
Sallisaw, Okla.	6s
American Telephone	4s
Ontario Power Co.	5s

Complete List on Application.

C. E. DENISON & CO.

Boston and Cleveland

MISSISSIPPI STATE BONDS

Issued to Planters' and Union Banks

The Corporation of Foreign Bondholders of London and Messrs. H. B. Hollins & Co. of New York have consented to act as Readjustment Managers for the benefit of the holders of the above described securities, who may deposit their bonds under the terms of an Agreement provided for that purpose.

Copies of the documents will be furnished on application and temporary certificates will be issued in exchange for deposited securities. In the interest of the Bondholders, it is important that deposits be made within the next thirty (30) days, and the Readjustment Managers do not undertake to adopt any action in reference to the above securities until they are empowered by a majority.

The Corporation of Foreign Bondholders, London

H. B. Hollins & Co., New York

Readjustment Managers

EDWARD L. ANDREWS, Counsel

London—New York

We are getting ready to print the first 1912 Telephone Directory. If you are thinking of changing your telephone service or installing a telephone, we desire that you notify us at once.

Call the Contract Department, Fort Hill 7000. No charge for a call to this number from any telephone in the Metropolitan District.

If more convenient, leave your order at 119 Milk Street, 165 Tremont Street or 50 Oliver Street, Boston.

NEW ENGLAND TELEPHONE AND TELEGRAPH COMPANY

Digitized by Google

the control of the International Marine is friendly to the railroads of the United States, and probably would do a little more than go to some trouble to uphold freight rates. Perhaps, the utilization of the canal by the Mercantile Marine interest is in full agreement, and with perfect understanding between them and the railroad interests and those who now dominate the Pacific Mail, but even if that is possible and the case, it is a fact that with the canal open its standing threat to give profit to any corporation which will engage in shipping through it from coast to coast will not be long unaccepted, and that shipping through it from New York to San Francisco will become as profitable as the coast line shipping on the Atlantic Seaboard. So, then, when there is a wide and deep waterway between the Atlantic and Pacific the use of the Pacific Mail as a big stick ceases and the railroad control of freight rates by water and across the isthmus becomes void and the Southern Pacific in its domination of Pacific Mail affairs can only be influenced either to sell its holdings or to make the company profitable to itself and the minority.

The business interests of the country are

LOOKING TOO STRONGLY

to the canal to allow it to be anything but profitable to business of the country, and, consequently, of profit to shippers through it. We are in this country, in the southern states whose ports are those nearest to the canal, raising the world's supply of cotton. Two-thirds of that cotton is shipped out of the country in the raw state and manufactured in England and on the continent, and the bulk of those foreign manufactured goods are shipped abroad, a great part of them to China, Japan and other countries, to be reached from this country most quickly and economically through the canal. The bulk of the cotton manufacturing in the southern states is of fabrics applicable for export. In fact, the southern cotton mills are making great strides in the export of their goods. These goods are being sold abroad on a free trade basis, that is, they sell for export at a better price, considering discounts, than they bring in this country, and, of course, in price they compete with England. The southern cotton mills, then, expect a great part of their future from export sheetings, drills and similar cotton fabrics, and these manufacturers look to the opening of the canal to give this business its greatest impetus. What is true of cotton manufacturing is true of other lines of effort, and with a free or cheap water route open to such shipping and exporting, no one interest can prevent its utilizations.

I believe that with the canal opened the Pacific Mail Steamship Company will be forced to utilize it even though it be harmful to the Southern Pacific Railroad. When the Pacific Mail enters the Atlantic coast trade it will at once

COME IN COMPETITION

with the Southern Pacific's own boat between New York and New Orleans and Galveston, but at the same time the Southern Pacific boats on that

BOSTON STOCKS AND BONDS

For the Week Ending Thursday Evening, December 28, 1911.

Names.	RANGE FOR WEEK		Last Sale	Sales for Week	RANGE FOR YEAR OF 1911				RANGE FROM JAN., 1879, TO JAN., 1911.	
Railroads.	Low	High			Lowest		Highest		Lowest	Highest
Boston & Albany	220½	221	221	20	219 Sept		236 Feb 17		129 1879	*250 1899
Boston Elevated	149	150½	149	240	124½ Sept	8	150½ Dec 14		53⅜ 1898	190 1901
Boston & Maine	96½	100	96½	37	96½ Oct	30	122½ Feb 15		103⅜ 1879	220 1897
do. pref.	...	...	140	.....	142⅜ Nov	8	154 June 5		134⅜ 1891	180 1902
Cent. Verm't 4s	...	...	90		85½ Sept	20	92 Mar 22		75 1904	96½ 1899
C. B. & Q. Jt. 4s	96½	96½	96½	7,000	96½ Jan	5	98¼ June 8		83½ 1907	102 1905
Chic. Junc. R.	...	...	150	..	156 Apr	29	165 Aug 23		50 1893	152 1904
do. 5s	...	...	101½	..	101¼ Sept	2	102 Aug 24		89¾ 1891	116 1899
Fitchburg pref.	125	125½	125½	27	125 Dec	22	130 Jan 9		84½ 1889	148 1906
K.C.,Ft.S.&M.6s	...	...	117½	.....	116 Mar	27	117½ Nov 17		76 1896	126 1902
K.C.M.&B.new6s	...	...	92	.....	91 Oct	2	96½ Jan 3		125⅝ 1894	8103 1896
do. inc. 5s	...	...	88	.....	87¼ Oct	27	94½ Nov 4		8 1895	104 1900
N.Y., N.H. & H.	166½	167¾	166½	3,529	125¼ Sept	14	151½ Feb 2		125 1900	279 1888
Old Colony	185½	186½	186½	21	180 Mar	15	190 Nov 22		90 1879	221 1892
Rutland pref.	...	...	40½	.....	32 Jan	26	45 Aug 4		6¼ 1879	125½ 1902
West End	86½	87½	86½	321	85 Oct	4	90 Feb 6		43 1894	102 1905
do. pref.	101½	102½	101½	146	100 Sept	26	105 June 22		78 1888	118½ 1904
Miscellane'us.										
Am. Agri. Chem.	63	63½	63½	1,181	46½ Oct	11	63 Dec 2		9 1903	50¾ 1909
do. pref.	100½	101½	101½	50	99 Jan	6	103¾ Mar 1		68½ 1903	105 1910
Am. Pneu. Ser.	4½	5	4½	25	3½ Oct	7	6 Jan 31		3 1908	29 1906
do. pref.	16½	18¾	16½	1,5	12½ Sept	1	19¾ Jan 21		9½ 1908	1906
Am. Tel. & Tel.	130½	130	130½	2,127	131⅜ Aug	30	153¾ Jan 4		68 1907	186 1902
do. 4s	90	90½	90	10,000	89¼ Mar	27	92 May 2		74 1899	101½ 1901
do. cons. 4s	...	...	111½	...	104 Aug	2	111⅜ June 19		103⅝ 1908	107⅝ 1909
Am. Woolen	26½	26½	26½	27	26¼ Dec	1	38¼ Mar 20		7⅛ 1908	48 1906
do. pref.	80½	81½	80¾	200	80¾ Oct	27	96½ June 1		66 1908	110¾ 1902
B. & W. Elec.	...	...	12	...	6 Feb	16	13 July 7		8 1910	29¼ 1906
do. pref.	...	...	34		28½ Jan	27	38 July 1		26 1910	90 1906
Cumberl'd Tele.	156	156½	156	112	146 Jan	19	168 June 2		98½ 1907	162¼ 1910
Dom. Coal 6s	...	...	97¾	...	90 Jan	4	98½ Sept 22		80 1908	101½ 1906
E. Boston Land	10½	11½	11	1,425	7¾ Nov	22	12 May 1		2¾ 1893	18¾ 1909
Edis. Elec. Ill.	260	261	261	24	275 Sept	8	295 Dec 20		10 1894	310 1908
Gen'l Elec. Co.	156	156	155	25	142 Sept	22	167¾ May 29		30½ 1896	238½ 1901
Mass. Elec.	13¾	14	13¾	578	16 Apr	18	24 June 8		6½ 1907	45⅜ 1902
Mass. pref.	82	82½	82¼	182	83¾ Jan	9	96 Dec 20		57 1907	99 1902
Mass. Gas	87¾	88	88	332	87¾ Sept	28	96¾ Aug 4		30 1905	91½ 1910
do. pref.	91	94½	94	44	91¼ Apr	13	98¾ Nov 17		74½ 1908	97 1910
Mergenthaler	218	220	218	67	211 Jan	3	230 July 31		118¾ 1897	226 1910
N. E. Cot. Yarn	104	104	104	4	103 Nov	20	119 Mar 14		40 1908	125 1909
do. pref.	105	106	105	45	101 Nov	22	116¼ Mar 1		24¾ 1903	118 1909
do. 5s	...	...	99	...	99 Nov	22	101 June 20		93 1908	106¾ 1901
N. E. Telephone	134	135	137	404	137 Jan	17	165½ Dec 1		78¾ 1879	170 1906
Portland Elec.	...	...	73¾	...	63¾ July	29	73¾ Nov 18		.....	.....
Pullman Car	159	159½	159	150	153 Sept	26	161 Jan 3		65¾ 1901	23½ 1896
Reece But. Ho.	14½	15	15	5	12 Jan	5	16¾ May 22		7½ 1884	163 1901
Rutland R. R. A	30½	31	31¼	102	29 Nov	17	36 Jan 7		18 1908	37 1910
do. pref.	60	60	60	13	57 Sept	5	61 Dec 14		30 1907	35 1909
Swift & Co.	180½	181	181	370	178½ Dec	4	197 Nov 25		73 1901	200 1910
United Fruit 4s	...	...	96	...	96½ Nov	8	97½ Jan 6		95 1910	97½ 1910
U. S. Cot. Duck	46	47½	46¾	1,201	40¼ Aug	28	56¾ Feb 18		*25 1909	98½ 1906
do. pref.	27¾	28¾	27½	467	28½ Sept	22	35½ Mar 7		22 1908	39½ 1905
West. N. J. & T.	...	...	37½	...	35 Sept	26	37½ Nov 8		4 1908	43½ 1907
do. pref.	...	...	107½	...	89 Jan	23	108¾ Nov 9		50 1903	106½ 1902
do. 5s	96¾	96¾	96¾	3,000	90¾ Jan	3	100½ Nov 17		74 1907	106¾ 1902
Mining.										
Adventure	6½	6¾	6¾	1,4	4 Oct	9	7½ May 18		†.62½ 1907	33 1901
Allouez	41	43	42½	6,1	21 Aug	26	49¼ Dec 2		9c. 1894	74¼ 1907
Amalgamated	65	67	67	5,10	44½ Sept	25	71 June 26		33¾ 1903	129½ 1899
Am. Zinc	2	2	2	60	1¾ Oct	7	3¾ June 11		6 1901	67 1880
Arizona Com.	...	...	20	...	10 Nov	22	19½ June 13		7¾ 1907	61¾ 1888
Bos. & Corbin	3¾	3	3¾	...	3¾ Aug	21	15½ June 6		6 1907	27 1908
Butte Bal'kl'n	1¾	1¾	1¾	9	2¼ Aug	29	6¾ Jan 4		4½ 1910	18½ 1910
Butte Coalition	2	2	2	16,0	14 Sept	29	23¾ Dec 27		10 1907	42 1906
Calumet & Ariz.	65¾	66¾	65¾	4,3	45 Sept	27	69¾ Dec 1		46¾ 1910	198 1907
Calum. & Hecla.	415	420	420	198	360 Sept	27	545 Jan 4		124 1884	1000 1907
Centennial	18	19	17	1,5	8 Sept	25	19 Dec 1		100 1886	61 1899
Copper Range	55½	56¾	56¾	3,1	46½ Sept	25	59¾ Feb 2		37 1903	105 1907
Daly-West	6	7	6¾	1,1	3 Feb	17	7 Dec 27		3½ 1910	1903
East Butte	12¾	13¾	12¾	10,2	8¾ Aug	25	14¾ June 26		3½ 1908	18¼ 1907
Elm River	...	...	15	...	10 July	24	20 Jan 6		.65 1910	7 1905
Franklin	11½	12	11½	2,8	5½ Aug	24	14 June 14		4 1879	30 1899
Giroux	4 7-16	4½	4½	4,9	2¾ Sept	25	5¾ Feb 6		2¾ 1907	13¾ 1901
Granby	38	39	37	2,1	26 Aug	25	42½ June 21		20 1910	151 1907
Greene Cananea	5 3-16	5⅝	5 3-16	5,6	5 3-16 Feb	9	8⅝ Dec 27		6 1907	18 1907
Hancock, Con.	18¼	18¾	18¾	2,0	17 Sept	26	24¼ Dec 22		1¾ 1907	36 1910
Helvetia	1	1	1	2	55 Nov	1	2 Mar 4		1¾ 1910	28 1906
Isle Roy. Coal pf	12½	13	12	421	7½ May	9	14 Dec 19		3¾ 1910	53¾ 1910
do. pref	...	...	...	...	50 Sept	27	84½ June 13		34½ 1910	90¼ 1910
Isle Royale	24	24	24	1,6	11¼ Aug	24	32¾ Dec 27		6¼ 1903	75 1899
Kerr Lake	6¾	6¾	6¾	1	2¾ Dec	6	7¾ Jan 23		6 1910	35 1907
Keweenaw	1	1	1	1	.50 Dec	8	3¾ June 16		2¼ 1909	7¾ 1906
La Salle	3	3	3		3 Oct	31	6 Dec 18		3 1908	23¾ 1906
Lake Copper	27¾	28	27¾	6	27¾ Aug	26	40 June 16		4 1907	84½ 1910
Mass. Cons.	4	4	4	2	4 Aug	25	10 June 19		2¾ 1908	47¾ 1901
Mayflower	1	1	1	21	1.00 Oct	7	2¾ Dec 2		4¾ 1908	29 1910
Michigan	1	1	1		1¼ Nov	1	1¾ May 6		2 1906	24½ 1902
Mohawk	46	47	46	1,1	36 Apr	25	56 Dec 27		11¾ 1908	*95 1907
Nev. Cons.	20¾	20	20	14	15 Sept	25	21¾ June 1		6¾ 1907	30 1899
New Arcadian	4	4	4	1	2 Sept	29	4¾ May 17		1¾ 1908	18¾ 1899
Nipissing	6	6	6	2	5 Sept	29	12¾ Nov 29		4¾ 1908	13¾ 1906
North Butte	4	4	4	2	2 Sept	25	5 Feb 17		1 1908	33¾ 1906
North Lake	1	1	1	1	¾ Aug	25	2¾ June 12		1 1908	13¾ 1907
Old Dominion	24	24	24	2	24¼ Sept	27	40 June 19		9¾ 1904	66¾ 1906
Osceola	84	84	84	1	84 Sept	27	101 Jan 4		73¾ 1899	151 1907
Parrot	27	27	27	1	27¾ Sept	25	45¾ Dec 1		8¾ 1907	72 1909
Quincy	...	...	...	...	53 Sept	27	74 Dec 1		10 1879	190 1899
Ex-certificated	18	19	18	1,0	12 Sept	25	19 Dec 1		7¾ 1908	33¾ 1899
Santa Fe	...	...	...	...	2 Aug	25	3¾ June 1		1 1908	22 1898
Shannon	10	10	10	...	7 Oct	26	12½ Feb 6		2 1904	24¾ 1907
Superior Copper	20	20	20	1	20 Oct	26	34½ June 14		7 1907	68¾ 1910
Superior & Boston	2	2	2		2 Oct	26	4½ June 1		15¾ 1908	1¾ 1909
Tamarack	70	70	70	1	70 Sept	25	90 Jan 3		4¾ 1910	365 1907
Tennessee	...	...	24¾	...	24¾ Aug	26	30 June 12		9¾ 1904	50¾ 1907
Trinity	...	...	11	2,0	11 Oct	7	16 Dec 1		3¾ 1904	42½ 1907
U. S. Smelting	41	41	41	2	39¾ Sept	27	49¾ June 14		24¾ 1907	70 1901
do. pref.	47	47	47	4,4	44 Oct	10	57¾ Dec 19		27¾ 1907	84½ 1909
Utah Apex	2	2	2	1	2 Jun	20	3¾ June 9		12¾ 1910	*70 1907
Utah Con.	3	3	3		3 Oct	7	5¾ June 15		1¾ 1907	104¾ 1906
Victoria	1	1	1	1	1 Aug	26	2¾ Dec 1		1 1908	12 1900
Winona	4	4	4		4 Oct	26	8¾ Feb 1		1 1903	22 1898
Wolverine	110	110	110	11	75 Nov	2	132 Feb 10		75c 1903	300 1907

* Ex-dividend. † Assessment paid. ‡ Rights off. ‖ Auction. § Old securities. c Old stock. ∞ Temporary certificates.

route are going to have further competition in other and independent steamship lines utilizing the canal. It is, of course, seldom that a big transportation corporation allows a smaller transportation corporation the majority of which it owns to secure a proportionate or fair share of a joint freight rate, but still with the growth of commerce which the canal will engender, and with the Pacific Mail engaging in the isthmus and Atlantic coast trade, the Southern Pacific could increase its facilities and profit by operating the Pacific Mail in harmony with its own steamship lines between New York and New Orleans and Galveston.

It is generally believed that one of the strongest supporters of the theory of ship subsidy and the necessity for subsidy to encourage the American Mercantile Marine has been the Pacific Mail Company and its controlling Southern Pacific Company. It is a fact that the great foreign shipping lines are well subsidized and that the Pacific Mail Company in the trans-Pacific lines has to meet the competition of subsidized lines. I am not going to argue on the subsidy or protection theory, but it is a fact that our greatest exports are on those manufactured goods which have the least protection, for instance, shoes and shoe machinery, etc. That our greatest exports in textiles are on the lines which have the least protection and which sell on a free trade basis, namely, sheetings, drills, etc., and those manufactured goods which are most largely protected are exported little if at all. It may well be that the Pacific Mail cannot compete profitably

IN THE TRANS-PACIFIC TRADE

against subsidized lines without a subsidy, and continuing that theory it may be that the trans-Pacific business unsubsidized will not be profitable to the Pacific Mail Steamship Company, but with the annual deficit decreasing during the last few years, and now not large, it is certain that engaging in the coastwise trade through the canal would more than wipe out that deficit and begin to decrease the profit and loss account which is now on the wrong side of the ledger to the extent of about $12,000,000.

With the canal open the Pacific Mail can only be prevented from making money for its minority stockholders by keeping the Pacific Mail out of the canal trade. With the canal opened the Pacific Mail is no less of a gamble than it is at the present time until the management announces its policy as to what it will do about the coastwise and through the canal trade, and then that gamble is not removed until the actual desire of the management is proven by its handling of Pacific Mail steamship business. With the canal open the only thing that can prevent the minority interest in the Pacific Mail from being profitable will be the refusal of the controlling interests to allow the minority a profit. I believe that with the canal opened and utilized the Pacific Mail loses its usefulness to the Southern Pacific, and that it will then begin to make money. Either the Southern Pacific will continue to operate it, but at a profit, or it will sell out its interest and a new management make it a money earner. P. DE MEDICI.

Giroux Shows A Gain

An Advance of Over $1 Per Share From Year's Low Level—Reconciling the Varying Views on the Property—Faith in the Cole-Ryan Management Contrasted With a History of Misfortune—Will There Be a Repetition of Greene-Cananea Progress?—Porphyry Ore Bodies Too Widely Scattered—Over Nine Million Tons Developed—A Hint of New Financing.

It would require a long, painstaking search to discover an active copper stock which is the subject of more widely divergent opinions to-day than is Giroux. The owner or prospective owner of these shares may visit curb brokers and other houses which deal in this stock and after asking the opinions of market observers, who, it is to be presumed, are in a position to form a better idea of its future possibilities than is permitted to the laymen, may consider himself favored if he returns from his excursion with any evidence of a decided preponderance of professional opinion one way or the other.

A TUG OF WAR.

The truth of the matter is that the present market viewpoint concerning Giroux represents a mental tug of war between those who are able to judge of the company's future simply by its unmistakably unfortunate past, which is reflected in the present market valuation of the shares, and those, on the other hand, who believe that this misfortune may safely be set down as a matter of past history, and that from this time forward the physical operation of the property, in conjunction with a metal market stronger from every point of view than any seen in the past four years, may be counted upon to improve the company's position and the market standing of its shares.

With opinions as to the future of this stock differing as widely as they do, it is not surprising that Giroux has played a part of some little prominence in the market operations of the last few months. Until very recently the preponderance of sentiment has been bearish to a marked degree, for the company was not only influenced by the depressed condition of the metal market, which has been succeeded by improved conditions only within the last few weeks, but its operations also received a very serious set-back as the result of a fire which entailed the loss of the lives of several workmen, an expense of many thousands of dollars, which in itself is a serious item for a company which evidently is not over-abundantly supplied with working capital, and a retarding of development operations consequent upon the flooding of the working following the fire.

A CAREER OF MISFORTUNE.

This is by no means the first instance of serious misfortune with which the Giroux has been forced to contend. Several years ago active operations were seriously interfered with by the caving of the Alpha shaft. It was decided to sink a new shaft, the construction of which has consumed more than two years, during which period operations in the limestone ore of the properties were suspended entirely. Finally, this new shaft was driven to a depth which permitted the inter-section of these ore bodies on the twelfth level and a cross-cut was being driven to the lode on the 1,400-foot level when the disastrous fire above mentioned upset the plan for active development for the time being. Had it not been for these unfortunate developments, it is quite within the range of possibilities that the property would have been in a position to profit from the recent advance in copper to above 14 cents per pound. As it is, the only immediate improvement which that advance exerts on the Giroux is one of sentiment, representing future expectations more than actual current conditions.

TO BUY OR SELL?

The announcement of the fire was quickly followed by a wave of liquidations by tired holders, who became utterly discouraged at this latest trick of fate. The stock sold down to 3⅜, from which it has recovered at the present time to 4½, this being the quoted price at the present time on the Boston stock exchange as well as on the New York curb. In 1907 Giroux sold at 2½, and in 1908, at 2⅞, so that the price reached following the fire is not a new low record. In both 1909 and 1910 the stock sold above $12 per share, so that it still has considerable room for recovery to preceding high levels. On the theory that the darkest hour comes just before the dawn and that that hour was reached and passed some weeks ago, market observers whose judgment in such matters has in the past shown itself to be sound, are calling the attention of their friends to this copper stock as presenting speculative possibilities of a somewhat exceptional character. In fact, the tip has gone out to those who purchased Giroux at much higher prices that they may make

AVERAGING PURCHASES

with profit. That such tips have been productive of results is indicated by the fact that sustained, although somewhat unobtrusive buying of the stock has been under way for the past month.

The Giroux Consolidated Mines Company, to quote the full corporate title, was organized in 1903, and is capitalized at $7,500,000, of which, according to the last annual report, there is outstanding $7,003,600. In addition, there are outstanding $202,700 of first 6 per cent bonds which are convertible into stock of the company at par. The company's property is an extensive one, and one which I believe is of greater value than has been indicated by past developments. It consists of two main groups, one in Sonora, Mexico, and the other in Nevada. Little has been heard concerning the Mexican holdings, for the company has been devoting its energies almost entirely to the Nevada property. The latter

Digitized by Google

consists of over 1,000 acres held under United States patents and situated near Ely, White Pine County, Nevada, adjoining the Nevada Consolidated, which has established its right to be called one of the country's

GREATEST PRODUCERS.

This does not take into account the company's water rights, which involve the ownership of several hundred acres of agricultural lands situated several miles from the mines. Two years ago the company acquired 600 acres of land in the Robinson Mining District, also in White Pine County, and 239,175 shares of the 250,000 shares of stock of the Butte and Ely Copper Company, the latter owning 13 claims, or over 200 acres in the Robinson district. All of the properties are being developed with the exception of the Mexican claim, upon which no active work has been done during the past two or three years. The Nevada properties are well situated regarding transportation, as the Nevada Northern Railway crosses the property, and is connected with the company's workings by a narrow gauge line.

Opinions regarding the extent of the ore bodies naturally reflect substantial differences of opinion, and indeed the Giroux property is one of the greatest mysteries in the copper world to-day. The company's estimate of

ORE ACTUALLY DEVELOPED

is 9,620,000 tons containing 1.36 per cent copper (262,070,000 pounds) with about 40 cents per ton in gold values and 20 cents per ton in silver. This does not include the ore in the Alpha Mine, as it is impossible as yet to make a fair estimate on that property, although indications are favorable for a large tonnage of high-grade ore. Ac-

WANTED

Akron, O., Water Co. 5's
Michigan Lake Superior Power receipts
Glens Falls Gas & Electric Co. 5's
Galveston, Tex., 5's
Birmingham Water Co. 5's
Houston, (Tex.) Water Works Co. 6's

H. C. SPILLER & CO.

Specialists in Inactive Bonds

27 STATE STREET BOSTON

INTERNATIONAL PAPER COMPANY.

A dividend of ONE HALF of ONE PER CENT on the Preferred Stock, has been declared, payable January 15th, 1912, to Preferred Stockholders of Record, at the close of business on December 30th, 1911. Transfer books will remain open. Checks mailed.

E. W. HYDE, Secretary.

Converse Rubber Shoe Company

Preferred Stock Dividend

Malden, Mass.

The Directors of the Converse Rubber Shoe Company have declared the regular quarterly dividend of [illegible] per cent on the Preferred Capital Stock of the Company, payable [illegible] to Stockholders of record at the close of business [illegible] 1911.

J. S. CALLEN, Treasurer.

BAY STATE STREET RAILWAY COMPANY

First Preferred Dividend

A quarterly dividend of [illegible] per share on the First Preferred Stock of the Company has been declared payable [illegible] to First Preferred Stockholders of record at the close of business January 15th, 1912.

C. H. BECKWITH, Treasurer.

City of Boston Realty Trust

The third semi-annual dividend of 2½ per cent has been declared payable January 2, 1912, to preferred shareholders of record at the close of business on December 31, 1911

B. H. BECKWITH, Secretary.

NEW YORK STOCKS AND BONDS

For the Week Ending Thursday Evening, December 28, 1911.

Names.	RANGE FOR WEEK Low	RANGE FOR WEEK High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911 Lowest		RANGE FOR YEAR OF 1911 Highest		RANGE FROM JAN., 1879, TO JAN., 1911 Lowest		RANGE FROM JAN., 1879, TO JAN., 1911 Highest	
Atch. & T. R.R.	105½	106⅝	105⅝	6,600	99⅞	Sept 27	116⅝	June 5	3 1-16	1854	152½	1896
Atch. & Top. pf.	104	104⅜	104⅜	700	100⅝	Jan 3	106½	June 12	14	1886	107⅝	1901
Atch. & Top. 4s.	99	99⅝	99⅝	116,000	99	Dec 27	99⅝	Dec 21	61	1894	105⅞	1902
do. adj. 4s....	91⅜	92⅜	91⅜	1,000	90⅜	Mar 29	92½	Jan 28	28	1896	99⅜	1903
Atl'tic C'st Line.	134	134½	134	1,600	117	Jan 3	139½	Nov 23	58	1897	1.0	1906
B. & O. Gold 4s.	98	98⅛	98	41,000	97¼	Sept 30	99⅝	Oct 10	62	1897	104⅜	1905
B.& O.S. W.3½s.	90½	91	91	60,000	85½	Sept 29	93	Mar 11	80	1897	96	1898
Balti. & Ohio...	103⅜	103⅞	103⅞	2,400	93⅜	Sept 29	109⅜	July 22	9	1897	125⅛	1906
do. pref.	89⅝	89⅝	89⅝	400	85½	Aug 30	91	Jan 4	67⅛	1885	109	1906
Brooklyn R. T..	76	77	76	1,300	72	Sept 25	85⅜	July 20	18	1896	127	1909
B.R.T conv't 4s.	83⅜	83½	83⅛	24,000	82⅜	Oct 2	89⅞	Dec 16	56	1900	102½	1905
Canadian Pac....	240⅜	242	240⅜	5,100	196⅜	Jan 3	247	July 21	33	1880	262⅜	1910
Canada South...	...	...	...	65	62	Mar 3	68	May 12	33	1896	97	1902
Cen.ofGa Con.5s.	109	109	109	1,000	107¼	Jan 13	110	Dec 12	85	1907	120⅛	1911
do. 1st inc....	...	...	103	.....	95	Nov 11	114⅜	Apr 19	30	1850	102	1910
do. 2d inc.....	...	...	94⅞	.....	91	Oct 17	105⅛	Apr 5	9	1899	101	1910
do. 3d inc.....	...	...	107	.....	85	Feb 24	107	Dec 11	4	1888	100	1910
Central N. J....	313	320	318	1,135	280	Sept 16	320	Dec 26	31	1885	312	1910
Cent'l Pac. 1½s.	...	...	90½	.....	90	Nov 3	92	Mar 8	76	1907	91	1910
Ches.O. gen.4½s.	101⅜	101⅜	101⅜	4,000	99⅝	Nov 15	103	May 15	61	1883	111	1908
Chesapeake & O.	73⅛	73½	73⅛	3,500	68⅜	Sept 25	85⅜	Feb 10	1	1885	133⅞	1881
Chic. & Alton...	...	...	24	.....	15	Aug 28	31⅛	May 23	8⅜	1907	74⅜	1910
do. pref.	...	...	40	.....	40	Oct 6	53	Jan 27	47	1908	95⅛	1908
Chic. Gr't West.	18⅜	18⅞	18½	300	17¼	Sept 14	25⅛	June 5	2⅜	1897	37⅜	1910
do. pref. A....	35¼	36¼	35½	900	35½	Dec 26	49¼	Feb 6	15⅜	1908	90¼	1901
Chic. M. & St.P.	108⅝	110¼	108⅞	15,200	106⅜	Oct 4	123⅜	Feb 7	34⅜	1879	199⅜	1906
do. pref.	145	145¼	145¼	400	141	Sept 14	155½	June 15	74⅜	1879	218	1906
Chic. & N. W....	143	143	143	200	138¼	Sept 22	150⅜	June 12	49⅝	1879	271½	1902
do. pref.	...	...	191	.....	191	Dec 1	201½	Aug 9	128	1893	274½	1902
Chi.,St.P. & Om.	...	...	144	.....	130¼	Apr 20	144	June 12	13⅛	1885	235	1906
do. pref.	...	...	150	.....	152	Feb 15	152	Feb 15	66	1885	230	1906
Chic. Un. Trac..	...	...	2	.....	1⅝	Sept 30	5	June 2	⅝	1908	28	1902
do. pref.	4⅜	5	4¼	200	4⅜	Dec 27	7⅛	Feb 6	3	1908	60	1902
C.,C.,C. & St. L.	63	63	63	200	48½	Sept 15	66	Jan 16	19½	1895	111	1907
do. pref.	...	...	96	.....	94½	Aug 22	98	Feb 1	63	1887	124¼	1902
Colo. & South'n.	...	...	47	.....	43	Sept 23	60	Jan 18,	4⅜	1889	68½	1908
Col. & So. 1st pf.	...	...	76½	.....	72	Oct 20	84⅜	July 10,	35	1899	96	1909
do. 2d pref....	...	...	70	.....	66	Sept 18	75	Aug 8	12¾	1899	84⅜	1910
Del. & Hudson..	167	168⅛	167⅛	600	159½	Sept 27	175¾	June 8	23	1879	240⅜	1905
Del., L'ck & W.	...	...	500	.....	505	Sept 25	570	Nov 10	48	1879	280	1900
Den. & Rio G'de	17⅝	19½	19⅝	3,300	17⅜	Dec 22	35	Feb 21	4⅜	1885	86½	1880
do. pref.	36⅜	40½	39⅝	3,855	36⅜	Dec 22	74	Feb 21	24	1894	103⅜	1901
Dul.,So Sh.& Atl	...	...	9	.....	9	Nov 2	15½	May 1	3⅜	1895	24	1902
do. pref.	...	...	17½	.....	17½	Dec 11	29⅜	Apr 4	5	1898	46⅜	1908
Erie 1st gen. 4s.	78½	78⅞	78½	10,000	73⅛	Jan 3	79⅜	Nov 10	65	1908	95	1907
Erie	31⅛	32⅜	31⅞	6,700	27⅛	Jan 11	38⅛	June 30	8⅜	1884	82⅜	1881
Erie 1st pref....	51⅜	53	51⅞	1,600	43⅜	Jan 12	61½	July 1	15	1883	96	1881
Erie 2d pref.....	42	42	42	100	35	Jan 13	49½	July 3	13	1885	78⅜	1908
Ev's'le & T. H.	...	...	41	.....	40	Feb 1	48	July 24	20	1895	52	1899
do. pref.	...	...	82½	.....	86	June 5	90	July 24	72	1904	104⅜	1910
Gr'ne H.& W.deb.B.	111½	111½	111½	52,000	11	Sept 25	15⅛	Jan 28	3½	1898	27⅛	1909
Gt. Northern pf.	126½	128	128	1,500	119	Sept 25	140	June 8	44½	1880	348	1906
Hock'g Valley**	...	...	127	.....	125	Dec 7	134	Apr 29	22	1899	140	1910
do. pref.	...	...	128	.....	.....	.....	.....	.....	53½	1899	101⅝	1910
Illinois Central..	140	140⅜	140	400	132	Jan 3	147	July 20	79⅞	1879	164½	1906
Inter-Met (w.i.).	15	15⅜	15	1,500	13¼	Sept 25	20⅜	Feb 15	4⅜	1907	55⅜	1908
do. pf. (w. i.)	47⅜	49⅛	47⅜	2,700	39⅜	Sept 25	55⅜	Feb 10	14	1907	87⅜	1907
Iowa Central....	16	16⅜	16⅜	400	15	May 12	22	Sept 8	3	1888	51⅜	1902
do pref.	30½	31	30½	1,250	28	Apr 27	39	Sept 8	12	1898	90⅜	1902
Kan. City & So.	27⅜	27⅜	27⅜	100	25¼	Sept 25	33¼	June 15	7	1900	56½	1909
do. pref.	...	...	65	.....	61½	Sept 25	70	May 26	27⅛	1900	75⅛	1908
K.C.,Ft S.&M.pf	...	...	70½	.....	75	Aug 7	76	May 3	58	1909	88	1907
L'ke E. & West.	...	...	14½	.....	10	Sept 25	17	Nov 9	1⅜	1885	76⅛	1907
do. pref.	...	...	2...	.....	25	Sept 5	40	Jan 13	14	1888	138	1902
Louis & Nashv.	140¼	140½	140¼	5,400	136½	Sept 14	160¾	Nov 21	22	1885	162½	1909
Manh'ttan Elev.	132	133¼	132	200	131½	Sept 25	142½	July 19	64½	1884	178	1905
Minn. & St. L...	...	...	24	.....	21½	Apr 26	35½	Nov 9	3½	1889	115	1909
do. pref.	...	...	58	1,100	35	Mar 13	64	Sept 13	7⅜	1889	127⅜	1902
M.St.P. & S.S.M.	122½	124	124	100	124⅜	Sept 22	152¼	Mar 30	6	1887	164	1908
do. pref.	143	143⅝	143	200	143⅜	Aug 26	156½	July 21	20	1887	180⅜	1908
M.,K.&T. 1st 4s.	76	76½	76	5,000	87¼	Sept 6	96¼	Nov 13	50	1893	104⅜	1905
do. 2d 4s.....	82½	82½	82½	2,000	82	Dec 21	86½	Feb 17	27	1893	99⅜	1905
M.K. & T. 1st 4s	...	...	100	.....	97¼	Oct 25	103⅜	July 10	72	1895	114½	1909
Mo., K. & Tex..	28⅜	29⅛	28⅝	1,300	27	Sept 26	38⅜	June 14	5⅜	1879	54	1911
do. pref.	...	...	64½	.....	62⅜	Sept 27	76	Oct 17	12⅜	1891	78⅛	1909
Missouri Pacific.	38	40¼	39	9,800	33⅞	Sept 12	65	Feb 15	10	1897	125½	1892
N. Y. Central...	130	130⅜	130⅛	2,200	99⅞	Sept 27	145⅛	Feb 3	31⅜	1885	174⅜	1901
N.Y.,C & St. L.	...	...	38⅜	.....	38	Oct 9	65	Jan 30	9	1886	79⅜	1907
do. 1st pref..	...	...	98⅜	.....	96½	Nov 29	101⅜	Mar 20	4	1886	124⅜	1909
do. 2d pref....	...	...	83½	.....	83½	Aug 25	90	Jan 20	18	1886	100	1902
N.Y., Ont & W.	39½	39⅝	39⅝	500	37⅜	Sept 27	46⅞	July 22	6⅜	1885	64	1907
No.& W'Con. 4s.	97½	97½	97⅜	900	90½	Oct 25	99⅜	Nov 4	74	1898	105	1907
Norfolk & West.	105	105⅜	105⅛	.....	98⅜	Sept 27	111¼	Nov 24	⅜	1898	108⅜	1910
do. pref.	90½	90½	90½	.....	86⅜	Apr 28	91	Nov 29	4⅜	1896	98	1909
N. Pac prior 4s.	98	100	99⅝	2,000	96⅞	Dec 4	102¼	Nov 2	20⅜	1900	106	1909
do. gen 3s....	69	69⅛	69⅛	2,000	68	Dec 8	73½	Aug 4	37	1896	79	1907
North'n Pacific.	157⅛	158⅛	157⅛	2,400	150⅜	Nov 5	157⅜	June 6	11	1897	1000	1901
Pacific Coast....	...	...	94⅜	.....	94⅜	Dec 11	102	Jan 10	34	1899	142	1909
do 1st pref....	...	...	120	.....	.....	.....	.....	.....	85	1907	105	1910
do. 2d pref....	...	...	110	.....	101	Jan 11	101	Jan 11	50½	1907	105	1908
Penn. R. R.....	122⅝	123⅜	123⅛	5,700	118⅜	Sept 25	130⅛	Feb 1	97⅛	1895	170	1902
Peoria & East'n.	...	...	20	.....	.....	.....	.....	.....	2	1895	50	1901
P.,C.,C. & St. L	97	97⅜	97⅛	1,100	96⅛	Sept 26	100	Jan 17	19⅝	1893	126⅛	1909
do. pref.	...	...	110	.....	107⅛	Sept 25	112	Feb 17	40	1893	128	1909
Pending gen. 4s.	96½	96½	96⅜	10,000	93⅜	Mar 15	98⅜	Nov 14	77	1898	104⅜	1907
Reading	173	174	173⅝	1,100	174	Sept 25	161⅞	June 3	17⅜	1898	117½	1908
do 1st pref....	88	88	88	100	88	Sept 20	92	July 14	11⅜	1898	81	1908
do 2d pref....	84½	84½	84½	100	84½	Sept 20	101	May 2	20⅜	1907	91⅜	1908
Rk Island new	23⅜	23⅝	23⅜	5,100	23⅜	Sept 25	34⅜	June 14	6⅜	1907	98⅜	1901
do. pref.	47⅜	48	47⅜	1,200	47⅜	Dec 27	65⅜	June 14	9⅜	1879	130	1907
St.L.S.F.1st pf 4s	77	77	77	100	77	Oct 3	87	May 4	41	1879	110	1907
St.L.S.F.1st pf	59	59	59	500	59	Sept 19	69	Dec 26	30	1897	110½	1905
St.L.S.F.2d pf	40	41½	40	200	36	Apr 21	49⅜	July 24	12	1897	90½	1905
St.L.&S.W.1st 4s	91	91	91	1,000	89⅜	Jan 24	97⅜	Aug 23	4⅜	1896	103⅜	1909
do. 2d gen. 4s	...	...	78	.....	78	Jan 9	82⅜	June 29	38	1896	97	1907
St. L. Southw	...	...	34	.....	34	Jan 17	34	Feb 4	1	1897	89½	1907
do. pref.	...	...	71	.....	68⅜	Jan 3	72	Nov 21	21⅞	1900	90	1909
Sdrd & Landlse.	...	...	45	.....	44⅜	Sept 25	89⅜	Nov 24	68⅜	1910	77⅜	1910
San Ant & A.P 4s	87½	87½	87½	1,000	66	Sept 11	88	Oct 17	45	1896	92½	1909
So. Pac 4d 4s.	94⅛	94⅞	94⅛	9,000	90⅜	Sept 28	96⅝	Nov 2	94¼	1906	99½	1905
South'n Pacific..	104⅝	104⅞	104⅝	4,000	104⅜	Sept 25	120⅜	June 20	12	1893	139½	1909
do. pref.	...	...	113⅜	.....	.....	.....	.....	.....	94⅜	1900	127	1909

NEW YORK STOCKS AND BONDS

For the Week Ending Thursday Evening, December 28, 1911.

Names.	RANGE FOR WEEK Low	RANGE FOR WEEK High	Last Sale	Sales for Week	RANGE FOR YEAR OF 1911 Lowest		RANGE FOR YEAR OF 1911 Highest		RANGE FROM JAN., 1879, TO JAN., 1911. Lowest	RANGE FROM JAN., 1879, TO JAN., 1911. Highest
Southern	28½	29½	28½	4,500	24⅝	Sept 29	32⅝	July 22	8 1894	63 1903
do. pref.	70⅝	71½	70⅝	1,000	61¾	Jan 11	76¼	July 20	13 1894	103 1906
Texas & Pacific.	20	20⅝	20½	1,700	20	Dec 22	30¾	June 9	4⅜ 1885	73⅝ 1887
Third Avenue...	6⅝	7	6⅝	3,860	2⅝	Nov 2	26	Mar 2	6½ 1910	342 1899
Tol.Rys.& Light	...	...	4	.....	4	Dec 19	8½	Jan 17	8½ 1910	38 1902
Tol., St. L. & W	12	15¼	12	1,900	12	Dec 28	24⅜	Feb 8	10⅜ 1901	64⅜ 1909
do. pref.	35	38⅞	35⅜	1,500	35	Dec 26	53¾	Feb 8	22⅜ 1908	74⅜ 1909
Twin City R. T.	105	105	105	100	104	Sept 15	111	Feb 3	9½ 1897	129 1902
U.P.cvt. 4s, 1927.	102	103⅛	102	355,000	100	Sept 27	108⅝	June 27	78¾ 1907	124⅛ 1909
Union Pacific....	170⅜	174⅞	170⅜	128,400	153⅜	Sept 27	192⅛	July 22	3 1898	204⅜ 1910
do. pref.	92⅜	93⅜	92⅜	800	89	Sept 21	96	Nov 23	47 1898	118½ 1909
Wabash 1st 5s...	104	104⅛	104	46,000	99½	Aug 26	110	Mar 20	88 1899	121 1902
do. deb. B's...	...	...	101	.....	.....		.....		19 1898	101 1909
Wabash	6⅛	6½	6⅛	4,100	5⅜	Dec 28	18⅜	Feb 23	3 1885	60 1881
do. pref.	15	17⅜	16½	11,600	14⅜	Dec 28	40⅜	Feb 23	9 1884	96¼ 1881
West. Md., pref.	81	81	81	100	75	Jan 14	88¼	July 24	67 1910	77 1910
Wheel. & L. E.	3½	4⅜	3½	600	2½	Sept 28	6¼	Feb 3	½ 1897	63⅜ 1887
do. 1st pref..	10⅜	12⅛	10⅜	1,000	7¾	July 22	17⅜	Feb ...	2⅜ 1897	80¼ 1892
do. 2d pref....	5	5	5	300	3	Sept 5	8	Feb 22	1 1910	42⅜ 1902
Wis. Central....	...	...	54⅜	.....	48	Sept 21	72¼	May 1	40 1889	64 1910
do. pref.	...	...	93½	.....	.....		.....		56c 1899	91¾ 1909
do. 1st 4s.....	92⅜	93	93	10,000	93	Aug 28	99⅜	July 6	127 1898	99½ 1890
Miscel. St'ks.										
Adams Express.	...	...	198	.....	190	Nov 29	245	June 12	97¼ 1898	315 1907
Allis Chalmers..	1⅜	1⅜	1⅜	100	1¼	Dec 16	9⅜	May 31	4 1907	27⅜ 1906
do. pref.	8	8⅜	8	800	6⅜	Dec 16	24	Feb 3	14 1908	87½ 1903
Amal. Cop.....	65	67⅜	65⅜	39,800	44⅜	Sept 25	71⅜	June 19	32⅜ 1909	130 1901
Am. Beet Sugar.	56	57	56	1,700	29¾	Jan 12	59⅜	Oct 20	3½ 1908	494 1900
Am. Car & F'd.	53½	54⅜	53½	1,900	42½	Sept 27	58¼	July 19	10⅜ 1899	76½ 1900
do. pref.	113½	117⅛	117⅛	100	113	Oct 25	120	May 27	61 1899	124⅜ 19 9
Amer. Cot. Oil..	46⅛	47½	46⅞	2,950	41⅜	Nov 2	62⅜	Feb 28	8 1898	79⅛ 1908
do. pref.	93⅜	93⅜	93⅜	300	92	Nov 29	106½	Mar 21	27⅛ 1890	107⅜ 1909
Amer. Express..	...	...	241	.....	201	Sept 26	245	Mar 27	100 1883	301 1910
Am. H. & L....	3½	3½	3½	100	3	Oct 9	5	July 21	2¾ 1903	57⅜ 899
do. pref.	...	...	20¾	.....	17¾	Oct 31	36⅜	June 14	10 1907	83½ 1899
Am. Ice Sec.....	18	18⅜	18	700	16½	Aug 28	25⅜	July 12	8⅜ 1907	96 1907
Am. Linseed Co.	11	11½	11¼	1,000	8	Aug 12	12⅜	Feb 17	5 1903	30⅜ 1901
do. pref.	33⅜	34½	34	1,600	26⅜	Oct 27	54½	Dec 26	16½ 1907	66 1901
Am. Loco.....	36⅛	36½	38¼	200	34	Sept 20	42¾	May 22	11¼ 1903	78¼ 1906
do. pref.	105	106	105	110	102	Oct 27	110⅜	Mar 1	67½ 1903	122½ 1907
Amer. Malt Co..	4⅛	4½	4½	600	3	Sept 25	5⅜	July 11	2½ 1907	90⅜ 1888
do. pref.	41½	41½	41½	100	21½	Mar 8	42⅜	Nov 25	14½ 1903	58 1909
Am. Smtl. & Ref	72	73⅜	72	8,500	56⅜	Sept 25	83⅞	June 17	30 1899	174 1901
do. pref.	102½	103	102½	500	98¾	Sept 27	108¼	June 15	77⅛ 1899	127 1907
Am. St'l F'dry..	33	33½	33	200	25	Sept 25	52½	Feb 9	3½ 1904	68⅝ 1909
Am. Sugar Ref.	115	115⅜	115	300	112¼	Sept 2	121⅞	June 14	86 1889	152 1899
do. pref.	115⅝	115⅞	115⅝	300	111	Jan 6	129½	Feb 14	66½ 1893	143 1905
Am. Tob. pref..	102½	103⅜	102½	1,900	87	Aug 24	105	Dec 6	60 1907	151¼ 1892
Anaconda‖	37½	39	37⅝	12,600	29	Sept 27	43¾	June 26	‖25 1907	302⅜ 1907
Br'k Un'n Gas.	...	...	142¾	.....	129	Sept 15	148¾	Nov 16	80 1907	253 1907
Central Leather.	21	22	21	1,200	18⅜	Sept 25	33⅜	Feb 2	11⅜ 1907	51⅜ 1907
do. pref.	...	...	92	.....	91½	Dec 15	105	Feb 10	60 1907	111 1909
Chino Copper....	26	27½	26	11,700	18½	Sept 27	27½	Dec 27	2¾ 1910	12 1909
Colo. Ind. 5s....	73½	73½	73½	5,800	72	Dec 12	79½	Feb 27	25 1907	88¼ 1906
Colo. F'l & I'n.	27	27⅝	27	500	25	Sept 25	36⅜	Feb 6	14 1907	178¼ 1901
do. pref.	...	...	110	.....	106	Oct 27	110¼	Jan 9	30 1907	142½ 1901
C.&H.V Co'l&Ir.	...	...	112	.....	4	Feb 9	4	Feb 9	⅝ 1898	92½ 1910
Consolid't'd Gas.	137⅜	138⅞	137⅜	2,500	129	Sept 27	148½	June 6	67 1887	247¾ 1897
Con. Tobacco 4s.	92	93⅛	92	7,000	81¾	Jan 11	92½	Dec 27	81¾ 1903	95¾ 1901
Corn Prod'ts R.	10¾	10⅝	10⅝	700	9⅝	Oct 26	15⅜	May 17	3 1907	38 1906
do. pref.	77	78	78	300	73	Oct 19	85	May 29	48 1907	93¼ 19 9
Dist. Secur.....	21	21⅜	21	300	20	Sept 26	28¼	June 6	19½ 1904	78 1907
Fed. M. & SmR.	...	...	131¼	.....	13	Dec 4	38	Feb 14	48⅜ 1904	190 1905
do. pref.	41	41	41	100	37	Dec 4	66¼	May 19	47 1907	112⅝ 1905
Goldfield Con....	4⅜	5	4⅞	5,200	3½	Oct 18	7⅜	Jan 3	3⅞ 1907	10 1910
Internat. Paper.	9½	9⅝	9½	700	9	Sept 6	13⅜	Feb 3	7½ 1907	68½ 1899
do. pref.	45½	45⅝	45½	200	44⅜	May 16	56⅜	Jan 21	47 1909	95 1899
Int. Harvester..	107½	111	107½	4,800	99¼	Sept 20	129⅜	May 5	52 1908	125⅜ 1910
do. pref.	120½	120½	121	100	115	Sept 22	128¼	May 4	99 1909	129 1910
Inter. Stm. P'mp	...	...	33¾	.....	32	Oct 31	44	Feb 10	7⅜ 1907	60 1901
do. pref.	83	83	83	100	80	Nov 1	90¾	June 12	50 1907	95 1902
Laclede Gas.....	104⅞	105⅜	105½	600	101¼	Sept 27	114⅜	Jan 20	98¾ 1910	116¼ 1910
Mackay pref.....	68	71	68	1,100	68	Dec 28	77	Mar 7	50 1907	78⅜ 1909
Nation'l Biscuit.	129½	142⅜	141⅜	5,400	117¼	Jan 10	143⅜	Nov 14	28 1900	150 1909
do. pref.	127⅞	128	127⅞	900	124	Jan 20	130	Feb 4	79½ 1900	150 1909
Nat. En. & St'p.	121½	123½	121½	100	120	Dec 22	22	July 24	6½ 1907	98 1901
do. pref.	...	...	85	.....	85	Jan 6	100⅜	July 22	70 1907	89½ 1909
Nat. Lead.....	53⅜	53½	53⅜	6,200	42½	Oct 27	58⅝	Mar 15	9101½ 1901	95⅜ 1906
do. pref.	...	...	107½	.....	104	Sept 22	109⅜	Aug 17	48 1892	115 1899
N.Y Air Brake	...	...	76	.....	50	Nov 9	76	June 19	14 1898	169⅜ 1907
North Amer. Co.	73⅞	73¾	73½	2,900	64	Jan 10	78½	May 22	24 1892	134 1902
Pacific Mail.....	31½	32	31⅝	700	23¼	Apr 24	33⅜	Nov 21	8½ 1893	70 1895
P'ple's G. L.& C.	103	103½	103½	600	101¾	Aug 21	109	Jan 19	39 1893	125½ 1899
Pressed St'l Car	27½	27½	27½	100	25	Sept 26	37⅜	July 20	15⅝ 1907	65⅜ 1907
do. pref.	101	101	101	100	91	Sept 22	102⅜	June 16	52½ 1907	117⅜ 1909
Ry. Stl. Spring.	30⅝	30⅞	30⅞	400	24⅝	Aug 28	39	June 14	15⅜ 1894	62½ 1907
do. pref.	...	...	90	.....	88⅜	Aug 30	102⅜	Nov 27	67 1903	109 19 9
Rep'b Ir. & St'l	26	27⅜	26	3,100	18	Oct 27	35¼	Feb 6	5 1904	49¼ 1909
do. pref.	84	84⅞	84½	1,500	74¼	Oct 27	95⅜	Mar 14	36⅜ 1907	111¼ 1909
Sloss-Sh. S. & I.	...	...	42	.....	34	Sept 27	54½	Feb 8	17¼ 1900	115¼ 1907
do. pref.	...	...	112	.....	112	Feb 9	112	Feb 15	58¼ 1900	130 1905
T. Pac. Ld. Tr.	87	88	87	400	84	Sept 11	92	Jan 24	5 1898	96 1910
Texas Company.	83⅜	83⅞	83⅜	700	79	Nov 28	126½	Feb 1	124½ 1910	144 1910
Underw'd Type..	101	101½	101	400	63	Mar 29	111	June 26	44 1899	44 1899
Un. Bag & Pap.	...	...	4⅝	.....	4⅝	Dec 1	9	Feb 10	3⅜ 1904	45 1899
do. pref.	...	...	51	.....	50⅜	Nov 1	59½	Jan 20	26 1900	89 1899
U.S.Cast IP & F	16½	17	16¾	400	11	Sept 2	19	Feb 21	6 1907	53 1906
do. pref.	51	51⅝	51	700	40½	Sept 27	59⅜	Feb 24	23 1907	97⅜ 1907
U. S. Express....	...	...	84	.....	84	Dec 6	104	Feb 1	35 1890	160 1902
U.S R'lty & Imp	69	69	69	100	63	Nov 17	79⅜	May 26	26 1907	98¼ 1906
U. S. Rubber....	47⅜	48⅜	47⅜	2,900	30½	Sept 27	48⅞	Dec 22	7 1900	66⅝ 1892
U. S Rubber pf.	110½	110⅞	110½	400	104	Sept 27	115½	July 7	30½ 1903	123⅜ 1909
U. S. Steel.....	66⅜	68⅜	66⅜	188,900	50	Oct 27	82¼	Feb 6	8⅜ 1904	91 1910
do. pref.	110⅜	111⅞	111⅜	2,600	103	Oct 27	126⅜	Feb 4	49⅜ 1903	127⅜ 1910
do. 5s	101⅜	101⅞	101⅝	210,000	100	Sept 27	108⅜	May 27	65 1903	108½ 1910
Utah Copper.....	55	57⅜	55½	37,100	38	Sept 27	57⅜	Dec 22	19 1907	67¼ 1909
Virg. Car Chem.	34	35	34	1,200	43¾	Sept 27	70⅜	Feb 28	12⅜ 1907	72 1901
do. pref	...	...	111	.....	114	Sept 25	120½	Mar 15	75 1907	123⅜ 1909
West. Un'n Tel	78⅛	79	78¼	1,500	71¾	Mar 20	84⅛	May 24	41 1908	107⅜ 1881
West. Mfg. Co..	66	68	66	2,000	55⅜	Sept 25	78	May 29	20½ 1898	164 1907
do. pref.	117½	117⅝	117¼	100	110½	Aug 16	122	Jan 5	48¼ 1898	160 1907

* Ex-dividend. ** New. † Assessment paid. ‡ Ex-rights. § Price bid. ‖ Price asked. ¶ Old securities. ‖ Certificates. z Ex-interest. ‖‖ Par value basis. *** Receipts.

cording to disinterested reports, the porphyry end of the property has shown about 9,000,000 tons of ore which, if it were in one compact mass, would be an asset of very material value. As it is, according to this authority's statement, the ore in question is so scattered that its mining and treatment at a profit presents a serious problem.

MANAGEMENT AN ASSET.

The management of the company is one of its greatest assets, for the Giroux is one of the Cole-Ryan properties, Thomas F. Cole being president of the company. The same interests have shown in other directions, notably in the affairs of the Greene-Cananea Copper Company, proof of judgment and foresight. They have not been in a hurry for results in the case of the Greene-Cananea, but have steadily improved operating methods until that company is now in a position to benefit very materially from the rising copper market and to compete with the best of the producers in the matter of low costs. That these interests have been willing to expend large sums in the face of repeated discouragement reflects an emphatic belief on their part in the future of the Giroux property, and many of the shareholders who bought the stock when it was selling at more than double its present price are

"STICKING BY THE SHIP"

in the hope and expectation that future results will afford ample justification for such a policy.

Personally, I believe that Giroux is not only worth holding to, but is worth buying around current prices, although, of course, it should be regarded as a speculation rather than an investment. If one wants to feel more sure of his ground in buying copper stocks, he would do well to consider Utah Copper, Nevada Consolidated, Chino, Ray Consolidated or Greene-Cananea. In these shares he is likely to receive earlier substantial results in either the way of initial or increased dividends, or enhanced market value, than in the case of Giroux, which bids fair to be a somewhat long drawn-out proposition. As I have said, the company is none too abundantly supplied with working capital, and some of those who have felt very optimistic about the stock otherwise are inclined to be conservative in their predictions as to its future course, because they believe that new financing of one kind or another will be necessary before the company can hope to attain the rank of a successful producer of copper and of a dividend payer. P. DE MEDICI.

George H. Burr & Company, investment bankers, 45 Exchange Place, New York, have published for the benefit of the small and large investor a comprehensive booklet, entitled "Investment Insurance". It clearly defines certain rules of safety that buyers of securities must seriously consider in the present investment market. This booklet is for distribution to investors, and can be had upon application.

ALBANY, N. Y.—Hugh A. Arnold, cashier of the First National Bank, has been elected a member of the board of directors.

Digitized by Google

MINING INQUIRY.

Butte Central.

21406. (Camden, Me.) Can you tell us anything about Butte Central, and is it run by a good reliable company, and how much do you consider the stock worth?

Ans.: This stock is listed on the Boston curb, and has been very active of late, selling this week as high as $7 per share. The Butte Central Copper Company was capitalized for 250,000 shares, par value $10 each, and is the owner of the Ophir Mine in the Butte (Mont.) Mining district. A three-compartment shaft has been sunk from the surface to the 1,000-foot level, where a station has been cut. The mine has been opened up on all levels from the 100 to the 500 feet level, and large bodies of ore have been blocked out. It is estimated by the superintendent that there are at least 1,000,000 tons of ore blocked out and ready for mining and milling that will average $8 a ton, principally in silver and gold. During September and October, the company shipped three carloads of ore that netted $1,800 a car, and regular shipments are now being made. A contract for a concentrator and cyaniding plant has been let and it is expected that in six months time the company will be treating its own ores. The plant is to cost about $80,000, and will treat 100 tons a day, but later in the year, the company plans to build a second unit of 100 tons. With a 200-ton plant, the company estimates that it can earn $30,000 a month net. The concentrates will be shipped to either the East Butte or the Wasatch smelter, and the tailings carrying other minerals and silver will be cyanided. The plan will be installed under the direction of John Rockwell of Denver, a mining engineer of repute and the inventor of some of the machinery, and he will become manager of the plant after its completion. We understand that there is sufficient money in the treasury to place the property on a producing basis. The management is in good hands, the company is capitalized lower than any other Butte listed stock, and the stock is selling relatively lower. The company has no bonded or other indebtedness.

GUARANTY TRUST COMPANY.

The Guaranty Trust Company of New York has declared an extra dividend of 8 per cent on its capital stock, which, added to the regular dividends already declared for 1911, makes a total of 40 per cent for the year.

The growth of this, the largest trust company in America, during the past year has been most remarkable. The deposits of December 31, 1910, were, in round numbers, $124,000,000. At the last call, December 21, 1911, the deposits had grown to over $156,000,000, a gain of $32,000,000 during the twelve months. In the same time the company has established [illegible] dividends on its capital of $10,000,000, and out of its earnings has now declared an extra dividend of 8 per cent on [illegible].

This growth has made necessary larger and more convenient quarters, and so arrangements have been made for the erection of its own building on Broadway at the corner of Liberty street. This building, when completed, will be one of the most imposing structures on that famous thoroughfare.

A MODERN INDUSTRIAL CITY.

This title well describes the Bush Terminal and Bush Terminal Building Companies, whose property includes 200 acres of land in Brooklyn on the harbor front, with a half mile water frontage and valuable real estate in New York City. Complete equipment for transportation and warehousing is provided by the Bush Terminal Company.

This company has 120 warehouses, 7 large piers, each about one-quarter of a mile long, on a 45-foot government channel. Inter-communication between buildings and piers is made by a railroad, and there are tugs, floats and other means of transportation facilities. Twenty-seven steamship lines dock at the Bush Terminal, and it is also a terminal for all railroads entering New York City.

ITS LOW RATES

bring business from all over the country.

The Bush Terminal Buildings Company comprises the industrial part of the organization. There are eight model factory buildings of concrete from 600 to 700 feet long, of which six are fully completed and rented, and two are under construction. They are of modern fire-proof construction, and every facility is offered for merchants and manufacturers of every description.

The company has spent over half a million dollars on its sprinkling system alone, and the rate is very much lower than in New York City. The saving on the various items has been quite large, and the company, instead of lacking tenants, has a waiting list.

The Bush Terminal Buildings Company has outstanding $4,000,000 first mortgage sinking fund 5 per cent gold bonds, and will, in 1912, earn over twice its interest charges. The bonds are guaranteed by the Bush Terminal Company, whose surplus is equal to twice its guarantee, and which has outstanding first mortgage bonds that are on a 4.45 per cent basis, and also $7,000,000 common stock quoted at about 95. The first mortgage bonds of the Bush Terminal Buildings Company, which are a first lien on the property, are offered elsewhere at 98½ and interest, and should prove an attractive investment.

C. E. Denison & Company, Boston and Cleveland, are offering for January investment some attractive issues of municipal telephone and power bonds, a complete list of which may be obtained upon application.

Nevada-Utah Mines & Smelters Corporation

120 Broadway, New York City.

Notice to Stockholders.

The Plan of Readjustment of the affairs of this Company and the agreement[illegible] have been filed with the Colonial Trust Company, New York City, where copies of said Plan and Agreement may be obtained. [illegible] will be issued to stockholders in due course and any shareholder who does not receive the same should communicate with this office.

The attention of stockholders is called to the necessity of promptly depositing their stock, as provided in said Plan, with the Columbia Trust Company, No. 60 Broadway, New York City, which will issue its Receipts for all stock deposited.

Transfer books of the Company will be closed from December 27, 1911, to February 5, 1912.

ROBERT G. MEAD, President.

BUTTE CENTRAL COPPER

In response to many inquiries from the public, I have written a special letter on Butte Central, which gives the details regarding the latest developments at the property and a foreword as to the plans for 1912.

A copy of this letter will be mailed upon application.

FREEMAN I. DAVISON

27 STATE STREET - - BOSTON

Nevada-Utah Mines & Smelters Corporation

STOCKHOLDERS PROTECTIVE COMMITTEE

[illegible] J. Moore, 2d

Frank D. Pavey, Chairman,

[illegible],

Chas. V. Wagner,

[illegible]

The Best Purchases on the Railroad List

As Indicated by the Two Standards of Comparison: of Present Investment Yield on Basis of Current Dividends and Prevailing Market Price, and on Basis of Present Earnings on Prevailing Market Values.

The average net yield of the 50 railroad stocks quoted in the following table was 5.15 per cent on December 27, as compared with 5.16 per cent on December 20, 5.45 per cent on January 1, and with 4.71 per cent on January 2 1910.

One of the many signs of the healthy change in the public attitude toward railroad shares is found in the improved market sentiment toward New York Central and Pennsylvania. This change is particularly marked in the case of the Vanderbilt system, which a couple of years ago was the recipient of considerable criticism, more of less unjustified, on the grounds that the companies had been neglecting [illegible] of dividend payments. The reduction in the [illegible] year from 8 to 6 per cent had generally looked upon as a wise precaution, in view of the steadily increasing [illegible] of operating economies, [illegible] ing of apprehension regarding the future course of railroad earnings in this country as a result of the activity of legislative bodies. Since the dividend was reduced, earnings have shown a rate of expansion which is little less than remarkable. It is safe to assume that if this growth had been foreseen by the directors there would have been no cut in the rate, and although, as has been stated above, there was very little criticism of the management on account of this reduction, there seems to be a growing belief that a return to the 8 per cent rate is likely to be a development of the not far distant future. There are few railroads in this country that will be able to give evidence of a more gratifying rate of progress than will be shown by the New York Central in its next annual report covering the current fiscal and calendar year. The company has never in its history shown gross earnings of $[illegible],000,000, although in 1910 and in 1907 it came perilously near to that large total. Gross for last year having amounted to about $[illegible],000,000, while in 1907 the total approximated $98,37[illegible],000. Present evidences indicate that the $100,000,000 mark will be passed this year with about $4,000,000 to spare, and the best of it is that the greater part of this gain in gross will be saved for net. On this basis it is anticipated that the balance available for dividends as shown in the next annual report will be close to 7 per cent on the outstanding capital stock, as compared with 6.41 per cent in 1910, 7.67 per cent in 1909, 5.08 per cent in 1908 and 6.20 per cent in 1907. With the country facing a political campaign it is likely that the New York Central directors will be inclined to pursue a conservative course in declaring dividends, but it is by no means impossible that by next summer the stock will once more earn a 6 per cent basis, especially if traffic holds up as well as it has been doing of late.

Regarding the Pennsylvania it is anticipated that the forthcoming annual report will show earnings on the outstanding stock of about 8 per cent, which would mean a margin of considerably [illegible] over the amount required to meet the present 6 per cent rate.

STOCKS SHOWING BEST INVESTMENT YIELD

Present Rank	Stock	Present dividend	Price	Yield on present price
1	[illegible]	[illegible]	[illegible]	6.10
2	[illegible]	[illegible]	[illegible]	6.04
3	[illegible]	[illegible]	[illegible]	[illegible]
4	[illegible]	[illegible]	[illegible]	[illegible]
5	M., K. & T., pref.	[illegible]	111	[illegible]
6	[illegible]	[illegible]	64	[illegible]
7	[illegible]	[illegible]	[illegible]	[illegible]
8	[illegible]	[illegible]	[illegible]	[illegible]
9	N. Y., N. H. & H.	[illegible]	[illegible]	5.84
10	[illegible]	6%	[illegible]	[illegible]
11	St. L. & San F., 1st pref.	[illegible]	69	[illegible]
12	[illegible]	[illegible]	124	[illegible]
13	[illegible]	[illegible]	[illegible]	[illegible]
14	[illegible]	[illegible]	[illegible]	[illegible]
15	[illegible]	[illegible]	[illegible]	[illegible]
16	[illegible]	[illegible]	[illegible]	[illegible]
17	N. Y., C. & St. L., com.	[illegible]	[illegible]	[illegible]
18	[illegible]	6%	[illegible]	[illegible]
19	[illegible]	7%	[illegible]	[illegible]
20	[illegible]	[illegible]	[illegible]	[illegible]
21	[illegible]	6%	[illegible]	[illegible]
22	[illegible]	[illegible]	[illegible]	[illegible]
23	[illegible]	[illegible]	[illegible]	[illegible]
24	[illegible]	[illegible]	[illegible]	[illegible]
25	[illegible]	[illegible]	[illegible]	[illegible]
26	[illegible]	[illegible]	[illegible]	[illegible]
27	[illegible]	[illegible]	[illegible]	[illegible]
28	[illegible]	[illegible]	[illegible]	[illegible]
29	[illegible]	[illegible]	[illegible]	[illegible]
30	[illegible]	[illegible]	[illegible]	[illegible]
31	[illegible]	[illegible]	[illegible]	[illegible]
32	[illegible]	[illegible]	[illegible]	[illegible]
33	[illegible]	[illegible]	[illegible]	[illegible]
34	[illegible]	[illegible]	[illegible]	[illegible]
35	[illegible]	[illegible]	[illegible]	[illegible]
36	[illegible]	[illegible]	[illegible]	[illegible]
37	[illegible]	[illegible]	[illegible]	[illegible]
38	[illegible]	[illegible]	[illegible]	[illegible]
39	[illegible]	[illegible]	[illegible]	[illegible]
40	[illegible]	[illegible]	[illegible]	[illegible]
41	[illegible]	[illegible]	[illegible]	[illegible]
42	[illegible]	[illegible]	[illegible]	[illegible]
43	[illegible]	[illegible]	[illegible]	[illegible]
44	[illegible]	[illegible]	[illegible]	[illegible]
45	[illegible]	[illegible]	[illegible]	[illegible]
46	[illegible]	[illegible]	[illegible]	[illegible]
47	[illegible]	[illegible]	[illegible]	[illegible]
48	[illegible]	[illegible]	[illegible]	[illegible]
49	[illegible]	[illegible]	[illegible]	[illegible]
50	[illegible]	[illegible]	[illegible]	[illegible]

STOCKS SHOWING BEST EARNINGS

Present Rank	Stock	Price	Earning on present price
1	St. L. & San F., 2d pref.	[illegible]	[illegible]
2	[illegible]	[illegible]	[illegible]
3	[illegible]	[illegible]	[illegible]
4	Southern Railway, pref.	71	[illegible]
5	[illegible]	[illegible]	[illegible]
6	[illegible]	[illegible]	[illegible]
7	Buffalo, R. & P., com.	[illegible]	13.25
8	[illegible]	[illegible]	11.60
9	[illegible]	[illegible]	[illegible]
10	[illegible]	[illegible]	[illegible]
11	Southern Pacific, com.	112	[illegible]
12	[illegible]	[illegible]	[illegible]
13	[illegible]	[illegible]	[illegible]
14	Atlantic Coast Line	134	[illegible]
15	[illegible]	[illegible]	[illegible]
16	[illegible]	[illegible]	[illegible]
17	N. Y., C. & St. L., com.	[illegible]	[illegible]
18	[illegible]	[illegible]	[illegible]
19	[illegible]	[illegible]	[illegible]
20	[illegible]	[illegible]	[illegible]
21	[illegible]	[illegible]	[illegible]
22	[illegible]	[illegible]	[illegible]
23	[illegible]	[illegible]	8.20
24	[illegible]	[illegible]	7.80
25	[illegible]	[illegible]	[illegible]
26	[illegible]	167	7.65
27	[illegible]	[illegible]	7.60
28	[illegible]	[illegible]	[illegible]
29	[illegible]	[illegible]	[illegible]
30	[illegible]	[illegible]	[illegible]
31	[illegible]	[illegible]	[illegible]
32	[illegible]	[illegible]	[illegible]
33	[illegible]	[illegible]	[illegible]
34	[illegible]	[illegible]	[illegible]
35	[illegible]	[illegible]	[illegible]
36	[illegible]	[illegible]	[illegible]
37	[illegible]	[illegible]	[illegible]
38	[illegible]	[illegible]	[illegible]
39	D., L. & W.	[illegible]	[illegible]
40	[illegible]	[illegible]	[illegible]
41	[illegible]	[illegible]	[illegible]
42	M., K. & T., com.	[illegible]	4.05
43	C., St. P., M. & O., com.	127	[illegible]
44	[illegible]	[illegible]	[illegible]
45	[illegible]	[illegible]	2.30
46	[illegible]	111	[illegible]
47	[illegible]	[illegible]	[illegible]
48	Rock Island, pref.	45	[illegible]
49	[illegible]	[illegible]	[illegible]
50	Boston & Maine	100	[illegible]

Digitized by Google

UPON PRESENTATION
at the Office of
THE MIDDLESEX BANKING COMPANY
OF MIDDLETOWN, CONN.

DEBENTURES OF Series E17, for 104,400, and Series E23, for 193,900, maturing February 1st, 1912; also Series E18, for $49,750, and Series E24, for $66,350, maturing March 1st, 1912, WILL BE PAID at par with interest to the date of payment.

SUBURBAN HOMES

IF you are interested in suburban homes—call or write us for particulars of our **NEW JERSEY** or **WESTCHESTER COUNTY PROPERTIES.**

NEW YORK CENTRAL REALTY CO.
1328 BROADWAY, Cor. 34th St.
NEW YORK

6% BONDS
Certainty Adaptability Convertibility

NO element of an investment approaches in importance that of *certainty*—certainty that it will conserve and return principal intact, and pay the contract rate of interest. A-R-E 6's have done this for nearly a quarter of a century.

¶ They are adaptable, being issued to return interest on current funds or to provide for saving surplus earnings, returning the latter with interest compounded at 6%.

¶ Their *cash convertibility* safeguards the investor against temporary financial need.

¶ This Company is engaged solely in the business of investment and operation in New York real estate, a stable and profitable investment field, and offers its 6% Gold Bonds in these forms:

6% COUPON BONDS
For those who wish to invest $100 or more
6% ACCUMULATIVE BONDS
For those who wish to save $25 or more a year
Descriptive Booklets and map of New York showing location of properties sent on request.

AMERICAN REAL ESTATE COMPANY
Capital and Surplus, $2,011,247.80
Founded 1888 Assets $23,026,889.87
Room 502, 527 Fifth Avenue, New York

6 PER CENT INTEREST PAID
By Coupon on Bonds Secured by Well Selected New York Real Estate.
"We Deal in No Other Securities"

THE DEBENTURE CORPORATION OF NEW YORK
334 Fifth Avenue New York City

GEORGIA FARM LOANS 6%

Net on first mortgage farm loans in the rich belt of Southwest Georgia. Cotton, corn, oats, wheat, hay, peaches, cantaloupes, and other money crops are produced.
Seventeen years' experience without a loss.
EMPIRE LOAN & TRUST CO.
Americus, Ga.

BENNETT'S
INFORMATION AGENCY

INVESTMENT DEPARTMENT
The wisest men in the United States are those who never make a new investment which they consider good, and never get rid of an old investment which they consider bad, until they have made an investigation of the merits of the investment through BENNETT'S INFORMATION AGENCY.

CONGRESSIONAL INFORMATION
We attend to business at the Treasury Department as well as before Congress, the Courts, and all departments of the United States government, through our Washington office, 38 Corcoran Building, and through our staff of Washington correspondents. If you desire any information from Washington, or any business transacted at the National Capital, we shall be pleased to perform the desired service for our subscribers.

PROBATE DEPARTMENT
Information respecting probate matters, in any town or city of the United States, is furnished to our subscribers gratuitously if the inquiry is answered through the columns of the INVESTOR, or for $2.00 if the reply is by private letter.

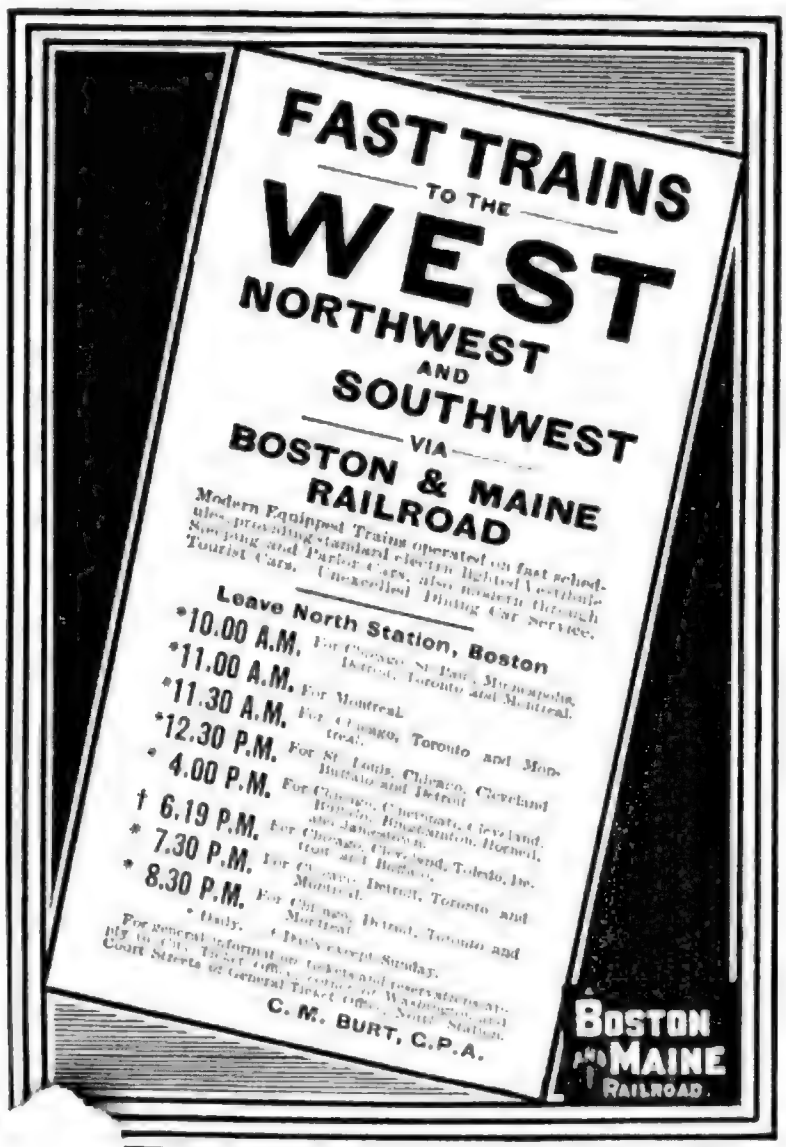
LEGAL DEPARTMENT
Questions answered by prominent attorneys upon any desired subject for $2.00 each.

MERCANTILE DEPARTMENT
A report regarding the standing and reliability of any firm or individual in the United States furnished for $2.00. Our information goes into the character and individuality of members of a firm and its methods of doing business.

MISCELLANEOUS QUESTIONS
Inquiries of any sort answered for $2.00 each. Send for descriptive pamphlet of the agency.

REAL ESTATE DEPARTMENT
A report upon any piece of property in U United States furnished for $2.00.

Conducted by
Frank P. Bennett & Co., Inc.
530 Atlantic Ave., BOSTON.
308 Chestnut St., PHILADELPHIA.
2 Rector St., NEW YORK.



Digitized by Google

BOUND IN LIBRARY

FEB 5 1912

UNIVERSITY OF MICHIGAN
3 9015 08671 8676

Digitized by Google